

DOCUMENT

REGIONAL DEVELOPMENT PROGRAMMES FOR DENMARK 1986 — 1990

3RD GENERATION



**COMMISSION
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PART 1

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I GENERAL INTRODUCTION

1 Characteristics of economic and social development 1981-1985

1.1 General economic development

Throughout the 1970's Denmark became a land with high inflation and with ever-decreasing competitiveness and profitability.

The domestic industries, primarily the public sector and building, showed a marked growth at the expense of competitive industry which decreased during this period. The harsh recession in the international market as a result of the oil price shock in 1979 made it clear that new measures must be taken if economic development was not to go off course. A structural revision of the Danish economy was required. This assumed a considerable improvement in competitiveness, as total domestic demand had to be adapted to Danish production capabilities.

To bring about economic growth in the longer term and thereby reduce unemployment, a high level of investment in industry had to be ensured, as Danish production had to be brought to a point where it could make use of technical developments.

In recent years there has been a considerable change in the production and demand structure in the Danish economy.

In the case of production, the private sector's share of production and employment has increased markedly, while the public sector has mainly remained at the same level as in 1982. In the case of employment there has been a considerable change from consumption, both private and public, to investment in order to form the basis for increased employment.

It has contributed to the growth in Danish exports that the quotas have been relatively high within a number of specialised products where the market has grown relatively strongly. Examples of these are furniture, wooden articles, machinery, electrical apparatus and medicines.

On the other hand it is characteristic that in Denmark there is only a little production and export of the new so-called high-technology products.

A large increase in imports has however led to an unsatisfactory development in the balance of payments which by virtue of continued tight control of the economy may have a moderating effect on future growth.

1.2 General development within a number of main areas.

1.2.1 Gross National Product

For the period 1978 to 1981 combined the growth in GNP in Denmark was considerably lower than abroad, while during 1982 it exceeded the foreign level with a growth of approx. 3% against OECD-Europe's growth of 2%.

The great growth in GNP took place in 1984 with an increase of approx. 4%. During 1985 growth decreased to 2.5%, approximately the same level as abroad (OECD-Europe).

1.2.2 Inflation

In nearly every single year up to 1983 inflation in Denmark has been above the foreign level of inflation (measured by the price rises in OECD-Europe). In 1983 and 1984 price rises in Denmark were roughly on a par with those abroad and in 1985 they will be well below those abroad.

1.2.3 Unemployment

The increase in unemployment which had been greater than that abroad during the years 1979 (9.6% in Denmark) to 1981 (12.3% in Denmark) became less than that abroad after 1982. Since the second half of 1983 (13.6% in Denmark) unemployment has fallen in Denmark and in 1984 it amounted to 12.9%. This tendency is expected to continue.

1.2.4 Income development

The average taxable income was DKr 53 000 in 1979 and rose during the period up to 1983 (most recent statistics) to DKr 76 000, an increase of 43%.

1.2.5 Population development

During the period 1981-85 the population decreased by 0.25% to approx. 5.1 million inhabitants.

1.3 Regional development

1.3.1 Employment

Employment showed regional variations in the years 1980 to 1984.

All the County of North Jutland and the northern part of the Counties of Århus, Viborg and Ringkøbing were considerably worse off than the national average during this period. The same applies to the western parts of the County of West Sjælland, Lolland Falster, and South and West Fyn.

The region around the capital, the Odense region, and also Mid and South Jutland had considerably higher employment.

It could be said that the regional differences greatly increased from 1979 to 1981 and thereafter decreased slowly. This decrease has however been less than the increase from 1979 to 1981 and the regional differences are therefore still greater in 1984 than in 1979.

It is noticeable that the County of Ringkøbing, which had employment near the national average in 1979, has since developed favourably.

Correspondingly Lolland Falster, the western parts of the County of West Sjælland, and South West Fyn, which in 1979 were unfavourably placed in relation to the national average, have had a development which has made their position even worse.

The employment situation in South Jutland has not developed well but since the starting position in 1979 was above the national average the position in 1984 was just a fraction below the national average.

The traditionally greatest area of unemployment in North Jutland has had near-average development and has thus neither improved nor worsened its relative position during the period 1979-1984.

1.3.2 Income development

Income development during the period 1979 to 1983 was positive with a weak tendency towards a levelling out of regional differences in income.

The regional distribution of income is however still very unequal, since in 1983 (latest statistics) only the Metropolitan Region and Esbjerg had average incomes above the national average (DKr 76 000), while the other regions were on average 8.3% below the national average. Of these the areas covered by the regional fund were on average 12% below the national average.

1.3.3 Agriculture, Fisheries etc.

Within the primary sector agriculture plays by far the most important role as far as employment is concerned.

Primary sector employment is highest in the Counties of North Jutland and Viborg, which were far above the national average of 7.5% with an average employment percentage in the primary sector of about 15% in 1983.

The Counties of North-Jutland, Ribe, South Jutland, Fyn and Storstrøm were also far above the national average with average employment of approx. 12%. Primary-sector employment in the areas qualifying for assistance from the regional fund was on average 2-3% higher than in the counties concerned.

In the County of North Jutland, the western part of the County of Viborg, the County of Ringkøbing and the County of Bornholm employment in the fishing industry plays an important role however, as some of the processing industries in the most important fishing ports are connected with fishing. Employment in the areas concerned in the primary sector fell on average by 2% against 3.2% in the whole country.

1.3.4 Industrial development

Industrial jobs moved "westwards" during the period 1980-83.

In 1983 51.2% of all industrial jobs were situated in the 7 Jutland counties, while the corresponding figure for 1980 was 48.5%.

The regional variation in the relative significance of manufacturing industries grew between 1980 and 1983. The Metropolitan Region and the County of West Sjælland contributed to this, having a low level in 1980 and relatively weak development.

The Counties of Ringkøbing, Vejle and Viborg have also contributed to the increased regional difference, having a high 1980 level and relatively favourable development.

Around the beginning of 1984 the Counties of Ringkøbing and Vejle were the most industrialized, while the lowest industrial employment was to be found in the Metropolitan Region and the Counties of Bornholm and West Sjælland.

1.3.5 The service industries

During the period 1980-83 growth in employment in the service industries slowed down greatly compared with the preceding 20-30 years.

Development in the regional variation in employment in the service industries in 1980-83 shows a rather weak tendency towards less geographical difference.

The County of Ringkøbing, which in 1980 had the lowest employment in the service industries of all the counties, has experienced less growth than the national average and hence has further worsened its position in this area, while the County of Århus has improved upon its already favourable position.

The highest employment in the service industries is to be found in the Metropolitan Region, the region of Århus and in the large towns which are the bases for large state institutions such as hospitals, institutions of higher education, county administration etc. It is also especially in these centres that parts of the private service industry such as banks, the professions and hotel and restaurant businesses are represented.

The least employment in the service industries is to be found in the western part of Jutland and otherwise in the country districts.

1.4 The extent of the Danish areas which qualify for support from the European Regional Development Fund.

1.4.1 Enlargement of the Danish areas qualifying for support.

The Danish regional development programmes for the period 1985-1990 include all the Danish regional development areas in accordance with the Government resolution of 1984.

The previous Danish regional development programmes included, in addition to the Greenland area, the Counties of North Jutland and Bornholm and parts of the Counties of Viborg and South Jutland.

The enlargement, which is due to Greenland's withdrawal from the EEC, comprises parts of the following counties: Ringkøbing, Ribe, Århus, Fyn and Storstrøm and also a number of the small islands.

The population in the areas qualifying for support in relation to the regional fund amounts to 24% of the total population of the country.

1.4.2 The municipalities qualifying for support

The demarcation of the Danish regional development areas was approved by the Commission up to and including the end of 1986.

The regional development directorate is at present carrying out a socio-economic analysis of the regional development areas, so that any changes in the demarcation of the areas can be endorsed by the Commission from and including 1987.

The Danish regional development programmes will be reviewed in accordance with this if the case should arise.

The areas qualifying for support from the European Regional Development Fund comprise the following municipalities:

- a. All the municipalities in the County of North Jutland.
- b. The municipalities of Thisted, Hanstholm, Sydthy, Morsø, Sallingsund, Sundsøre, Møldrup, Ålestrup, Fjends, Skive and Spøttrup in the County of Viborg.
- c. The municipalities of Samsø, Mariager, Langå, Nørhald, Purhus, Randers, Rougsø, Sønderhald, Grenå, Nørre Djurs, Midtdjurs and Ebeltoft in the County of Århus.
- d. The municipalities of Thyholm, Thyborøn-Harboøre, Lemvig, Struer, Vinderup, Ulfborg-Vemb, Trehøje, Ringkøbing, Videbæk, Årskov, Brande, Holmsland, Skjern and Egvad in the County of Ringkøbing.
- e. The municipalities of Fanø, Bramming, Holsted and Ribe in the County of Ribe.
- f. The municipalities of Tønder, Højer, Løgumkloster, Bredebro, Skærbæk, Rødding, Nr. Randstrup, Gram, Åbenrå, Tinglev, Rødekro, Lundtoft and Bov in the County of South Jutland.
- g. The municipalities of Ærøskøbing, Marstal, Tranekær, Rudkøbing and Sydlangeland in the County of Fyn.
- h. The municipalities of Ravnsborg, Nakskov, Rudbjerg, Højreby, Maribo, Rødby, Holeby, Sakskøbing and Nysted in the County of Storstrøm.

i. All the municipalities in the County of Bornholm.

j. 28 small islands without independent municipal status.

1.5 National subsidies and loans and subsidies and loans from the Community granted 1981-1985.

The statements concern the counties which qualified for support under the Regional Fund up until 1.1.1985, i.e. the Counties of North Jutland, Viborg, South Jutland and Bornholm.

1.5.1 Regional development assistance

During the period 1981-1985 the regional development law required the authority to provide aid in the form of loans, subsidies or loan guarantees.

Since 1973 regional development support has been granted for a good Dkr 3 billion, for industrial investment totalling Dkr 7.2 billion, representing 40% of the total industrial investment in the regional development areas. It is estimated that this has led to additional employment of 27 000 jobs.

During the period 1981-1985 the following regional development support has been granted in the areas covered by the Regional Fund:

The County of North Jutland:

Regional development support was granted for industrial investment amounting to a total of Dkr 1445 million. Of this a total of Dkr 55.1 million was reimbursed from the EEC's regional fund.

It is estimated that the industrial investment has resulted in the creation of 5332 jobs.

The County of Viborg:

Regional development support was granted for industrial investment amounting to a total of DKr 731 million. Of this a total of DKr 7.1 million was reimbursed from the EEC's regional fund.

It is estimated that the industrial investment has resulted in the creation of 2275 jobs.

The County of South Jutland:

Regional development support was granted for industrial investment amounting to a total of DKr 325 million. Of this a total of DKr 4.7 million was reimbursed from the EEC's regional fund.

It is estimated that the industrial investment has resulted in the creation of 616 jobs.

The County of Bornholm:

Regional development support was granted for industrial investment amounting to a total of DKr 192 million. Of this a total of DKr 3.5 million was reimbursed from the EEC's regional fund.

It is estimated that the industrial investment has resulted in the creation of 385 jobs.

1.5.2 General subsidy and reimbursement arrangements

Introduction

In Denmark the State finances approx. 40% of the expenses which are met by the municipalities.

The transfers from the State to the municipalities fall into two groups: reimbursement arrangements and general subsidies.

In addition there are several intermunicipal arrangements which equalize differences between the municipalities.

Equalization of the municipalities' facilities for maintaining a level of service which does not deviate greatly from the average municipal level of service with an average taxation percentage is mainly achieved by means of the equalization arrangements.

The State refunds 100% of the municipalities' expenditure on retirement pensions and certain other personal payments. As a rule 50% of the municipalities' expenditure on social services is refunded. The direct state subsidies to the municipalities - the general subsidies which are distributed in proportion to the municipalities' taxation base - have amounted to a decreasing percentage of the municipalities' expenditure and in 1986 cover approx. 15% of the net expenditure. In 1987 part of the reimbursement arrangement described above will be changed to general state subsidies whereby this type of financing will again play a more important role in the economy of the municipalities.

The general state subsidy has a neutral effect in relation to the regional economic differences between the municipalities since changes in the total subsidy have the same significance on the taxation percentage in all the municipalities.

Differences between the municipalities are equalized in an intermunicipal arrangement which is however administered and fixed by the State.

The equalization and state subsidy arrangements are described in greater detail below.

The current general subsidy and equalization system

The subsidy and equalization system consists of three elements:

- a) an arrangement for equalizing the expenditure requirement,
- b) an arrangement for equalizing the taxation base,
- and

c) a general state subsidy.

The arrangements will be described in this order.

a) Equalizing the expenditure requirement

A municipality's expenditure requirement is calculated by taking into account a number of factors which affect expenditure: the number of children under school age in the municipality, the number of children of school age, the number of old people, the number of people with special social needs.

The expenditure requirement is expressed in DKr per inhabitant. The average expenditure requirement is - in 1986 - approx. DKr 15 000 per inhabitant.

Equalization consists of municipalities with expenditure requirements below the average paying a contribution to the municipalities with expenditure requirements above the average.

In practice it is only approx. 1/3 of the differences between the primary municipalities which is equalized.

Within the Metropolitan Area there is however a special extra equalization. It is calculated in principally the same way and it means that just under 2/3 of the difference in the expenditure requirement is equalized.

For the counties concerned 4/5 of the differences in the expenditure requirement in all parts of the country is equalised.

b) Equalization of differences in the taxation base

A municipality's taxation base is an expression of how large the incomes and land values are in the municipality.

The national average in 1986 is approx. DKr 60 000 per inhabitant.

Equalization consists of municipalities which have a high taxation base paying a contribution to municipalities which have a low taxation base.

For the differences to be fully equalized the subsidy and liability should correspond to the value of the tax on the differences in the taxation base.

In practice it is only approx. half of the differences between the primary municipalities which is equalized.

In the Metropolitan Area there is however an extra equalization of approx. 30%, so that in all approx. 80% of the differences between the municipalities in the Metropolitan Area is equalized.

For the counties concerned the equalization is approx. 80%.

c) The State subsidy

As stated equalization takes place by the municipalities making payments to each other. In addition to this the State grants a subsidy which is primarily determined historically. It was not considered desirable that the great obligations and burdens connected with municipal reform after 1970 should lead to a growth in municipal taxation and the municipalities were therefore compensated for this by the introduction of the general subsidies.

Today the main role of the state subsidies is to maintain the balance between national and municipal taxation.

The subsidy is also regulated in line with changes in the obligations and burdens which the State imposes on the municipalities. If the municipalities are given a new obligation, the subsidy is increased (the so-called total balance principle).

Finally the state subsidy has been used to regulate the finances of the municipalities.

Since the subsidy is not to be equalized it is divided between the municipalities so that it has the same tax value everywhere. If there were no subsidy, all the municipalities would have to increase taxes by the same amount.

The general state subsidy to the municipalities in 1986 is approx. DKr 3.5 billion and the subsidy to the counties is approx. DKr 11.5 billion.

The Danish Government have however decided that from 1987 a number of social reimbursements will be transferred to the general subsidies.

In accordance with current legislation the municipal block subsidy will therefore amount to approx. DKr 15 billion in 1987 and the county block subsidy will amount to approx. DKr 12 billion.

Reimbursements

In the social field, state reimbursements of the order of DKr 70 billion are provided. Most of this, approx. DKr 50 billion, is paid as 100% reimbursement on expenditure for social pensions (retirement and early retirement pensions), child allowances and maintenance allowance in the event of illness or childbirth. Most of the remaining DKr 20 billion is paid as 50% reimbursement of municipalities' expenditure on social institutions (nursery schools, day nurseries, nursing homes etc.) and social assistance. A smaller part of the amount concerns expenditure on health visitors etc. in the primary health sector.

As mentioned above reimbursements corresponding to approx. DKr 12 billion are to be changed in 1987 to general subsidies. This concerns reimbursements for the social institutions and the primary health sector. Calculations of the effect of the change as far as regional finances are concerned show that the change does not significantly change the distribution of the burden between the municipalities.

Special subsidy arrangements

In addition to the general arrangements described above, the state grants various subsidies to municipalities with special economic problems.

This is a matter of subsidies to disadvantaged municipalities which are for relieving special economic problems which have resulted in a high tax burden and other special problems. The special problems arise in particular when the municipalities have extreme criterion-values, for example many old people or many school children, or where the taxation base is very low. This subsidy is distributed as is deemed necessary. In addition subsidies are granted for shipping services to certain small islands, for municipalities with particularly many immigrants and, to a limited extent, to individual municipal development projects and the like. Finally in the area of health, various specific subsidies are granted for dialysis and other special functions.

Table 1. Summary of general subsidies to the ERDF-areas
for the period 1981-85

DKr 1000	1981	1982	1983	1984	1985
Storstrøm	350 843	394 520	402 926	444 431	409 954
North Jutland	2 297 298	2 614 652	2 695 484	2 857 360	2 713 029
Bornholm	243 065	272 754	278 723	298 501	282 240
Fyn	121 583	138 928	141 184	160 733	149 044
South Jutland	551 895	633 645	665 212	705 242	677 227
Ribe	291 811	338 490	348 117	366 998	343 423
Århus	724 485	835 620	858 959	913 345	868 038
Viborg	731 102	844 396	879 809	942 493	859 936
Ringkøbing	379 188	440 508	449 041	478 770	453 530

1.5.3 Support from the European Regional Development Fund

In accordance with the resolution of the Danish Government, during the period from 1981 to 1985 the Danish share of the regional fund was used in the following way:

- a) The greater part of the Danish share, around 80%, was to be used for projects in Greenland.
- b) That part of the quota which was left for the rest of Denmark was to be used to support commercial investment and to support investment in infrastructure in a minority of the Danish regional development areas.

Following Greenland's withdrawal from the Community as of 1.1.85 the Government resolved that the reduced Danish share of the regional fund was to be used in all the Danish regional development areas.

The subsidies from the regional fund for the period 1981-85 for the Danish areas previously qualifying for support and for 1985 for the areas included in those qualifying for support as of 1.1.85 are shown below.

In the period 1981-85 subsidies were granted totalling DKr 196 million for the partial financing of capital costs of DKr 540 million in connection with 54 infrastructure projects in the Counties of North Jutland and Bornholm and part of the Counties of Viborg and South Jutland.

In addition in 1985 subsidies were granted totalling DKr 31 million for the partial financing of capital costs of DKr 66 million in connection with 14 infrastructure projects in parts of the Counties of Ringkøbing, Ribe, Århus, Fyn and Storstrøm.

Table 2. Distribution of ERDF support for the period 1981-85

ERDF-.	Number of projects	Subsidy (millions)	Total investment
North Jutland	20	130.0	346.0
Viborg	18	22.0	60.0
South Jutland	10	28.0	80.0
Bornholm	6	16.0	54.0
Ringkøbing*	3	12.5	25.0
Århus*	6	12.5	25.0
Ribe*	2	2.3	7.5
Fyn*	1	1.2	2.5
Storstrøm*	2	2.8	5.6
Total	68	227.3	605.6

*Only subsidy in 1985.

1.5.4 The EEC's agricultural policy/EAGGF's subsidy schemes

The agricultural structure policy is of special regional interest because of economic assistance for the modernization of agricultural undertakings and assistance for structural projects in connection with the processing and marketing of agricultural products. The two schemes referred to are supported by EAGGF's development section.

Community assistance for the modernization of agricultural undertakings amounts to 25% of the approved measures.

Assistance for structural projects only covers the secondary sector of agriculture (dairies and slaughterhouses), and is allocated on the basis of sector programmes containing an analysis of the conditions in the sector and region concerned, together with a statement of expected development over the next 3-5 years.

By far the largest part of the assistance is received in Denmark by the slaughterhouse and dairy sector.

The regional effect of the two forms of assistance becomes noticeable in areas of high agricultural production - animal production in particular.

The areas covered by the Regional Fund include the Counties of North Jutland and South Jutland. Here there has been a slowing-down in the reduction of employment in rural districts, both directly in the agricultural sector and indirectly in undertakings that supply agriculture with feedstuffs and fertilizers and process agricultural production.

Within the counties that include areas covered by the Regional Fund, total planned investment amounted to DKr 1185 million, of which the EAGGF is expected to grant a subsidy of approx. DKr 300 million.

Total planned investment amounted to DKr 1185 million, of which the EAGGF is expected to grant a subsidy of DKr 300 million.

Table 3. EAGGF subsidies for development plans 1981-84

County	Development plans	DKr million
Bornholm	5	4.0
South Jutland	240	222.0
Viborg	137	111.0
North Jutland	214	184.0
Total	596	521.0

Within the areas referred to above the following investment in structural projects was made during the years 1981-84:

Table 4. EAGGF subsidies for structural projects

County	Structural projects	EAGGF subsidies
Bornholm	50.0	7.8
South Jutland	54.0	6.7
Viborg	51.0	9.3
North Jutland	152.0	24.6
Total	307.0	48.4

1.5.5 The European Investment Bank's activities in the areas covered by the Regional Fund (ERDF-areas)

During the years 1981-84 the European Investment Bank granted loans to Denmark amounting to DKr 6487 million, consisting of DKr 1121 million in 1981, DKr 1715 million in 1982, DKr 2105 million in 1983 and DKr 1546 million in 1984.

The loans were granted to the Danish Government partly to finance State projects and partly as a global loan for lending onwards to small and medium-sized undertakings, predominantly through the Directorate of Regional Development. In addition, direct loans were granted for large private and municipal projects.

In 1981 the Danish Government took up global loans totalling DKr 75 million for financing small and medium-sized projects in the ERDF-areas. In addition loans granted to State and municipal projects for implementing the Community's energy policy amounted to DKr 932 million.

In 1982 over half of the loans were made available for projects to reduce the Community's dependence upon oil, DKr 820 million. The Danish Government took up a global loan for further distribution to small and medium-sized undertakings in the ERDF-areas totalling DKr 50 million.

In 1983 the Investment Bank's loans for energy projects were doubled to a total of DKr 1704 million. Four new global loans were made available for Danish borrowers for the advancement of small and medium-sized undertakings in the ERDF-areas totalling DKr 50 million.

In 1984 the Danish Government took up a global loan of DKr 40 million for lending onwards to the ERDF-areas, the remaining assistance being granted partly to State energy projects, amounting to DKr 977 million, and partly to Danish National Railways for the electrification of an experimental section of track, DKr 450 million.

In addition to the loans granted by the European Investment Bank from its own funds, Denmark received NCI loans totalling DKr 2741 million during the period 1981-84.

NCI (the new Community instrument for the taking up and granting of loans) loans were granted for investment projects by small and medium-sized undertakings, the rational use of energy and infrastructure for encouraging regional development. DKr 1861 million of the loans granted was used for improving the natural gas network and processing equipment.

It is not possible to give a regional breakdown of the loans granted.

The volume of assistance granted to areas covered by the European Regional Development Fund (ERDF-areas) is of special interest.

In the County of North Jutland, a total of 33 commitments was made during 1980-84 - amounting to approx. DKr 64 million - to smaller and medium-sized undertakings as global loans.

In the ERDF-areas in the County of Viborg, during the same period, there were 25 commitments amounting to a total of DKr 41.2 million.

In the ERDF-areas in South Jutland, there were 5 commitments during the period amounting to a total of DKr 32.8 million.

Bornholm received 3 global loans amounting to approx. DKr 6 million during the period 1980-84.

Concerning large projects within the Regional Fund areas, during the period 1980-84 the following loans were granted: 2 loans totalling DKr 60 million for a marine research centre in Hirtshals, a loan for the widening and deepening of the shipping channel from Ålborg harbour to Kattegat totalling DKr 68 million, 2 loans totalling DKr 15 million for the modernization of Tejn harbour on Bornholm and a loan of DKr 15 million for the modernization of Åbenrå harbour.

2. Prospects for future development 1985-1990

2.1 Economic development

During the period up to 1990 continued positive economic development is expected, and a real increase in GNP is expected to continue at the same level as during the period 1983-1985, i.e. on average 3 - 3 1/2%.

As a special economic development prospect, the production of oil and natural gas in the Danish sector of the North Sea is expected to play an important role in the Danish economy in the years up to 1990.

It is assumed that production will rise by nearly 25% per year on average, so that the value of the production of oil and natural gas in 1990 is estimated to amount to approx. 2 1/2% of GNP (at current prices) against nearly 1% in 1984.

It is therefore assumed that domestic production will meet 50% of energy consumption in 1990.

2.2 The labour market

The continued growth in production is expected to lead to a reduction in unemployment of about 215 000 people in 1990.

The reduction in unemployment is a net result of an expected increase in employment of approx. 105 000 people during the period 1987-1990 and an expected new intake to the work force of approx. 90 000 people.

This projection allows for approx. 110 000 more employed in the private sector in 1990 than in 1985, of which approx. 40 000 in industry.

2.3 Bottleneck problems

In a situation where the private sector is looking for extra workers there is a risk of there being bottleneck problems.

This is due to the fact that for the past 20 years the education system has been mainly designed to meet the growing demand for workers from the public sector.

Considerable demands will therefore be made for the labour market and the education system to adapt.

If the private sector cannot have its demand for a qualified work force met in the years to come there is partly a danger of pressure on salaries in the areas where there are shortages and partly a danger of lower rises in productivity if it should become necessary to use labour without the proper qualifications.

2.4 Regional prospects

The question is whether industrial development can be expected to continue to favour the Jutland fringe areas in particular or whether on the contrary there are signs that in the future expansion will take place in other parts of the country.

In the rather longer term it could be possible that development will change in character.

There are possibly grounds for a certain scepticism as to whether industrial expansion will be concentrated in the Jutland fringe areas to the same extent as during the 1970's.

One of the circumstances which could be an ever greater problem in the future for industries in the fringe areas is access to skilled labour in the individual localities.

Some of the most important reasons for this include:

- Decentralisation and moving towards the west of industrial production has not resulted in a corresponding movement of educational institutions. This applies especially to higher education.
- The demand from industry for highly qualified labour has been - and will continue to be - on the increase and higher education in particular is concentrated around Copenhagen, Århus, Odense and Ålborg.
- The geographical mobility of the work force will probably continue to decrease, among other reasons on account of the increasing employment of women.
- For labour with both technical and economic training there is a favourable employment situation which makes it extra difficult for undertakings situated far from the educational institutions to attract these types of labour, which are among the most sought-after of those with higher education.

The regional distribution of employment in the service industries shows a concentration in the large urban communities and in the eastern part of the country.

Those parts of the country which do not have large urban communities and which are situated in remote areas have, in addition to employment in agriculture and fishing, in the main only employment in manufacturing industries as an alternative to enable them to maintain the economic activity of the population and maintain reasonable standards of living. Employment in the manufacturing industries in these areas must therefore be increased so that it amounts to a far greater part of total employment than in the rest of the country.

Areas dominated by individual large undertakings or characterized by a pronounced industrial monostructure (the textile industry, fisheries, shipbuilding industry, the timber and furniture industry) must be developed in the direction of a more differentiated industrial structure in order to reduce sensitivity to the state of the market and thereby reduce the risk of serious regional development problems.

2.5 Fisheries

It is still too early to give a precise evaluation of the effects of the Community's fisheries policy upon production and employment in the areas of Denmark which are dependent upon fisheries, among other reasons because the importation of raw materials must be taken into consideration.

It is however obvious that the regulations laid down will mean a reduction in production and employment.

An attempt can be made to counteract this negative effect by fishing for species which are not endangered and are not therefore subject to restrictions. This presupposes an alteration in fisheries and the fisheries industry which would require previous research and product development.

In addition there could be a higher level of improvement to known products.

The mandate of the Board concerning the carrying out of special community action with regard to the regional development of areas affected by the common fisheries policy includes the areas in Denmark which are greatly dependent upon fishing situated in the previously mentioned areas characterized by a difficult socio-economic situation.

This creates important assumptions for compensatory development in these areas.

Putting the guidelines laid down by the Community for the special Community action into the form of a programme was begun in co-operation with the regional authorities and the programme is expected to be put before the Commission by the end of 1986.

3. Regional policy

3.1 Main elements

Industrial policy and labour market and education policies form the most important links between general economic policy and regional policy.

The geographical dimension in regional policy is contained in national planning policy and regional development policy.

Regional development assistance and assistance from the EEC's Regional Fund represent important implementation instruments in the regional policy.

3.2 Main goal

Even if regional development assistance has had a favourable effect upon development in the weaker areas, the goal has not yet been reached.

The demarcation of the regional development areas has been changed several times to ensure that the law's assistance benefits the regions which are the most poorly developed.

By calculating the level of development in accordance with different criteria (employment, levels of income, degree of industrialization, the importance of the service industries, the distribution of different age groups and the extent of industry) it has been found that there are still marked differences between parts of the country which provide ample justification for continued regional development assistance to the weaker areas.

In the regional development areas considered together, the unemployment percentage has been 22% above the national average in recent years and taxable income has been 13% lower than in the country in general.

The main aims of regional policy are therefore still to encourage development in the weaker regions, including encouraging the use of modern technology in manufacturing industries and the development of new products intended for the international market.

3.3 Development strategy

In order to maintain and develop Danish production in growth areas it is vital that undertakings in general but in particular in the weaker regions are encouraged to invest in the new production processes which modern technology can offer.

Industrial policy and the contribution of the State in research and education must to the highest possible degree encourage industries to move into growth areas.

In the field of industry, industrial policy will be redirected to a greater extent from solving the problems in industries hit by crises, including interest assistance arrangements, towards increased contributions concerned with structural policy directed towards research, education and renewal of technology.

The technological development programme is an example of such a change. Approx. DKr 1.5 billion has been earmarked for this programme for up until the end of the 1980's.

Within the framework of the EEC, Denmark is also participating in a number of large research programmes which will also contribute to breathing new life into industry. These include programmes within the fields of computing, information technology (ESPRIT), basic technical research and the use of new technologies (BRITE), biotechnology and energy.

At national level, an effort is being made to develop the two largest centres in the weakest areas, Esbjerg in the south-western part of Jutland and Ålborg in North Jutland, into provincial centres containing a number of main service facilities etc. on an equal footing with Århus in East Jutland, Odense in Fyn and Copenhagen which is both a provincial centre and the national centre.

Within the individual regions an effort is being made to build up a network of towns in a hierarchy with in principle one regional centre supplemented by a number of smaller centres of decreasing size.

The aim is to create a fair and varied supply of labour, jobs, public and private services, energy and transport within a given geographical area. In the national assistance areas there are considerable difficulties associated with realizing this development strategy, where for example the supply of public services in a number of areas of education is below that assumed by regional planning.

As a link in the national strategy for the development of the weaker areas, stress is therefore laid upon giving priority to the development of the weakest centres.

In general development within the manufacturing industries in the weaker areas must be encouraged to constitute a greater share of total employment than the national average to compensate for the lack of public jobs.

3.4 Important partial goals in regional policy

- to form effective and flexible frameworks for industrial development by means of planning at regional and municipal level,
- to encourage co-ordination between local industrial development and local work-orientated education,
- to encourage the use of information technology in small and medium-sized undertakings which dominate the weaker regions,
- to consider regional development problems in the administration of general measures to encourage technology,
- that when granting assistance within the national support areas corresponding to the areas covered by the ERDF, an attempt is made to achieve localization which is appropriate for industry and which fits in with other measures to encourage development which the State has implemented or considers implementing.
- that the development of the 27 small Danish islands which amount to a special support area is to be encouraged as much as possible, partly by means of financial support and partly by positive discrimination in administrative affairs.

4. Public investment programmes and resources

4.1 National investment of importance for the regions

A high level of investment in the private sector is required if production and employment are to be increased.

A considerable part of the investments which are included in the public investment programme contribute towards achieving the required infrastructure.

This is a matter of investment within the traffic and communication sectors, investment in supply systems for e.g. gas and electricity and the investments which are implemented by licensing the utilization of Danish energy resources in the North Sea.

The investment programme comprises government and municipal investment and also investment in licensed companies. In addition private investment is included which is subject to public regulation, including publicly assisted building.

- The investment programme is composed of two parts, a basic
- programme containing the investment projects which have already been included in budgets and agreed upon with an estimate of a realistic course of investment during the period 1989-94 and also a supplementary programme of projects which are still being considered.

Table 5 The public investment programme 1984-94

Price and wages level 1985	1984	1985	1986	1987	1988	1989-94 average per year
Budgets/projections	12.1	14.8	12.9	12.7	10.3	9.5
Energy supply						
Traffic	5.8	5.6	5.5	5.5	5.3	5.4
Communications	3.2	3.1	3.1	3.0	2.9	2.8
Housing	7.2	7.6	7.6	7.6	7.6	7.4
Services etc.	14.9	15.9	15.6	14.6	14.3	13.6
Total	43.2	47.0	44.7	43.4	40.4	38.7
Supplement						
Bridge for road and rail over Store Bælt*	-	-0.0	-0.2	-0.2	-0.2	1.5
Hybrid network	-	0.3	0.5	0.6	0.5	0.2
TV-2	-	-	0.2	0.2	0.1	-
Housing area	-	-	-0.1	-0.4	-0.6	-0.6
Total	-	0.3	0.4	0.2	-0.2	1.1
Investment programme including supplement	43.2	47.3	45.1	43.6	40.2	39.8

* Extra expense compared to implementation of combining ferry services.

Source: Budget statement 1985

4.2 Special regional support arrangements

Regional development support

In February 1985 the Danish Government passed a new law concerning regional development support which among other things abolished low-interest loans as a means of support along with a couple of seldom used financing instruments of lesser importance.

As compensation, total resources for support in the form of subsidies were increased, to the subsidy value of the low-interest loans for 1984.

Subsidies cannot exceed 25% of capital costs but in priority areas this is increased to 35%.

The potential for giving investment loans to municipalities for partial financing of industrial building for sale or rent is maintained at the same level as before.

There will continue to be financial assistance in the form of global sub-loans from the European Investment Bank.

It is expected that approx. DKr 600 million will be used in support during the period 1986 to 1991 as capital subsidy, while it is expected that approx. DKr 130 million will be granted in loans to municipal industrial building. It is expected that support will be granted to the small islands (traffic support etc.) amounting to approx. DKr 55 million within the same period.

4.3 ERDF resources

ERDF resources (at present approx. DKr 80-100 million per year) are intended for use within all the national support areas. An effort is made to distribute the resources fairly, which means that approx. 2/3 will be used within the priority areas.

Approx. 40% of ERDF resources is intended to be used for industrial investment, mainly for industries with high use of technology and export-oriented production.

Special importance will be placed upon the question of employment and also the matter of diversification in the area of industry.

The remaining 60% of the ERDF resources is intended to be used mainly for assistance for the financing of infrastructure construction directly linked with industrial development.

Stress will be put upon encouraging in general small and medium-sized undertakings to make use of modern technology and also upon the removal of obstacles within the field of communications where this is of special significance for the development of industry.

It is the intention to use to an ever greater extent national programmes of interest to the Community in connection with encouraging development within the ERDF-areas.

The support resources in connection with the special fisheries action (approx. DKr 100 million over 5 years) are intended to be used within the given framework in such a way that total investment during the period of the programme amounts to approx. DKr 500 million.

5. Implementation

The implementation of regional development programmes takes place in co-operation between the central and the regional authorities.

The programmes are for guidance only and can be altered or changed as a result of statutory reviews of the regional plans approved by the Government.

The regional programmes' investment plans are likewise of an advisory nature and can be adjusted in connection with annual regional budgeting.

The elected county councils are responsible for the preparation of proposals for the regional development programmes in accordance with the centrally approved regional plans.

Central acceptance of the development programmes of the regions qualifying for support and concrete proposals for support from the EEC's regional fund takes place in a committee under the Ministry of Industry representing the Prime Minister's Department, the Ministry of Foreign Affairs, the Ministry of Finance, the Ministry of Labour, the Ministry of Agriculture, the Ministry of Fisheries, the Directorate For Regional Development and the Ministry of the Environment.

On the initiative of the Regional Development Directorate annual meetings are held between the individual county councils of the areas qualifying for support, the Regional Development Directorate and the Planning Board, where the county councils' proposals for projects and programme initiatives for putting into effect the regional development programmes are given preliminary priorities.

The result is then placed before the central committee under the Ministry of Industry where the final allocation of priorities takes place before the annual applications are sent to the Commission.

II REGIONAL DEVELOPMENT PROGRAMME

THE COUNTY OF NORTH JUTLAND

This county, which is the most northerly in Denmark, covers an area of 6172 km² with a population of 482 000, which corresponds to a population density of 78 people per km². North Jutland is the country's largest county measured by area and the fourth largest measured by population.

Administratively, the county is divided into 27 municipalities, of which the largest - Ålborg - has 155 000 inhabitants. It is therefore the country's fourth largest urban area. In addition, the county has two large boroughs - Hjørring and Frederikshavn - each with more than 30 000 inhabitants.

The entire county is a special regional development area and the Government has decided that the county as a whole will continue to fall under the European Regional Development Fund.

The adopted regional plan for North Jutland divides the county into 7 regions. The regions have characteristic differences in industrial structure, since some regions are dominated by agriculture, others by fishing and others by industry. The division into regions is based partly upon information about commuting conditions and partly upon historical conditions based upon commerce. The regions are defined in such a way that home to workplace commuting mainly takes place within the same region.

Against the background of the regional divisions a network of towns has been appointed which will act as regional and municipal centres and as localization points for industry and public and private service.

1. Social and economic development

a. General development

Population

During the period 1980-85 the population has increased by 0.1% to 481 963. The marked net migration into the county throughout the 70's has decreased considerably and this combined with the falling birthrate has resulted in a small increase in population.

During the same period the population of the country as a whole has fallen by 0.2%.

Table 1. Population development 1980-85

	1980	1985	1980-85	
			Absolute	%
The county	481.335	481.963	628	+0,1
The whole country	5.123.989	5.111.108	-12.881	-0,25

Source: D.S. Population

Population development in the individual regions has been different, since the western regions and Hjørring have had a decline while the other regions have made a little progress.

Table 2. Population in the regions

Region	1980	1985	Growth as %
Frederikshavn	69.527	69.943	0,6
Hjørring	67.868	67.322	-0,8
Brønderslev	20.290	20.258	-0,2
Ålborg	237.557	238.572	0,4
Hanherred	16.929	16.781	-0,9
West Himmerland	31.840	31.317	-0,5
Mariager Fjord	37.684	37.790	0,3
The County of North Jutland	481.335	37.790	0,1

Source: D.S. Population in the municipalities as of 1st January
each year.

In relation to the centre classes in the regional plan, the growth in population has been linked to the provincial centre and regional centre municipalities, whereas the regional centre municipalities under development and the municipal centre municipalities have had a fall in population.

Table 3. Population divided by classes of centre

	1980	1985	Changes as %
Provincial centre	153.948	154.750	0,5
Large regional centres	103.556	103.946	0,4
Small regional centres	133.323	132.983	-0,3
Municipal centres	90.508	90.284	-0,3
The County of North Jutland	481.335	481.963	0,1

Source: D.S. Population

Employment development

During the period 1981-83 the total employment situation became a little worse. In Denmark as a whole employment fell by 0.04% against approx. 0.3% in North Jutland.

Development in the individual main industries shows a slight differentiation.

Table 4. Employment development

Number of employed people living in the area.

Areas	Agriculture		Manufacture, building and construction		Service, transport, commerce		Total	
	Absolute	%	Absolute	%	Absolute	%	Absolute	%
Qualifying for ERDF support:								
1981*	28 937	13.0	60 184	27.0	133 387	60.0	22 508	100
1983*	27 982	12.3	58 765	26.0	139 668	61.7	226 415	100
1981-83**	-955	-3.3	-1 419	-2.4	+6 281	4.7	3 907	1.8
North Jutland:								
1981*	-	-	-	-	-	-	-	100
1983*	-	-	-	-	-	-	-	100
1981-83**	-	-	-	-	-	-	-	-
The whole country:								
1981*	195 743	7.6	649 559	25.2	1 730 028	67.2	2 575 330	100
1983*	189 472	7.5	640 827	25.2	1 712 403	67.3	2 542 702	100
1981-83**	-6 271	-3.2	-8 732	-1.3	- 17 625	-1.0	- 32 628	-1.3

* Relative share

** Growth percentage

Source: D.S. S:E. Labour market.

In North Jutland, as for the country as a whole, employment development has been characterised by a decline in agriculture and in the building, construction and manufacturing category. However development in this category covers two contradictory tendencies, since the manufacturing sector has shown a growth in employment during this period while the building and construction sector has had a fall in employment due to its extreme sensitivity to the state of the market and high interest rates. The service, transport and commerce industries have contributed positively to the development in employment. Within manufacturing industry development during the period 1981-1984 has been different in North Jutland to that in the rest of the country.

Table 5. Employment structure in industry.

	North Jutland		The whole country		Change 1980-84	
	1980	1984	1980	1984	North Jutland	The whole country
	%	%	%	%	%	%
Production of raw materials	0.6	0.7	0.3	0.3	17.5	-11.5
Food, drink and tobacco	27.6	26.7	19.5	19.8	16.4	0.8
Textiles and clothing	5.3	4.8	7.6	7.8	-3.9	1.6
Timber and furniture industry	4.5	4.4	5.7	6.3	3.3	10.5
Paper and printing	5.3	5.1	9.1	8.8	8.1	-3.9
Chemical industry	3.6	4.0	9.4	9.8	16.1	3.2
Stone, clay and glass industry	10.5	9.4	5.7	4.7	-7.9	-19.6
Iron and metal enterprise	1.3	1.3	2.0	1.6	10.1	-19.4
Iron and metal industries	41.0	42.6	39.3	39.6	9.4	-0.3
Others	0.3	0.6	1.6	1.5	104.7	-7.2
Total	100.0	100.0	100.0	100.0	5.0	-1.0

Source: Industrial statistics

In North Jutland employment in industry rose during the period 1980-84 by approx. 5%, against a drop for the whole of Denmark of approx. 1%.

This growth in employment has been especially within the following lines of business: the food, drink and tobacco industries, the chemical industry and the iron and metal industries.

The distribution of employment by type shows that there is a difference between North Jutland and the country as a whole. There are more self-employed and unskilled workers whereas there are fewer salaried workers in the North Jutland employment structure.

Table 6

Type of worker	North Jutland		The whole of Denmark	
	Absolute	%	Absolute	%
Self-employed	30 082	13.4	202 686	8.2
Assisting spouse	7 825	3.5	59 741	2.4
Salaried worker	84 570	37.8	1 136 971	45.8
Skilled worker	27 056	12.1	285 209	11.5
Unskilled worker	54 827	24.5	554 648	22.4
Employed wage-earner but no further information available	19 560	8.7	241 281	9.7
Total in employment	223 920	100.0	2 480 536	100.0

Source: Register-based employment statistics. Specially prepared for North Jutland and "News from Danish Statistics"

In relation to the goals of the regional plan concerning regional urban patterns, the development shows that regional centres, regional centre municipalities during development and municipal centres have become stronger as far as employment is concerned.

Table 7. Employment in industry proper

	1980	1984	Changes 1980-84 %
Provincial centre	14 268	13 637	-4.4
Regional centres	9 078	9 524	4.9
Regional centres under development	7 948	9 657	21.5
Municipal centres	2 011	2 143	6.6
The County of North Jutland	33 305	34 961	5.0

Source: Industrial statistics (own calculations)

In addition there is a tendency towards industrial growth in the weaker regions. In particular the regions Hanherred, West Himmerland and Mariager Fjord have had an expansion in manufacturing industry.

Table 8. Employment in industry proper, 1980 and 1984, by regions in North Jutland.

Region	1980	1984	Change	
			Absolute	%
Frederikshavn	6 256	6 615	359	5.7
Hjørring	4 101	4 330	229	5.6
Brønderslev	1 525	1 490	-35	-2.3
Ålborg	16 472	16 603	131	0.8
Hanherred	757	887	130	17.2
West Himmerland	1 602	1 991	389	24.3
Mariager Fjord	2 592	3 045	453	17.5
County of North Jutland	33 305	34 961	1 656	5.0

Source: Industrial statistics (own calculations) ..

Table 9. Unemployment. Unemployed converted to full-time unemployed as % of the number insured

	1981		1984		1981-84
	Absolute	%	Absolute	%	% increase on absolute figures
The county	27.368	16,6	30.006	16,4	9,6
The whole country	216.588	12,3	240.051	12,9	10,8

Source: D.S. Unemployment statistics.

The unemployment percentage (insured unemployed as % of the total number insured) rose from 12.3% in 1981 to 12.9% in 1984 for the country as a whole and it fell from 16.6% in 1981 to 16.4% in 1984 in North Jutland.

The difference between the unemployment percentage in North Jutland and in the whole of the country is thus almost unchanged and unemployment remains considerably higher in the North Jutland area.

Employment rates in North Jutland are lower than in the country as a whole, especially for women. It is expected however that over the next 5-10 years there will be an equalization in the employment rate for women between North Jutland and Denmark as a whole. This equalization in differences in employment rates means simultaneously a greater net increase in the labour market in North Jutland in the following period than in the country as a whole.

Table 10. Employment rates in North Jutland and in
the whole of Denmark. (Work force as % of the total
population in the age group 16-66.)

	1980		1984	
	men	women	men	women
North Jutland	88.6	67.4	85.6	70.5
The whole of Denmark	86.8	70.9	85.7	72.7

Source: For the 1980 figures: S.E.: Work force and housing survey
1981 (covers the year 1980).

For the 1984 figures: D.S.: News from D.S. for the
whole country and unpublished figures from D.S. for
North Jutland (taken at the end of November 1983.)

Income development

The level of income in North Jutland is below the national average in relation to the rest of the country. Within the region there is however a relatively wide range (see table 13, page 12).

Conclusions concerning regional inequalities - comparison with the country as a whole.

The business structure in North Jutland is different to that in the rest of Denmark. There is over-representation of industry which is in decline as far as employment is concerned. For example there is much employment within the agricultural sector. Making agricultural production more efficient by combining farms into larger farms and also a relative decline in demand for agricultural products have resulted in a reduction in employment in this sector. Since this sector is of relatively greater importance in the total employment picture in North Jutland, this has effected it relatively more.

A corresponding problem exists in industries which are sensitive to the state of the market such as fishing, the building industry, the transport sector and ship-building.

Changes in demand within these industries affect North Jutland relatively more.

These conditions are reflected in the traditional regional development problems:

- unemployment, which is approx. 30% above the national average,
- taxable personal incomes are 10% below the national average,
- the state of the market barometer shows weaknesses in the areas of exports and investment.

Inequalities within the county

The County of North Jutland does not act as one large labour force catchment area. Within the region 7 smaller work force catchment areas/regions can be indentified, c.f. the map on page 3, between which there are differences in the industrial structure, unemployment and incomes.

In certain regions agriculture dominates - for example in West Himmerland. Here the decline in agriculture has had a great effect upon employment. In this region there has been a concentration upon animal production which gives problems in relation to the EEC's agricultural policy concerning animal production.

Table 11. Employment in North Jutland - by region (%)
1.1.1984 (end of November 1983).

Region	Agriculture	Manufacture, building and construction	Service, transport, commerce	Total
Frederikshavn	11.1	28.2	60.7	100.0
Hjørring	16.9	24.1	59.0	100.0
Brønderslev	17.0	26.1	56.9	100.0
Ålborg	7.9	25.9	66.2	100.0
Hanherred	24.2	23.8	52.0	100.0
West Himmerland	20.4	25.1	45.5	100.0
Mariager Fjord	18.7	26.8	54.5	100.0
County of North Jutland	12.2	25.9	61.9	100.0

Source: Register-based labour force statistics (specially prepared for North Jutland (end of November 1983)).

Unemployment also varies between the individual regions:

Table 12. Unemployment in North Jutland by region (February 1985).

(Insured full-time unemployed as % of those insured.)

Region	Unemployment percentage
Frederikshavn	19.1
Hjørring	19.8
Brønderslev	19.1
Ålborg	19.5
Hanherred	24.7
West Himmerland	19.7
Mariager Fjord	20.7
County of North Jutland	19.7

Source: D.S.: Unemployment statistics.

There are also regional differences in taxable incomes.

Table 13. Taxable income (average) in North Jutland by region in 1983.

Region	Income
Frederikshavn	102.7
Hjørring	99.7
Brønderslev	94.5
Ålborg	102.7
Hanherred	88.2
West Himmerland	90.9
Mariager	94.2
County of North Jutland	100.0

Source: Municipal statistical information 1985.

In general this gives a picture of how the industrial structure within the region also results in inter-regional differences in the standard of living.

b. Measures during the period 1981-85

Regional development assistance

During the years 1982-85, the following assistance was granted to the County of North Jutland:

Table 14.

DKr 1000	Capital loans*	Industrial loans*	Investment subsidies*
1982	66 500	9 000	25 300
1983	65 000	18 400	23 100
1984	42 600	6 900	38 100
1985	-	4 300	34 800

* Capital loans, industrial loans and investment subsidies in 1983 and 1984 in accordance with law 219/1972, sections 6, 9 and 10 respectively.

Capital loans were discontinued in 1985.

Industrial loans and investment subsidies in 1985 in accordance with law 88/1985, sections 7 and 6 respectively.

The assisted investment has resulted in the creation of the following number of jobs:

1982	1983	1984	1985
915	929	938	949

Infrastructure investments

The following summary lists the most important infrastructure investments in the national and county framework - and only to a lesser extent the municipal and licensed companies:

- Freight transportation: A new freight terminal has been established at Ålborg East, a new post terminal at Ålborg including sorting and transportation equipment for Ålborg post office amounting to DKr 225 million (the State), and a new cargo and roll-on/roll-off terminal at Ålborg East Harbour for the container business. The annual investment for new construction at the port of Ålborg has been at least DKr 40 million per year (the State) including work on enlarging the channel from Kattegat to the port of Ålborg to 10.4 m in 1984. As area port and main regional port, the port of Ålborg has received approx. 90% of the freight business in the region during the period (excluding ferry freight) and approx. 6% on a national basis.

- Other ports: A number of improvements have been carried out to the State ports in the County of North Jutland, partly in the form of expansion and partly in the form of modernizations. The following state investments were made in 1981-85: Frederikshavn DKr 36.1 million, Skagen DKr 56.8 million and Hirtshals DKr 128.1 million.
- Airports: State investments in Ålborg Airport during the period 1981-85 amounted to DKr 50.7 million, which were mainly for expanding and modernizing the airport.
- Roads: Investments in the trunk road and main road network during the period are divided into approx. DKr 70 million per year for new construction and approx. DKr 150 million per year for maintenance and operations (the State and the county). As a special measure for the western part of the region DKr 21 million (the State) was invested in bridge and dam construction at Sebbesund in 1983.
- Education. In connection with the construction of Ålborg University Centre there was capital investment during the period amounting to DKr 300 million (the State). During the same period the number of students doubled from 2 000 to 4 000.
- The establishment and enlargement of the North Sea Centre. The North Sea Centre was established and enlarged during the period with a subsidy totalling DKr 55 million from the Regional Fund. In addition to providing direct employment for 140 people, the centre has had a great indirect effect upon development in the area. Fishermen and netmakers have perfected their knowledge at the North Sea Centre and visits from abroad have resulted in not only orders for the industrial undertakings but also in research projects, further education and consultancy connected with the fishing sector. In addition it should be mentioned that the North Sea Museum was visited by 300 000 people in 1985.

Combatting youth unemployment

During the period 1981-85 the County Council used approx. Dkr 183 million for combatting youth unemployment. This is three times the amount required by law.

The money was mainly used for job creation projects, courses for young unemployed people, product development, training/practical courses and education and manufacturing programmes.

During the period subsidies were given for approx. 8 000 training/practical places.

Job creation projects have provided jobs for approx. 1200 young people. Some of the projects were set up in co-operation with private undertakings.

The importance of the job creation projects can be evaluated by comparing their effect upon employment with the development in unemployment among the young.

During the period 1981-85 unemployment among the young fell in North Jutland by 14.5%, corresponding to 1600 people.

Compared to the country as a whole, great inroads have therefore been made into youth unemployment in North Jutland, where approx. 75% of the fall is due to the net effect of job creation projects upon employment.

c. Development potential and conditions/probable development up to 1990.

It is expected that in the County of North Jutland there will be an increase in employment up until 1990 of about 5% corresponding to approx. 12 000 jobs.

Table 15. Balance of manpower 1985-90

	1985	1990
Agriculture	26 800	23 800
Manufacturing industry	45 500	49 500
Building and construction	17 000	19 200
Commerce	29 900	30 200
Transport	13 200	14 200
Public services	15 200	18 300
Other private services	9 900	11 200
No information	1 000	1 000
Number employed	230 400	242 300
Unemployed	25 500	21 700
Net commuting to other counties	300	350
Labour force	256 200	264 350

Source: The RIMO model.

With an increase of this magnitude North Jutland could approach the national level for unemployment.

The increase in employment will however be dependent upon how well the undertakings in North Jutland succeed in making use of the opportunities provided by new technology.

The above figures are thus based upon an assumption that industries in North Jutland will manage relatively better than the average. It is therefore necessary to provide support for the use and development of new technology.

New intake to the labour market is expected to increase by up to 3% which means that unemployment will only fall to a lesser extent. Since there are also large seasonal variations in unemployment, it is important that new jobs are created in those sectors where sensitivity to such variations is not so great.

Table 16. Index for employment in 1990. By region. 1985 = 100.

Region/year	1990
Frederikshavn	105
Hjørring	103
Brønderslev	105
Ålborg	105
Mariager Fjord	103
West Himmerland	103
County of North Jutland	105

The greatest increase is expected to take place in the iron and metal industries and the private service industries. This will lead to an increase in employment in the regions of Frederikshavn, Brønderslev and Ålborg in particular.

In the regions of Hjørring, Frederikshavn and Brønderslev it is also expected that there will be an increase in employment in the food, drink and tobacco industries which in the other regions are expected to have falling employment.

The agriculture and fisheries sectors are expected to have falling employment in all regions although relatively less in West Himmerland and Mariager Fjord.

These developments are based upon a projection of employment on the basis of the current trends in, among other things, the economic policy being followed by the Government.

At the same time an evaluation of the consequences of greater investment in the region has not been included in the assumptions.

Special regional investment, where the regional economic resources are concentrated on existing positions of strength by, for instance, developing industrial environments, would result in a better balance of manpower.

Disregarding a few exceptions, as far as infrastructure is concerned there are no great obstacles to hinder the development of North Jutland. The main bottleneck preventing increased employment is the lack of use of new technology in the production processes in many small and medium-sized undertakings. A precondition for this being able to take place is that the required qualified labour can be found. This is not always the case and insufficient education is therefore another obstacle hindering development.

Industrial environments and new techniques.

If the industrial structure of North Jutland is compared to that of the rest of the country a number of differences can be seen. There is a relatively large agricultural sector, from which there is migration to other industries on account of the structural changes in agriculture. At the same time agriculture has a bottleneck problem in that there are difficulties in obtaining qualified workers for the sector.

Agriculture and fisheries production still provides the basis however for a large secondary industry which in spite of general stagnation has succeeded in increasing employment. The iron and metal industries, which are dominated in North Jutland by the shipyards, have also managed to show an increase in employment due to product development even during a global and national crisis for shipyards.

The reason that this positive development in two of the dominating sectors has not solved the employment problems is that it is a matter here of relatively few large undertakings. The industrial structure is otherwise characterized by many small undertakings divided between many industries. In many areas there is a lack of an industrial environment - the closest approach to this is at Hirtshals and Skagen, where the fishing industry has resulted in all kinds of industries associated with fishing being found in these towns. This environment was strengthened by the North Sea Centre.

In its presentation of proposals for industrial policy for the years to come (NORDTEK programme, June 1985) the County Council has therefore recognized that North Jutland's development potential lies in strengthening those parts of industry which already have a strong position in the area. This can be carried out by building up industrial environments and by increasing the use of new technology, information technology in particular.

Industrial environments consist of a network of users, manufacturers and industrial service in one area. The renewal of an undertaking, the introduction of new technology and attempts to enter the export market are not only a matter of creating relationships between undertakings in the limited sense (sub-contractors etc.). They also involve links between the undertakings and the suppliers of technology and between the undertakings, the region's educational system and research institutions.

As was pointed out in the Ministry of Industry's working note of 2nd September 1985 regarding the localization of industry, in the years to come there will be a tendency for high technology undertakings to locate themselves around existing centres of research and knowledge. The supply of educational places will also influence their location.

In recent years a great increase has been noted in industrial jobs in small municipalities with less than 5 000 inhabitants. The increase has not however been large enough to solve these areas' unemployment problems.

If there is no intervention the probable development up to 1990 will be that growth in the small municipalities decreases to the advantage of the larger urban communities, which have more education and service facilities to offer industry.

Education

A precondition for the utilization of the whole region's development potential is therefore that equal access to technology and education throughout the whole region must be ensured. At the same time there must be co-ordination of the education on offer in relation to the demands for new skills made by the introduction of the new technology in the various industrial environments.

In addition to this there must be a more general prevalence of knowledge about EDP and new production methods so that the work force in general is better qualified and motivated to undertake the special training required.

The demands for new training and on-going further education and retraining within and outside undertakings are so varied and change so quickly that the established education systems (for example business schools, technical colleges and colleges for semi-skilled workers) are finding it difficult to meet these demands. It is therefore probable that a number of new enterprises will be set up in the years to come. Since there is no agency at present for co-ordinating these, it must be regarded as necessary that one is established. The County of North Jutland has already taken the initiative regarding this with a proposal for establishing a joint North Jutland Information Board and four local information boards. The aim is that existing and future educational institutions, trade organisations and others interested in industrial training will voluntarily participate in the Information Boards. This voluntary form has been selected since the County does not have any statutory authority to co-ordinate activities in the area of industrial training.

Survey of the development potential

A precondition for achieving long-lasting and self-supporting results by means of a contribution in the field of education and by means of measures which are to increase the use of new technology, is that one must be sure where this contribution is to

be made. At once a picture comes to mind of four strong industrial environments in North Jutland centred around the raw material producing industries, agriculture, fishing, forestry and mining (cement etc.). There is however a need for the identification of strong and weak areas in the North Jutland industrial structure. Industrial environments should be identified in greater detail. Strengths and weaknesses should be pointed out.

The NORDTEK proposals mention two other development possibilities which should also be investigated in detail: public purchasing strategy and marketing of the region in Southern Norway and Western Sweden. In areas where certain types of products are not produced in North Jutland at present, the County can provide support for the establishing of such production by means of a purchasing strategy. In cases where production already takes place the foundations can be laid for further product development by means of closer co-operation.

The marketing of the region in Southern Norway and Western Sweden, especially in the case of Norway because of the pressure on wages caused by the off-shore oil industry, is due to the fact that a number of traditional undertakings might feel that there were advantages in establishing themselves in North Jutland. In the case of both countries this would also give the undertakings the advantages provided by being in the EEC.

NORDTEK co-operation

The development possibilities mentioned above can only be realised on the condition that there is co-operation between all the parties concerned: public authorities, all parts of the labour force, trade organisations, individual undertakings, educational institutions etc. The NORDTEK proposal is therefore that "think tanks" should be set up with as broad a participation as possible - depending upon the topic they are working on - so that the project proposals and the implementation of them has the necessary backing from all those involved.

Natural gas

Preliminary estimates indicate that the planned enlargement of the natural gas network up to and within North Jutland will directly create approx. 1000 new jobs. A precondition for these being filled by labour from the province is that the necessary further education is established.

The natural gas supply will lead to fairer development in the county and to decentralized urban development. Natural gas is also an important factor in the ability to maintain and improve upon the province's competitiveness and employment. It will be possible to use the gas advantageously in a number of undertakings, especially in the fodder and food industries, iron and metal foundries, tile works, cement manufacture etc.

Limfjord

The Counties of Århus, Viborg, Ringkøbing and North Jylland have in co-operation with the municipal associations in the three last-mentioned counties prepared a proposal for the limitation of the discharge of nitrogen and phosphorus into Limfjord. If this is adopted it will mean that in the years to come approx. Dkr 1200 million will be used for purification purposes. A cleaner fjord is a worthwhile environmental goal in itself but the purification will also provide the opportunity for implementing a number of industrial initiatives: the foundations will be laid for the development of tourism in the area around the fjord, fishing in the fjord can begin again and aquaculture undertakings can be established. Finally the purification process itself will provide the opportunity for the development of new purification techniques which could be exploited commercially. The development potential which is created by the purification of Limfjord will be investigated in greater detail, including in what way the EEC's various financial instruments can assist in putting this into effect within the framework of the associated measures.

Projections for the fishing industry in North Jutland

In North Jutland fishing and its associated industries and service industries is of considerable importance for regional employment and income developments.

With the implementation of the EEC's fisheries policy, the development of the North Jutland fisheries is to a great extent linked to developments in fisheries policy, especially developments in fishing capacity - the TAC's (Total Allowable Catches) and the distribution between the EEC countries (the national quotas).

As far as the traditional "North Jutland" species of fish, such as cod, haddock and not least coalfish, are concerned the limitations in recent years upon the fishing possibilities have been an especially sensitive problem for the many North Jutland vessels which carry out this kind of fishing, whether it is purely consumer fishing or combined consumer/industrial fishing.

Fishing in North Jutland is one of the cornerstones in a regional industrial environment where raw material production (fishing), fish processing, service and equipment industries, commerce and transport form an integrated system in which the individual elements affect each other both positively and negatively. For North Jutland as a whole it is important that in the years to come there is on-going technological development in all the elements of the system so that in the more distant future fishing can take part in creating jobs and income for the people of North Jutland.

The importance of the fishing sector for the most northern part of the county and the problems which the Community's fisheries policy create for the region are recognised by the EEC Commission. As a result of this it has proposed that all the municipalities to the north of Limfjord, with the exception of the municipality of Ålborg, are to be included in a special community action which will contribute to the development of new economic activities.

2. Development targets

a. General targets

The County's main target is to maintain the tendency towards a distribution of the employment options which has been observed during recent years. By strengthening the competitiveness of undertakings through the introduction of new technology a general increase in employment can be achieved so that North Jutland's status as a regional development area can be withdrawn within the next 5-10 years. This means that during the period 1986-90 12 000 new jobs are to be created which will mean that with the expected new intake on the labour market and the present level of unemployment, North Jutland will have a level of unemployment corresponding to the national average.

At the same time it will mean that with the intensifying of the use of new technology the foundations will be laid for considerable expansion in employment after 1990.

It is expected that it will be especially in the food, drink and tobacco, sectors and also the iron and metal industry, that the most jobs will be created, but it is a general target that it should take place by means of a strengthening of those sectors which already are in a strong position or where such a position can most easily be developed.

A necessary requirement for realising the above targets is that the work force is trained or retrained so that it can apply the new technology in undertakings. Even if a well-educated work force can therefore be said to be a means of achieving the targets, education itself, and a fair geographical distribution of it, could be said to be of such basic importance that it is a target in itself.

It is the aim as far as infrastructure is concerned to use the resources from the Regional Fund to advance projects which contribute greatly to the meeting of the targets mentioned above or which would cause a bottleneck if they were not put into effect. This target is to be regarded in the light of the limited resources which are available from the Regional Fund compared with the total infrastructure investment which could qualify for support. This means that large very expensive investments which are of decisive importance for the development of the region (for example: gas supply, large road and harbour construction projects, purification plants, hybrid network) will only receive financial assistance from the Regional Fund in a few exceptional cases.

Otherwise see Chapter 3, "Development measures", where certain targets will be listed in connection with a short description of the individual types of infrastructure.

b. Special targets

Regional

As a supplement to the general targets there are two special targets which are linked to the County Council's regional plan, cf. above, concerning area and centre classes. In determining the priorities for which projects are to be advanced with the help of support from the Regional Fund particular attention will be paid to projects from the weakest developed regions in the county and to projects which can contribute to achieving the targets concerning a fair development of the regional centres. This can for example be a matter of providing support for energy projects in outlying areas which will not be reached by the natural gas network.

Tourism, tourist amenities

The development of holiday and leisure amenities in North Jutland is to take place in accordance with the targets and strategies for the area in the regional plan.

It is hoped to expand tourism (both as far as time is concerned and geographically) by giving greater priority to the cheaper forms of holidays ("holidays for all") and by increasing the local population's exploitation of tourism.

Therefore investment should be made in holiday amenities which have the least possible seasonal dependence or which extend the season. The industrial exploitation of tourism is linked to the effect in the commerce and service catchment area where the amenity is located. Guidelines for localization have therefore been drawn up so that tourist amenities are generally located in association with towns with a degree of retail trade. One aim is also that the amenities should be of such a size that they can typically be run as a kind of "family concern". Finally the size, type and location of the amenities are to be subject to a number of considerations which take account of nature and the local population.

In 1985 the County Council adopted a recreation policy with a number of more detailed targets for the 9 recreation areas in North Jutland. For every region a strategy is laid down which is based on utilizing the region's natural resources. For example it is intended to ensure the importance of the West Coast as an international and national tourist area by means of high quality development, that is high standards of comfort, service, entertainment etc. are to be provided for tourists without debasing the natural qualities of the area.

3. Development measures

a. Development measures in the area of infrastructure

The total capital investment in the County of North Jutland is estimated to be in the order of DKr 2000 million per year during the period of the programme (1985 prices). Of this approx. half is estimated to concern projects which qualify in principle for support from the Regional Fund. In 1986 the amount is divided between the different infrastructure categories as follows:

Table 17. Capital investment 1986

	DKr million
Urban development, housing and environmental measures	350
Supply undertakings, collective traffic, harbours etc.	1 100
The Highway Authority	100
Education and the arts	100
Social and Health Authorities	250
Administration, planning and other expenses.	50
Total	1 950

This amount - which as stated above is only an estimate - is to be regarded in connection with the total amount of support from the Regional Fund for infrastructure investment in North Jutland. In 1985 this amount was DKr 25 million.

Below some of the most important individual projects will be described briefly, while emphasizing projects which are considered to contribute in particular to the realisation of the targets mentioned above. Also see the appended list of projects. In addition there is a brief statement about the main aims of the different types of infrastructure project.

Roads

In the opinion of the County Council, the construction of one road is of special importance for the development in the region, namely an extension of the East Jutland motorway to Ålborg. Regional Fund support is not being sought for this project. In addition improvements are expected to the main roads Skalborg-Nibe and Nibe-Løgstør which will greatly improve the road connections between Ålborg and the Løgstør area and be of significance for the development of the western parts of the region. Individual municipal roads are included in the regional road network - especially in and around Ålborg, Hobro, Løgstør, Nibe, Brønderslev and Frederikshavn and also the following municipal roads in open country: Dronninglund-Gandrup, Støvring-Skørping-Astrup.

Ports

There will be continued improvement of the State ports at Frederikshavn, Skagen and Hirtshals in the form of expansion and modernization.

The following investments are expected during the period 1986-89: Frederikshavn DKr 37 million, Skagen DKr 31 million and Hirtshals DKr 70 million.

The County Council support port improvements in general but find however that there should be co-ordination so that the division of functions between the ports reflects regional requirements and so that there is not unnecessary centralization. It is however a target that the port of Ålborg should maintain its position as the country's main port. 90% of the region's sea-freight passes through this port. An area connected with Ålborg East Harbour has been designated for undertakings with special site requirements. A corresponding area has been designated at Løgstør with a view to creating a broader industrial mix in the area - here the potential for a new harbour installation is also being evaluated.

Airports

The modernization of Ålborg airport is expected to involve investment of Dkr 5.4 million in the years 1986-89.

In addition to Ålborg, which is a regional airport, Sindal, Hadsund, West Himmerland in Års and Læsø airfields have been accepted as regional airfields. This results in an acceptable level of service for the whole region.

Industrial areas

An investigation carried out by the County Council in connection with the preparation of the regional development programme shows that for the region as a whole there is sufficient area suitable for development. Regional Fund resources will therefore only be sought for development in special cases. In Frederikshavn, Sæby, Ålborg and Løgstør areas have been designated for undertakings with special site requirements.

Energy supply

In the regional plan it is stressed that North Jutland must have the same chance of being supplied with natural gas as the other regions in the country. The local resources such as excess heat, straw, wood, refuse and biogas are given greatest priority, but only if connection to the natural gas network is achieved.

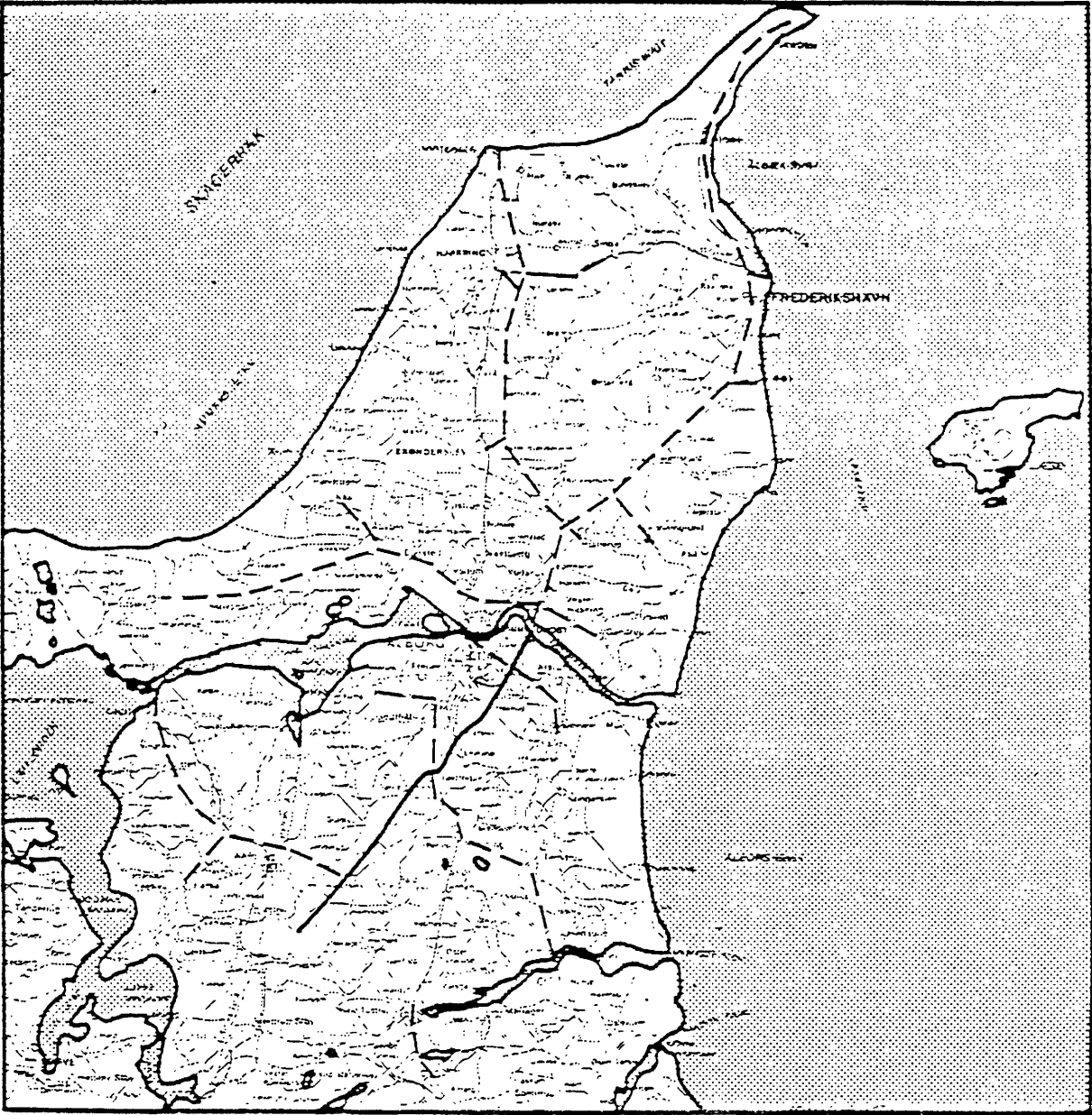
The basic structure in the extension of Mid/North Natural Gas in 1986-87 in North Jutland is an extension of the supply pipeline to Ålborg and Ålborg-Frederikshavn and Dronninglund-Hirtshals distribution pipelines. The other distribution pipelines are to be constructed as branches off these pipelines. The total investment in the North Jutland natural gas network during the period 1986-90 is estimated to be approx. Dkr. 550 million - this amount is for the pipelines which are shown on map no. 1, page 31.

Improvements to power stations and combined power and heating plants are linked closely with the supply of natural gas. It is of great importance for the natural gas project that natural gas-fired combined power and heating plants are set up in North Jutland. The municipality of Hirtshals' plans for such an installation, amounting to approx. DKr 55 million, are an example of this. In addition ELSAM is expected to invest in a natural gas-fired combined power and heating plant in Frederikshavn.

Environmental measures

The County Council's proposals for plans for maintaining the quality of water into which waste is discharged impose demands upon the municipalities for purification measures which will lead to new investment in purification equipment of the order of DKr 600 million during the period 1986-90. Only in those cases where such equipment is of special significance for the industrial development of an area will there be a question of the allocation of ERDF resources. Since it is only in a few exceptional cases that the municipalities have been able to include projects in their investment summaries, these figure only to a small extent in Appendix 1.

Map 1.



————— Natural gas supply pipeline

----- Distribution pipelines
NORDTEK measures

The development measures mentioned below under point 3.b and 3.j fall within the framework of the NORDTEK programme of June 1985 which was described above. As mentioned the programme is a presentation of proposals. The following measures give a rough idea of some of the activities which will be commenced to realise the programme.

b. The North Jutland Industry Board

The Industry Board is an independent institution which provides undertakings with free consultancy assistance regarding for example investment advice, export advice and advice on existing assistance arrangements. The Industry Board is also the secretariat for the North Jutland Heads of Industry Co-operation Group. As a follow-up to the NORDTEK programme's strategy regarding marketing of North Jutland in Southern Norway and Western Sweden activities have been commenced to attract Norwegian investment and it is planned to hold a joint North Jutland exhibition in Oslo in 1986. The activities are expected to be extended to include Western Sweden later in 1986.

c. The Technological Information Centres

These centres, of which there are two in the county, provide technical and economic guidance to undertakings, hold courses and provide guidance on existing assistance arrangements. In addition they arrange contact with more specialised advisers. In connection with the NORDTEK programme the centres are investigating how the existing assistance arrangements for small and medium-sized undertakings can be developed and what can be done so that more use is made of them.

d. North Jutland Development Centre (NJDC)

The NJDC is an independent institution which has the aim of encouraging co-operation between Ålborg University Centre and private and public undertakings. It is expected that in the later phases of the NORDTEK programme NJDC will contribute to the practical implementation of some of the technical development projects which are to be carried out within the framework of the programme.

e. Ålborg University Centre (AUC)

AUC has participated in the formulation of the NORDTEK programme and plays an important role in its first phases. The University's NORDTEK research group is already working upon 9 research projects, all of which are linked to the aims of the NORDTEK programme. To make a quicker start the research projects have been divided up into short-term preliminary projects and more thorough detailed investigations.

f. The North Sea Centre

This was established at the beginning of the 1980's with subsidies from the Regional Fund. The Centre generally concerns itself with research and development projects for the fishing industry and associated industries. The industrial environment around the fishing industry has been strengthened greatly by the North Sea Centre. The experience and knowledge which can be found at the Centre concerning the establishing of such an environment will be used in connection with the development of other industrial environments.

g. The Savings Bank, North Jutland

This has reserved DKr 5 million over a five year period for the advancement of NORDTEK projects.

h. "Think tanks"

In addition to the measures which are mentioned above which will be implemented within the framework of already existing agencies, the NORDTEK programme suggests that think-tanks be set up which are to produce proposals for new initiatives and measures which could be assisted within the NORDTEK programme.

i. North Jutland Information Board

Cf. above point 1c under "Education". Some of the activities of the board, for example those concerning research and the passing on of information, will contribute directly to the implementation of the aims of the NORDTEK programme.

j. Municipal NORDTEK measures

The NORDTEK proposals, together with the Regional Fund statutory instrument article 15, have started a number of initiatives concerning the setting up of common facilities and other support measures to benefit small and medium-sized undertakings. Several municipalities are also working on plans for introducing vocational training especially within the field of technology.

k. Special Community action for the fishing areas

The measures which it is wished to implement within the NORDTEK programme described above are to a large degree identical to the measures which are described in article 4 of the Board's statutory instrument EØF 3638/85. A number of the special appropriations to the areas dependent upon fishing will therefore be used for further strengthening the implementation of the NORDTEK programme. In addition to this, resources will be used in particular for measures to encourage tourism in accordance with the relevant guidelines (see above) and for environmental measures in connection with the implementation of the Limfjord programme.

4. Financial resources

a. Regional development assistance

It is laid down in the annual finance laws what amounts can be provided as assistance in accordance with the regional development law.

Based upon the appropriations in the finance law for 1986, the budget estimates for the years 1987, 1988 and 1989 and the regional distribution up till now of the assistance provided, it is estimated that in the years 1986-89 the following assistance will be provided in North Jutland:

Table 18.

DKr 1000	Industrial loans	Investment subsidies
1986	4 600	45 200
1987	4 600	45 200
1988	4 600	43 200
1989	4 600	43 200

Calculated on the basis of the expected appropriations it is estimated that the investments which will be assisted by regional development assistance in 1986-89 will result in the creation of the following number of jobs:

1986	1987	1988	1989
800	800	800	800

It must be stressed that the above does not take into account the global loans which the Danish Government is expected to take up with the European Investment Bank.

b. Municipal and state investment, licensed companies.

These investments will be implemented within the framework of the individual municipality's/company's budget. The regional authority - the county - has in general no way of influencing the investment decisions financially. Only by means of the selection of projects which can apply for ERDF support is this a possibility.

c. The NORDTEK programme

The resources from the available tax fund will be included as an important part of the resources which can be used for measures which fall under article 15 of the fund's statutory instrument. In addition to this the North Jutland Savings Bank has reserved Dkr 5 million for the advancement of the NORDTEK programme.

A number of measures will also qualify for assistance under the existing national assistance arrangements or from various private funds.

Finally, the municipalities' budgets will set aside money for the NORDTEK projects.

Support from ERDF will play an important role in the implementation of the programme.

5. Implementation

Since the regional plan does not in itself give the County Council a positive means of control, it does not contain programmes for the area which the municipalities administer. The regional plan thus only gives the County Council the possibility of influencing municipal and private initiatives. These will be evaluated and will be approved if the evaluation shows that they contribute to the advancement of the urban patterns and the aims for these laid down by the County Council.

The County Council has however a certain controlling capability in connection with individual projects for which assistance could possibly be sought from the Regional Fund, since in the first instance they are dealt with by the County which recommends priorities in accordance with the aims mentioned above. The further selection of the projects for which assistance is to be sought takes place thereafter in co-operation between the county and the national authorities.

NORDTEK

Projects and measures which fall within the framework of the NORDTEK proposals will be applied for under a common programme application which is to cover the period of the programme. Central in the application will be article 15 measures, but it will also contain physical infrastructure projects which are directly connected to these (for example buildings for common facilities for small and medium-sized undertakings).

The treatment of individual cases which fall within the programme will take place at national level in accordance with the guidelines which are to be laid down in greater detail in co-operation between the local and national authorities. The treatment of individual cases will take place in accordance with the regulations of the Regional Fund's statutory instrument.

A NORDTEK programme application will provide greater possibilities for co-ordinating the many individual activities for which the programme sets the scene. In addition article 15 measures would not qualify for assistance individually from the Regional Fund.

Investment overview 1986-1990 of the projects for which assistance could be sought from the EEC's Regional Fund (for guidance only).

Industrial areas:

Municipality	Subject	Investment 1986-DKr in DKr 1000	1986	Investment			
				1987	1988	1989	1990
				in DKr 1000			
Brønderslev	Handicraft village	12 000	3 000	3 000	3 000	2 000	1 000
	Development of Søndehede Stage 1	3 000		1 500	1 500		
Dronninglund	High technology industrial area	12 000		3 000	3 000	3 000	3 000
	Hjallerup Industry Stage 2	10 000			2 500	2 500	5 000
Farsø	Industrial area at Hvalpsund	700		300	400		
	Industrial area at Ullits	700	300	400			
Fjerrikslev	Handicraft/industrial areas	2 080	260	260	260	1 300	
	Renovating of old industrial property	3 000	3 000				
Hadsund	Industrial areas	9 000	2 000	3 000	2 000	2 000	
	Development of new areas for mink farms	1 620	500	1 120			

Hjørring	Development of industrial sites	3 000	1 600	1 400			
Års	Development of industrial areas	5 700	1 500	1 200	1 000	1 000	1 000
Ålborg	Development to the east of Fr. Bajes Vej	15 000			5 000	5 000	5 000
	Development to the west of Hobrovej	7 500		2 000	2 000	2 000	1 500
Hals	Development of industrial site at the Nefo works	3 500	3 500				
	Development of the industrial area itself at Gandrup	3 500		3 500			

Investment overview 1986-1990 of the projects for which assistance could be sought from the EEC's Regional Fund (for guidance only).

<u>Railways:</u>							
Municipality	Subject	Investment 1986-DKr in DKr 1000	1986	Investment 1987 in DKr 1000	1988	1989	1990
Hjørring	Siding to industrial area	3 000	3 000				
<u>Airfields:</u>							
Års	Widening of runway at airfield	3 000	3 000				
<u>Other infrastructure works:</u>							
Brønderslev	Agricultural experimental and research centre	60 000	15 000	15 000	5 000	10 000	15 000
Hirtshals	Natural gas-fired combined power and heating plant	55 000	25 000	30 000			
Hjørring	Recycling centre	9 000	9 000				
Års	Construction of dam	2 000	2 000				
<u>Development of the tourist industry:</u>							
Farsø	Development of Louns holiday centre	2 500	2 500				

Frederikshavn	Recreation area at Frydenstrand	35 500					
	Tourist paths	8 949					
Hobro	Enlargement of pleasure-boat harbour	1 500		750	750		
Åbybro	Improvements to Gjø1 Harbour	5 720	725	1 836	1 609	892	658
Hals	Construction of road in connection with establishment of hotel and small craft harbour near the town of Hals.	1 000		1 000			

Investment overview 1986-1990 of the projects for which assistance could be sought from the EEC's Regional Fund (for guidance only).

Roads:							
Municipality	Subject	Investment 1986-DKr in DKr 1000	1986	Investment			
				1987	1988	1989	1990
				in DKr 1000			
Arden	Widening of Rostrupvej	5 000	1 000	1 000	1 000	1 000	1 000
Brønderslev	By-pass south/ west of Brønderslev Stage 1	5 000			2 000	3 000	
	Improvements to Østerkærvej	2 500		2 500			
Dronninglund	Dronninglund/ Ulstrupen road	4 000	2 000	2 000			
Hadsund	Road	11 600	2 900	2 900	2 900	2 900	
Løgstør	Bredgade/Denmarksvej re-profiling and strengthening	3 750	1 680	1 050	920		
Sejlfjord	By-pass	3 600	2 000	1 600			
	Road safety	600	400	200			
Sæby	Extension of Pottemagervej to Tolbodvej	2 070	400	910	760		

Års	Extension of Toldebodvej to Pottemagervej	1 030			1 030		
	Extension of Toldebodvej to Solbækvej, Stage 3	5 720			570	3 370	1 780
	Hans Åbelsvej - total replacement of bridge over Sæby river in Sæby.			830			
	Road construction accompanied by work on drains.	19 700	3 500	4 300	4 500	3 500	2 900
	New construction of roads in industrial areas.	6 000	1 500	2 000	1 500	500	500

Investment overview 1986-1990 of the projects for which assistance could be sought from the EEC's Regional Fund (for guidance only).

Training of the work force:								
Municipality	Subject	Investment	1986	Investment				1990
		1986-DKr in DKr 1000		1987	1988	1989	in DKr 1000	
Dronninglund	Centre for Electronics and Innovation (training and research centre)	47 500	4 000	43 500				
Farsø	Combined centre for training and industrial development	5 000		1 000	2 000	2 000		
Fjerritslev	Improvements to centre for tourist/courses/training use.	3 500	3 500					
Hadsund	Training centre	6 000	1 000	2 000	3 000		0	
Hobro	Training and research centre	16 000		8 000	8 000			
Løgstør	Education and residential facilities in connection with the establishment of EDP training for the handicapped	8 000	3 000	5 000				
	Training centre	5 500	2 000	3 500				
Skagen	Training centre	9 000	3 000	3 000	3 000			
Ålborg	Establishment of Computer Centre	10 800	3 600	3 600	3 600			

Investment overview 1986-1990 of the projects for which assistance could be sought from the EEC's Regional Fund (for guidance only).

<u>Improvement of the environment:</u>							
Municipality	Subject	Investment 1986-DKr in DKr 1000	1986	Investment			
				1987	1988	1989	1990
		in DKr 1000					
Dronninglund	Central main water pipe network	10 000		2 500	2 500	2 500	2 500
	Centralising of waste water purification in Aså	8 000			2 000	2 000	4 000
Hadsund	Sewerage system	6 000	800	1 600	1 600	2 000	
Hirtshals	Controlled rubbish dump	1 000	1 000				
Hjørring	Waste water pipe from Tårs to Sdr. purification plant.			2 000	2 600	2 500	
Løgstør	Establishment of purification plant with removal of phosphorus and nitrogen.	6 500	2 300	4 200			
Ålborg	Setting up of controlled rubbish dump	13 000		7 600			1 800

	Establishment of shared water supply at Egholm	1 115	1 115				
Års	Improvements to purification plant.	10 500		4 000	4 000		2 500

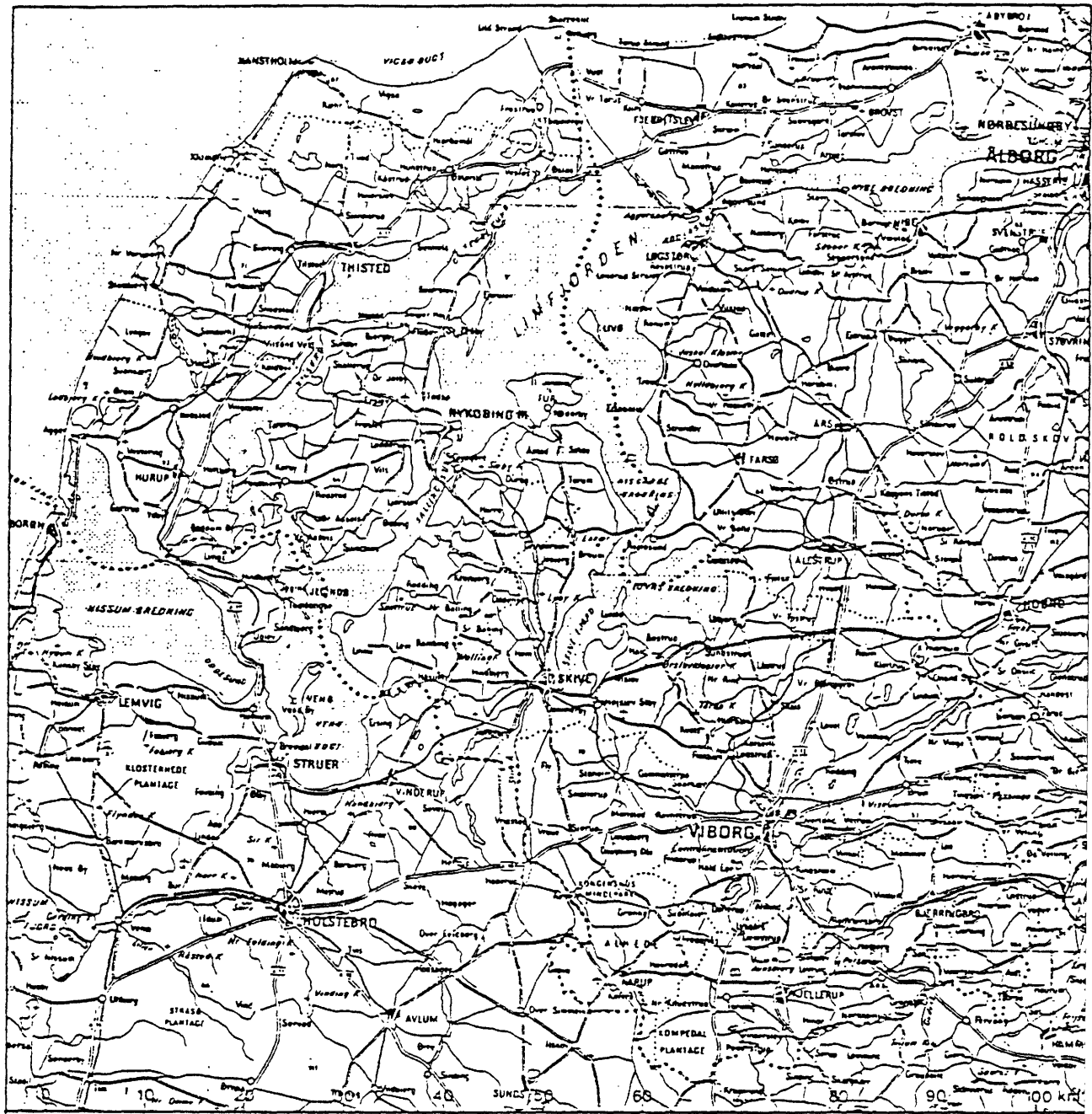
Investment overview 1986-1990 of the projects for which assistance could be sought from the EEC's Regional Fund (for guidance only)

Ports:

Municipality	Subject	Investment	Investment				1990
		1986-DKr in DKr 1000	1986	1987	1988	1989	
			in DKr 1000				
Dronninglund	Aså Harbour	2 200	200	500	500	500	500
Løgstør	Establishment of port facilities and dockyard area	3 000	3 000				
Ålborg	Construction on east side of pier 2 at the East Harbour, Stage 1	17 000			10 000	7 000	
	Preliminary investigations and introductory development of pier 3 at the East Harbour	7 000		1 000	3 000	3 000	
	Construction for firms with special location requirements, pier 3 at the East Harbour	23 000				12 900	13 300
	Construction for manufacturing undertakings etc. at the Vinland Harbour	27 600				12 600	15 000
	Strengthening and increase in depth of the wharfs at the Oil Harbour	10 300			5 300	5 000	
	Depositing site for waste from dredging	9 000	5 000	5 000			

III REGIONAL DEVELOPMENT PROGRAMME - THE COUNTY OF VIBORG

Map 1. The County of Viborg.



Map 2. The municipalities in the County of Viborg.



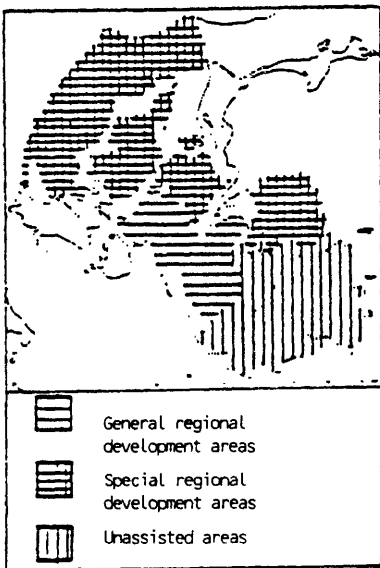
1. Introduction

The County of Viborg covers an area of 4120 km² and as of 1.1.85 had a population of 230 376 inhabitants. The density of population in the county is under half the national average and the second lowest in the country.

The county is divided into seventeen municipalities (see map 2); the smallest of these, Hanstholm, had a population of 5 860 on 1 January 1985, while the largest, Viborg, had a population of 39 221.

Until 1 January 1982 the whole of the county was designated as a general regional development area. In addition, the municipalities of Hanstholm, Thisted, Sydthy, Morsø, Møldrup and Alestrup were also designated special regional development areas. The municipalities of Sallingsund and Sundsøre became special regional development areas with effect from 1 January 1982. A year later, on 1 January 1983, the municipalities of Tjele, Viborg, Bjerringbro, Hvorslev, Karup and Kjellerup lost their regional development area status.

Map 3. Regional development areas in the County of Viborg,
1 January 1985



On 1 January 1985 the Government included all regional development areas, both general and special, in the areas qualifying for assistance from the European Regional Development Fund.

The regional development areas cover a little over two-thirds of the area of the county (2 787 km²), but are inhabited by a little

under two-thirds of the population of the county (approx. 143 000).

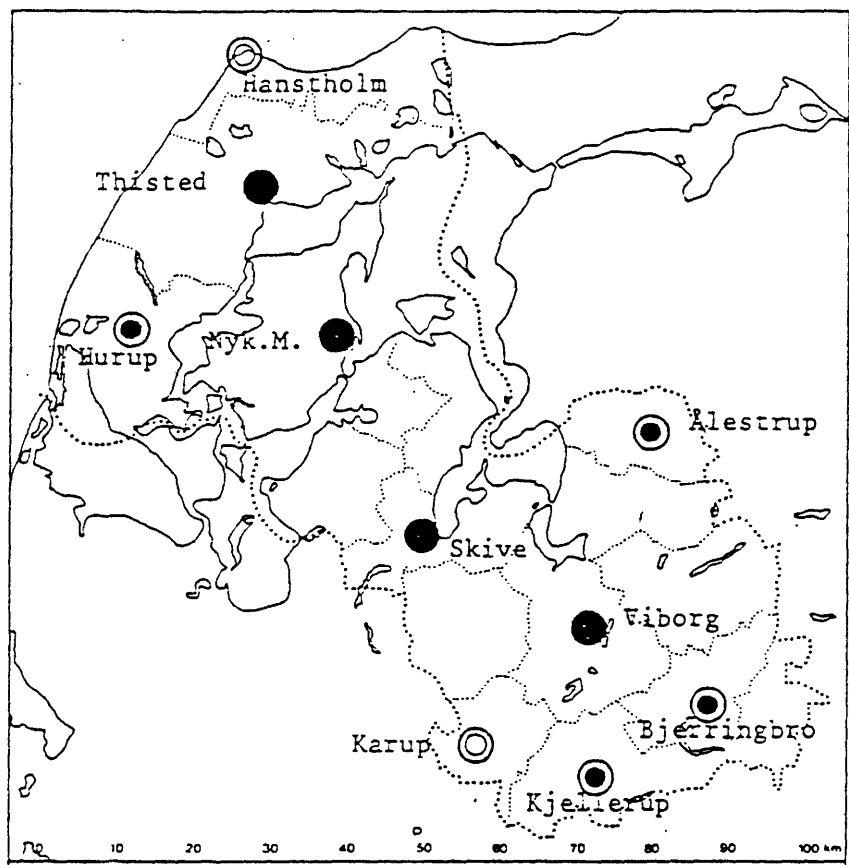
2. Regional Plan for 1985-1996

The main aim of the Regional Plan for 1985-1996, like the Regional Plan for 1980-1992, is to form the basis for fairer development within the county while strengthening development in the county as a whole in comparison with the rest of the country.

The Regional Plan for 1980-1992 was approved by the Ministry of the Environment.

In the Regional Plan for 1985-1996 a network of towns has been designated - 4 regional centres, 4 regional centres under development and 2 municipal centres with special status, c.f. Map 4.

Map 4. The main structure of the Regional Plan



- Regional centre
- ⊙ Regional centre under development
- ⊗ Municipal centre with special status

3 of the regional centres, Skive, Nykøbing Mors and Thisted, 2 of the regional centres under development, Hurup and Ålestrup, and 1 municipal centre with special status, Hantsholm, are situated within the regional development areas.

Municipal centres and local centres are indicated in the municipal plans.

The centre structure of the Regional Plan is an expression of the decentralized development which the County Council and the municipal authorities wish to encourage.

3. Social and economic development

3a. General development 1981-1985

During the period 1981-1985 the County of Viborg had a reduction in population of 0.6%. This is more than double the size of the relative reduction in population of 0.25% for the country as a whole. Population development was unevenly distributed within the County of Viborg, since the regional development areas as a whole had a relative reduction in population of 0.7%, while the other parts of the county had a reduction in population of 0.4%. The reduction in population within the regional development areas was likewise unevenly distributed, since Sundsøre, Morsø, Møldrup, Sydthy and Spøttrup municipalities each had a reduction in population which was at least 3 times as great as the county as a whole, while Hanstholm, Fjends and Sallingsund municipalities had a small increase in population.

The reduction in population in the County of Viborg during the period 1981-85 amounting to 1382 inhabitants, c.f. Tables 1-3 in Appendix 1, is due to the fact that in spite of the relatively high birth rate, there was a net migration from the county of 1697 people in the same period. Within the county migration was distributed unevenly across regional development areas and areas which are not regional development areas, since there was a net migration from the regional development areas of 1063 people during the period 1981-1985, while there was a net migration of 319 people from the other parts of the county.

Map 5. The increase in the population of the municipalities in the County of Viborg during the period 1.1.1980 - 1.1.1985 expressed as a percentage

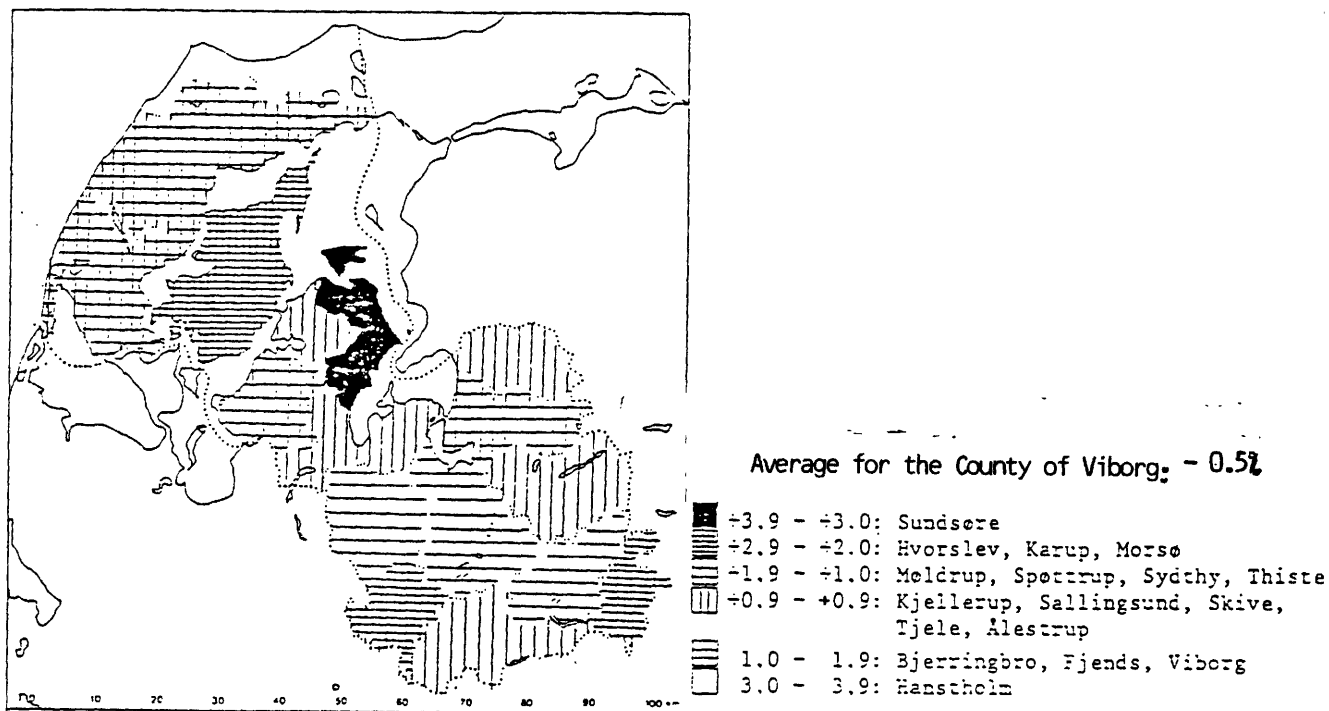


Table 1. Population development 1.1.1981 - 1.1.1985

Areas	1981	1985	1/1 - 1/1 1981 1985	1981-85
Areas qualifying for ERDF assistance	144 343	143 280	-1 063	-0.7
Areas not qualifying for ERDF assistance	87 415	87 096	-319	-0.4
The county	231 758	230 376	-1 382	-0.6
The whole country	5 123 989	5 111 108	-12 881	-0.25

Source: D.S.: The population in the municipalities as per 1st January of the years concerned.

For the county as a whole it is characteristic that the net migration from the county during the period 1981-85 was mainly because many people in the age group 15-24, both male and female, left the county to take up further education places in other parts of the country and that when their education was over far fewer of the young people returned to the county than left it, partly because of a lack of employment opportunities. This lack is caused by the industrial structure in the County of Viborg being distorted compared with the rest of the country, since in the County of Viborg there is over-representation of the primary industries and under-representation of the service industries. Another reason for the net migration from the county is that net migration from the municipalities in the County of Viborg is greater where the municipal economic conditions are poor, as indicated in the report "Development prospects for the County of Viborg", cf. Appendix 2.

The net migration from the County of Viborg has among other things meant that during the period 1981-85 the structure of the population in the County of Viborg has become more distorted compared to the country as a whole. The distortion is that in the County of Viborg there are relatively more children and old people and fewer among the working age groups compared to the country as a whole. This distorted distribution of population will become even greater if net migration from the county continues in the years to come.

The development of the main industries

Industrial development has been characterized by movements from agriculture and fishing via industry and handicrafts to private and public service.

The regional development municipalities in the County of Viborg can in general be characterized as fringe areas at a relatively great distance from the centres of economic strength and growth in East Denmark. This makes the exchange of goods, services and information with those centres very difficult and thereby impedes the industrial development of the regional development areas. However in a few exceptional cases this does not apply.

The industrial structure is dominated by the primary and secondary industries. The service area, private as well as public, amounts to a considerably smaller percentage of the work force than in the country as a whole.

The state of employment in the regional development areas became generally slightly worse during the period 1980-1983 with a reduction in the number of jobs amounting to approx. 100. In contrast to this the number of jobs increased slightly in the rest of the county with approx. 200 extra jobs.

Table 2. Number in employment with residence in the areas concerned.

Areas	Agriculture etc.		Manufacturing, building, construction		Service, transport, commerce		Total	
	Absolute	%	Absolute	%	Absolute	%	Absolute	%
Qualifying for ERDF assistance								
1981*	12 305	19.1	18 049	28.0	34 001	52.9	64 335	100
1983*	11 929	18.2	18 424	28.1	35 246	53.7	65 599	100
1981-83**	-376	-3.1	375	2.1	1 245	3.7	1 244	1.9
The county								
1981*	19 029	17.2	31 582	28.5	60 131	54.3	110 742	100
1983*	18 548	16.4	31 906	28.2	62 525	55.4	112 979	100
1981-83**	-481	-2.5	324	1.0	2 394	4.0	2 237	2.0
The country as a whole								
1981*	195 743	7.6	649 559	25.2	1 730 028	67.2	2 575 330	100
1983*	189 472	7.5	640 827	25.2	1 712 403	67.3	2 542 702	100
1981-83**	-6 271	-3.2	-8 732	-1.3	-17 625	-1.0	-32 628	-1.3

* Relative share

** Percentage increase

Source: D.S.: Statistical information, labour market statistics and already published service tables from D.S.

The worsening of the employment situation conceals large fluctuations.

Employment within the primary industries, comprising mainly agriculture, market gardening and fishing, is relatively higher in the regional development areas than in the other parts of the county and the relative reduction in employment in agriculture has been greater in the regional development areas than in the other parts of the county. However in the municipality of Hantsholm a considerable part of the employment in the primary industries is linked to the fishing industry, where 1000-1700 people are directly or indirectly employed in fishing or in an associated industry, corresponding to approximately half of the total employment in the municipality. In the other municipalities the primary industries mainly consist of agriculture and market gardening.

The prospects for fishing and its associated industries have been somewhat uncertain as a consequence of the fishing industry's problems within the framework of the EEC still not being clarified. The fishing regulations, which include catch quotas, have in certain cases entailed prohibitions on catching certain endangered species. It is still unclear what consequences the changes which have been introduced or which are intended to be introduced will have upon employment in the fishing industry and its associated industries. It is fairly certain however that changes in the conditions in the fishing industry will quite extensively affect employment opportunities in the Thy area - and thereby the development potential of the area - because of the relatively great importance of the industry in this area.

In spite of the uncertain situation regarding the fishing industry, efforts are to be made to utilize the raw material as much as possible, so that reasonable employment can be achieved in spite of seasonal fluctuations and restrictions on catches. Support is being sought for this development through the EEC's assistance arrangements and national assistance arrangements, so that production and cold storage capacity are organised as suitably as possible.

Within manufacturing industries employment constitutes the same share in the regional development areas as in the other parts of the county. This is partly because the absolute and relative increase in employment in the regional development areas has been greater than in the other parts of the county. At the same time there has been a relatively greater fall in employment within the building and construction sectors in the regional development areas than in the other parts of the county, which is partly due to the industry's relatively great sensitivity to changes in the economic situation including, in particular, changes in interest rates.

On the other hand there is considerably less employment in the regional development areas within the service industries, both private and public, where there has been an increase on a national basis during the period concerned.

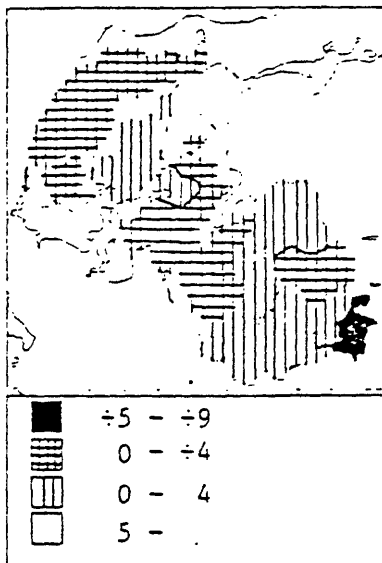
Since employment in the public sector in particular is linked to the larger town centre municipalities, and since the regional development areas have a relatively small share of employment in the service area, this indicates that in this area the municipalities in the regional development areas are all badly placed in times of depression when public institutions normally act as a stabilizing element for employment and incomes.

The fact that the County of Viborg and the regional development areas have had a distribution of industry which was somewhat different from the rest of the country, especially at the end of the 1970's and the beginning of the 1980's, is to a great extent due to the transition from agriculture to manufacturing industry and also partly to service industries having taken place later than in other regions of the country. The picture which appeared after the 1970's is therefore a combination of a simultaneous migration from the land and a great intake of women to the work force while development in other places has been dominated by the growth in the work force and the service industries.

This development suggests that there is no prospect of any imminent equalization of the present regional differences in the industrial structure. This can be seen for example from the fact that the County of Viborg is not catching up with the rest of the country with regard to the part of the population which is employed in the service industries. There is thus a prospect that development in the years to come will involve a continued migration from agriculture to industry and a corresponding gradual growth in the service industries which is unlikely to be stronger than in the rest of the country.

As can be seen in Tables 6 and 7 in Appendix 1, there have also been differences within the regional development areas. In the regional centre municipalities, Skive, Sydthy and Thisted, and also in the municipalities of Fjends, Spøttrup and Sundsøre, there has been a fall in the number in employment while in the other municipalities in the regional development areas, Hanstholm, Morsø, Møldrup, Sallingsund and Ålestrup (the latter is a regional centre municipality), there has been an increase in employment.

Map 6. Percentage increase in employment in the municipalities,
1980-82



The reduction in employment in the municipalities of Skive, Sydthy and Thisted can be explained by the following in particular: a fall in employment in the building and construction sectors in the municipality of Skive, a fall in employment in the manufacturing industries in the municipality of Thisted and a fall in employment in the commerce and restaurant sectors in the municipality of Sydthy.

The increase in employment in the municipality of Hanstholm is due to increases in all the main industries with the exception of fisheries. The increase in employment in the municipality of Morsø is due in particular to the increase in employment in the public sector, while the increase in the municipalities of Sallingsund, Møldrup and Ålestrup is due in particular to an increase in employment within the manufacturing industries.

In spite of the industrial development during the period 1980-83 the municipalities in the County of Viborg can be divided into four categories on the basis of the employment of the population:

- Markedly agricultural municipalities: the municipalities of Fjends, Møldrup, Spøttrup, Sundsøre, Sydthy, Tjele and Ålestrup, where agriculture's percentage of employment was at least 25% in 1983, that is to say equally as great as the average for the county in 1970.

- Industrial municipalities: the municipalities of Bjerringbro, Hvorslev and Sallingsund, where employment in industry and handicrafts is at least the same percentage in 1983 as the average for the whole county in 1970.
- Service municipalities: the municipalities of Viborg and Karup, where the municipality of Karup is however greatly dominated by the air station.
- Municipalities with a mixed industrial structure: the municipality of Skive has an industrial structure where both the service industries and manufacturing industries are strongly represented, while the municipality of Thisted has many people employed in the service industries but also a relatively large proportion in both agriculture and manufacturing industries. This mixed structure is however most pronounced in the municipalities of Hanstholm, Kjellerup and Morsø.

Map 7. Municipalities divided according to industrial characteristics in 1984.



- ▨ Markedly agricultural municipalities
- ▤ Industrial municipalities
- ▧ Service municipalities
- ▩ Mixed municipalities

Commuting

In some of the municipalities both within and outside the regional development areas there is a balance between the number of people employed within the geographical area of the municipality and the number of people in employment who are resident in the municipality. 5 of the municipalities, mainly the municipalities characterized by industry and services, the municipalities of Bjerringbro, Hanstholm, Sallingsund, Skive and Viborg, have been favoured by the location selection of undertakings and public authorities, while the municipality of Thisted has a small surplus of jobs. On the other hand there are 7 municipalities - mainly those which are characterized by agriculture - where there are no jobs for more than 10% of the inhabitants, namely the municipalities of Fjends, Hvorslev, Karup, Møldrup, Spøttrup, Sundsøre and Tjele, c.f. Table 8 in Appendix 1.

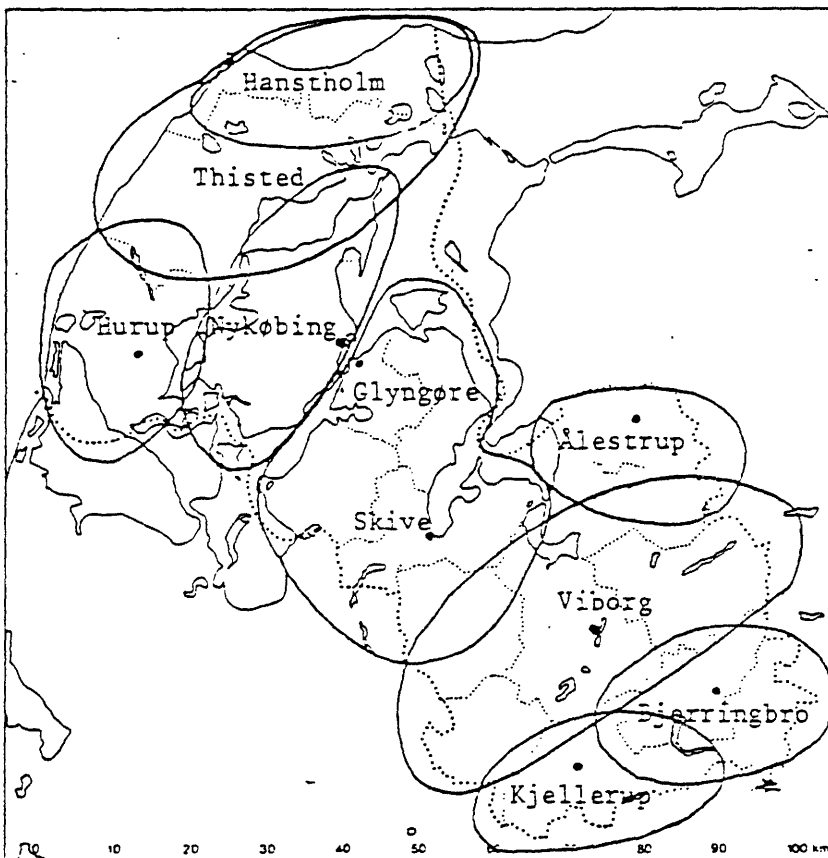
On the basis of the amount of commuting, the municipalities can be divided into 4 groups:

- Municipalities with low commuting: the municipalities of Morsø,
Sydthy and Thisted,
- Municipalities with equally balanced commuting: the municipalities
of Kjellerup, Sallingsund, and
Ålestrup,
- Municipalities with more commuters coming in: the municipalities
of Bjerringbro, Hanstholm, Viborg
and Skive
and
- Municipalities with more commuters going out: the municipalities
of Fjends, Hvorslev, Karup, Møldrup,
Spøttrup, Sundsøre and Tjele.

Municipalities which have a low degree of commuting (regardless of the direction of the commuting) are dependent upon a sufficient number of jobs being created within the municipality to a much greater degree than the other municipalities. The three municipalities which are especially dependent upon this are situated in and to the north of Limfjord.

It is also apparent that most of the commuting which takes place in these municipalities and the municipality of Hanstholm is between the municipalities concerned. This underlines the fact that the four municipalities form a clearly defined work force and employment area and that mobility within this area is clearly less than in the rest of the county on account of the distances involved and the transport facilities. Therefore the need for industrial development is especially great in this part of the county.

Map 8. Work force catchment areas, the County of Viborg



For the municipalities with most commuting, mainly the agricultural municipalities, it is the case that a good third of the population works outside the municipality. When it is also taken into consideration that a large part of the population in these agricultural municipalities is employed in the agricultural industry, the figures in Table 9 in Appendix 1 mean that about half of those in employment who are not employed in agriculture work outside the municipality.

The present distribution of population and jobs means that the municipalities of Skive and Sallingsund are the employment municipalities in Salling with the municipalities of Sundsøre, Spøttrup and Fjends as the most important residential municipalities. The municipality of Viborg is the employment municipality for the municipalities of Møldrup, Tjele, Karup and Fjends in particular, while the municipality of Bjerringbro attracts workers from the municipalities of Hvorslev and Kjellerup. The latter has however some jobs within the municipality and some people employed in the municipality of Viborg. Finally the municipality of Ålestrup is close to being self-sufficient where jobs are concerned.

There are many reasons for the distribution of jobs within the County of Viborg. Some of the most important are of course the national and municipal jobs and construction sites. Thus a large part of the jobs in the public sector is in the largest urban communities in the county. For example the establishment of Hanstholm port has both directly and indirectly been of great significance for the location of many jobs in this part of the county.

Employment rates

The employment rate for men is about the same in the regional development areas as in the other parts of the county. On the other hand the employment rate for women is generally lower in the regional development areas than in the other parts of the county. In the larger towns where there are higher education institutions, for example in Skive, the employment rate for men in particular is lower than in the regions which are not so urbanized. This is due mainly to the fact that a large number of young people in education is resident here.

Table 3. Employment rates for men and women in 1981 and 1983

	1981		1983	
	men	women	men	women
Regional development areas	88.5	69.5	87.9	70.8
Non regional development areas	88.3	71.4	87.4	72.9
The county as a whole	88.4	70.2	87.7	71.6

The probable reason for the lower female employment rate is the lack of traditional jobs for women in manufacturing industry, commerce and especially in the service industries in the private and public sectors, particularly in the regional development areas.

The business structure within industry

Table 4. The number of people employed in industry proper in 1980 and 1983.

	1980	1983	% Increase
Regional development areas	10 588	11 430	8.0
Non-regional development areas	7 619	7 584	-0.5
The county as a whole	18 207	19 014	4.4

There has been an increase in employment in industry proper (i.e. undertakings with more than 6 employees) in the regional development areas as well as in the county as a whole. Within the regional development areas there has been a decrease in employment within industry proper in the municipalities of Morsø, Møldrup, Skive and Sydthy, while in the other municipalities there has been an increase in employment.

The development of employment in industry proper has taken place in particular in the food, drink and tobacco industries, the timber and furniture industries and the stone, clay and glass industries, while the other lines of business in industry have had a reduction in employment, (c.f. Table 10 in Appendix 1).

Those lines of business which have had an increase in employment in the County of Viborg have had a reduction in employment in the country as a whole and are characterized as low technology industries with decreasing markets. The opposite applies for the lines of business which have had a reduction in employment in the County of Viborg.

The number of industrial undertakings with more than 6 employees was 379 in both 1980 and 1983. This means that the average number of employees per industrial undertaking has increased from 48 in 1980 to 50 in 1983.

In spite of this the undertakings are still relatively small by Danish standards. At the same time the low percentage of salaried workers - approx. 19% in the County of Viborg compared to 33% in the country as a whole - indicates a relatively low degree of specialization in the industries which characterize the regional development municipalities, cf. above.

Table 5. Unemployed converted to full-time unemployed as a % of the number insured

Areas	1981		1984		1981-1984*
	Absolute	%	Absolute	%	
Qualifying for ERDF assistance	7 074	16.7	7 007	14.0	-1.0
The county	11 103	14.9	10 584	13.0	-4.7
The country as a whole	216 588	12.3	240 051	12.9	10.8

* Relative change in unemployment

Source: D.S.: Unemployment statistics.

During the period 1981-84 unemployment in the county (measured as the number of unemployed converted to full-time unemployed in relation to the number insured) fell from 14.9% to 13.0%.

Unemployment in the regional development areas is a little greater than in the county as a whole, (14.0% against 13.0% for the county as a whole in 1984), but has fallen from 16.7% in 1981 to 14.0% in 1984. It is characteristic that male unemployment is relatively higher in the agricultural municipalities than in the industrial and service municipalities. However there is not such a great difference in female unemployment which is much higher than male unemployment.

There is a great difference in the unemployment percentages for men with different training. This is connected with the fact that economic policy in recent years has stimulated the development of the private sector in particular where the County of Viborg has relatively much industry and handicraft. Best placed, apart from the highly trained, are metal workers and builders amongst whom there can be considered to be full employment. On the other hand there are large numbers of unemployed among semi-skilled workers and female workers. Furthermore, unemployment is still more unevenly divided by age and sex than in the rest of the country - thus almost 29% of all those unemployed in the County of Viborg are women under the age of 30.

Table 6. Youth unemployment in the County of Viborg, 1980 and 1983.

	1980	1983
Number of unemployed young people in the age range 16-24 years old.		
- regional development areas	2 043	2 215
- other parts of the county	963	1 274
The county as a whole	3 006	3 489
Unemployment percentage	10.2	11.1

In contrast to the general unemployment situation, youth unemployment for the age range 16-24 years old has risen from 10.2% in 1980 to 11.1% in 1983 and during the whole period has been higher in the regional development areas than in the other parts of the county.

Income development

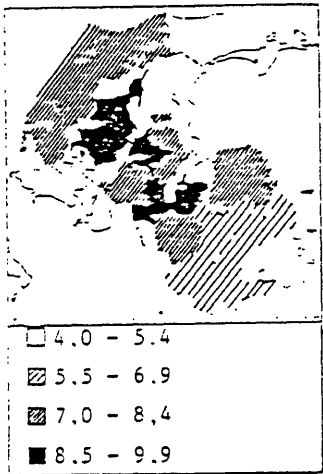
The industrial structure is reflected in a number of other areas in the municipalities.

One of the most important is the creation of income by means of employment in the industries which has direct significance for those employed and their families. Disposable income is one of the most important components in the standard of living of the population.

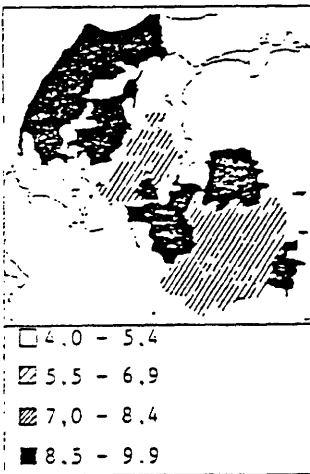
The industrial structure is also of considerable indirect importance for the municipal sector since the creation of income and hence the size of the taxation base has consequences for the taxation and service levels of the municipality and for the services provided for the population and the local industries.

Maps 9, 10 and 11.

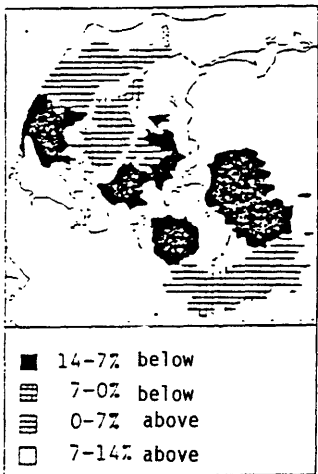
Number of unemployed in relation to the total work force in 1980, average for the county 7.3%



Number of unemployed in relation to the total work force in 1983, average for the county 8.5%



Average taxable income per tax-payer 1980.



Together with other private and public service, county and primary municipal service is another important component in the standard of living of the population and an important precondition for industry to continue to grow, specialize and become more efficient.

The average taxable income per taxpayer is in general lower in the regional development areas than in the other parts of the county. In the period under consideration there has not been any appreciable equalization of average taxable incomes within the county as a whole.

It is however characteristic for the development from 1980 to 1983 that average taxable income per tax-payer is higher in the regional centre municipalities than in the other municipalities.

The lower taxable income per tax-payer in the regional development municipalities is connected with 6 factors in particular:

1. A lower average income per employee for the same work in the individual main industries.
2. An unfavourable industrial structure, since on average those industries which are relatively over-represented (agriculture and industry itself) are more poorly paid than other industries, for example the service industries.
3. According to the regional development board's annual statement less is invested per job in the County of Viborg than in the rest of the country so that the employees have less/poorer capital equipment such as machinery to use.
4. The tax-payers have on average larger tax deductions. This is especially due to the domination of agricultural industry (interest costs).
5. A large part of the population is employed in jobs and industries which have lower incomes than average throughout the whole country.

6. A larger percentage of the population is on maintenance allowances and redundancy pay.
7. As can be seen from the Counties and Municipalities' Research Institute's book "Jobs and training in the County of Viborg" the work force in the County of Viborg has a lower overall level of training than in other counties.

If taxable income on the other hand were calculated per inhabitant, the result would be even more unfavourable for the regional development areas since the percentage of taxpayers in relation to the number of inhabitants is lower in the regional development areas and also in the County of Viborg than in the rest of the country (more children, young people and old people and fewer working women).

Education and training structure

In the regional development areas there is a number of institutions, technical schools, business schools, comprehensive schools, agricultural colleges, commercial college departments and colleges of education, which offer places to young people in the 15-19 age range in particular.

Table 7. Number of training places, divided into regional development areas and the rest of the county, 1984

Training	Regional dev. area Number	The rest of the county Number
Vocational basic year iron and metal	252	168
" " " building and construction	140	0
" " " foodstuffs	70	0
" " " commerce and office	625	405
Basic technical exam. training	65	56
Comprehensive schools (capacity at 25 per class)	1 650	1 650
Health education*	274	190
Agricultural colleges	72	105
Commercial colleges*	58	0
Colleges of education*	170	388
Total	3 376	2 962

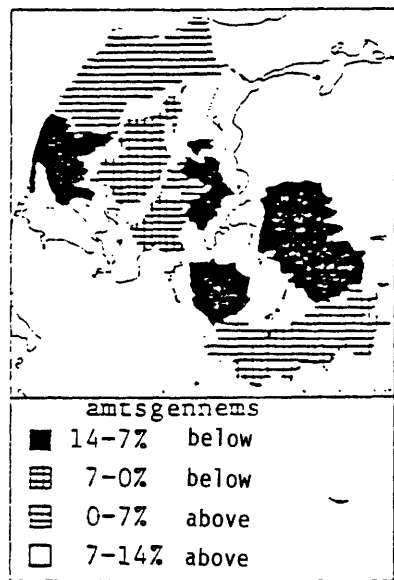
* It is debatable whether all the young people on these training courses are between 15 and 19 years old.

Source: Vocational training outline plan, Dec. 1984, Education and training statistics no. 1, March 1985, information from schools.

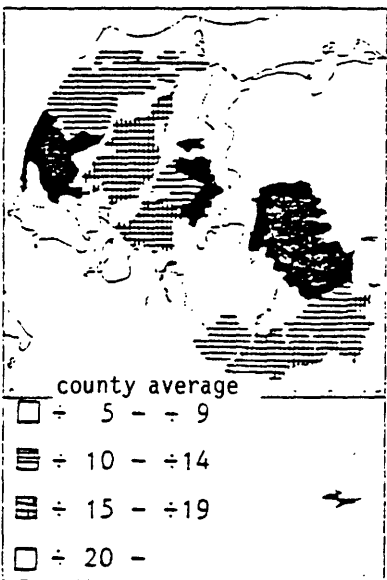
The number of places in education and training for the 15-19 age range is relatively lower in the regional development areas (3.5 young people per training place) than in the non-assisted areas (2.5 young people per training place). With regard to the qualitative evaluation of the supply of training places for young people in the 15-19 age range, the regional development areas cannot be said to be more badly off than the other parts of the county, since there are 26 different types of training on offer whereas in the rest of the county there are only 15 different types on offer.

Maps 12 and 13

Average taxable
income per
tax payer in
1983.



Income in the County
of Viborg below the
national average
1983

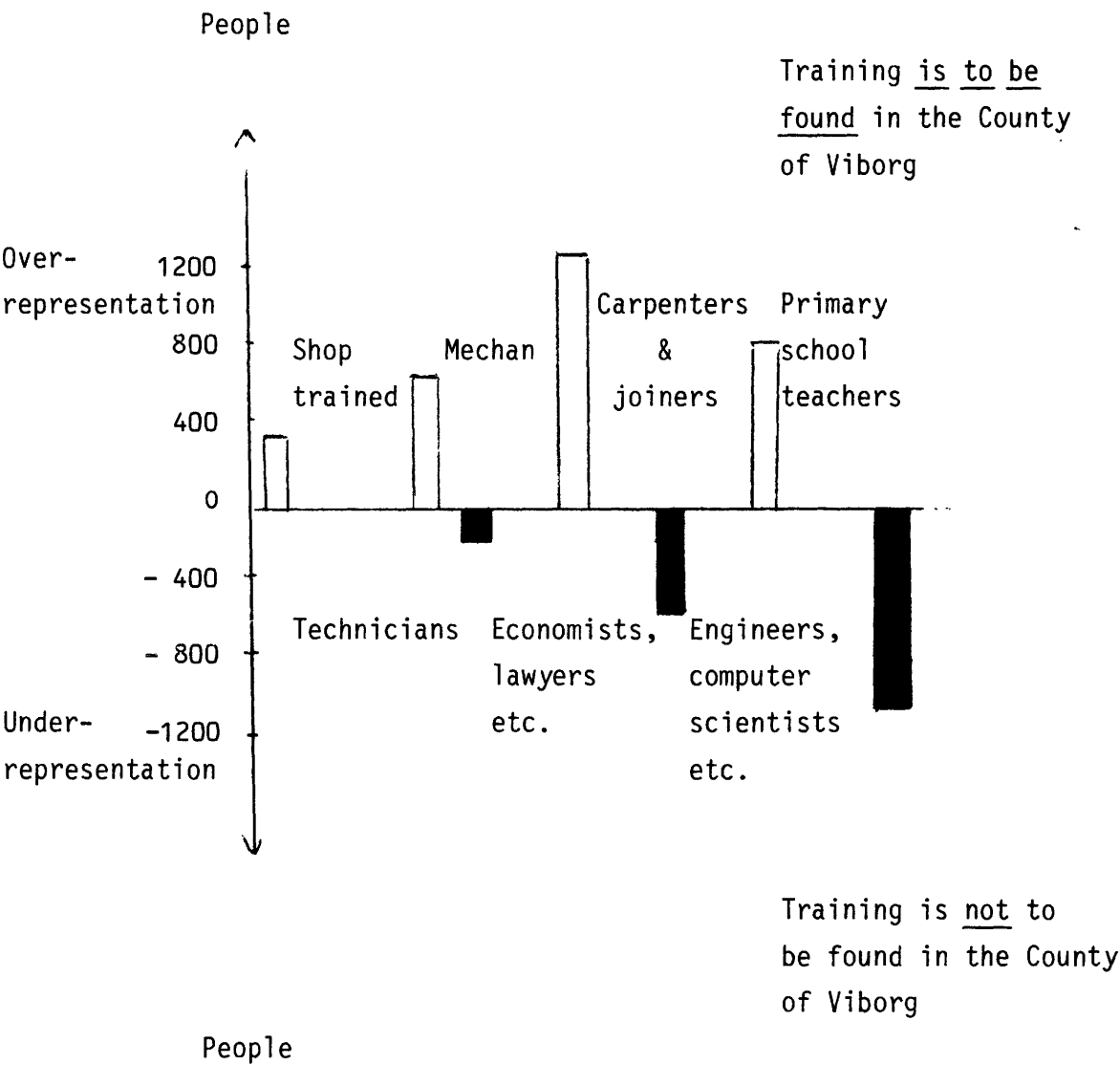


As can be seen from the education and training supply situation described above there are in fact no medium length or long courses of advanced vocational training for qualifications in the county. Since the distance from the County of Viborg to an educational institution where such medium length and/or long courses of advanced training can be found is so great that commuting there is hardly possible, young people either move out of the county to acquire advanced training or remain at home and take up training which is to be found in the county. This also means, since those who have been trained, and especially their spouses, find difficulty in finding employment in the County of Viborg after their training, and since the people who have finished their training are generally unwilling to move, that the County of Viborg - as stated in the Counties and Municipalities' Research Institute's 1985 book about "Jobs and training in the County of Viborg", cf. Appendix 3, - is oversupplied with trained people within certain limited areas of training compared to the rest of the country. This applies to the training which is offered within the county, for instance for carpenters, joiners, mechanics and primary school teachers.

At the same time there is a great shortage of trained people in the areas of training which are not offered in the county, for instance technicians, engineers and economists.

The distorted supply of training has however not interfered with an increase in employment in industry in the County of Viborg, as stated previously, but the question is whether there would have been a greater increase and will be a greater increase in the future if the undertakings had had or if they were to have more technicians etc. available.

Map 14. Over- and under-representation of certain training in the County of Viborg, 1982



Note: The diagram shows how many more/fewer people there are in the County of Viborg compared to if the work force had had the same training structure as in the country as a whole.

Source: The Counties and Municipalities' Research Institute "Jobs and training in the County of Viborg", 1985.

In the County of Viborg it is furthermore evident that 27% of young people have not begun and completed education or training 6 years after they have left primary school. The probability of them ever doing so is very small, according to previous experience. Not all the 27% are equally badly off. The group also includes young people with semi-skilled worker training or other form of training within the framework of the undertaking itself or for example single subjects at business schools. People like self-employed businessmen and fishermen who have not had any training are also included in this group. The percentage of the age range without any form of vocational training, short courses or the like, is therefore somewhat less than 27%. How much less is difficult to say. Untrained people have however proved to be particularly vulnerable to unemployment in difficult times as far as employment is concerned.

3b. The most important areas which are characterized by a lack of equality in the county and the causes for this.

The difference between the regional development areas and the other part of the county did not improve during the period 1980-1983. On the other hand there was a slight worsening of the differences between the two parts of the region and the rest of the country. In certain areas there is even a question of an increase in the differences.

The regional development areas are characterized by a continued reduction in the number of inhabitants due to net migration from the areas. The percentage of the population in employment is less than in the rest of the country. Therefore the burden of support is relatively greater for those in employment and will increase in the years to come. One of the consequences of this is that the taxation base in relation to the number of inhabitants is affected negatively.

The industrial structure is characterized by relatively small undertakings which have relatively few salaried workers among the employees.

The reduction in employment within the private sector is greater in the regional development areas than in the rest of the county. In the areas which are not assisted the reduction is more than counteracted by increased employment within the public sector. This has not been the case in the regional development areas and so total employment went down during the period.

This development has also resulted in a great rise in unemployment and a lower development of income in the regional development areas.

In the regional development areas there is a considerably lower employment rate for women. This is due among other things to the lack of job opportunities for women in this part of the county in both the private and public service industries.

The employment rates by age show that women and older men have relatively low employment rates while both young women and young men have high employment rates. It is therefore to be expected that the new intake to the work force will be relatively large in the years to come as the younger age groups move up.

This increasing pressure on the work force is to be compared with the fact that unemployment has already been increasing greatly so that the regional development areas have a level of unemployment today which is one of the highest in the country and will presumably continue to be so.

Similarly there are poor opportunities for unskilled workers for whom the level of employment is considerably lower in the regional development areas than in the rest of the county. This could be due to the relatively poorer opportunities for education and further education and training locally in the regional development areas, together with the fact that industry is employing specially trained labour to a much greater extent.

The economic conditions of the population are characterized by relatively low disposable incomes which both reflect the industrial structure and are due to the fact that the dominating industries are relatively poorly paid.

The economic base for municipal undertakings is thus poorer in the regional development municipalities than the average for the rest of the country.

The existing state subsidies and equalization arrangements do not provide anything like sufficient resources to combat regional economic inequalities.

This means among other things that the level of taxation would have to increase considerably in the regional development areas if they are to have a level of service equivalent to the national average.

The increase in the level of taxation would be greater than the increase in the level of service on account of the low taxation base and the lack of equalization of the difference from the national average.

The presence of an efficient public sector which offers a varied supply of services is a prerequisite if industry is to continue to grow, specialize and become more efficient.

Fur, which is the only island in the county, must be singled out as a special area since it is covered by the regulations of the government's policy for the small islands (communication assistance). Fur has problems which are characteristic of most small islands, with reductions in the population and in the number of jobs, cf. section 3e.

The following factors can be mentioned as the main reasons for the uneven development in the regional development areas:

- The County of Viborg has a distorted industrial structure compared to the rest of the country, since employment is relatively high in the main industries, agriculture and manufacturing, which are in decline on a national basis.
- There are relatively many employees with low-pay jobs in the low technology areas of industry, which have decreasing markets on a national basis, for example the food industry, the timber and furniture industry and the stone, clay and glass industries.

- Partly as a result of the many lowly paid jobs there is generally less investment per job in the County of Viborg than in the rest of the country.
- There is considerably less public (especially state) and private service in the regional development areas.
- There are insufficient training opportunities for young people and unskilled men and women.

There is a shortage of technical and other vocational training providing higher qualifications.

3c. Measures during the period 1981-85

Regional development assistance

The following assistance was provided in North-west and Central Jutland (the County of Viborg) during the years 1982-85 :

Table 8.

DKr 1000	Capital loans*	Industrial building loans*	Investment subsidies*
1982	49 145	4 800	7 185
1983	33 000	11 500	8 200
1984	18 600	11 400	10 100
1985	-	1 900	31 500

- * Capital loans, industrial building loans and investment subsidies in 1983 and 1984 in accordance with law 219/1972, sections 6, 9 and 10 respectively.

Capital loans were discontinued in 1985.

Industrial building loans and investment subsidies in 1985 in accordance with law 88/1985, sections 7 and 6 respectively.

The assisted investments have resulted in the creation of the following number of jobs:

1982	1983	1984	1985
488	401	480	651

Ports

In 1981-85 there was modernization and expansion of Hanstholm Harbour in accordance with the adopted construction plans.

With the aim of increasing ferry traffic from Hanstholm to Norway, Scotland, the Faeroes and Iceland, the municipality of Hanstholm has made a number of basic investments in Hanstholm Harbour.

Industrial sites

The municipalities have implemented the investments approved for the programme period 1981-1985.

Roads

During the period 1981-85 approx. DKr 70 million was invested in the roads for which the County Council is responsible. The investment was primarily for improving the standard of existing roads. However there has been a considerable improvement in traffic as a result of the establishment of by-passes at the regional centres of Hurup and Ålestrup costing DKr 22.3 million and DKr 26.1 million respectively.

The municipal roads have also been improved, especially in connection with the development of industrial sites.

Other improvements to the infrastructure

All municipalities have improved their sewerage and waste water systems. Many municipalities have established purification plants during the period. In addition shared municipal arrangements have been set up for the disposal of other waste, for example the setting up of controlled dumping sites/waste sorting plants and incinerators.

Heat supply

An attempt has been made to combat the effects of rising energy prices by the reorganization of the heat supply structure.

There has been continued consolidation and development of the existing district heating plants. At the same time there has been a change-over in the fuel for district heating plants to a source of energy which is not dependent upon oil.

At Kåstrup in the municipality of Spøttrup a waste sorting plant has been set up with capital investment totalling DKr 30 million.

Education and the arts

In accordance with the aims of the Regional Plan regarding comprehensive schooling, the County Council has sought to establish/develop a decentralized structure by the setting up of a new comprehensive school in Bjerringbro and at Mors. In addition to this a business school has been set up linked to the comprehensive school in Nykøbing Mors. When the sector plan concerning comprehensive schools was reviewed in 1984 it was decided that there was no need to establish more new comprehensive schools in the foreseeable future. Further decentralization of the comprehensive school system was planned in the comprehensive school plan of 1978. The difference between the actual and forecast development in the number of pupils has been behind the decision mentioned above.

Concerning single subject education leading to examinations, in accordance with the aims of the Regional Plan, a decentralized structure has been created both in the planning and in the actual implementation of it. Regarding the training of nurses and nursing auxiliaries, the county has attempted to ensure that there is training capacity which at the least corresponds to the demand for qualified nurses in the county, since the newly qualified nurses in particular prefer to work in the large hospitals in Eastern Denmark.

The County Council has for a number of years provided subsidies for the acquisition of equipment for colleges for semi-skilled workers in the County of Viborg, including subsidies totalling DKr 3.5 million in 1985 for the setting up of a new college for semi-skilled workers in Thisted.

Table 9. Subsidies from the County Council for colleges for semi-skilled workers in the County of Viborg.

The year's prices	1980	1981	1982	1983	1984	1985
Subsidies for colleges for semi-skilled workers.	94 000	585 100	158 284	252 971	185 332	3 500 000

After analysis of vocational training compared with the requirements of industry for trained personnel, the County of Viborg has established vocational training courses since 1982 in:

- building and construction in Thisted in 1983,
- foodstuffs in Thisted in 1983,
- foodstuffs in Viborg in 1985 and
- service in Skive in 1986 in accordance with the vocational training course outline plan.

In the Theme Plan for youth training, funds are reserved for increased county involvement in the area of training, as an effort will be made to have more advanced training courses in the county, including training for middle-ranking technicians and engineers.

The social area

The county has established sheltered accommodation, "Rosengården" in Ålestrup and "Enggården" in Nykøbing Mors and established a nursing home in Roslev.

A sheltered workshop/day centre has been established in Hurup and the sheltered workshop in Thisted has been enlarged.

A sheltered workshop/day centre is under construction in Skive and sheltered accomodation is under construction in Thisted.

Expenses have been paid for institutions for children and young people with extensive psychological and physical handicaps in Skive and Thisted.

Combatting unemployment

The county has attempted to improve the employment situation by means of a number of measures designed to encourage employment.

In a number of cases the county has co-operated with the municipalities, and at the same time the municipalities themselves have set aside resources for measures to increase employment in accordance with the relevant law.

It should be noted that during the whole period the County of Viborg has set aside considerably larger amounts than the obligatory minimum amount in its budgets.

Table 10. The amounts set aside by the county for measures to increase employment, 1980-83

Year	Obligatory amount	Actual amount	<u>Excess amount</u>	
			Absolute	%
1980	5 302 351	9 102 477	3 800 126	72
1981	5 787 925	9 354 768	3 566 843	62
1982	6 482 224	11 651 677	5 170 453	80
1983	13 885 680	18 980 002	5 094 322	37

By the setting aside of ever increasing amounts the contribution is greatly increased. Both in terms of amounts and numbers, the subsidies contribute a great deal to private undertakings. The effect on employment amounted to 116 man/years in 1980 and 366 man/years in 1984.

During the period 1982-84 the county established 10 partial projects with training motivation and industrial experience for unemployed women. In the case of 8 partial projects establishment has been in the regional development municipalities and has been in co-operation with these.

During the period 1980-1984 the county either alone or in co-operation with the municipalities implemented direct employment projects/job creation projects in 15 cases, of which 8 are in the regional development areas. The projects were building and construction projects and environmental projects but also include some archaeological projects.

During the period 1982-1984 several day-time college courses for young unemployed people and/or various short counselling courses with general and vocational content were set up. The county has assisted financially in the setting up of these and will continue to contribute towards improvements, changes etc. by means of its economic involvement in order to provide the best opportunities for the participants.

Subsidies have been given to 3 courses, 1 of which is in a regional development municipality.

The county has established a number of training/practical places in various county institutions.

In addition a large number of subsidies have been granted for the setting up of training/practical places in private undertakings.

Table 11. Number of training/practical places set up in the regional development municipalities for which the county has granted subsidies during the period 1980-84, divided by the place of residence of the student

Home municipality	1980	1891	1982	1983	1984
Fjends	16	14	23	58	52
Hanstholm	7	14	26	32	23
Morsø	40	58	66	165	111
Møldrup	14	23	37	67	39
Sallingsund	14	18	42	74	63
Skive	44	64	106	221	126
Spøttrup	8	12	40	61	34
Sundsøre	6	11	21	31	26
Sydthy	19	30	47	88	59
Thisted	46	50	120	227	161
Ålestrup	19	20	28	52	39
Total	233	314	556	1.066	733

The County of Viborg has also provided assistance to a number of starting-up courses, in which a considerable number of people have participated. The county has held starting-up courses in the northern and central part of the county with an average of 25 participants.

It has not been possible to assess the effect on employment. An evaluation of one course shows that 5 people have started up their own business and 4 are in the process of doing so.

The county has participated at the setting-up phase in the establishment of manufacturing colleges/vocational colleges by providing subsidies. 4 manufacturing colleges have been set up in the regional development areas with subsidies from the county.

The municipalities' contribution towards combatting unemployment among the young.

The municipalities have in a large number of cases set up projects and given jobs to young people in their administration and their institutions. In addition the municipalities have granted loan subsidies to private employers for the employment of the young. The number of subsidies has increased considerably from approx. 180 in 1980 to approx. 830 in 1983.

Table 12. The total municipal contribution to combat unemployment among the young.

1980		1984	
Statutory amount	actual amount	statutory amount	actual amount
10 million	16 million	29 million	36 million
Excess amount	60%	Excess amount	24%

The individual municipalities have financed the subsidies from their own resources and from various subsidies from the state and to a lesser extent from the EEC's Social Fund.

Most of the regional development municipalities have set aside considerably larger amounts in their budgets than the obligatory minimum amount.

3d. Development potential and conditions and probable development up until 1990

Some decisive factors for development in the County of Viborg

Against the background of the development in the period 1980-83 described above and the account in Appendix 2 regarding "Development prospects for the County of Viborg", it is possible to draw a coherent picture of some of the most important factors likely to affect developments in the years to come:

1. The development of the general state of the market affects all the municipalities relatively equally. Against the background of the historical developments it is difficult to visualize a markedly more favourable development of the state of the market in the County of Viborg than on a national basis but a certain deviation could well occur. However in any future upturn in the state of the market the County of Viborg will run the risk of quickly encountering bottleneck problems in the work force where shortages could occur, particularly of trained workers, middle-ranking technicians, engineers etc.
2. The economic policy which is pursued with regard to the development of the public sector has obvious regional effects. The present policy of zero growth in the public sector but, to offset this, stronger growth in the private sector than before, favours the employment of men in particular, while women, who have traditionally sought employment in the public sector to a much greater extent, have worse employment prospects as a result. For a region like the County of Viborg - with relatively many people employed in the private sector, including in particular the iron and metal industries, the timber and furniture industries and the building and construction sector - this change in economic policy has up till now resulted in slightly stronger economic growth and in particular stronger growth in employment for men than on a national basis.

3. Increased employment has a relatively limited effect on the development of the average incomes in the county. This is partly because the increased employment mainly consists of low-paid jobs so that the difference between the unemployment allowance and the income from work is modest. On the other hand there seems to be a positive connection between the level of education and training of the inhabitants and the average level of income.
4. As shown in the Counties and Municipalities' Research Institute's report "Jobs and training in the County of Viborg", cf. Appendix 3, there is a clear tendency for the training which is offered in a county also to dominate in the work force. Since a number of types of training including in particular most advanced training, are not available in the County of Viborg the structure of training is very distorted. The considerable under-representation of people with advanced training helps to maintain the lower level of income in the county.
5. The combination of lower pay for the same work and the absence of a work force with advanced training results in the growth in jobs in the County of Viborg consisting mainly of low-paid jobs. On the other hand there is considerable flexibility in that many are employed in other jobs than those for which they were trained. Jobs which require advanced training are however seldom situated in the county. These jobs are situated mainly in those areas where the relevant training is to be found. This pattern is likely to be maintained because sufficient people do not move to other counties where they can receive higher pay for the same work, whereas young people who want advanced training usually move to a county where that training is to be found and usually also take up employment outside the County of Viborg when their training is ended.

6. At any rate partly as a result of the many low-paid jobs, overall investment is less per job in the County of Viborg than in the rest of the country, because the undertaking's relatively low pay expenses are not a stimulus for greater investment in capital equipment. This means that on average the individual worker has less/poorer equipment, machinery etc. available. This contributes towards keeping productivity and thereby incomes at a lower level.
7. Developments for incomes seem to be of significance for the tendency to move from the county. During the period 1972-78, when incomes grew more rapidly than on a national basis - among other reasons as a result of the benefits to agriculture from joining the EEC - there was a net migration into the county, but since 1980 there has been a net migration from it, which is connected with the second oil crisis and the resultant depression which hit the County of Viborg particularly hard. At the present time developments are possibly about to change again.
8. In the County of Viborg there are very characteristic home, job and commuting patterns. For the municipalities in Mors and in Thy it is the norm for people to live and work within the same municipality. For the rest of the county there is on the other hand a relatively large division of work, with the municipalities of Viborg, Skive, Bjerringbro, Sallingsund and Ålestrup as the most important employment municipalities and the other municipalities as (to varying degrees) residential municipalities. This pattern is of significance for the way income and employment development is distributed in the county. More jobs or increases in income will, if they take place outside the Mors-Thy part of the county, in the main be distributed over a number of primary municipalities.

9. A clear but limited effect of the municipal economic conditions on net migration can be observed. Municipalities, which because of insufficient equalization of the differences in expenditure requirements and the taxation base would require high taxation to achieve an average level of services (and which have normally therefore chosen a relatively low level of service) have on the whole greater net migration from the area (less net migration into the area) than other municipalities. In the report "Regional inequality" it is shown that in 1984 the County of Viborg and the primary municipalities as a whole were a good Dkr 1300 per inhabitant short of the amount required for them to be able to offer an average level of service at an average level of taxation.
10. There is believed to be an underestimation of the expenditure requirements and thereby an overestimation of the service level in the thinly populated municipalities with the methods of calculating used by the Ministry of the Interior. This is connected with the fact that the distance from the people to public services is not taken into account in the calculation of the level of service. The thinly populated municipalities which attempt to have shorter distances between the services and the people on a par with the urban municipalities have in general either higher expenses or lower service levels in other areas.

Development prospects for the County of Viborg

As far as development is concerned it is overwhelmingly obvious that the County of Viborg will share the fate of the rest of the country, at any rate to a certain extent. The prospects for the Danish economy, as is clear from the report from the Economic Board, OECD and others, indicate that there will continue to be

considerable unemployment problems, at any rate for about another ten years. Very great international economic growth is needed to alleviate unemployment to any great extent in the shorter term. And there is no indication of such an international upturn at present. With a continuation of the present economic policy, including the very weak growth in the public sector, the County of Viborg together with several other counties must expect quite considerable unemployment for women, while the employment prospects for men appear somewhat brighter.

The growth in private industries in recent years has, as mentioned, contributed to a somewhat stronger income development in the County of Viborg. This development is due almost exclusively to the fact that unemployment for men has been greatly reduced. There are no immediate grounds for expecting that this will continue in the years to come, since there is no prospect that unemployment can be reduced by any appreciable amount unless the undertakings begin to require other types of workers than skilled men.

There can therefore be little doubt that one of the central crossroads for long term development in the county is education and training policy. In the purely short term there is probably a possibility of bringing more people into employment by retraining and training unskilled men, since there is now full employment among skilled men. Assuming there is no question of there being strong traditions against the employment of women in male industries, there is also an obvious need for the retraining and training of women in a number of industries.

Over a shorter period of time this presents an opportunity to alleviate part of the unemployment problem and in this way slightly stronger income development can also be achieved. In the somewhat longer term perhaps the most decisive factor for the development of incomes in the county is whether there is a change in the training structure of the work force. As mentioned previously, the great preponderance of people with little or no training and the corresponding lack of long term training is perhaps the single most important factor in the explanation for the lower average level of income in the county. If in the long term there is to be further reduction of the differences in income between the counties in Denmark, greater equality in the training structure of the work force in comparison with the rest of Denmark is expected to prove to be a vital precondition.

As mentioned it has been possible to demonstrate a clear connection between the distribution of training institutions in the counties and the training structure of the work force. The first condition for a change in the training structure in the County of Viborg is therefore that some more are established in the county - especially advanced training. This by itself will hardly be sufficient to ensure a corresponding increase in employment of people who have more training - at any rate quite a long time must be expected to pass before the undertakings learn to use other forms of labour than those they know at the moment. In this connection it is especially a problem that the industrial structure and the individual undertakings within each industry to a great extent are adapted to the present situation where certain types of training are practically not available in the county. It could therefore be important that regional development assistance in particular is concentrated upon those undertakings which provide jobs for people with advanced training. Such co-ordination of the regional development policy and the education and training policy is so far not in sight but would seem to offer very promising prospects, particularly in the County of Viborg.

The balance of labour 1986-90 with low and high growth

As can be seen from the balance of labour for the regional development areas and the rest of the county shown below, the number of jobs will probably increase less in the regional development areas than in the rest of the county.

Table 13. The balance of labour in the regional development areas and in the rest of the county, 1983-90

	Regional development areas			The rest of the county		
	Jobs	Jobs	Jobs	Jobs	Jobs	Jobs
	in 1983	1990	1990	in 1983	1990	1990
		low growth	high growth		low growth	high growth
Agriculture	12,724	9,700	7,900	5,764	4,400	3,600
Manufacturing	14,794	16,300	16,200	10,027	11,700	11,000
Building and construction	4,147	5,300	3,100	2,586	3,300	2,000
Commerce etc.	9,326	10,100	9,200	5,636	5,800	5,600
Transport	2,803	3,400	2,600	1,616	1,900	1,500
Financing	2,669	2,900	2,600	2,068	2,300	2,000
Public services	17,305	18,000	18,000	14,484	14,900	14,900
Other services + no information	3,160	3,300	3,200	1,978	2,000	3,200
Total	66,928	68,900	62,800	44,159	46,300	43,800
Net commuting	2,305	2,300	2,300	-413	-400	-400
Work force	75,814	78,200	78,500	47,304	48,700	49,000
Unemployment	6,581	7,000	13,400	3,558	2,800	5,600
Unemployment percentage	8.7	7.7	17.7	7.5	5.8	11.4

Note: The balance of labour is drawn up from the planning board's RIMO model. The reports are based upon the assumptions that the Metropolitan Region has a structure of industries where those industries which are expanding most rapidly have a prominent position. The opposite is the case for the County of Viborg. In the case of high growth, jobs will therefore be concentrated in the Metropolitan Region with resultant great unemployment in the County of Viborg and others. In the case of low growth, the opposite will apply.

The supply of labour/increase in the work force in the regional development areas will probably be greater in the years to come than in the rest of the county, partly on account of the continued increase in the employment rate of women. The relatively great unemployment in the regional development areas, together with the forecast new intake to the work force, means that great efforts must be made if a fall in the present high level of unemployment is to be achieved. At least 7 000 new jobs must be created if everyone who wants a job is to be employed. It is also characteristic of the regional development areas that there is a certain amount of hidden unemployment.

In the case of low growth the number of unemployed in the regional development areas and in the rest of the county will be the least.

Regardless of whether there is low or high growth there will be a reduction in the number of people employed in agriculture and an unchanged number employed in public service.

The great dominance of the primary industries in employment and consequently the county's weak position will mean that the area will be very vulnerable to unfavourable weather.

This applies in particular to the fishing industry, for which the future appears very uncertain. The extension of fishing limits, the quota arrangements for the traditional fishing grounds and the temporary bans on the catching of herrings, sprats and other species of fish will call for adaptation which involves a reduction in the newest and most productive part of the local fishing fleet.

This whole development and the demands it will make may cause great problems for the fishermen themselves, for the present fishing ports, for the fishing industry, if the supply of raw materials becomes uncertain and can fluctuate greatly in the course of the year, and for the fishing industry's associated industries. There is no doubt that the development will have an adverse effect upon employment and thus Thy's development prospects due to the great importance of the industry. This applies to Hanstholm in particular, where about 1000 - 1700 people are employed directly in the fishing industry or indirectly in industries associated with the fishing industry. During the period 1980-85 there was a small increase in the fishing industry and also the associated industries.

One industry which is gaining in importance for the area is tourism. No future policy for the development of this industry has yet been established, since the Viborg County Council is in the process of planning large recreational facilities for the whole county. Regardless of the result of this planning of recreational facilities, there is obvious potential for increased employment and income solely from better utilization of existing capacity, for example by extending the tourist season.

The establishment of the Hanstholm, Kristiansand, the Faeroes, Scotland and Iceland ferry route has resulted in an increase in the number of tourists, especially from Norway. There has also been an increase in the number of tourists from Sweden and the other Nordic countries. An attempt will be made to encourage the increase in tourism for Thy in particular by tourism campaigns in Norway, Sweden and other countries.

Employment within industry - measured against the country as a whole - is particularly concentrated in the textiles and clothing industry and the timber and furniture industry - "the low-wages industries" - while the "high-wages industries" such as the chemical and printing industries are less developed. If the figures for 1980 are compared with the figures for 1983 a trend is however to be seen towards a relative decrease in the importance of the low-wages industries while there is a strong increase in industrial employment in general.

An improvement in probable development requires in general continued improvement in the prospects for manufacturing industry, private services and for the tourism industry.

A special problem is that the demand for labour does not have the same structure as the work force.

The labour market in the regional development areas is not so stable and varied as in the rest of the county. Therefore in the short and long term it is vital to provide the work force with the necessary qualifications to meet the requirements of the undertakings by means of training and retraining. Likewise it is necessary to provide the unskilled work force with the opportunity of improving their qualifications by means of various further education/retraining activities which can qualify them to obtain jobs within the areas where today and in the future there will be a demand for labour.

3e. Special island problems, Fur

Table 14. Number of inhabitants on Fur as of 1.1.76 and 1.1.84

Fur	
1976	1.189
1984	1,094
Absolute reduction	
95	
%	
8	

The island of Fur's problems can be mentioned as a special problem with regard to industrial development. The population has been falling for many years. At the same time the age distribution on the island is such that there is a greater percentage of old people and a smaller percentage of children and young people than in the rest of the county. The falling population is due partly to the situation of the island in relation to the mainland and partly to the lack of industrial development on the island. Agriculture and the digging up and processing of moles are the main industries on the island.

The supply of services is very limited on account of the few inhabitants on the island. Today there are schools and a number of general shops and kiosks on the island.

Today tourism is an important source of income with areas for holiday homes, camping sites, and harbours and berths for pleasure boats in Fur Harbour. The municipality of Sundsøre would like to see a continued increase in tourism on the island since the development in tourism would be helpful to the local community and not a burden for the island.

A crucial precondition for halting the decline on Fur is that access to the island is not allowed to become worse. This would be both a precondition for the creation/preservation of basic industrial jobs in agriculture, raw material industries and industry on the island and for having dwellings on the island for people who work elsewhere. In addition there is the importance of the transport situation for the availability of services, which also affects the attractiveness of the island.

Therefore the municipality of Sundsøre and Viborg County Council came to an agreement on 1st January 1982 regarding ferry operations on Fursund. Under the agreement the County Council provides ferry berths with ferry ramps for the crossing free of charge for a period of 15 years. The municipality of Viborg maintains the ferry berths and ferry ramps with associated equipment and the access roads. The municipality of Sundsøre hires 2 ferries from the County of Viborg for a total annual fee of 15% of the cost of acquisition of the ferries of Dkr 2 million.

In addition the municipality of Sundsøre has set up a discount system for the use of the ferries by the residents of the island.

4. Development targets

4a. General targets

In the Regional Plan for 1985-96 the main target for development in the County of Viborg and hence also in the regional development areas is to create the basis for fairer development within the county while strengthening development in the county as a whole in relation to the rest of the country.

Or, in other words, to be able to give all the inhabitants of the county equal conditions and the same opportunities as the rest of the inhabitants of the country to have a good job with good pay, a good house in a good environment and to be served by public and private services (education and training, health, the arts, social services, traffic, energy, leisure facilities, shopping facilities etc.).

It is the wish of the County Council that regional policy aims should not only result in a localization policy but co-ordinate more widely all the initiatives - labour market policy, education and training policy, policy concerning equalization subsidies to municipalities and counties, energy policy, traffic policy, tourism policy etc. - which can play a part in strengthening the weak areas in such a way that the individual initiatives support each other.

Based upon the above main target the County Council has formulated a number of partial targets for development:

- Industrial employment is to be created for all those who may want it (the unemployed and those who have just come onto the labour market) within the programme period.
- There are to be as great economies as possible in the use of resources, including natural resources which are to be protected.
- The best possible conditions for growth for the urban industries, industry and services, are to be ensured, including an appropriate supply of suitable industrial sites in the individual parts of the county. In addition an effort is to be made to establish an industrial structure which is less dependent upon the state of the market and the season than is at present the case.

- The supply of private and public services in the county should be the same as in the rest of the country.
- Tourism should be developed in such a manner that it can be of the greatest possible benefit to the individual urban communities and municipalities with regard to income and employment.
- It must be ensured that the County of Viborg is on an equal footing with the rest of the country as far as transport is concerned and that good roads and transport connections with the rest of the country are established and developed.
- Air links between the County of Viborg and the rest of the country should be preserved and developed. Air links with foreign countries would also be desirable. The same applies to the ferry connection with Norway, Scotland, the Faeroes and Iceland, also with tourism in mind.
- A cheap, stable energy supply which is not dependent upon oil and which has uniform prices should be ensured.
- The supply of new training places and those in short supply for the young in particular should be encouraged and access to them should be ensured for all.

4b. Specific targets

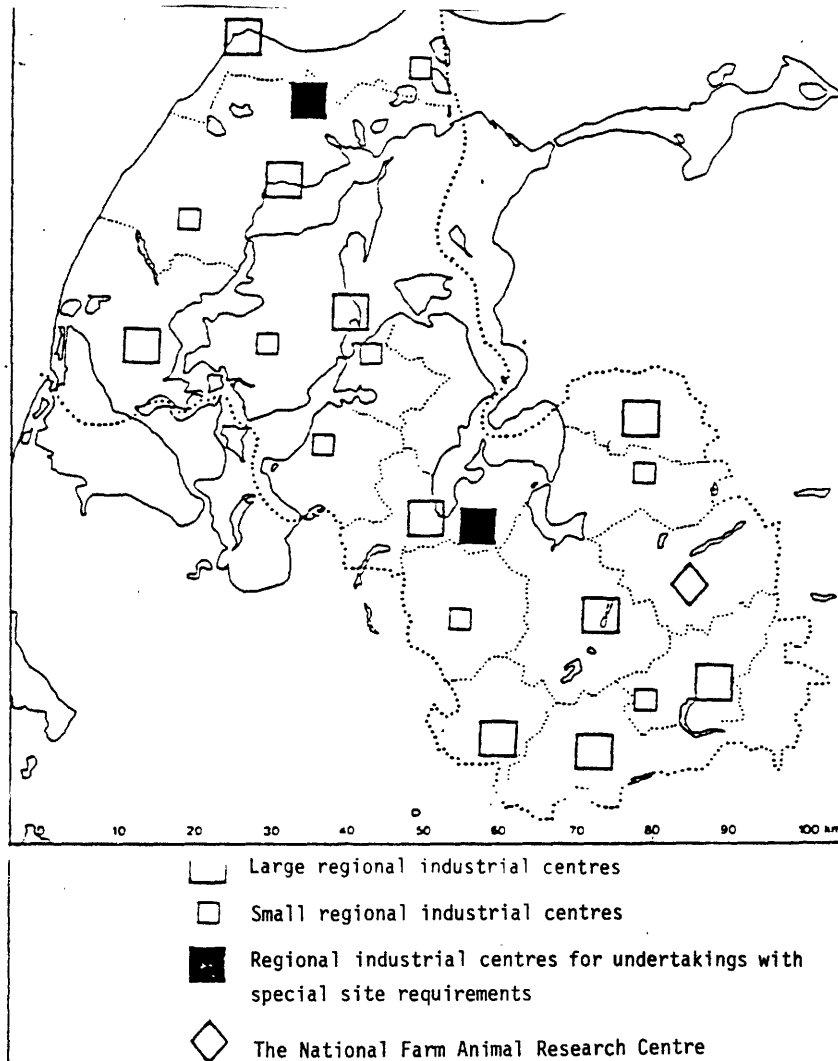
The regional urban pattern

The development of the urban pattern is one of the main ways of meeting the target of the Regional Plan regarding the creation of fairer development within the county. Thus the development of regional centres, municipal centres with special status, municipal centres and local centres helps to strengthen local industry and ensure fairer development of industry and population, since it brings services and jobs nearer.

The regional centres and regional centres under development and the municipal centres with special status are the cornerstones of the Regional Plan. These towns will be developed so that they have a reasonably large and varied labour market with a varied supply of job opportunities and at the same time they will provide a location for parts of the main private and public services. Through the location of the regional centres, municipal centres with special status and regional industrial centres and the industrial centre in Ballerup/Tved for undertakings with special site requirements, the County Council has attempted to provide geographical cover for the thinly populated areas as well, so that there is only a distance of approx. 20-25 km to the regional centres or regional centres under development.

However, it is the case for some areas in the county that the aim of good access to a varied supply of services and to a varied supply of jobs has not been met sufficiently. This is the case for example for the catchment area for the Hurup and Ålestrup regional centres. Here the population is so small that it has not been possible to situate main institutions, for example comprehensive schools, with the requirements for population bases which they have, in these areas. However it is to be stressed that for these areas the County Council feels that higher priority should be given to meeting the needs of local areas than is the case in the rest of the county, so that any increased operating costs in the setting up or maintaining of these institutions will have to be accepted in certain cases.

Therefore regional centres, other large well-situated towns and individual localities in open country have been designated as regional industrial centres, cf. Map 15.

Map 15. Regional industrial centres in the County of Viborg

In the regional heating plan the County Council has stressed that the Regional Plan's general main targets concerning fairer development are to be put on an equal footing with the current national targets, so that for instance the Regional Plan's targets regarding regional residential patterns and industrial development are not counteracted by the various regions in the county differing with regard to what forms of energy they will offer or with regard to the opportunities of obtaining competitive energy prices. It is also stressed that the available local energy resources are to be utilized. Such a policy would be of great assistance to the local economy and increase employment in the regional development areas, where there are relatively large quantities of refuse, straw, wood chips and (in the longer term) biogas resources available as well as excess heat from local industry. Some excess heat is already being utilized in Hanstholm.

The County Council also puts considerable importance upon natural gas reaching all the large towns in the county and upon the advantages of natural gas being obtained for industry in the whole of the county - regardless of whether the industry's processing energy is covered by the heat supply law.

5.+6. Development measures

The Regional Plan for 1985-96 does not in itself give the County Council the management capabilities to implement the infrastructure projects described below. The terms of the Regional Plan only enable the County Council to influence public and private initiatives and decisions. These will be evaluated and approved on the basis of a combined evaluation of whether they assist in the attaining of the required urban pattern and encourage fairer development in the county. To encourage industrial development, the County Council wants to improve the infrastructure and increase the supply of services and training which should be easily accessible for all parts of the county and be tailor-made to suit the requirements of the local industries. The County Council will work to create forward-looking training opportunities for the young and good prospects for further and advanced training, so that the requirements of industry for trained personnel can be met, taking into consideration future industrial development.

This presupposes greater direct co-operation between all the public authorities and the private undertakings on the development of production and the development of systems in the areas of energy, the environment and health etc.

The County Council finds that it will be necessary in the years to come to intensify co-operation and interaction between the public and private sectors, for example by means of regional advice centres designed to assist industrial development and encourage the use of new technology. To encourage industrial development in order to improve the standard of living of the population, the County Council wants to give priority to the following four areas during the next 5 years:

- The realisation of infrastructure projects.
- Improvements to vocational training and services for industry.
- The conservation of nature and the environment.
- The development of the tourist industry.

The County Council wants primarily to assist initiatives aimed at improving and increasing industry and employment. Construction work of regional importance will be given a high priority. This is because of the wish to strengthen the main infrastructure components in the region and thereby hopefully encourage a broader industrial development, cf. Appendix 4.

5a. Regional development assistance

Based upon the appropriations in the finance law for 1986, the budget proposals for the years 1987, 1988 and 1989 and the regional distribution of the assistance available up till now, it is estimated that during the years 1986-89 the following assistance will be granted in North-West and Central Jutland:

Table 15.

DKr 1000	Industrial building loans	Investment subsidies
1986	5 500	25 100
1987	5 500	25 100
1988	5 500	24 000
1989	5 500	24 000

Calculated on the basis of the expected appropriations etc. it is estimated that the investments which will be supported by regional development assistance in 1986-89 will result in the creation of the following numbers of jobs:

1986	1987	1988	1989
400	400	400	400

It must be stressed that in the above calculations the global loans which the Danish Government is expected to take up from the European Investment Bank have not been taken into account.

5b. Infrastructure projects

Ports

There is to be continued expansion of Hanstholm Harbour and modernization of Skive and Thisted Harbours.

Hanstholm Harbour is at present being expanded by an additional harbour basin to the south with associated equipment on land which will benefit the fishing industry as well as other shipping in the harbour. The costs for this are estimated to amount to approx. Dkr 51 million.

In connection with the development of Hanstholm Harbour as a base for oil and gas exploration in the northerly part of the North Sea, it will be necessary to establish service installations at Hanstholm Harbour for the benefit of future as well as existing users of the harbour. The size of the project is dependent upon future off-shore activities during the period of the plan.

The modernization of Skive Harbour will cost a total of Dkr 3-4 million and the acquisition of a new larger crane for the harbour will cost approx. Dkr 1.3 million.

The cost of modernizing Thisted Harbour is estimated to be Dkr 4.7 million, with costs of approx. Dkr 3 million for the acquisition of conveyer belts and hoppers at the harbour.

An eastern breakwater should be set up at Nykøbing Harbour costing a total of approx. Dkr 3 million.

Modernization work and alterations to the old ferry harbour in Glyngøre Harbour is in 3 stages, totalling Dkr 10.8 million.

Air fields

The acquisition of various fire and rescue equipment and the enlargement of garage and storage facilities at Skive Airport will cost approx. Dkr 3 million.

Industrial sites

For the development of the 2nd and 3rd stages of industrial sites limited to the industrial sites at Erslev in Mors total construction costs are approx. Dkr 3.9 million and approx. Dkr 1.6 million respectively.

The project for the development of Morsø Food Park in the above site will cost a total of approx. Dkr 2 million.

The development of the 1st and 2nd stages of the industrial site at Sindbjerg in Mors will cost a total of approx. Dkr 3.5 million and approx. Dkr 4.5 million respectively.

The development of the industrial site at Stoholm in the municipality of Fjends will cost a total of Dkr 1 238 000.

In Sallingsund it is planned to establish a new industrial area in Tøndering costing approx. Dkr 2 million, to enlarge the industrial area in Roslev at a cost of approx. Dkr 1 million and to enlarge the industrial area at Hedelund at a cost of approx. Dkr 2.5 million.

It is expected that approx. Dkr 400 000 will be spent on developing industrial sites in Frøstrup and industrial sites near Hanstholm.

A new industrial area of approx 3 hectares at Breum is planned to be developed for a total cost of DKr 1 150 000.

Development and drainage work is planned for the large regional industrial area in Vinkel totalling approx. DKr 5.0 million.

Development is planned of the industrial and handicrafts area in Dommerby near Skive, costing approx. DKr 4.3 million in 1986-90.

Development is planned of an industrial site of approx. 2.5 hectares at Balling, costing approx. DKr 750 000.

Development is planned of an industrial site of approx. 3.0 hectares at Rødding, costing approx. DKr 850 000.

The establishment is planned of a small regional industrial centre at Møldrup, costing approx. DKr 6.5 million.

The establishment is planned of 2 industrial sites in the municipality of Ålestrup of 10 hectares and 12 hectares, costing DKr 2.6 million and DKr 4.2 million respectively.

Roads

Development and lengthening of roads linking the industrial areas at Stoholm and Mønsted in the municipality of Fjends with the main road network is planned, costing approx. DKr 2.5 million.

Regulation of the roads in the municipality of Sallingsund is planned, costing approx. DKr 2.1 million for the whole project.

It is planned to reorganize the traffic in the town of Hanstholm by a reorganization of Fyrvej, costing approx. DKr 2.3 million for the whole project.

It is planned to improve the access roads to the raw material industries on the island of Fur at a cost totalling DKr 2 105 000. In addition it is planned to establish an access road to the new industrial area at Vr. Lyby.

Regulation and improvements to the roads in Skive are planned, costing approx. DKr 14 million with the aim of improving roads to and from the industrial areas etc.

The establishment of roads for the industrial area at Rødding costing approx. DKr 850 000 and at Lem costing approx. DKr 750 000 is planned.

Other projects planned are:

Establishment of the site of the bypass at Hurup costing DKr 1.2 million, the regulation of the main road between Skive and Balling costing DKr 12.14 million, improvements to the main road at Vestervig costing DKr 10.0 million, improvements to the main road at Udby costing DKr 24.0 million, improvements to the main road at Simested costing DKr 16.0 million, improvements to the main road at Gedsted costing DKr 16.0 million, improvements to the main road at Grinderslev costing DKr 10.0 million, improvements to the main road at Bedsted costing DKr 4.0 million, and establishment of a footpath Skive - Glyngøre costing DKr 12.0 million.

Traffic installations for public transport

Installations for the use of public transport should be established and developed in the municipality of Fjends.

It is expected that a lorry station will be established in Frøstrup costing approx. DKr 400 000.

Improvements and enlarging of Skive Lorry Station and its surroundings costing approx. DKr 800 000.

Footpaths

The establishment of a recreational footpath link in the municipality of Sydthy connecting the North Sea and Limfjord with total construction costs of approx. DKr 5 million.

It is planned to establish recreational footpaths in the municipality of Fjends. The paths will link the various tourist attractions in the municipality.

The internal footpath links in Hanstholm between the residential areas and the industrial sites are planned to be completed at a total cost of approx. DKr 800 000.

It is planned to establish a footpath on the closed railway line between Skive and Glyngøre for a cost of approx. DKr 12.0 million.

5c. Vocational training courses

The County Council will work towards and assist with the following in accordance with the approved youth training plan:

- establishing broader general basic training which is to be offered to such an extent that the wishes of the individual and of industry are fulfilled as far as possible, - more flexible further and advanced training in the county,
- a stronger connection between basic and further training,
- the acquisition of more training/practical places in the county,
- work on the improvement of information and guidance concerning training and employment opportunities in the county,
- ensuring that in the planning of training local conditions, future employment opportunities and technical developments are taken into consideration,
- a closer connection between training, leisure and personal development and
- the establishment of courses in vocational training which can enlarge and improve vocational qualifications in accordance with technological development and the requirements of the labour market in the local area.

The County Council and the municipalities will continue to provide considerable amounts for measures to assist employment.

Two measures can be mentioned which will assist in bringing about the fulfilment of the aims:

- 1) More and better training opportunities
- 2) More and better analyses.

More and better training opportunities

More training opportunities can be formulated as training within the existing framework, vocational basic training, 2nd part training, advanced training and labour market training. Particularly in relation to the large distortions in the training which is available, there is a great need for advanced training and further training facilities.

- New relevant opportunities - new training, new types of training, which can be adapted to suit local conditions and help to raise the level of training. For instance training centres could be set up for the regional centres.
- Co-ordination of existing training and courses.

More and better analyses

More and better analyses can be formulated as:

- analyses of the training requirements of the young,
- analyses of the opportunities (capacity problems, supply of training),
- analyses of individual industries' training structure, training requirements and capacity and
- analyses of the need for change.

The possibilities which the County Council has for fulfilling its aims are mainly:

- a continuation and extension of analysis work in co-operation with the labour market board and others,
- the implementation of research and development work for the county's own training courses and support for research and development work in other youth training courses,
- the bringing about of co-operation between the various youth training courses and training institutions,
- the implementation and support of research and development work in training and vocational guidance,
- support for research and development work within the area of further training in co-operation with the Technical Information Centre and other institutions,
- the provision of economic support for the setting up and operation of new training courses,
- the creation of training/practical places within its own framework,
- the making available of premises for new training purposes, provided the county has premises vacant,
- measures which make the transition from school to youth training easier for young people and
- recommendations to industry, and local and central authorities, that they should assist in fulfilling the aims.

New training courses

With regard to new training courses the County Council will take the initiative to ensure that

- an engineering training course is created in the County of Viborg,
- a number of basic and advanced technical training courses are created, including industrial designer training,
- a number of advanced commerce and office training courses are set up, including training in exporting,
- co-operation is established between technical colleges, comprehensive schools and preparatory courses for examinations to develop new combinations of training courses,

- more vocational basic and 2nd part training courses are set up
- training courses in the fields of the media and information technology are set up and
- proper training courses are set up for instructors.

The new training courses are to aim at counteracting the great differences which there are between the sexes regarding opportunities in training and occupation.

The County Council will use the youth training plan as the basis for making decisions about actual proposals regarding the siting and development of training courses in the County of Viborg. However in the case of special initiatives originating from the local areas there will be the possibility of enlarging the plan.

Thisted

Here the siting is recommended of

- an export college or a department of the Danish Export School in Herning
- a department of the Commercial College and
- vocational basic training in agriculture.

Hurup

Regional centre under development, about which it says in the supplement to the Regional Plan: "There is also potential in connection with tourism, mainly in connection with commerce and overnight accomodation, but also a wider utilization of background and facilities for proper training courses and activities."

It is therefore recommended that a training centre for the regional centre is set up which can house various training activities including units of neighbouring training courses.

The training centre for the regional centre is also proposed as the base for:

- a tourist guide and/or ranger training course (nature guide training).

Nykøbing

Here the siting is proposed of:

- a training course in the environmental field, for example a training course for environmental technicians which is based upon training for laboratory technicians,
- a training course for computer operators,
- a training course for instructors and
- a teacher-training course in home economics.

Skive

Here the siting is proposed of:

- a training course for industrial designers,
- vocational basic training in service subjects in line with the vocational training outline plan for December 1984,
- a vocational 2nd part training course for electricians and
- a vocational basic training course in land transport.

Viborg

Here the siting is proposed of:

- a training course for engineers,
- a training course for laboratory technicians and
- a vocational basic training course in printing.

Bjerringbro

Regional centre under development, about which it says in the supplement to the Regional Plan, "The establishing of the new

county comprehensive school a few years ago was of great importance for Bjerringbro. In 1984 a department of Viborg Technical College was set up with a 2nd part training course for fitters. In addition a training centre was set up offering a number of vocational training courses."

The establishment is therefore proposed of:

- a training course for machine technicians in at least two vocational fields and
- a department of Viborg Commercial College.

Kjellerup

Regional centre under development, about which it says in the supplement to the Regional Plan: "There are only a few educational institutions, namely the primary school and a department for courses leading to examinations in single subjects for adults. With the town's special industrial structure it should be possible to have training courses in the social and health fields, in the area of agriculture and in the field of commerce."

It is therefore proposed that a training centre for the regional centre is set up which can house various training activities including units of neighbouring training courses.

Ålestrup

Regional centre under development, about which it says in the supplement to the Regional Plan: "The town's industrial undertakings, perhaps together with the Grundfos division in Hvam, only three km south of the town, can probably make it possible to establish a vocational training centre."

It is therefore proposed that a training centre for the regional centre is set up which can house various training activities including units of neighbouring training courses.

The county as a whole

In addition the location is proposed of a media/information training course connected with Danmark Radio's tape workshop.

The location is proposed of a social education training course at one of the existing teacher-training colleges in the county.

Viborg County Council will take the initiative as quickly as possible to set up training courses in the county for engineers, exporters, industrial designers and environmental technicians.

The contribution in the regional development areas will be dealt with by the regional committee as proposed below.

There are plans to establish a development centre/"hatching box" costing approx. DKr 1.5 million in the municipality of Sydthy, to "train" people who want to start up their own business and to give businesses practical experience of the new technology. In addition there are plans to set up a hybrid network Information Centre at an estimated total cost of DKr 8 million.

There are plans to establish Morsø Training Centre with regard to supplying partly basic training in co-operation with technical colleges and partly training for other vocational qualifications. The costs of this are estimated to be approx. DKr 8 million.

In addition there are plans to establish a Limfjord Centre costing about DKr 8 million at Mors.

It is planned to set up an invention and development house in Fjends.

It is planned to have an "experimental kitchen" in Hanstholm with the aim of improving fish products for human consumption.

The construction in 1986 of a new college for semi-skilled workers in Thisted of about 5 500 m² is planned, costing a total of approx. DKr 45 million.

The conversion into industrial buildings of Thisted's Semi-skilled Workers College's old premises, approx. 4 500 m², is planned.

The establishment in 2 stages of a suite of rooms at Skive Technical College is planned, costing approx. DKr 6 million, for the use of students who are participating in further education courses at the college.

Work is in progress at present on plans for the starting up of a 4-year training course supplemented by a one-year preparatory class in industrial design in Skive.

The establishing of a manufacturing college for unemployed young people is planned, with the aim of giving high school pupils an improved base upon which to build training for qualifications and employment.

The establishment of a training centre in Skive for Danish top athletes is planned.

Investment in Ålestrup Training Centre in 3 stages of approx. DKr 2.5 million, DKr 5.0 million and DKr 2.8 million respectively is planned.

5d The protection of nature and environmental interests, including the utilization of long-lasting alternative energy.

Environmental and energy measures

The County Council wants to support initiatives for the utilization of local energy resources for heating. The council also wants to support the development of measures to combat pollution and the development of new products, in co-operation with industry etc.

As examples of this, the following can be mentioned:

With regard to the utilization of alternative long-lasting energy sources, the municipality of Sydthy wants to set up a straw-burning plant costing approx. DKr 3 million, a biogas plant costing approx. DKr 4 million and a wind-mill park costing approx. DKr 8.5 million.

With the aim of reusing waste it is planned to set up a waste sorting plant at Kåstrup dumping site with total construction costs of DKr 26.1 million.

The municipality of Sydthy wants to use approx. DKr 1.5 million for the restocking of Flade Lake after extensive fish mortality in the lake.

The setting up of purification plants at Mors for use by the Morsø Food Park is planned, at an estimated cost of DKr 22 million.

It is planned to set up a new surface drainage pipeline from Åsted at a total cost of approx. DKr 625 000.

Coastal protection

With the aim of preventing a repetition of the floods in 1983 and 1984 it is planned to implement a coastal protection project at Hellingsø Drag costing a total of approx. DKr 2.5 million.

5e. The tourist industry

The County Council wants to encourage the tourist industry in the county by means of local initiatives and by investment. This can be done partly by improving the transport links with the tourist bases and partly by setting up new or enlarging existing tourist facilities such as pleasure boat harbours, marinas, holiday villages, camping sites etc.

As part of continued regional planning, the county are in the process of drawing up a recreational plan for the county. This will include proposals for a large number of projects. At the present time the projects listed below have been proposed for implementation:

Pleasure boat harbours, marinas etc.

The setting up of a pleasure boat harbour at Ejerslev in Mors, costing a total of approx. DKr 3 million.

The partial transformation of Sillerslev Harbour in Mors from fishing harbour to pleasure boat harbour, costing an estimated DKr 1 million.

The establishment of access roads to the pleasure boat harbour at Gyldeandal.

Other tourist facilities

It is expected that a youth hostel will be constructed at Sdr. Resen as a base for recreational interests at Karup River and Kongenshus Moor.

In addition it is expected that a camping site will be established in the municipality of Fjends.

The existing holiday village in Vigsø, which is owned by Dansk Folkeferie, is planned to be enlarged at a cost of approx. DKr 120 million.

The establishment of a camping site at Skive is planned, at a total cost of approx. DKr 7.5 million.

The establishment of a holiday village at Sundstrup is planned, costing approx. DKr 150 million, constructed by Dansk Folkeferie.

APPENDIX 1

Statistical background information

Table 1	Population development in the County of Viborg 1980-85
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Table 16	Average income per taxpayer in the County of Viborg in 1980 and 1983.

Table 1: Population development in the County of Viborg 1980-1985

Municipalities	1.1.1980	1.1.1985	Growth as %
Fjends	8 103	8 215	1.38
Hanstholm	5 679	5 860	3.19
Morsø	24 647	24 095	-2.24
Møldrup	7 506	7 380	-1.68
Sallingsund	6 305	6 311	0.10
Skive	26 793	26 771	-0.08
Spøttrup	7 965	7 867	-1.23
Sundsøre	7 337	7 065	-3.71
Sydthy	12 713	12 521	-1.51
Thisted	30 011	29 668	-1.14
Ålestrup	7 522	7 527	-0.07
Regional development areas	144 581	143 280	-0.90
Bjerringbro	12 821	13 048	1.77
Hvorslev	6 662	6 470	-2.88
Karup	6 916	6 719	-2.85
Kjellerup	13 539	13 427	-0.83
Tjele	8 241	8 211	-0.36
Viborg	38 757	39 221	1.19
Regions not qualifying for assistance	86 936	87 096	0.18
The County of Viborg	231 517	230 376	-0.49
The whole country	5 122 065	5 111 108	-0.21

Source: Statistical publications from Danish Statistics, various years.

1)

Table 2: Net migration in the County of Viborg 1980-84

Municipalities	1980	1981	1982	1983	1984	Total 1980-1984
Fjends	-35	2	35	-24	-15	-37
Hanstholm	9	19	71	-22	-28	49
Morsø	-19	-113	-81	-34	27	-220
Møldrup	-54	-21	-32	-1	-57	-165
Sallingsund	-2	-50	-24	-51	-27	-154
Skive	7	-74	-80	-16	49	-114
Spøttrup	-124	-50	-53	-33	-24	-284
Sundsøre	-35	-42	-92	-37	-43	-249
Sydthy	-58	-2	-42	-76	12	-166
Thisted	-91	-95	-75	142	-112	-231
Ålestrup	-24	11	-21	11	-6	-29
Regional development areas	-426	-415	-394	-141	-224	-1600
Bjerringbro	232	-92	-22	46	23	187
Hvorslev	-75	-65	-47	39	-99	-247
Karup	3	-129	-87	-115	-62	-390
Kjellerup	-3	80	-110	-3	-30	-66
Tjele	21	-70	-53	-34	14	-122
Viborg	161	187	146	-65	112	541
Regions not qualifying for assistance	339	-89	-173	-132	-42	-97
The County of Viborg	-87	-504	-567	-273	-266	-1697

Source: Statistical Information

Note 1: Includes both movements within Denmark as well as movements abroad.

1)

Table 3: Amount of net migration to the County of Viborg distributed by age during the period 1980-83.

	1980	1981	1982	1983
0- 4 years	93	47	11	94
5- 9 "	69	5	57	64
10-14 "	65	16	60	32
15-19 "	-252	-334	-376	-325
20-24 "	-500	-463	-463	-432
25-29 "	155	87	44	110
30-34 "	124	-	80	109
35-39 "	55	-29	9	61
40-44 "	4	7	5	22
45-49 "	14	36	23	-20
50-54	13	27	19	-18
55-59 "	30	24	2	21
60-64 "	32	30	3	18
65-69 "	42	5	-6	-14
70-74 "	-1	-	-3	2
75- "	3	4	-10	-25
Total	-54	-536	-545	-301

Source: Statistical Information

Note 1: Net migration to the county only includes movements within Denmark.

Table 4: The population distributed by age in the County of Viborg as of 1st January 1980.

Municipalities	0 - 16 years	17 - 64 years	65 years and above	Total
Fjends	2 352	4 623	1 128	8 103
Hanstholm	1 678	3 327	674	5 679
Morsø	6 042	14 191	4 414	24 647
Møltrup	2 055	4 313	1 138	7 506
Sallingsund	1 709	3 697	899	6 305
Skive	6 542	16 348	3 903	26 793
Spøttrup	2 233	4 625	1 107	7 965
Sundsøre	1 874	4 286	1 177	7 337
Sydthy	3 245	7 141	2 327	12 713
Thisted	7 756	17 469	4 786	30 011
Alestrup	1 967	4 343	1 212	7 522
Regional development areas	37 453(26%)	84 363(58%)	22 765(16%)	144 581(100%)
Bjerringbro	3 454	7 564	1 803	12 821
Hvorslev	1 803	3 919	940	6 662
Karup	1 981	4 278	657	6 916
Kjellerup	3 635	7 852	2 052	13 539
Tjele	2 285	4 752	1 204	8 241
Viborg	9 555	23 668	5 534	38 757
Regions not qualifying for assistance	22 713(26%)	52 033(60%)	12 190(14%)	86 936(100%)
The County of Viborg	60 166(26%)	136 396(59%)	34 955(15%)	231 517(100%)
The whole country	1 244 810(24%)	3 142 518(61%)	734 737(14%)	5 122 065(100%)

Source: Statistical publications from Danish Statistics

Table 5: The population distributed by age in the County of Viborg as of 1st January 1985.

Municipalities	0 - 16 years	17 - 64 years	65 years and above	Total
Fjends	2 224	4 863	1 128	8 215
Hanstholm	1 549	3 594	717	5 860
Morsø	5 344	14 176	4 575	24 095
Møldrup	1 807	4 368	1 205	7 380
Sallingsund	1 536	3 799	976	6 311
Skive	6 007	16 714	4 050	26 771
Spøttrup	2 002	4 664	1 201	7 867
Sundsøre	1 645	4 180	1 240	7 065
Sydthy	2 958	7 141	2 422	12 521
Thisted	6 830	17 956	4 882	29 668
Ålestrup	1 786	4 418	1 323	7 527
Regional development areas	33 688 (24%)	85 873 (60%)	23 719 (16%)	143 280 (100%)
Bjerringbro	3 164	8 026	1 858	13 048
Hvorslev	1 600	3 887	983	6 470
Karup	1 632	4 331	756	6 719
Kjellerup	3 160	8 156	2 111	13 427
Tjele	2 041	4 923	1 247	8 211
Viborg	8 810	24 695	5 716	39 221
Regions not qualifying for assistance	20 407 (23%)	54 018 (62%)	12 671 (14%)	87 096 (100%)
The County of Viborg	54 095 (24%)	139 891 (61%)	36 390 (15%)	230 376 (100%)
The whole country	1 096 019 (21%)	3 249 035 (64%)	766 054 (15%)	5 111 108 (100%)

Source: Statistical publications from Danish Statistics

Table 6: Those employed with workplaces - jobs - situated in the municipalities in the County of Viborg as of 1.11.1980.

Municipalities	Agri- culture	Manu- facturing industry	Building and con- struction industry	Commerce and restaurant industry	Transport industry	Finance and business services	Public services	Services + no infor- mation	Total 1980	Net commuting into the county
Fjends	975	290	229	255	63	74	734	100	2 720	-1 195
Hanstholm	649	554	255	651	222	113	516	159	3 119	333
Morsø	2 138	2 386	756	1 566	397	416	2 540	518	10 717	-653
Møldrup	983	360	209	387	96	63	672	96	2 866	-689
Sallingssund	565	934	258	678	152	92	432	106	3 217	114
Skive	987	3 649	1 120	2 320	683	891	4 476	587	14 713	1 731
Spøttrup	1 005	689	221	254	120	54	619	119	3 081	-800
Sundsøre	1 134	402	189	192	103	41	656	110	2 827	-753
Syddy	1 383	1 022	499	837	222	197	1 146	249	5 555	-464
Thisted	2 587	2 942	996	2 163	531	690	4 298	561	14 768	-198
Ålestrup	961	809	265	466	176	131	517	117	3 442	-149
Regional development areas	13 367	14 037	4 997	9 769	2 765	2 762	16 606	2 722	67 025	-2 723

Table 6 (cont.)

Bjerringbro	900	3 566	468	690	194	286	1 061	243	7 408	665
Hvorslev	709	638	347	198	84	104	420	115	2 615	-704
Karup	413	458	175	289	108	47	1 200	144	2 834	-752
Kjellerup	1 276	1 440	447	965	272	192	1 587	210	6 389	-468
Tjele	1 184	436	237	293	118	91	515	123	2 997	-1 095
Viborg	1 489	3 346	1 404	3 439	771	1 273	8 884	1 083	21 689	2 664

Regions not qualifying for assistance	5 971	9 884	3 078	5 874	1 547	1 993	13 667	1 918	43 932	310

The County of Viborg	19 338	23 921	8 075	15 643	4 312	4 755	30 273	4 640	110 957	-2 413

Table 7: Those employed with workplaces - jobs - situated in the municipalities in the County of Viborg as of 1.11.1982.

Municipalities	Agri- culture	Manu- facturing industry	Building and con- struction industry	Commerce and restaurant industry	Transport industry	Finance and business services	Public services	Services + no infor- mation	Total 1982	Net commuting into the county
Fjends	943	290	176	279	69	56	754	115	2 682	-1 198
Hanstholm	629	776	199	802	241	108	544	195	3 494	466
Morsø	2 096	2 316	701	1 489	407	451	2 702	628	10 790	-533
Møldrup	936	405	198	378	101	76	666	132	2 892	-758
Sallingsund	512	1 448	177	407	147	76	440	117	3 324	169
Skive	915	3 655	866	2 361	702	816	4 608	632	14 555	1 657
Spøttrup	982	714	180	231	120	66	597	161	3 051	-773
Sundsøre	1 076	383	169	196	96	53	685	119	2 777	-730
Sydthy	1 312	1 062	441	742	244	191	1 276	240	5 508	-450
Thisted	2 418	2 721	824	2 023	528	657	4 477	671	14 319	-57
Ålestrup	905	1 024	216	418	148	119	556	150	3 536	-98
Regional development areas	12 724	14 794	4 147	9 326	2 803	2 669	17 305	3 160	66 928	-2 305

Table 7 (cont.)

Bjerringbro	900	3 741	364	643	201	263	1 148	290	7 550	811
Hvorslev	645	448	391	197	81	70	461	104	2 397	-814
Karup	424	429	157	416	90	57	1 253	138	2 964	-573
Kjellerup	1 246	1 572	314	875	247	214	1 719	253	6 440	-362
Tjele	1 138	402	193	232	117	82	555	143	2 862	1 145
Viborg	1 411	3 435	1 167	3 273	880	1 382	9 348	1 050	21 946	2 496
Regions not qualifying for assistance	5 764	10 027	2 586	5 636	1 616	2 068	14 484	1 978	44 159	413
The County of Viborg	18 488	24 821	6 733	14 962	4 419	4 737	31 789	5 138	111 087	-1 892

Table 8: Difference between the number in employment and the number of residents in the municipalities in the County of Viborg in 1983.

Municipalities	"Surplus of jobs"		Of which in		
	Number	% of residents	Manu- facturing industry	Building, commerce, transport	Service industry
Bjerringbro	+578	+8.8%	+887	-139	-182
Fjends	-1 135	-29.4%	-428	-313	-372
Hanstholm	+303	+10.5%	+128	+173	-25
Hvorslev	-636	-19.7%	-339	-76	-189
Karup	-695	-20.0%	-202	-216	-265
Kjellerup	-323	-4.8%	-70	-172	-119
Morsø	-592	-5.4%	-124	-297	-66
Møldrup	-651	-18.5%	-173	-198	-264
Sallingsund	+112	+3.5%	+114	+207	-148
Skive	+1 682	+13.2%	+771	+516	+420
Spøttrup	-744	-19.3%	-203	-247	-268
Sundsøre	-800	-22.7%	-315	-312	-198
Sydthy	-443	-7.5%	-62	-98	-244
Thisted	+116	+0.8%	+34	-180	+269
Tjele	-1 102	-28.3%	-302	-299	-510
Viborg	+2 347	+12.4%	+198	+437	+1 696
Ålestrup	-146	-4.1%	+95	-44	-208

Table 9: Commuting to and from the county for the municipalities in the County of Viborg in 1983.

Municipalities	Commuters coming into the municipality as % of people working in the municipality			Commuters going out of the municipality as % of people working in the municipality		
	Men & women	Men	Women	Men & women	Men	Women
Bjerringbro	25.9	28.0	22.6	17.0	16.3	17.9
Fjends	9.5	7.1	12.5	37.4	38.9	35.2
Hanstholm	27.1	30.5	22.1	15.9	16.5	15.1
Hvorslev	23.2	28.5	13.8	42.7	42.9	42.4
Karup	14.2	15.6	12.0	28.1	25.3	31.9
Kjellerup	19.7	20.5	18.7	24.0	26.4	20.7
Morsø	4.6	4.6	4.5	9.1	9.2	8.8
Møldrup	13.3	11.8	15.4	31.3	32.1	30.1
Sallingsund	25.2	25.7	24.4	21.2	21.4	20.9
Skive	21.6	23.1	19.7	11.5	12.4	10.4
Spøttrup	11.6	12.1	10.9	29.5	29.3	29.7
Sundsøre	12.2	12.5	11.7	30.5	30.1	31.0
Sydthy	8.9	7.9	10.2	15.8	17.9	12.8
Thisted	10.6	10.4	10.8	10.9	12.9	8.4
Tjele	12.7	15.0	8.4	37.6	34.4	42.6
Viborg	21.6	22.4	20.6	11.5	14.8	7.6
Ålestrup	16.0	19.0	10.9	18.3	17.4	19.6

Table 10: The employment rates of men and women distributed by municipality in the County of Viborg in 1981.

	Work force 16 - 64 years		Population 16 - 64 years		%	
	Men	Women	Men	Women	Men	Women
1981						
Fjends	2 343	1 683	2 598	2 338	90.2	72.0
Hanstholm	1 682	1 199	1 878	1 703	89.6	70.4
Morsø	6 800	4 886	7 758	7 392	87.7	66.1
Møldrup	2 127	1 529	2 378	2 202	89.4	69.4
Sallingsund	1 824	1 353	2 039	1 934	89.5	70.0
Skive	7 613	6 066	8 749	8 602	87.0	70.5
Spøttrup	2 294	1 641	2 547	2 323	90.1	70.6
Sundsøre	2 095	1 483	2 380	2 174	88.0	68.2
Sydthy	3 472	2 634	3 898	3 743	89.1	70.4
Thisted	8 367	6 524	9 429	9 248	88.7	70.5
Ålestrup	2 136	1 493	2 403	2 232	88.9	66.9

Regional development areas	40 753	30 491	46 057	43 891	88.5	69.5

Bjerringbro	3 891	2 862	4 289	3 949	90.7	72.5
Hvorslev	1 931	1 386	2 146	1 961	90.0	70.7
Karup	2 130	1 584	2 366	2 207	90.0	71.8
Kjellerup	3 858	2 963	4 304	4 096	89.6	72.3
Tjele	2 425	1 683	2 676	2 413	90.6	69.7
Viborg	10 613	9 106	12 350	12 793	85.9	71.2

Regions not qualifying for assistance	24 848	19 584	28 131	27 419	88.3	71.4

The County of Viborg	65 601	50 075	74 188	71 310	88.4	70.2

Table 11: The employment rates of men and women distributed by municipality in the County of Viborg in 1983.

	Work force 16 - 64 years		Population 16 - 64 years		%	
1983	Men	Women	Men	Women	Men	Women
Fjends	2 341	1 705	2 635	2 406	88.8	70.9
Hanstholm	1 739	1 331	1 938	1 795	89.7	74.2
Morsø	6 767	4 999	7 721	7 348	87.6	68.0
Møldrup	2 128	1 578	2 410	2 226	88.3	70.9
Sallingsund	1 843	1 375	2 075	1 915	88.8	71.8
Skive	7 580	6 204	8 781	8 708	86.3	71.2
Spøttrup	2 259	1 709	2 519	2 352	89.7	72.7
Sundsøre	2 057	1 501	2 333	2 155	88.2	69.7
Sydthy	3 460	2 666	3 907	3 737	88.6	71.3
Thisted	8 320	6 629	9 494	9 297	87.6	71.3
Ålestrup	2 147	1 591	2 424	2 278	88.6	69.8
<hr/>						
Regional development areas	40 641	31 288	46 237	44 217	87.9	70.8
<hr/>						
Bjerringbro	3 889	2 988	4 316	4 013	90.1	74.5
Hvorslev	1 902	1 403	2 142	1 974	88.8	71.1
Karup	2 093	1 595	2 361	2 206	88.6	72.3
Kjellerup	3 900	3 083	4 406	4 139	88.5	74.5
Tjele	2 378	1 736	2 686	2 462	88.5	70.5
Viborg	10 766	9 505	12 610	13 053	85.4	72.8
<hr/>						
Regions not qualifying for assistance	24 928	20 310	28 521	27 847	87.4	72.9
<hr/>						
The County of Viborg	65 569	51 598	74 758	72 064	87.7	71.6

Table 12: The number employed in industry proper in the County of Viborg in 1980 and 1983.

Municipalities	1980	1983	% increase 1980-1983
Fjends	179	167	-7.2
Hanstholm	426	830	94.8
Morsø	1 821	1 727	-5.2
Møldrup	266	224	-15.8
Sallingsund	646	1 248	93.2
Skive	3 130	2 895	-7.5
Spøttrup	491	591	20.4
Sundsøre	233	289	24.0
Sydthy	661	552	-16.5
Thisted	2 083	2 134	2.5
Ålestrup	652	773	18.6
Regional development areas	10 588	11 430	8.0
Bjerringbro	3 192	3 385	6.5
Hvorslev	523	294	-43.8
Karup	293	213	-27.3
Kjellerup	980	1 141	16.4
Tjele	311	134	-56.9
Viborg	2 320	2 417	4.8
Regions not qualifying for assistance	7 619	7 584	-0.5
The County of Viborg	18 207	19 014	4.4

Source: Statistical publications from Danish Statistics

Chapter III, APPENDIX 1.

Table 13: Number of undertakings and total personnel (annual average) distributed by main industrial groups in the individual counties in 1980 and 1983.

Number of undertakings	Product-ion of raw material	Food, drink and tobacco industry	Textiles, clothing and leather industry	Timber and furniture industry	Paper and printing industry	Chemical industry	Stone, clay and glass industries	Iron and metal works and foundries	Iron and metal industry	Other industry	Total	
1980												
The County of Viborg			<-----	-----	number of people							
Total	379	76	3 359	1 850	2 464	820	667	1 106	436	7 259	170	18 207
1983												
Total	379	56	4 302	1 801	2 713	878	629	857	487	7 194	97	19 014

Table 14: Unemployment in the County of Viborg in 1980 and 1983.

Municipalities	1981 work force	1983 work force	1981 unem- ployed	1983 unem- ployed	1981 %	1983 %
Fjends	4 233	5 041	308	435	7.3	8.6
Hanstholm	3 045	3 733	257	332	8.4	8.9
Morsø	12 429	15 069	1 183	1 480	9.5	9.8
Møldrup	3 857	4 636	291	398	7.5	8.6
Sallingsund	3 364	3 990	294	295	8.7	7.4
Skive	14 246	17 489	1 232	1 605	8.6	9.2
Spøttrup	4 132	4 871	333	411	8.1	8.4
Sundsøre	3 822	4 428	278	344	7.3	7.7
Sydthy	6 556	7 644	543	749	8.3	9.8
Thisted	15 693	18 791	1 248	1 674	8.0	8.9
Ålestrup	3 864	4 702	304	459	7.9	9.8
Regional development areas	75 241	90 454	6 271	8 182	8.3	9.0
Bjerringbro	7 069	8 329	308	515	4.4	7.3
Hvorslev	3 529	4 116	173	354	4.9	8.6
Karup	3 873	4 567	269	368	6.9	8.1
Kjellerup	7 277	8 545	415	658	5.7	7.7
Tjele	4 339	5 148	246	398	5.7	7.7
Viborg	20 482	25 663	1 255	1 977	6.1	7.7
Regions not qualifying for assistance	46 569	56 368	2 666	4 270	5.7	7.6
The County of Viborg	121 810	146 822	8 937	12 452	7.3	8.5

Table 15: Unemployment among the young in the County of Viborg in 1980 and 1983.

Municipalities	1980		1983	
	number of young people 16-24 yr.	number of unemployed young people - 24 yr.	number of young people 16-24 yr.	number of unemployed young people - 24 yr.
Fjends	984	100	1 024	127
Hanstholm	811	73	873	89
Morsø	1 256	338	3 013	374
Møldrup	950	100	1 025	111
Sallingsund	905	93	904	79
Skive	4 037	448	3 952	490
Spøttrup	1 075	106	1 010	106
Sundsøre	991	103	930	97
Sydthy	1 679	181	1 630	189
Thisted	4 000	385	4 019	415
Ålestrup	976	106	1 000	137
Regional development areas	17 664	2 043	19 380	2 215
Bjerringbro	1 756	116	1 832	161
Hvorslev	843	53	851	87
Karup	1 048	107	1 028	108
Kjellerup	1 775	129	1 816	175
Tjele	1 040	97	1 097	110
Viborg	5 391	461	5 611	633
Regions not qualifying for assistance	11 853	963	12 235	1 274
The County of Viborg	29 517	3 006	31 615	3 489

Table 16: Average income per taxpayer in the County of Viborg in 1980 and 1983.

Municipalities	1980		1983	
		relative		relative
Fjends	43 711	90.3	68 842	91.5
Hanstholm	52 238	107.9	69 040	103.8
Morsø	46 029	95.1	63 181	95.0
Møldrup	43 019	88.8	60 160	90.5
Sallingsund	48 538	100.2	67 475	101.5
Skive	53 327	110.1	72 038	108.3
Spøttrup	44 267	91.4	62 757	94.4
Sundsøre	42 652	88.1	60 925	91.6
Sydthy	43 622	90.1	60 326	90.7
Thisted	48 833	100.8	66 763	100.4
Ålestrup	43 348	89.5	61 098	91.9
Regional development areas	47 434	98.0	65 244	98.1
Bjerringbro	50 176	103.6	68 787	103.4
Hvorslev	46 974	97.0	64 338	96.8
Karup	49 525	102.3	68 324	102.8
Kjellerup	46 534	96.1	64 596	97.1
Tjele	42 445	87.7	60 274	90.6
Viborg	53 293	110.1	72 108	108.4
Regions not qualifying for assistance	50 038	103.3	68 521	103.1
The County of Viborg	48 422	100.0	66 493	100.0

Investment overview 1986-1990 of the projects for which assistance could be sought from the EEC's Regional Fund (for guidance only).

Subject	Municipality	Investment 1986-DKr	1986	1987	1988	1989	1990
		in DKr 1000	in DKr 1000				
<u>Infrastructure projects</u>							
Development of industrial site at Stoholm	Fjends	1 238	↔				
Extension of industrial sites in the municipality of Sallingsund	Sallingsund	5 500	↔				
Development of industrial sites at Frøstrup	Hanstholm	400	↔	↔			
Development of industrial site at Breum	Sundsøre	1 150	↔	↔			
Drainage for industrial area at Vinkel	Skive	5 000	↔		↔		
Development of industrial site at Dommerby	Skive	4 300	↔				↔

Development of industrial site at Balling	Spøttrup	750							
Development of industrial site at Rødding	Spøttrup	850							
Industrial centre in Mølstrup	Mølstrup	6 500							
Establishing of industrial area in Ålestrup	Ålestrup	6 800							
<u>Roads</u>									
Improvements to roads to industrial areas at Mønsted and Stoholm	Fjends	2 500							
Regulation of roads to industrial sites in the municipality of Sallingsund	Sallingsund	2 100							
Reorganization of traffic in the town of Hanstholm	Hanstholm	2 300							

Investment overview 1986-1990 of the projects for which assistance could be sought from the EEC's Regional Fund (for guidance only).

Subject	Municipality	Investment 1986-DKr	1986	1987	1988	1989	1990
		in DKr 1000	in DKr 1000				
<u>Infrastructure projects</u>							
Improvements to access road to raw material industry on Fur and new road to industrial site at Vr. Lyby	Sundsøre	2 105	↔	↔	↔		
Regulation of roads of importance for road communications in Skive	Skive	14 000	↔				
Establishment of road system in Rødding	Spøttrup	750	↔	↔			
1. Main road 611, Bypass at Hurup	The County of Viborg	1 200	↔ 1 200 ↔				
2. Main road 533, regulation between Skive and Balling	"	12 400	↔ 6 820 ↔	5 320 ↔			

3. Main road 612, improvement of Vestervig	"	10 000			10 000	
4. Main road 612, improvements at Ydby	"	24 000			24 000	
5. Main road 507, improvements at Simested	"	16 000			16 000	
6. Main road 507, improvements at Gedsted	"	16 000			16 000	
7. Main road 535, improvements at Grinderslev	"	10 000			10 000	
8. Main road 612, improvements at Bedsted	"	4 000			4 000	
9. Skive-Glyngøre, establishment of footpath system	"	12 000			12 000	

Investment overview 1986-1990 of the projects for which assistance could be sought from the EEC's Regional Fund (for guidance only).

Subject	Municipality	Investment 1986-DKr	1986	1987	1988	1989	1990
		in DKr 1000	in DKr 1000				
<u>Infrastructure projects</u>							
<u>Traffic system for collective traffic</u>							
New lorry station in Frøstrup	Hanstholm	400	↔				
Improvements to lorry station in Skive	Skive	800	↔				
<u>Footpath systems</u>							
Establishment of footpath system from Limfjord to the North Sea	Syddu	5 000		←1 000	2 000	2 000→	
Recreational footpaths	Fjends	-	↔				
Internal footpath links in Hanstholm	Hanstholm	800	↔				

Footpaths on closed railway line Skive-Glyngøre	Sallingsund, Skive, Sundsøre	12 000	↔	↔	↔	↔	↔	
<u>Industrial training</u>								
"Hatching box" in Sydthy	Sydthy	1 500	↔ 1 500 ↔					
Hybrid centre	Sydthy	8 000	↔ 2 000 ↔	2 000	2 000	2 000	↔ 2 000 ↔	
Morsø Training Centre	Morsø	8 000	↔	↔				
The Limfjord Centre	Morsø	8 000	↔	↔			↔	
College for semi-skilled workers in Thisted	Thisted	45 000	↔				↔	

Investment overview 1986-1990 of the projects for which assistance could be sought from the EEC's Regional Fund (for guidance only).

Subject	Municipality	Investment 1986-DKr	1986	1987	1988	1989	1990
		in DKr 1000	in DKr 1000				
<u>Infrastructure projects</u>							
Suite of rooms at Skive Technical College	Skive	2 000	↔	↔	↔		
Manufacturing college	Skive		↔				↔
Experimental kitchen	Hanstholm		↔				↔
Design college	Skive		↔				↔
Training centre for athletes	Skive		↔				↔
Ålestrup Training Centre	Ålestrup	10 300	↔				↔

<u>Environmental and energy measures</u>								
Straw-burning plants	Syddhy	3 000				←1 000 →	2 000 →	
Biogas plants	Syddhy	4 000				←2 000 →	2 000 →	
Windmill park	Syddhy	8 500				←4 500 →	2 000 →	
Kåstrup - waste sorting plant	Spøttrup	26 100						
Restocking Flade Lake	Syddhy	1 500		1 500				
Surface drainage pipeline, Åsted	Sundsøre	625			←625 →			
Purification plant, Morsø Food Park	Morsø	22 000						
<u>Coastal protection</u>								
Coastal protection, Helligsø Drag	Syddhy	2 500				2 500		

Investment overview 1986-1990 of the projects for which assistance could be sought from the EEC's Regional Fund (for guidance only).

Subject	Municipality	Investment 1986-DKr	1986	1987	1988	1989	1990
		in DKr 1000	in DKr 1000				
<u>Infrastructure projects</u>							
<u>The tourist industry</u>							
Pleasure boat harbour, Ejerslev	Morsø	3 000	←	3 000	→		
Sillerslev Harbour	"	1 000	←	1 000	→		
Vigsø holiday village	Hanstholm	120 000	←				→
Camping site at Skive	Skive	7 500	←				→
Holiday village, Sundstrup	Møldrup	150 000	←				→

IV REGIONAL DEVELOPMENT PROGRAMME - THE COUNTY OF SOUTH JUTLAND

1. Social and economic analysis

a. The most important development features 1980-85

Population development

The population was approx. 250 000 in 1980. Since 1981 the population in the region has decreased due to the falling birth rate and net migration from the county. The most recent population figures are shown in the table below:

Table 1. Population development 1.1.1981 - 1.1.1985

Areas	1981	1985	1/1 1981 - 1/1 1985	1981-85
Areas qualifying for ERDF assistance	119,084	119,308	224	0.2
The county	250,872	249,665	- 1,207	0.5
The whole country	5,123,989	5,111,108	- 12,881	-0.25

Source: D.S.: The population in the municipalities as of 1st January of the year in question.

Within the region population development is characterized by the fact that the formerly stagnating regions of Central-South Jutland and the Western Region showed an increase in the second half of the 1970's, while in the first half of the 1970's it was the eastern regions which had the greatest growth. Since 1980, Alsund and E3-North have had a decrease in population.

The significance of the industrial structure

The situation reflects the changes in the region's industrial structure, in that the eastern areas - particularly Alssund - experienced rapid industrial development in the 1950's and 1960's. Towards the end of the 1970's there was a certain dispersion of industrial locations, which had a stabilizing effect on population development in the western regions.

The age distribution of the population can be depicted as follows:

Table 2. The age distribution of the population, 1980 and 1985

	1st January 1980			1st January 1985		
	0-16	17-64	65-	0-16	17-64	65-
Alssund	26.0	60.5	13.5	22.4	64.4	13.2
E3-North	25.3	59.4	15.3	22.4	62.3	15.3
E3-South	26.6	59.4	14.0	24.0	62.4	13.6
Central South Jutland	27.5	57.9	14.7	25.1	60.2	14.7
Western Region	25.0	59.0	16.0	23.0	61.6	15.4
South Jutland	26.0	59.5	14.5	23.2	62.6	14.2
The whole country	23.3	61.4	14.3	21.4	63.6	15.0

Source: D.S.: The population in the municipalities.

In general there are relatively fewer people of working age in South Jutland than in the country as a whole. The table shows that the Western Region in particular has a population structure which is characterized by relatively many older people.

Employment development

The following table shows the development in the industrial structure for the whole county during the period 1981-83.

Table 3. Number in employment resident in the areas concerned.

Areas	Agriculture etc.		Manufacturing, building, construction		Service, transport, commerce		Total	
	Absolute %		Absolute %		Absolute %		Absolute %	
Areas qualifying for ERDF support								
1981	9,713	17.9	12,841	23.6	32,525	59.8	54,382	100
1983	9,236	16.8	12,926	23.5	32,846	59.7	55,526	100
1981-83	-474	-4.9	85	0.6	321	1.0	1,144	2.1
The county								
1981	15,365	13.2	34,398	29.6	66,531	57.2	117,271	100
1983	14,621	12.7	32,594	28.3	68,165	59.1	116,743	100
1981-83	-744	-4.8	-1,804	-5.2	1,634	2.5	-528	-0.5
The whole country								
1981	195,743	7.6	649,559	25.2	1,730,028	67.2	2,575,330	100
1983	189,472	7.5	640,827	25.2	1,712,403	67.3	2,542,702	100
1981-83	-6,271	-3.2	-8,732	-1.3	-17,625	-1.0	-32,628	-1.3

Source: D.S.: Labour market statistics.

After a rise towards the end of the 1970's, employment fell slightly at the beginning of the 1980's.

Agriculture

Comparing the industrial structure of South Jutland with the industrial structure of the country as a whole, it emerges clearly that agriculture is the dominant industry in South Jutland, especially in Central-South Jutland and the Western Region.

Table 4. Jobs in agriculture etc. as a percentage of the total number of jobs in November 1983.

E3-South	11%
Central-South Jutland	28%
Western Region	18%
The county	12%
The whole country	7%
Source: D.S.: Labour force statistics.	

In addition the food, drink and tobacco industry comprises 13% of the jobs in South Jutland, and a not inconsiderable percentage of employment in other industries is based on manufacturing connected with agriculture. The percentage of jobs in agriculture itself has fallen however: in 1976 it was 14% in South Jutland.

Manufacturing

Approx. 22% of all the jobs in South Jutland are in the manufacturing industries.

Table 5. The number of jobs in manufacturing industries as a percentage of the total number of jobs, November 1983.

E3-South	16%
Central-South Jutland	14%
Western Region	21%
The county	22%
The whole country	18%

Source: D.S.: Labour force statistics.

Industry has an over-specialised structure in South Jutland with over 40% of the jobs being within one single line of business: the iron and metal industry. More than half of this part of the work force is employed by only two undertakings, one in the Alssund area and one in the E3-North area. In recent years the iron and metal industry has been an expanding industry, which has resulted in increasing employment in this industry in the non regional development areas Alssund and E3-North. From 1981 to 1983 employment in all the manufacturing industries has been fairly constant, cf. Table 3.

Building and construction

The building and construction industry accounts for approx. 6% of the jobs in South Jutland, which is the same as the percentage for Denmark as a whole.

Service

Commerce, and the restaurant and hotel industry account for approx. 15% of the jobs in South Jutland, which is slightly less than in the country as a whole where the figure is 16%.

Transport

The transport industry is rather special in South Jutland in that most of the industry is situated in one area, namely the Padborg area on the Danish/German frontier (E3-South).

Table 6. The number of jobs in the transport industry etc. as a percentage of the total number of jobs, November 1983.

E3-South	12%
Central-South Jutland	4%
Western Region	4%
The county	6%
The whole country	7%

Source: D.S.: Labour force statistics.

Public services

Public service accounts for 28% of the jobs in South Jutland. This is less than in the country as a whole where 31% of the jobs are in public services, in education, social and health services and administration.

Table 7. The number of jobs in the public services, as a percentage of the total number of jobs, November 1983.

E3-South	27%
Central-South Jutland	21%
Western Region	26%
The county	27%
The whole country	31%
Source: D.S.: Labour force statistics.	

The table shows that the unequal distribution of the number of jobs in the public services is even greater at a regional level. Central-South Jutland in particular has few jobs within the public sector, cf. also the Regional Plan Statement from 1983.

From November 1981 to November 1983 the number of people employed in the public sector increased at approximately the same rate as in the country as a whole.

Other service industries

Other service industries have a 9% share of the jobs in South Jutland against 13% for the country as a whole.

Table 8. The number of jobs in other undertakings, incl. the professions and finance, as a percentage of the total number of jobs, November 1983.

E3-South	10%
Central-South Jutland	8%
Western Region	9%
The county	9%
The whole country	13%
Source: D.S.: Labour force statistics.	

The tertiary sector, or in other words private and public service combined, can be seen to be a lot less dominant in South Jutland than in the country as a whole.

Table 9. The number of jobs in all private and public service industries (incl. commerce and transport) as a percentage of the total number of jobs, November 1983.

E3-South	65 %
Central-South Jutland	50 %
Western Region	54 %
The county	59 %
The whole country	68 %
Source: D.S.: Labour force statistics.	

South Jutland is characterized therefore by a relatively high number of jobs in the primary industries (agriculture etc.) and a relatively small number in the tertiary sector, especially in the regional development areas.

Development of employment rates

In November 1982 the employment rate for men in the age range 16-59 years was approx. 90 and for women in the same age range approx. 76. For men the employment rate corresponds to the national average, while for women it is lower in South Jutland than in the country as a whole. The employment rate for women has increased greatly in recent years, in that for the younger age ranges it is now the same as the national average.

Development of unemployment

In the period 1981-84 unemployment in South Jutland rose from below to above the national average. In November 1984 there were approx. 12 500 unemployed, corresponding to approx. 12% of the work force, and unemployment was higher for women. A large proportion of the unemployed is young people under 25 years old, usually with limited or no training. Unemployment for the 16-24 age group in South Jutland amounted to 26% of total unemployment in South Jutland in November 1984.

Table 10. The number unemployed converted to full-time
unemployed as a percentage of the number insured.

Areas	1981		1984		1981-84*
	Absolute	%	Absolute	%	
Areas qualifying for ERDF support	4,632	13.5	5,327	13.4	15.0
The county	10,455	12.8	11,752	13.2	12.4
The whole country	216,588	12.3	240,051	12.9	10.8
* Relative change in unemployment					
Source: D.S.: Unemployment statistics.					

In November 1983 unemployment was above the average for the County of South Jutland in E3-North, E3-South and Central-South Jutland. There was also great and increasing (net) commuting from Central-South Jutland.

From 1983 to November 1984 unemployment in South Jutland fell by 1.3 %.

The work force increased by more than unemployment during the period November 1980 - November 1984. In other words employment in South Jutland increased during that period.

When unemployment in South Jutland suddenly rose to above the national average during the period 1980-81 this was followed immediately by a change in the direction of flow so that today there is net commuting from the county. In addition those people in search of training are still tending to move out of South Jutland rather than coming into it.

Besides unemployment and migration from the county the lack of job opportunities in South Jutland can be linked with increasing commuting to the Counties of Ribe and Vejle. The net commuting figures from South Jutland increased from 2357 in November 1980 to 2755 in November 1982, of which 1961 were from Central-South Jutland alone. This development is not in accordance with the aims and assumptions of the Regional Plan.

Income development

The average taxable income in South Jutland was approx. 10% below the national average in 1982, which is the same as the difference in 1975. There has therefore not been any equalization during this period.

Table 11. Average gross and taxable income, 1982.

	Average gross income in DKr	Average taxable income in DKr
E3-South	84,621	63,175
Central-South Jutland	82,422	55,432
Western Region	83,155	61,349
The county	84,282	63,236
The whole country	90,158	69,862

Source: D.S. Incomes and capital, 1982.

The table shows that the differences between the regional development areas (particularly Central-South Jutland and the Western Region) and Denmark are greater than between South Jutland and Denmark. There was not any equalization of incomes between the individual regions during the period 1975-82.

b. Measures during the period 1981-85

Regional development assistance

In the years 1982-1985 the County of South Jutland received the following assistance:

Table 12.

	Capital loans *	Industrial building loans *	Investment subsidies *
1982	8,000	3,000	3,100
1983	11,000	—	2,800
1984	3,900	3,200	700
1985	—	12,600	5,500
<p>* Capital loans, industrial building loans and investment subsidies in 1982, 1983 and 1984: in accordance with law 219/1972, sections 6, 9 and 10 respectively.</p> <p>Capital loans were discontinued in 1985.</p> <p>Industrial building loans and investment subsidies in 1985: in accordance with law 88/1985, sections 7 and 6 respectively.</p>			

The assisted investments have resulted in the creation of the following numbers of jobs:

1982	1983	1984	1985
274	81	44	117

Investments in infrastructure of regional importance

Roads and traffic

In 1984 the remaining stretch of the South Jutland Motorway was opened. A loan of DKr 265 million from the European Investment Bank was taken up for the construction of the whole of the stretch of motorway going through South Jutland of about 65 km.

In connection with the construction of the motorway, a number of connecting roads have been constructed: Haderslev North (Bramdrup), Åbenrå South (Torpvejen) and the link road to Sønderborg.

In addition in the Western Region, a by-pass around Møgeltønder has been constructed with a subsidy from the Regional Fund.

Railways

Assistance from the Regional Fund has been promised for the establishment of a loading terminal for combined transport in Padborg.

Danish National Railways have constructed a new freight terminal in Padborg, so that Padborg now acts as the centre for rail freight traffic for most of the region.

Ports

A number of changes have been made to the State harbour at Rømø, which are of importance for strengthening the Western Region.

Åbenrå Harbour, which is the most important in the region, has been enlarged with the construction of a new quay with a water depth of 11 m. The harbour can now accept ships of up to 30 000 TDW. A loan was taken up with the European Investment Fund for the implementation of the work.

At the Ensted works the coal harbour has been enlarged so that it can accept ships of up to 170 000 TDW. Cranes etc. have also been replaced and the coal storage facilities have been enlarged from a capacity of 1 million tons to 2 million tons.

The total investment has amounted to approx. Dkr 233 million. On account of the great water depth the harbour at the Ensted works acts as an importation and trans-shipment port for a number of power stations in Jutland and Fyn.

Natural gas

The main supply network for the natural gas supply in South Jutland has been set up. The establishment of the distribution pipelines and the distribution network has been started by the regional natural gas company. In 1983 two pipelines were completed, a pipeline to the municipality of Vojens and one to Sønderborg via the municipalities of Bov, Gråsten, Sundevad, Broager and Sønderborg. The supply of gas to these municipalities has been established. In 1984 construction work was completed on the distribution pipeline and distribution network in the municipalities of Tinglev, Vojens and Haderslev.

Coastal protection

In 1981 the construction was completed of a projecting dike with floodgate from Emmerlev Klev to the Hindenburg Dam on the German side of the frontier. The dike has meant a considerable reduction in the danger from high tides and inland flooding and is expected to have a favourable effect upon industrial development and residential settlement, especially in Tønder, which is situated in an area which up until now has been an endangered high tide area. The new dike will increase the agricultural area in the region by 600 hectares.

The dike was financed by the Danish and the German Governments, the municipalities of Højer and Tønder and by the County of South Jutland. The Danish share of the total cost amounted to DKr 106 million, of which the county paid nearly DKr 26 million and the two municipalities together paid DKr 14.5 million. The county also financed the establishment of an inland water reservoir at DKr 9.5 million. This was completed in 1983.

Post and telecommunications

In recent years there have been comprehensive renewals, modernizations and improvements to the telephone exchanges in the county.

Education and training

A home economics college has been established at Rødding in Central-South Jutland, financed partly by private subsidies and the raising of loans and partly by subsidies and loans from the county and the municipalities of the Western Region.

In 1983 the State established a college in Gram for the training of nursing auxiliaries, training which is a continuation of youth training and which is intended for those over the age of 18.

In Åbenrå a land transport college has been set up linked with Åbenrå Technical College. The land transport college offers vocational training courses in land transport.

There have been extensive alterations to the technical colleges in Sønderborg and Haderslev.

Social and health services

In order to strengthen the level of service in the Western Region the county has carried out alterations and modernizations to Tønder hospital so that it now has a total of 135 beds instead of 113 as before. The number of employees has increased by approx. 50.

A psychiatric department is being set up at Haderslev hospital. It is expected to be ready in 1988.

It has been decided to construct a completely new hospital in Åbenrå. Building started in 1985.

A psychiatric nursing home has been set up in Rødding in Central-South Jutland.

There have been improvements to the facilities for the handicapped in the municipalities of Tønder, Vojens and Nordborg. Improvements are planned for Central-South Jutland and Sønderborg.

c. Development potential and development conditions, probable development 1986-90.

Population projections

Development potential and development conditions are partly conditional upon the development which has already taken place. If no new factors arise, development can be forecast to a certain extent based upon development up till now.

According to Danish Statistics' population forecasts the population in South Jutland will decrease in the period up to 1990, cf. Table 13.

Table 13. Population projection for the County of South Jutland

Population as of 1.1.85 249,665	Population as of 1.1.90 247,988	Births 1985-89 14,479	Deaths 1985-89 14,030	Migration to county 1985-89 34,872
Migration from county 1985-89 36,998	Net migration to county 1985-89 - 2,126		Increase in population 1985-89 - 1,677	

Source: D.S.: Population forecast, calculation 1,
alternative 2, migration as in the years 1981-84.

The expected reduction in the population is thus primarily due to the fact that more people are moving out of South Jutland than into it. This development trend can be explained by the fact that there is net migration from the county of people wanting to acquire training, since many people from South Jutland travel elsewhere to acquire advanced training in particular and many of them do not return to South Jutland when their training is completed.

Future employment rates

The employment rates for South Jutland are expected to increase, especially for women, so that the employment rates for South Jutland will be closer to the employment rates for the country as a whole.

Table 14. Employment rates, 1983 and 1990, divided by sex, for South Jutland

	Men	Women	Total
1983	60	46	53
1990	61	50	56

Source: The RIMO forecast, the Planning Board.

The increasing employment rate is a contributory factor to the increase in the work force in the projections. Since employment is expected to increase a little less than the expected increase in the work force and net commuting into the county, this means that there will still to be great unemployment in South Jutland in 1990.

Development of the work force

Table 15. The balance of labour, South Jutland, 1983 and 1990

	1983	1990
Employment	119,504	126,620
Unemployment	12,531	13,871
Net commuting into the county	0	271
Work force	131,997	140,226

Source: RIMO forecast, Basic course, the Planning Board.

The increase in the work force is expected to be greatest in the regional development areas (E3-South, Central-South Jutland and the Western Region) and most of the increase in employment is expected to take place around the industrial centres in the E3-North and Alssund areas.

There is therefore no prospect of the equilibrium problems in the labour market in South Jutland being lessened in the period up to 1990.

The forecast number of jobs

The most important condition for the number of jobs in South Jutland increasing is that there should continue to be great expansion within the private and public service industries. The extent of employment in agriculture must be stabilized while industrial employment must be increased, especially in Central-South Jutland and the Western Region. In the present economic situation it would be especially advantageous to have increased employment and production in the exporting industries and in industries which are competing with imports.

The industrial development forecast, if no new factors arise, is shown in Table 16.

Table 16. Employment in South Jutland divided by industry,
1983 and 1990

	1983	1990	Increase %
Agriculture etc.	14,851	13,722	-7
Food, drink and tobacco industries	4,597	5,017	9
Textiles and clothing industries	2,392	2,211	-8
Timber and furniture industries	1,046	827	-21
Paper and printing industries	1,679	2,038	21
Chemical industries	377	316	-16
Stone, clay and glass industries	839	1,000	19
Iron and metal industries	12,636	13,651	8
Transport equipment industries	884	759	-14
Other industry	1,255	1,696	35
Building and construction industries	7,717	8,475	10
Wholesale trade	5,714	6,465	13
Retail trade	10,241	9,629	- 6
Transport services	7,859	8,781	12
Government services	5,605	5,997	7
Municipal services	21,157	22,713	7
Other public services	8,378	8,378	0
Finance etc.	5,916	7,565	28
Other private service industries	4,995	5,420	19
No information	1,366	1,366	0

Source: The RIMO forecast, Basic course, the Planning Board, 1985.

There are prospects of a reduction in employment in the primary sector and an increase in employment in the secondary and tertiary sectors.

Agriculture

Jobs in agriculture are expected to fall. This prospect is a continuation of previous developments in South Jutland and in the country as a whole. Future employment in agriculture is closely linked to the profitability of animal husbandry. This connection is lessened however by the fact that employment and earning capacity in the privately-owned one-family farms will change considerably less and more slowly than is the case for most other industries. In addition the EEC's agricultural measures will continue to be of great importance to the County of South Jutland.

The prospects for employment in the food, drink and tobacco industries and in the other industries which process agricultural products are dependent upon the profitability of agriculture.

Industry

Employment in the rest of industry is, as mentioned, concentrated to a considerable degree around one industry, the iron and metal industry, and within relatively few undertakings. The textile and clothing industries which are mainly situated in the regional development areas have had greatly fluctuating production. In general it must be concluded that industrial employment in the county is very sensitive to external influences. Therefore the relatively bright prospects in industry can easily turn out to have been over-hopeful.

Private service

Private service industries have up till now in a number of cases been located in the large centres outside the county. The position of South Jutland as a land transport corridor between Denmark and the foreign countries to the south can be exploited further in the location of undertakings connected with forwarding and transport, cf. also section 3. According to the forecasts, a great increase in employment in this field is expected for South Jutland.

Tourism

The tourist industry is also of interest among the private service industries. Tourism is being developed in particular on the island of Rømø in the North Sea. Research from the summer of 1977 shows that half of the tourists in South Jutland are Danish and more than 1/3 are German. 85% of the 3 1/2 million nights stayed by tourists were spent on camping sites or in holiday chalets. The tourist facilities should be so situated that they also benefit the local level of service.

Jobs in the public sector

The majority of those employed in the public sector work in the social, health and education sectors. It is mainly women who are employed in these areas. A growth in the number of jobs in the public sector would enable female unemployment in South Jutland to be reduced. On the other hand stagnation or reduction in employment in the public sector would certainly result in much worse female unemployment problems, in that the increase in the employment rate of women will result in a considerable increase in the female work force.

Development tendencies in the regions of particular importance for the labour market

General

The special structure of industrial growth and the growth in employment which has been described above will have greatly differing consequences for the five regions, on account of their very different industrial structure today.

It is expected that the largest increase in employment - if no special measures are taken - will be in (especially) Alssund and E3-North, while E3-South and the Western Region will only have modest increases and Central-South Jutland will have a reduction on account of the domination of agriculture and the weak position of industry there.

The future problems in the balance of labour are also different for the individual regions, in that there are different starting points for the factors which make up the balance: jobs, work force, unemployment, commuting and migration.

Alssund

In the Alssund area the work force will increase greatly due to the new intake of young people. Only a particularly strong growth in the number of jobs will be able to keep pace with this intake on the labour market and thereby halt the reduction in population in the region. The expected industrial development would however be able to slow down the migration and commuting from the region which there has been in recent years. A stagnation in the number of jobs such as there has been in recent years would result in a lot of people moving out of the region and a reduction in the population.

E3-North

E3-North has especially high unemployment, which is accompanied by a lot of people moving from the region. The industrial development which can be expected based upon the assumptions mentioned, with an increase in the number of jobs of 5-6%, will probably help to reduce unemployment while the reduction in the population continues. If there is no growth in the number of jobs, as there has been in recent years, the population of the region will fall by up to 5% up to 1992.

E3-South

E3-South, which in recent years has had the best industrial development, has the prospect of a large new intake in the work force, like Alssund. This is the reason why the moderate increase in the number of jobs which can be expected as a starting point, will result in either migration or commuting from the region and also increasing unemployment. An increase in the population such as there has been in recent years would necessitate an extremely large increase in the number of jobs, 11-12% up till 1992 against the probable 2-3%.

Central-South Jutland

Central-South Jutland has the region's highest unemployment today and this is expected to continue to be the case, based on the assumption that there will be a stagnating number of jobs. In this case the already large amount of commuting from the region will increase slightly. If commuting and unemployment are to be reduced significantly, it would require an increase in the number of jobs corresponding to the average for South Jutland, which is extremely unlikely considering the region's industrial structure. Even with a small increase in the number of jobs, an increase in migration to the region and in the population such as took place up to 1980 will result in either a lot of people commuting out of the region or in high unemployment.

The Western Region

The starting point for the Western Region is considerably more favourable with relatively low unemployment and stable employment. The moderate new intake to employment which can be expected gives the basis for a certain increase in population due to people moving into the region.

Targets for the balance of the labour market

The tendencies in regional industrial, employment and population developments suggest that there will continue to be imbalances in the labour market as a whole and an increased imbalance in certain regions, with unemployment or migration from the region as a result. These development tendencies work against the main target of the Regional Plan which is to aim for equilibrium of the labour market in the regions, and make the realisation of the main target of improving the position of Central-South Jutland even more difficult.

2. Development targets

a. The labour market

Main targets

The County Council has decided that it must be ensured that all groups of the population in South Jutland have a reasonable standard of living by means of improving employment prospects and having a housing supply which meets the demand.

A better balance in the labour market in South Jutland must be aimed for by means of co-ordinated measures designed to encourage industry, the development of public services, more training opportunities, combatting unemployment and improvement of the infrastructure.

These measures are partly aimed at strengthening the position of South Jutland in relation to the rest of the country as regards industrial development and the provision of services. Partly there is to be an effort to achieve a better equilibrium between jobs and manpower within five jobs-and-services catchment areas - the present regions. Central-South Jutland and the Western Region must therefore improve their position as regards the jobs and main services which are available.

Advancement of industry

In the development of industry in South Jutland, a more varied industrial structure and job structure should be the aim.

South Jutland's share of the country's industrial employment must be increased by means of further development of the existing industries by, for instance, strengthening the supporting industries in other manufacturing industries.

Greater co-ordination is to be aimed at, both within and between the manufacturing industries and the service industries in the region, and the service industries are to be strengthened.

By means of measures aimed at encouraging industry it is intended to establish and strengthen those industries in particular which utilize the region's special potential as regards raw materials, resources, technological development or manpower.

Measures in the individual regions

There must be a particular improvement in the employment situation and the industrial structure in Central-South Jutland and the Western Region by means of a general strengthening of the urban industries, especially industry proper and certain service industries and the public sector, especially the state and county part of the public sector in Central-South Jutland.

The two regions are to be given special priority as regards increasing the level of public service and strengthening the infrastructure. As quickly as possible more training opportunities are to be established in the Central-South Jutland area.

In Alssund, E3-North and E3-South the measures etc. to promote public industry are to be aimed at correcting the special distortions or omissions in the industrial structure and imbalances in the labour market of the regions.

b. Measures by the County Council to aid regional development

Revision of the Regional Plan

Based on regional development in recent years, the County Council has revised the numerical framework for the Regional Plan's guidelines concerning population development and industrial development. These reviews are in the Regional Plan Supplement of 1985. The County Council will however keep to the main targets of the Regional Plan and the measures to achieve these, just as the more general guidelines concerning industrial and population development will be kept to in principle.

The County Council's opportunities to influence employment

The County Council will in addition evaluate in what ways the influence which the County Council has upon the labour market can be used to encourage both employment and the required regional development by means of measures which are more orientated towards achieving the aims. This applies to the role of the County Council as employer, as the body responsible for regional services and infrastructure and as the co-ordinating authority for planning which can encourage employment, training and the improvement of the environment etc.

Co-ordination of the activities of the County Council

The County Council has a number of ways of indirectly influencing the labour market as a whole. An effort must be made to set up a number of internally co-ordinated guidelines for the activities of the County Council in these different connections aimed at measures for achieving the targets for the regional labour force and for regional development as a whole. This co-ordination of the County Council's measures is to ensure:

- that the regional targets are taken into account in the decisions taken by the County Council concerning its activities and expenditure policy and the policy for the sectors,
- that co-operation with government bodies, labour market bodies and trade organisations is developed for the realization of the regional targets by means of an increased exchange of

information concerning location considerations etc. and by means of the County Council participating in the allocation of priorities to the infrastructure projects for which assistance is to be sought from the European Regional Fund etc.,

- that the County Council contributes towards increased interaction between the public authorities and private undertakings as regards production development and the provision of advice and support etc.,
- that the County Council's planning work, including the formulation of frameworks and guidelines for municipal activities is provided with greater resilience to withstand changes in developments and
- that there is increased dialogue between the County Council, the municipalities and other bodies in the form of co-operation on individual matters of importance for regional development.

c. The centre structure in the region

Main targets

In South Jutland regional planning an effort must be made to ensure that all groups of the population have a reasonable standard of living by means of access to employment and to necessary services.

It is aimed to build up an urban pattern which is basically divided into three parts consisting of regional centres, municipal centres and local towns to ensure reasonable access to jobs and public and private service at all levels for the population everywhere in the region.

A number of towns are to be selected from among the existing urban communities and these will have their services maintained, supplemented or strengthened with the aim of creating this regional urban pattern.

Regional service

An effort is to be made to achieve greater self-sufficiency for each region as regards the supply of regional private and public services and other main services which are to be located in the regional centre areas.

Regional centres

Sønderborg has been selected as the regional centre for Alssund, Haderslev for E3-North, Åbenrå for E3-South and Tønder for the Western Region. In Central-South Jutland the municipal towns of Rødding, Gram and Toftlund combine to form a location area for the regional centre services, but services which need to be centrally placed are situated in Gram.

Central-South Jutland

One of the main tasks in the development of the South Jutland urban pattern is the development of regional centre services in the three municipal towns in Central-South Jutland, to improve the access of the population to main services and to jobs etc.

Municipal towns

The municipal towns are to contain the most important municipal services and act as a centre for private service which will have the whole municipality as a catchment area and which will have the widest possible selection of employment opportunities. The role of the municipal towns in this respect is to be strengthened.

Area centres

Municipal towns which are situated especially far from the regional centres are designated as area centres. Here certain regional centre services can be situated, such as large undertakings etc. or parts of the regional centre's service. The catchment area of the area centres for these services extends beyond the municipality concerned but does not comprise the whole region.

Municipal towns with poor levels of service

Municipal towns which are not on a par with others as far as the level of service is concerned, are to be provided with the services required as far as possible, taking into account the position of the town in relation to the regional centre.

Local towns

In municipal planning a network of local towns is to be designated which will ensure access for the population to most of the services that the population has need for regularly within a reasonable distance, taking into account the weak sections of the population and the potential for providing the local area with public transport connections.

Those local towns which are designated are to contain fully developed shopping facilities for most everyday goods, several services and schools for 0-6/7 forms. The number of inhabitants of the town and the catchment area combined must be at least 7-800.

Strengthening the local towns

The level of public services in the local towns which are selected is to be maintained or where necessary improved. Measures are to be taken to support private undertakings so that the private service sector is preserved and if possible more jobs are to be created in the local towns.

The centres' services and jobs

Main targets

By means of development and alterations to the services and the centre areas an attempt should be made to make the provision of services in the individual towns in the region correspond to the requirements of the population and industry of the catchment area.

In the development of industrial areas there is to be an effort in the individual regions to have a development of jobs which will contribute to the working population remaining in the region.

This can be attained by adjusting the number and composition of the jobs in accordance with the future size and qualifications of the work force, taking into account the required regional development as stated under the heading "Labour market". This aims especially at strengthening the urban industries in general and manufacturing industry in particular in Central-South Jutland and the Western Region. Finally the towns in the urban pattern are to be provided as far as possible with a suitable wide range of job opportunities, cf. the main guidelines for the urban pattern.

Strengthening the centres

The role of the municipal towns is to be strengthened by establishing and maintaining the widest possible selection of central services. The extent and situation of the central services is to be controlled, so that they supplement and support each other in one centre area, which is well situated as regards traffic access from both the town and its catchment area. In this connection vacant sites and locations of suitable size should be found for the establishing of new services.

Planning assumptions, jobs

In municipal and county planning at the preliminary stage, margins should be left for future industrial development so that the plans can be viewed in relation to alternative developments. For the individual regions the following margins have been laid down for development.

At regional level, the following margins have been set for the development in the number of jobs:

Table 17. Margins for the regions' industrial development

Estimated number of jobs			
	1980	1984	1992
Alssund	36,500	37,500	35,500 – 40,300
E3-North	27,100	27,800	27,100 – 28,600
E3-South	28,100	28,700	28,100 – 30,500
Central-South Jutland	11,000	11,000	10,600 – 11,400
Western Region	16,500	16,800	16,500 – 17,200
Source: Regional Plan Statement 1983.			

Industrial sites in the urban pattern

Municipal planning is to ensure that at all times during the planning period there are vacant sites for development in the towns in the urban pattern. The extent of these sites in the individual towns is to be adjusted in accordance with the targets for industrial location which appear in this section and with the main guidelines for the urban pattern.

Background to development targets

Combined evaluation

Better basis for the large towns

The on-going structure changes in urban services and the effects of the state of the market in recent years will support the basis for the medium-sized and large towns which at present are the centres for private and public service industries. On the other hand the basis for the smaller urban communities will be uncertain as here the town services will face considerable structural changes within the manufacturing industries and private service industries and also within the public sector.

General prospects

The development prospects for the urban services all indicate that the present structure of regional centre, municipal towns and local towns can be maintained in the future, even if individual municipal towns and local towns are weak points in the pattern.

d. Technical infrastructure and the protection of the environment

Main targets

By means of improving the technical infrastructure it is hoped to achieve the best possible standard of living for the population in relation to traffic arteries, heat supply, employment and the protection of the environment at the same time as promoting the main aims of the Regional Plan.

To encourage development in the area, in the individual regions and in the urban pattern, the infrastructure must help to provide a secure and flexible foundation. This applies for example to the development of the telecommunications network with broad band capacity where regional requirements and potential should be taken as the basis for planning.

Traffic and transportation systems generally

The network of traffic and transportation systems is to be planned so that they have sufficient capacity to meet the needs of passenger and freight transportation in accordance with the main targets of the Regional Plan. Service and safety levels are to be given high priorities for all types of traffic.

The region's traffic and transportation systems are to be planned and developed so that the region's links with the rest of the country and with foreign countries are strengthened and so that these systems support the aims of the Regional Plan and development in the individual regions and strengthen the urban pattern.

The traffic and transportation systems are to be so designed that they meet the needs of both passenger and freight transportation as well as possible while taking into account environmental consequences. Service and safety levels are to be considered for all groups of road user and for all types of traffic.

The main road network

The main road network is to ensure that international and inter-regional road traffic as well as traffic between the regional centre and the municipal towns in the region has reasonable safety and service levels so that regional traffic does not have to use the local road network.

An effort is to be made to provide footpath links which will act as traffic routes as well as being for recreational purposes.

Safety and service levels are to be considered for all groups of road user, whether they are travelling along or across the traffic arteries.

The road network is to be constructed and maintained in such a way that environmental nuisance from traffic is limited as much as possible.

Public transport

Public transport is to be organized on the basis of an evaluation of the whole system so that within the economic framework the following targets are considered:

- there is reasonable access to public transport for the population throughout the region,
- public transport services are organized in accordance with the guidelines of the Regional Plan for population and industrial development - including in particular the Regional Plan's urban patterns and

- there is co-ordination of the various forms of public transport and that connections to long distance transport are ensured.

Ports

The region's ports are of great significance for industry and should therefore be provided with the opportunity to carry out the necessary expansion and modernization. In particular the needs of Åbenrå Harbour are to be considered since it is the most important state port in the region.

Airports

Sønderborg and Skrystrup will continue to be the only two airports for large aircraft in South Jutland.

Smaller airfields etc.

Smaller airfields and landing strips can be constructed as required taking into account

- 1) the regulations of the law regarding the protection of the environment and
- 2) economic criteria and criteria concerned with distances.

Energy

Energy and heat supply are to be organized so that energy resources are utilized as well as possible.

In the supply of heat the utilization of domestic energy resources is to be given high priority. Great importance is to be placed upon heating systems which are economical as far as energy is concerned.

The development of the energy and heating supply structure is to support the development and maintenance of the urban pattern as much as possible, by for instance helping to equalize users' energy and heating costs and by ensuring that industrial undertakings have the best possible energy supply options.

Protection of the environment

Environmental protection considerations are to be given high priority in planning so that polluting plants and undertakings are located and designed in such a way that there will be the least possible damage to the surroundings. The consumption of natural resources is to be minimised by recycling where possible.

3. Development measures

Regional development assistance

It is laid down in the annual finance laws what amount can be provided as assistance in accordance with the regional development law.

Based on the appropriations in the finance law for 1986, the budget estimates for the years 1987, 1988 and 1989 and the regional distribution of the assistance provided up till now, it is estimated that in the years 1986-89 the following assistance will be provided in South Jutland:

Table 18.

DKr 1000	Industrial building loans	Investment subsidies
1986	6,600	3,900
1987	6,600	3,900
1988	6,600	3,700
1989	6,600	3,700

Calculated on the basis of the expected appropriations it is estimated that the investments which will be supported with regional development assistance in 1986-1989 will result in the creation of the following numbers of jobs:

1986	1987	1988	1989
70	70	70	70

It must be stressed that in the above the global loans which the Danish Government is expected to take up with the European Investment Bank have not been taken into account.

State investments in the infrastructure

The final state investments are expected in the road system connected to the South Jutland Motorway and the associated access roads.

The County Council of South Jutland wishes to highlight the following main themes in the use of EEC Regional Fund resources for the establishment of the infrastructure in the region during the period 1986-90.

These four main themes are an expression of the fact that the County Council believes that the greatest benefit is to be obtained from development assistance by concentrating it on relatively few themes which can be put into concrete form in projects which affect the other areas of regional development and projects which also meet special needs and/or have special development potential for the region.

The formulation of an integrated development programme including these and any new areas is being considered.

a. Vocational training and technological development in industry

Here it is a matter of a natural continuation of the initiatives which have already been begun in the region. It involves research and new technical training for young people and advanced vocational training for adults with particular attention to the new technology.

A number of these measures aim to strengthen the predominant industries in the region, for example the iron and metal industry, and to develop industrial environments based upon these industries in the South Jutland regional development areas. The County Council also wants to encourage the use of new technology in undertakings in this field. For a long time work has been carried out on plans for a national training programme for South Jutland of interest to the EEC.

b. Development of the transport sector

Transport constitutes an important sector in the region.

Land transport has developed in Padborg in particular, firstly as a result of the frontier, but also because Padborg has developed into a freight centre where the latest forms of transport are in use - most recently the new combined road/rail transporters where the undertakings in the area have been breaking new ground and continue to do so.

The County Council believes that the region has special development potential in this field as a result and it wants to encourage present developments by highlighting the construction of traffic systems, new technology and research in the field of transport. Attention is also drawn to the freight terminal which has already been promised Regional Fund assistance.

Among the region's state ports, Åbenrå Harbour has developed into the region's most important port on account of the great water depth and the establishment of quay installations which can accept large ships.

The importance of the port for the development of the region should be encouraged.

c. Development of agriculture

Agriculture also plays a special role in South Jutland. 75% of the area of the region is under cultivation against 67% for the country as a whole. 60% of the area is used for cereal production and the farms in South Jutland are larger than the average for the country as a whole. In addition agriculture in South Jutland is characterized by a relatively large cattle population. Employment in agriculture and its associated industries is estimated to amount to 20% of the total employment in the region.

The County Council wishes to strengthen this sector by means of measures to encourage new production methods, new crops, training and the use of new technology.

The proposals mentioned in the programme for the advancement of agriculture are expected in the first instance to be implemented with assistance from the EEC's Agricultural Fund.

d. Other infrastructure projects of importance for the region

In addition to proposals which are outlined under the previous main themes, there are also proposals of importance to the region which will benefit development, industry and employment in the region. These proposals are described under this point. They include infrastructure construction work, roads, development and measures concerning tourism, energy, the environment etc.

re 3a Vocational training and technological development

With the aim of encouraging training and technology in the South Jutland regional development areas, and at the same time supplementing the existing education and training system in South Jutland, it is planned to implement experiments with new advanced training activities and new combinations of basic training courses. This involves more training places for young people being distributed geographically in such a way that as many young people as possible are the shortest possible distance away from training and involves the courses being distributed by subject in such a way that entry is increased in those subjects where increased employment is expected.

Further training

The new further training activities are to represent connected infrastructure projects with the common target of encouraging employment and strengthening small and medium-sized undertakings' competitiveness in the South Jutland regional development areas, primarily by means of an improvement in the qualifications of the work force which is necessitated by new production technology.

An effort is to be made to establish further training facilities at training institutions so that contact between youth training and adult training is increased and so that the local needs are considered. In the development of training opportunities importance is to be put upon paving the way for new technology in connection with production.

Those areas in the region which have the poorest supply of training opportunities are to be given priority in development.

Technology

In connection with the introduction of new technology the foundation is to be laid for increased interaction between training institutions, undertakings and service bodies which is aimed at promoting technological developments.

The proposed training activities will give the work force a "technological boost".

With the aim of bringing the population of the South Jutland regional development areas into closer contact with the new technology, the establishment of mobile infrastructure is proposed (personal computers and other EDP equipment) which is to be situated in certain locations (in schools, libraries etc.) where the population will have access to the equipment.

The implementation of these activities is to be co-ordinated with the training institutions in the areas.

Youth training and counselling

In recent years the County Council has set aside resources for increased measures to enable the wishes of young people, the capacity of training institutions and the requirements of industry be more in line with each other.

Combined long-term planning of training for the 16-19 age group has been carried out based upon developments in this age group and the expected industrial and employment structure in the future. All the authorities, organisations and institutions who are involved in youth training in the region have been involved in this work. In addition the region's research institute - the Institute for Research in the Frontier Region - has participated in statistical and forecast work. The plan contains proposals for initiatives in the weak areas of the region which will improve training opportunities and thereby industrial development. It is planned to build an experimental training centre in Gram. Resources have been granted for this from the EEC's Regional Fund, while the rest of the resources have been promised by the County Council and the municipal authority. The Gram centre is to conduct experiments with new technical experimental training courses at the basic training level. Application is to be made to the EEC's Social Fund for assistance with the running of this centre. In addition the plan includes a consolidation of subjects at the Tønder Technical College in the Western Region. For this an application has been made to the EEC's Regional Fund for assistance from the 1985 quota. It is proposed to enlarge Tønder Technical College initially with an additional basic training course in one of the main fields of industry.

The County Council believes that counselling for young people on training and job opportunities is central to the adaptation process which must take place continuously between young people, the training institutions and industry. Therefore a proposal for experiments with a simpler and more effective counselling system is included in the training plan. The experiment is based upon closer co-operation between the three counselling groups in schools, the youth training institutions and the labour market organisations. An important aim is to direct more young people into technical vocational training.

Advanced training

The County Council, together with the neighbouring counties, is making great efforts to create a wider selection of advanced training courses. The first step is the South Jutland Southern

Business College which has just been established. By means of establishing more new advanced training courses the region can ensure that more young people with advanced training will remain in the region, which will benefit industrial development. It is intended to increase contacts between undertakings and the training institutions.

Other needs for training and research

In addition to the plans described above a number of concrete activities have been encouraged.

It is wished to set up an information technology centre in Tinglev. The centre would aim to provide unemployed young people with experience of information technology.

In the Western Region it is wished to widen the choice of training courses with courses in industry, technology and the environment, as well as opportunities for operator/middle management training in the footwear, wooden goods and clothing industries.

In this connection it is wished to set up workshops with practical training for those people starting up businesses, for young unemployed people and for the long-term unemployed.

In particular it is wished to have research and special training in

- fresh water and salt water culture and
- research into alternative crops.

The latter could be linked with activities at the Tønder Agricultural College.

In addition there are proposals for setting up a marine research centre on Rømø. The centre is to act as a scientific centre for the EEC member countries which have maritime areas. The location on Rømø will in addition naturally direct it towards the potential of the North Sea and relevant research projects connected with this.

Other requirements for the use of new technology

It is proposed to attempt to enlarge the hybrid network in the Western Region. The current conditions for the establishment of the hybrid network could encourage centralization since as a rule connection to the hybrid network will only be offered to urban communities with more than 250 households.

The Western Region is sparsely populated and location of the work places is widely distributed, which means that a number of areas and small towns would not have access to the hybrid network with plans as they are at present. It is one of the main targets of the Regional Plan that industrial development should be encouraged in the Western Region.

The development of the hybrid network in the region would strengthen the industrial structure and encourage the use of modern communications technology by industry and the service industries.

The municipality of Åbenrå wishes to implement an office automation project in the administration of the municipality. One of the results of the project will be to show the effects of information technology upon the local community.

re 3b Development of the infrastructure

Modernization of the infrastructure

In order to encourage the special potential of the transport sector and its importance for the development of the region, the County Council wishes to highlight a number of projects which are aimed at developing and modernizing the infrastructure, providing opportunities for new forms of traffic and transport, increasing employment, encouraging the use of new technology and improving the level of training. In the first instance the projects will encourage the development of Padborg as a freight centre for both international and national traffic and strengthen the position of Åbenrå Harbour as the region's most important state port.

Land transport

In the longer term the intention is to strengthen Padborg's role as a freight centre in the frontier region. This is a role which is of increasing importance, even though the start of the development was based on the frontier with associated frontier transactions/customs clearance etc. It is expected that the importance of the frontier will lessen in the long term as a result of EEC harmonization.

The existing customs clearance facilities are however fully utilized at present, so that if anything there is a need for a considerable increase in capacity to cope with the requirements of the years to come. The amount of traffic is increasing. It is therefore proposed that there should be an enlargement of the customs clearance area for lorry traffic in Padborg as a basic condition for the further development of the area.

In addition to subsidies from the EEC's Regional Fund it is expected that the project will be financed by the Danish and German customs authorities, possibly with the participation of the users.

The construction of the freight terminal for combined transport, the enlargement of the customs clearance area mentioned above and increasing demand necessitate enlargement of the industrial sites in the Padborg area. It is proposed therefore to develop a new industrial area.

Research and technological development

It is proposed that a transport institute be established which can organize and develop research, technological development and training within the transport sector.

The institute is to develop interdisciplinary activities and encourage closer links between research and practice.

The transport institute will be a new concept and will have the chance of becoming of international importance.

The institute will cover a number of traditional subjects such as

- international market economics,
- transport economics,
- logistics,
- EDP and
- types of transport and transportation equipment.

The main objectives of the institute will be:

- the collection, processing and practical application of the results of research,
- the carrying out of research under contract,
- interdisciplinary projects,
- courses/further training/conferences and
- the provision of services and advice.

In the longer term the aim is that the institute will formulate application-oriented research projects itself. The institute will be financed by both private and public resources.

Sea transport/ports

Åbenrå Harbour is the region's most important port and must be considered to be the port in the region which has the best development potential on account of the great water depth and its central position in the region.

In order for it to be able to accept larger ships, a modern deep water quay has just been established, financed partly by means of loans from the European Investment Bank.

As a step in the development of this harbour it is proposed that a loose freight warehouse and shipping installation for loading large ships are established in connection with the above mentioned quay installation.

The installation will be of importance to the whole region.

In Åbenrå Harbour it is also proposed to construct a new quay at Nyhavn. The project is aimed at strengthening the role of the harbour and off-shore undertakings will be able to use it.

To improve the connections between Åbenrå Harbour and the motorway it is proposed to repair Løgumklostervej between Vestervej and Haderslevvej. This investment will be made by the municipality of Åbenrå and the county of South Jutland. The remaining part of the road connections is at present being worked out by the county.

Other projects for encouraging the transport sector

It is wished to establish a small airfield in the Skærbæk area for business and recreational flying. The proposal is in accordance with the guidelines of the Regional Plan.

An application has been made for assistance from the 1985 quota of the Regional Fund for the enlargement of the airfield at Padborg in the municipality of Bov.

It is proposed that the flow of traffic through Gram should be improved by extending main road 504 to the west of Gram and extending highway 325 to the south of Gram. The financing of the extension of main road 504 will be undertaken by the County of South Jutland while highway 325 is the responsibility of the State.

There is a corresponding need for a solution to the traffic problems at Tinglev either in the form of an extension of highway 318 or by alterations to the high street.

It is proposed to establish a traffic terminal in Tønder. The terminal is expected in the first instance to contain a bus terminal and post and telecommunications establishments with associated parking facilities. In the longer term the intention is to let passenger trains depart from this terminal, so that all the means of public transport are gathered together in a shared terminal which is centrally placed near the town centre in Tønder. The project will be financed by the municipality of Tønder.

In Tinglev it is proposed to establish a new bus terminal near the station. Tinglev is the centre for passenger trains and a number of regional bus routes.

re 3c Development of agriculture

General

As a joint effort to benefit the region's agricultural industry, research is being considered into alternative agricultural production and alternative uses for the vegetable products of which there is a surplus in the EEC. This must at the same time encourage employment, develop training and encourage the introduction of new technology in agriculture. As a part of this the following projects are proposed:

New production

It is proposed to set up a factory for the production of ethanol from sugar beet. It is not considered that the production of sugar can be increased, but on the other hand there is the possibility that ethanol can be produced to replace benzine.

Motor fuel based on ethanol has a lower lead content than benzine.

It is proposed that the factory should be situated in Central-South Jutland, in the Tinglev or Løgumkloster areas which have land suitable for the cultivation of sugar beet and a large cattle population which can utilize the by-products of ethanol production.

Agriculture, including the keeping of cattle, is of great importance to industry and the population in the areas described. The Farmers' Association will be responsible for the project which is expected to begin in 1988.

It is further proposed to establish an undertaking for the production of cellulose from surplus straw. From 1990 there will be a ban on burning straw and so alternative uses must be investigated. Up to now the main thought has been to use it for heating. Using straw for the production of cellulose will give a value which is approximately 3 times as great as the value of the straw if it is used for heating.

Today there is only one undertaking in Denmark (at Fredericia) where cellulose is produced from straw.

The advantages of increased production will be increased employment, greater exports, the greater value of the straw in comparison to using it for heating, and a reduction in the use of wood cellulose, which will benefit the environment and the landscape.

It is proposed that a new undertaking be situated in one of the South Jutland regional development areas and that the undertaking should process straw from the Counties of Vejle, Fyns and South Jutland. The project is to be implemented in co-operation with the counties named and the existing undertaking at Fredericia and is expected to start in 1988.

Information technology

It is proposed that research is set up into the use of information technology in agriculture. The proposal is to be regarded as an element of the larger information technology project which is in progress in a number of areas under the designation "Åbenrå Experimental Centre".

The proposal is based on the wish to evaluate whether agriculture can make use of EDP technology.

The project is aimed at production technique and economic improvements and improving communication facilities and thereby the standard of living in country areas. In addition the proposal is of importance for improving training.

It is proposed that the research is carried out in the Løjt area in the municipality of Åbenrå.

The proposal is to be implemented by the agricultural industry in co-operation with Odense University and "Åbenrå Experimental Centre".

New training courses/ecological agriculture

It is proposed that a training course is set up in ecological agriculture. At present there is an increasing demand for ecologically grown foodstuffs. Up till now agriculture has been hesitant to enter this area since it has not been clarified whether there is sufficient justification for looking into the question of traditionally grown foodstuffs. In addition there has been uncertainty about the size of the market. An ecological agricultural college has however already been set up in North Jutland.

It is proposed that a training course in this subject should be established in South Jutland in co-operation with Tønder Agricultural College, linked with full-scale production on an associated farm. Such a development project could be the catalyst for greater production and can form the basis for an evaluation of future investment in the area.

Other proposals to stimulate agriculture

In addition to the proposals mentioned here, work is being carried out in the region on a number of new concepts and projects to stimulate agriculture.

Among these proposals, which will not qualify directly for assistance from the Regional Fund, are:

- the planting of marginal land with low agricultural value,

- experiments with alternative crops instead of cereals,
- drainage of land in marshes,
- coastal protection,
- the utilization and distribution of animal manure and
- the utilization of excess heat for hothouse production.

re 3d Other infrastructure projects of importance to the region

There is still a great need for developing the technical infrastructure in the region and developing the industrial areas in the designated centres in the region as a step in the equalization of the geographic differences, correcting the distortions in the labour market and generally encouraging employment.

Industrial areas

As a step in this process it is proposed that in Tønder - which is situated in a special regional development area in the Western Region - an alternative industrial water supply should be established. Water resources in the area are limited. It is proposed that future requirements are met by using the Vid river as a source of supply.

In Tønder there is also a need for new industrial areas, and it is proposed to implement the provision of roads for new industrial areas with Regional Fund assistance.

Energy installations

There are plans to establish a 150 Kv power line from the Ensted works at Åbenrå Fjord to Flensborg. This is a project which is of importance on both sides of the frontier.

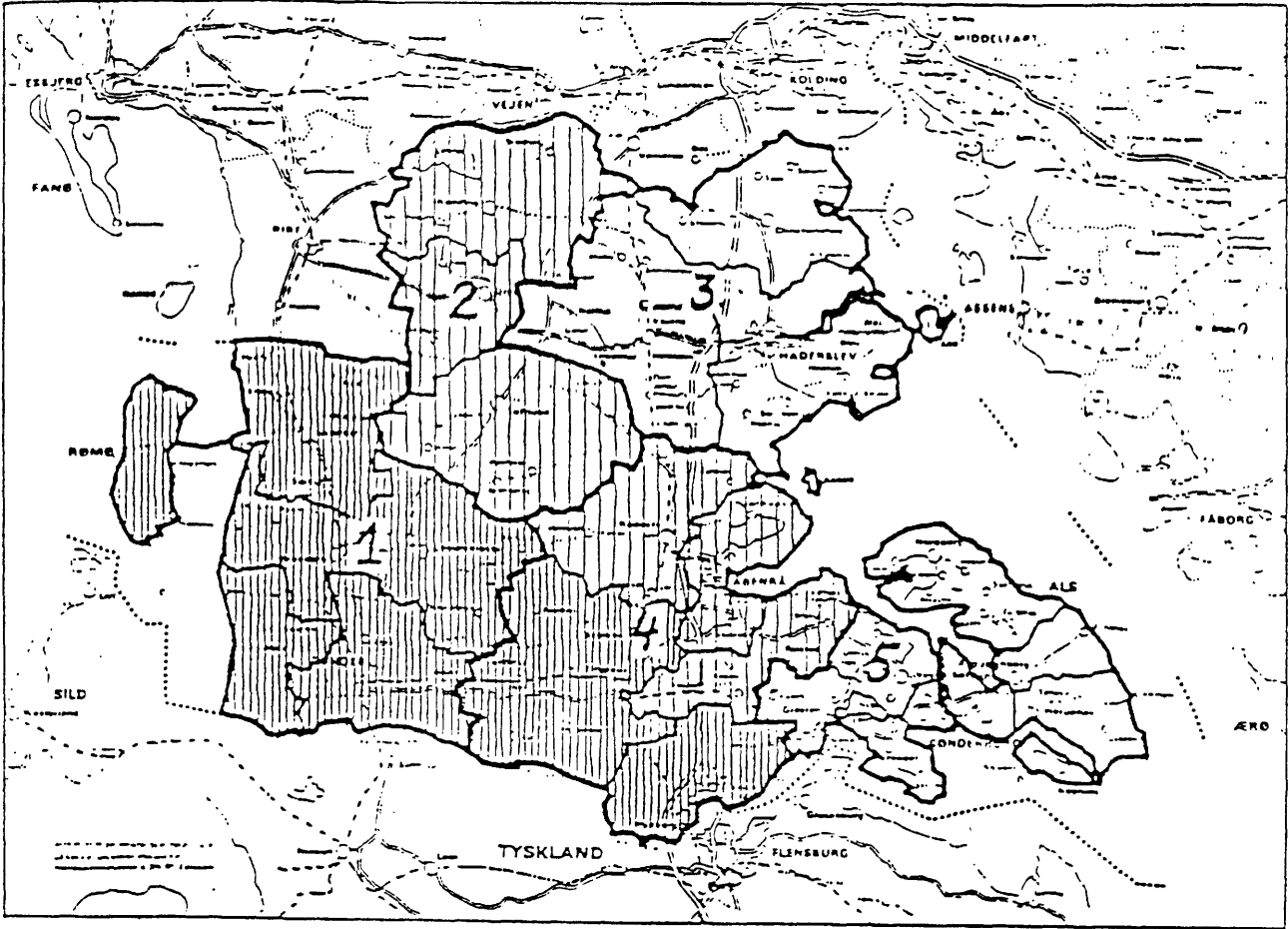
There is also a wish to extend the power and heating supply from the Ensted works and to extend the natural gas network to all the municipalities in the region.

Drainage










In the Western Region there is a proposal concerning the improvement of drainage of agricultural land by using windmills.

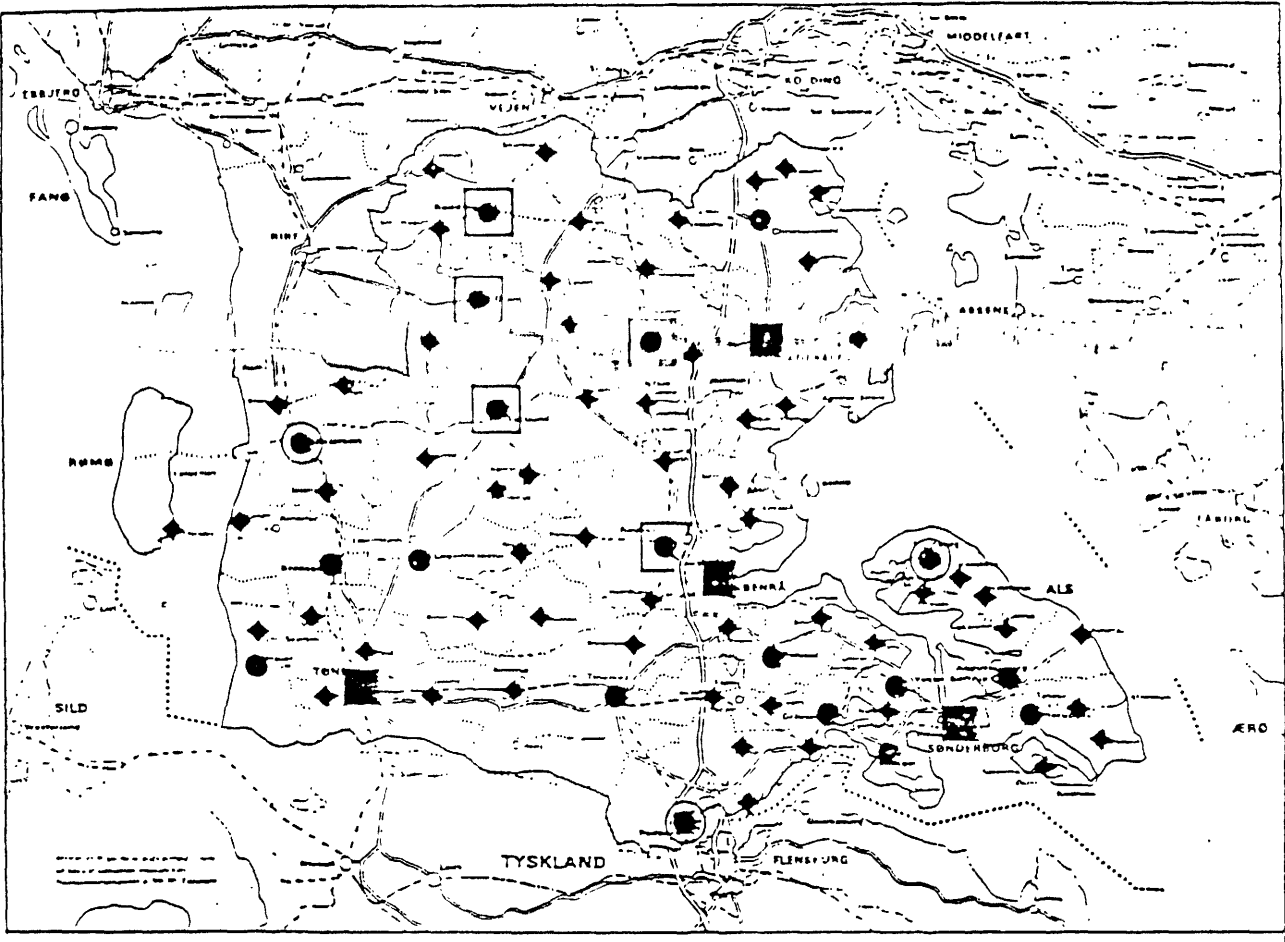
Tourism

In the Western Region there is also a wish to strengthen tourism, which is an important industry. It is wished to construct paths, camping sites and tourist centres and to set up new training courses within the tourist sector.









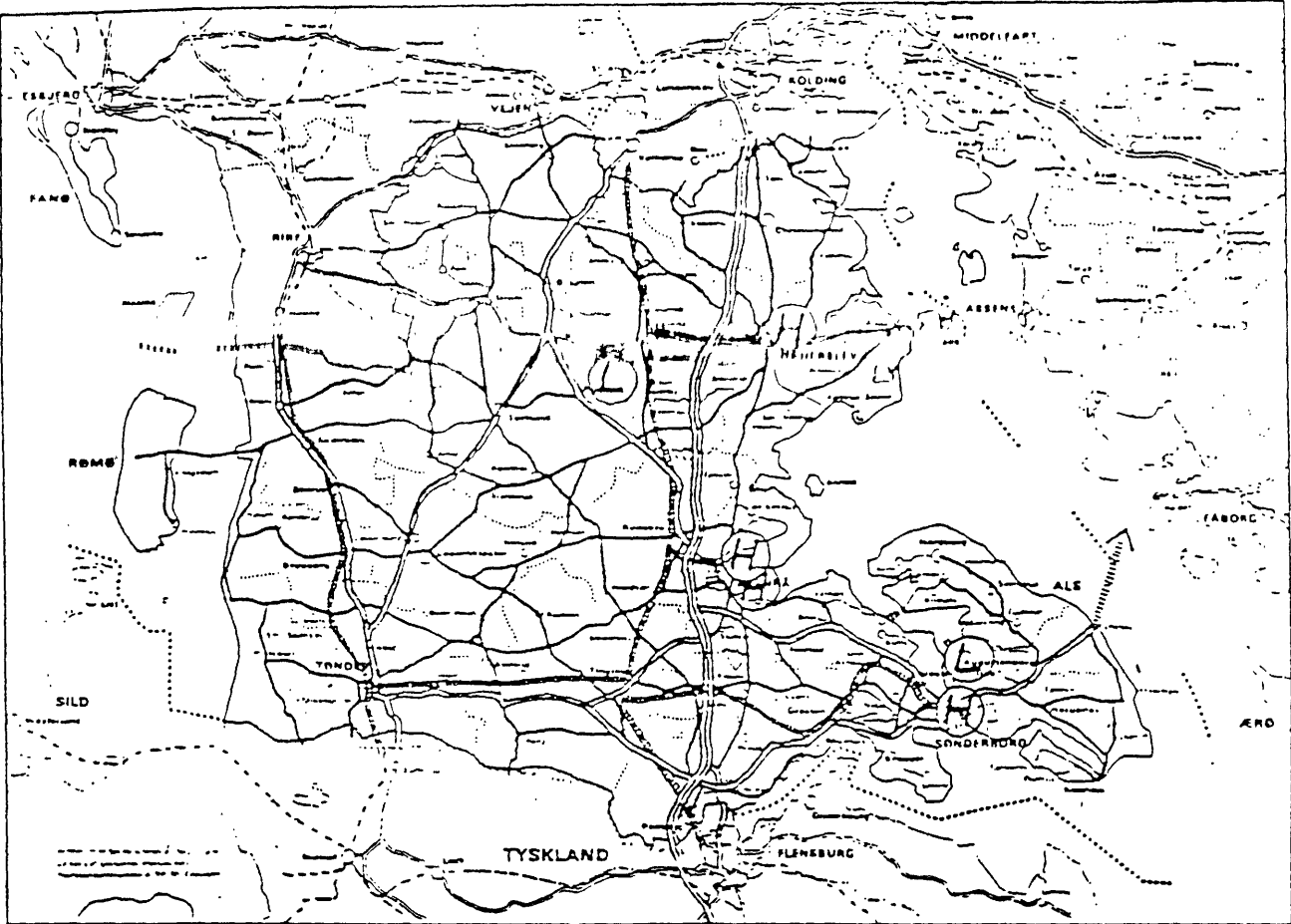
Regional development areas in South Jutland

	General regional development areas
	Special regional development areas
	Regional boundaries
	Municipal boundaries
	The Western Region
	Central-South Jutland
	E3-North
	E3-South
	Alssund



The urban pattern of the Regional Plan

- | | |
|---|---|
|  | Regional centres |
|  | Combined location areas with regional centres |
|  | Municipal towns |
|  | Possible local towns |
|  | Municipal towns with regional centre services |
|  | Area centres |



Main traffic systems in the region

	Motorway
	Highway
	Main road
	Railroad
	Airport with regular air services
	Ferry route of regional importance
	Port

Investment overview 1986-1990 of the projects for which assistance could be sought from the EEC's Regional Fund (for guidance only)

Project number	Subject	Municipality	Investment 1986-DKr in DKr 1000	1986	1987	1988	1989	1990
				in DKr 1000				
Vocational training and technological development								
1. <u>Industry</u>								
1.1.	Advanced training centre	South Jutland County Council Municipalities involved	?	?				
1.2.	The establishment of "mobile infrastructure" (personal computers and other EDP equipment)	Municipalities involved	?	?				
1.3.	Possible development of the Gram centre	South jutland County Council The municipality of Gram	?	?				
1.4.	The establishment of advanced training opportunities	South Jutland County Council	?	?				
1.5.	Information technology centre	Tinglev	2,200	2,200				
1.6.	The establishment of operator/middle management training courses in footwear, wooden products and clothing)	Skaerbaek (the Western Region)	?	?				
1.7.	The establishment of special training in fresh water and salt water culture and research into alternative crops	Skaerbaek (the Western Region)	?	?				
1.8.	The establishment of a marine research centre on Rømø	Skaerbaek	?	?				
1.9.	Extension of the hybrid network in the Western Region	Tønder (the Western Region)	?	?				
1.10.	office automation	Åbenrå	15,000					

Investment overview 1986-1990 of the projects for which assistance could be sought from the EEC's Regional Fund (for guidance only)

Project number	Subject	Municipality	Investment 1986-DKr in DKr 1000	1986	1987	1988	1989	1990
<u>Development of the transport sector</u>								
2.1.	Enlargement of the customs clearance area in Padborg	Bov	ca. 16,000					
2.2.	Establishment of transport institute for research, technological development and training	Bov	?	?				
2.3.	Development of industrial site	Bov	4,000	?				
2.4.	Establishment of loose freight warehouse and shipping installation for loading large ships	Åbenrå	5,000	?				
2.5.	Construction of new quay in Åbenrå Harbour	Åbenrå	8,700	?				
2.6.	Repairs to Løgumklostervej in the municipality of Åbenrå	South Jutland County Council	?	?				
2.7.	Establishment of an airfield in the Skærbæk area for business and recreational use	Skærbæk	?	?				
2.8.	Solution to traffic problems at Gram	South Jutland County Council	47,500	?				
2.9.	Solution to traffic problem at Tinglev	The State						
2.10.	Development of Rømø Harbour	Tinglev	ca. 15,000	15,000				
2.11.	Establishment of traffic terminal in Tønder	Skærbæk	?	?				
		Tønder	ca. 2,500	?				
2.12.	New bus terminal in Tinglev	Tinglev	890	?				

Investment overview 1986-1990 of the projects for which assistance could be sought from the EEC's Regional Fund (for guidance only)

Project number	Subject	Municipality	Investment 1986-DKr in DKr 1000	1986	1987	1988	1989	1990
<u>Development of agriculture</u>								
3.1.	Establishment of undertaking for the production of ethanol from sugar beet	Municipality in Central-South Jutland or the Western Region	?	?				
3.2.	Establishment of undertaking for the production of cellulose	Municipality in Central-South Jutland or the Western Region	?	?				
3.3.	Establishment of experiment with information technology in agriculture	Åbenrå	?	?				
3.4.	Establishment of training course in ecological agriculture	Tønder	?	?				

Investment overview 1986-1990 of the projects for which assistance could be sought from the EEC's Regional Fund (for guidance only)

Project number	Subject	Municipality	Investment 1986-DKr in DKr 1000	1986	1987	1988	1989	1990
Other infrastructure projects of regional importance								
4.1.	Establishment of alternative water supply for industry	Tønder	1,950-2,700	1,950-2,700				
4.2.	Provision of roads for new industrial areas	Tønder	2,500	?				
4.3.	Establishment of 150 KV power line from the Ensted works (Denmark) to Flensburg (Germany)	South Jutland High voltate installation stadtwerk, Flensb.	11,800					
4.4.	Extension of combined power and heat supply from the Ensted works	Sil and the municipalities involved	?	?				
4.5.	Extension of the natural gas network to all municipalities	The regional natural	?	?				
4.6.	Improvement of the drainage of agricultural land using windmills	Skærbæk	?	?				
4.7.	Strengthening the tourist industry in the Western Region by the construction of footpaths, camping sites and tourist centres	Skærbæk	?	?				

V. REGIONAL DEVELOPMENT PROGRAMME - THE COUNTY OF BORNHOLM

The island of Bornholm is situated in the Baltic, 150 km east of Zealand. It is 588 km² and has approx. 47 000 inhabitants. It is therefore the country's smallest county.

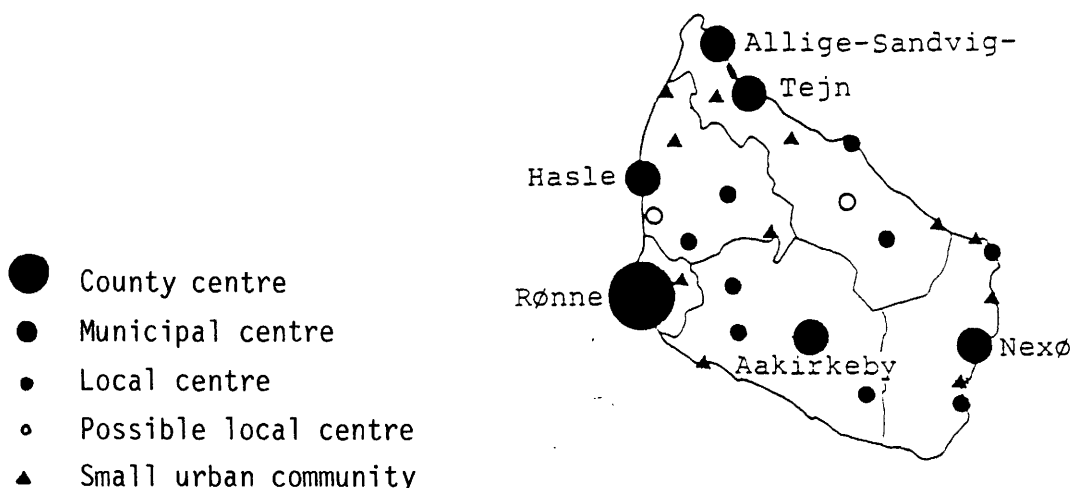
Administratively, the island is divided into five municipalities, of which the largest - Rønne - has over 15 000 inhabitants, while the others have between approx. 7 000 and 9 000 inhabitants.

The County of Bornholm is a regional development area and also a special investment subsidy area, and the Government has decided that the county is to be included in the European Regional Development Fund after 1.1.1985.

Bornholm's Regional Plan for the period 1978-1990 was prepared in co-operation with the municipalities and approved by the Minister of the Environment in 1979.

A supplement to the Regional Plan was approved at the end of 1983.

The County Council has just prepared a proposal for the 1985 Regional Plan which supplements and updates the previous Regional Plan. The proposal was approved by the Minister of the Environment on 21.1.1986. The proposal retains the main principles concerning decentralization which were in the previous Regional Plan.



1. Social and economic development

a. The most important development features, 1980-85

Population development

For the period 1981-1985 population development on Bornholm - as in the rest of the country - was characterized by a decline.

The number of inhabitants fell by 0.7% due to the birth rate being below the death rate and also to net migration from the county.

However the total reduction in population consists of a reduction in population in the smaller municipalities (approx. -2%) and an increase in population in the larger municipalities, Nexø (+1.2%) and Rønne (+0.5%).

Table 1. Population development 1981-1985

	1981	1985	1981-85	
All.-Gudhj. municipality	8 640	8 476	-164	-1.9%
Hasle municipality	6 987	6 843	-144	-2.1%
Nexø municipality	9 044	9 150	106	1.2%
Rønne municipality	15 271	15 343	72	0.5%
Akirkeby municipality	7 428	7 233	-195	-2.6%
The county	47 370	47 045	-325	-0.7%
The country as a whole	5 123 989	5 111 108	-12 881	-0.25%

Source: D.S.: Population.

Employment rates

The employment rate for men and women in the age ranges 16-66 years combined, is a little below the national average (78 against 79%).

For men the employment rate is higher (87%) than the national average (86%), while for women it is lower (69 against 72%) which is due to a lack of traditional female jobs e.g. in industry.

Developments in employment rates have been characterized by stagnation in the case of men and a rising employment rate in the case of women in all age groups.

Industrial development

Total industrial employment during the period 1980-83 increased from approx. 22 400 to approx. 22 500 people resident in the county, corresponding to 0.4%

The increase in employment took place in the manufacturing industries and private and public service in particular.

During the same period there was a reduction in employment in agriculture, building and construction, commerce and the restaurant and hotel industries.

Since 1983 there has however been increased employment in the building and construction industry.

Table 2. Numbers in employment resident in the areas concerned.

Areas	Agriculture etc.		Manufacturing, building, construction		Service, transport, commerce		Total	
	Absolute	%	Absolute	%	Absolute	%	Absolute	%
Qualifying for ERDF support								
1981*	3 107	14.1	5 260	23.8	13 734	62.1	22 101	100
1983*	3 027	13.3	5 484	24.1	14 211	62.6	22 722	100
1981-83**	-80	-2.6	244	4.6	477	3.5	621	2.8
The county								
1981*	-	-	-	-	-	-	-	-
1983*	-	-	-	-	-	-	-	-
1981-82**								
The country as a whole								
1981*	195 743	7.6	649 559	25.2	1 730 028	67.2	2 575 330	100
1983*	189 472	7.5	640 827	25.2	1 712 403	67.3	2 542 702	100
1981-83**	-6 271	-3.2	-8 732	-1.3	-17 625	-1.0	-32 628	-1.3

* Relative share

** Growth percentage.

Source: D.S.: Statistical information, labour market statistics
and previously published service tables from D.S.

It is characteristic of Bornholm's industrial structure that a relatively large part of the work force is employed in agriculture and fishing, both in primary production and in the associated processing industries, and is therefore connected with industries with futures which are affected by and dependent upon national and international planning and regulations to a great extent.

Tourism is an industry which is of great importance to Bornholm. It is estimated that a number corresponding to approx. 900 people being employed all year is directly employed in the tourist industry, in addition to a number of people employed indirectly (approx. 500 people).

Industrial employment

From 1980 to 1983 the number of industrial jobs in Bornholm increased from approx. 3 500 to approx 3 600, corresponding to an increase of almost 5%.

For undertakings in industry proper (with at least 6 employees) the increase in employment has been higher (approx. 10%), which is due in particular to the creation of new jobs in the fishing industry (approx. 450), while a number of other industries have experienced a reduction in employment, especially in the stone and clay extraction industries.

Table 3. Industrial employment (main groups) 1980 and 1983.

Year	1980	1983	1980 and 1983	
Number of undertakings	57	59	Absolute	%
Raw material extraction (29)	100	76	- 24	-24.0
Foodstuffs (31)	1 209	1 652	443	36.6
Textiles/clothing (32)	46	31	-15	-32.6
Timber and furniture (33)	76	94	18	23.7
Paper/printing (34)	187	196	9	4.8
Chemical industry (35)	4	4	0	0
Stone and clay (36)	520	384	-133	-25.6
Iron and metal (37-38)	447	415	-32	-7.2
Total*	2 589	2 855	266	10.3
Manufacturing total	3 462	3 620	158	4.6

* Undertakings with at least 6 employees

Source: D.S.: Labour market statistics.

Within the manufacturing industries there are relatively few people employed compared with the national average (16% against 18%). Industrial employment is concentrated around the processing of products from agriculture and fishing (approx. 50%), the manufacture of stone products and pottery and the iron and metal industry.

Unemployment

In spite of the general increase in employment, unemployment rose during the period 1980-83, after which there was falling unemployment. The number of full-time unemployed insured people increased from almost 1 500 in 1980 to over 2 000 in 1984.

The total number of unemployed people (including those who are not insured) is approx. 10% higher.

Over half the unemployed people are women.

The unemployment percentage, calculated as the number of insured full-time unemployed people in relation to the number insured with the Unemployment Fund, has risen from 10.9% in 1980 to 12.8% in 1984.

If the "total number unemployed" (including those not insured) is calculated in relation to the total work force (including those people in employment but not insured, the self-employed etc.) the figures are lower, 6.5% and 9% respectively, but the trend remains the same.

The reason for the increase in unemployment is that the intake of women to the work force has exceeded the creation of new jobs.

Total unemployment on Bornholm was lower than unemployment for the country as a whole for the whole of the period 1980-85, while unemployment among those insured was only lower in 1981/82.

In 1984/85 unemployment fell in the building and construction industries and iron and metal while it rose in typical female occupations.

Table 4. Unemployed converted to full-time unemployed as a % of the number insured

Areas	1981		1984		1981-1984*
	Absolute	%	Absolute	%	%
Qualifying for ERDF support	1 746	11.6	2 083	12.8	19.3
The county	-	-	-	-	-
The country as a whole	216 588	12.3	240 051	12.9	10.8

* Relative change in unemployment

Source: D.S.: Unemployment statistics.

Unemployment on Bornholm is characterized by considerable seasonal variation. During the period April-September unemployment is generally low.

The reason for the annual variation is mainly the high level of employment in the tourist industry during the summer period and the seasonal variations for the fishing industry.

Income development

In 1980 the average gross income per taxpayer was 10% below the national average.

In 1982 the difference had reduced to 7%, but Bornholm was still among the worst of the counties (3rd lowest).

The average taxable income is even further below the national average (approx. 11%).

The level of income is higher in the largest municipalities (Rønne and Nexø) and lower in the other municipalities.

Table 5. Annual gross income per taxpayer, 1982.

Municipality	Number of people	Total gross income (DKr 1000)	Average gross income (DKr)
Allinge-Gudhjem	6 960	547 862	78 716
Hasle	5 392	446 731	82 851
Nexø	7 287	639 243	87 724
Rønne	12 468	1 078 364	86 491
Åkirkeby	5 892	466 047	79 098
Bornholm	37 999	3 178 247	83 640
The country as a whole	4 222 238	380 667 049	90 158

Source: D.S.: Incomes and capital 1982.

b. Measures during the period 1981-85

Regional development assistance

During the period 1982-85 the following assistance was granted in Bornholm:

Table 6.

DKr 1000	Capital loans*	Industrial building loans*	Investment subsidies*
1982	6 200	-	5 200
1983	8 000	-	3 600
1984	7 200	-	2 900
1985	-	-	4 300

* Capital loans, industrial building loans and investment subsidies in 1983 and 1984 in accordance with law 219/1972, sections 6, 9 and 10 respectively.
Capital loans were discontinued in 1985.
Industrial building loans and investment subsidies in 1985 in accordance with law 88/1985, sections 7 and 6 respectively.

The assisted investments have resulted in the creation of the following number of jobs:

1982	1983	1984	1985
114	107	64	59

Infrastructure

Cycle tracks

Assistance has been promised from the 1984 quota of the Regional Fund totalling DKr 2.9 million (30% of the construction costs) for the implementation of 4 stretches of the regional cycle track network during the period 1984-86.

With the establishment of the stretches concerned totalling 55 km, approx. 80% of the total 205 km long cycle track network will have been completed.

As well as the road safety aspect, the cycle track network is of considerable importance for recreation and tourism and has been a contributory factor to the increase in cycling holidays on Bornholm.

Tejn Harbour

A subsidy of DKr 3.1 million (30% of the construction costs) has been granted for the extension of the outer breakwater at Tejn Harbour.

The project is aimed at improving sailing conditions which, due to the position of the harbour on the coast of Bornholm which faces the east, are sometimes unsatisfactory as far as safety is concerned.

Hasle Harbour

A subsidy has been granted of DKr 960 000 (30% of the construction costs) for improvements to Hasle Harbour with loading and unloading quays.

By improving the loading and unloading conditions the project is aimed at ensuring that the harbour functions satisfactorily as a fishing and commercial freight port and thereby contributes to the general development of the town of Hasle as a municipal centre.

New access road to Hasle Harbour

A subsidy of Dkr 1.3 million (30% of the construction costs) has been granted for the establishment of a new access road with direct connection to the main road network.

The project is aimed at improving the existing access to the harbour which consists at present of narrow and winding roads and which causes problems both for traffic and for the environment. It will ensure a satisfactory traffic service in the harbour area and meet the demands of the increased activity which is expected as a result of the development of the harbour.

Other activities

Airports

A new administration building and a new control tower have been constructed at Rønne Airport, and a number of technical improvements have been made, including safety measures. A total of Dkr 38.3 million was invested during the period 1981-85 (the State).

Training

A number of important enlargements to Bornholm Vocational Training College have been carried out with investments totalling Dkr 5.7 million in 1981-85 (the State).

c. Probable development 1985-90

Population development

According to the latest population forecasts from Danish Statistics, from 1985 to 1990 the number of inhabitants will fall by approx. 200 people from the present 47 000, mainly due to the falling birth rate.

As part of regional planning, a population forecast has been prepared for Bornholm based upon a total number of inhabitants in the year 2000 of 46 700.

During the period 1984-90, according to the forecast, the population will decrease by approx. 150 people. The reduction is due to the fall caused by the falling birth rate being considerably greater than the expected migration into the area.

Table 7. Population development 1984-90

Population as of 1.1.84		47 093
Births	2 738	
Deaths	3 057	- 319
Migration to area	14 156	
Migration from area	13 994	162
Increase in population		-157
Population as of 1.1.90		46 936

Source: Population forecast 1984-2000. The County of Bornholm.

Development in the work force and employment

Using an EDP model, the so-called RIMO model, the Planning Board have prepared forecasts of the work force and employment based upon the population and work force statistics in the register.

It appears, according to the central alternative, based upon the Government's 1984 financial statement, that the employment rate as a whole is expected to increase from 52 in 1983 to 55 in 1987 (for the age range 0-99 years).

Table 8. Employment rates (0-99 years), Bornholm.

	Men	Women	Total
1983	60	45	52
1989	60	50	55

Source: The RIMO forecast, the Planning Board

It appears that the increase only concerns women (in all age groups between 15 and 66 years.)

It is calculated that the work force will increase by over 800 people as a result of the increasing employment rate (for women). At the same time a fall in unemployment of nearly 300 people is expected.

Total employment is expected as a result of this to grow by nearly 1 200 jobs, corresponding to an increase of approx. 5%.

Table 9. Balance of labour 1983 and 1989.

	1983	1989	1983-89
Employment	22 713	23 906	1 193
Unemployment	1 959	1 669	-290
Net commuting from county	0	62	-62
Work force	24 672	25 513	841

Source: the RIMO forecast, the Planning Board.

According to the forecast, employment in the individual industries is expected to be as follows :

Table 10. Employment by industry, 1983 and 1989

	1983	1989	1983-89 %
Agriculture and fishing	3 119	3 007	-3.6
Food, drink and tobacco industries	1 516	1 801	18.8
Paper and printing industries	384	464	20.8
Stone, clay and glass industries	522	491	-5.9
Iron and metal industries	619	727	17.5
Other industry	364	419	15.1
Building and construction industries	1 760	1 827	3.8
Wholesale trade	900	1 035	15.0
Retail trade	2 067	1 948	-5.8
Transport services	1 611	1 823	13.2
Government services	1 523	1 630	7.0
Municipal services	4 712	4 766	1.2
Other public services	1 279	1 279	0
Finance etc.	954	1 081	13.3
Other private service industries	1 267	1 426	12.6
No information	116	186	-
Total	22 713	23 906	5.3

Source: The RIMO forecast, the Planning Board.

It appears that employment in the primary sector, agriculture and fishing, is expected to fall while industry as a whole is expected to increase (approx. 15%), mainly in the industries associated with agriculture and fishing and the iron and metal industry.

In the service sector it is expected that there will likewise be increased employment overall, corresponding to the average increase in employment.

d. Development potential and conditions

As stressed previously, the industrial structure on Bornholm is characterized by the great importance of agriculture and fishing. Since it must be regarded as probable that employment in these industries will continue to fall, (cf. section 1c), as a result partly of structural changes and the EEC's policies regarding agriculture and fishing, one of the first conditions for ensuring the necessary number of jobs is that employment in industry is stabilized. Since it is also considered unlikely that it will be possible to attract new undertakings to the area to any significant extent, it would be reasonable to concentrate efforts upon expanding existing undertakings and on starting up small undertakings on local initiative.

In this connection it is appropriate to make a special effort to increase the local processing of raw material from agriculture and fishing and to utilize the raw materials from the stone and clay industries and the forests on Bornholm.

There will of course be many problems in encouraging such a development, but the most vital precondition will be to ensure that the processing industries on the island are supplied with sufficient raw materials.

Agriculture

The Royal Veterinary and Agricultural College has prepared a report on development programmes for the agricultural sector for 1982-1990 at the request of Bornholm's Industrial Board.

According to this the future prospects for agriculture on Bornholm are rather gloomy, unless special action is taken. The number of farms will fall from 1839 to approx. 1500, while the number of people in full-time employment is expected to fall from 1928 to approx 1600 during the period. Gross profits are expected to fall from DKr 173 million to DKr 126 million.

This forecast recession is based upon the expected development of the EEC's agricultural prices policy and the EEC quotas which have been introduced for milk, which have a great adverse effect on Bornholm because of the great importance of agriculture.

Fishing

The adoption of the common fisheries policy in the EEC in January 1983, which mainly involves great restrictions upon fishing in the North Sea, means that when it is the season for catching herring or cod many fishermen from Jutland come to the Baltic area around Bornholm to participate in the fishing here.

Many of these boats send their catches to factories in Jutland or sell them to purchasers who buy up catches on Bornholm and send them to factories in the rest of the country which are short of raw materials as a result of the limited fishing potential in other Danish waters. Increased fishing in the Baltic is expected to result in a reduction in the total fish stocks for the years to come.

It is probable that it will be a question of catches which are 30-40% smaller than in the best years and hence correspondingly less employment. For fishing and those employed in the fishing industry on Bornholm this will correspond to approx. 700-1000 employees.

There are approx. 350 registered fishing boats on Bornholm. Approx. 250 of these are small boats (under 25 tons) which are not designed for fishing outside the Baltic and so do not have the option of sailing to other Danish waters and fishing there when there is a ban on fishing for cod or herring in the Baltic.

Tourism

The tourist industry, which is Bornholm's third largest industry, is at present suffering a recession which has also affected the whole country, but due to the great importance of tourism to Bornholm, the effect is particularly great here.

In 1985 the number of nights spent in hotels and camping sites was approx. 10% less than in 1984 and the hiring of chalets was also reduced.

In the future, developments can be expected in forms of holiday other than the traditional ones, such as cycling holidays and sea tourism etc.

2. Development targets

a. Main objectives

The main objective is to create the best possible standard of living for all citizens.

More specific targets are:

- It is to be ensured that there is equilibrium between supply and demand for labour with a population of 47 000 in 1990. Alternatively unemployment on Bornholm must be no higher than the national average.
- The level of income on Bornholm must be increased to the national average over 10 years (1995) , corresponding to the average taxable income on Bornholm in 1990 amounting to 95% of the national average compared with 89% today.

Other targets: Improved opportunities for choosing between several jobs. Opportunities for choosing between several places to live and between several types of housing, a satisfactory supply of both public and private services and a good natural environment.

For the labour market, the following general main targets can be mentioned, based upon probable development as discussed in section 1c.

To counteract the expected reduction in the agricultural sector, the target is to establish an agricultural training centre as an element in a joint industrial centre to enable farmers to use new developments and new technology to improve the profitability of individual farms.

In addition there are plans for a biomass refinery which should provide farmers with new opportunities for selling existing products and also for new crops. This will also result in a reduction in the production of those products where there is likely to be overproduction in the future.

An example of this is the cultivation of flax. To reduce pollution in agriculture and utilize manure and straw as alternative sources, a number of projects on these lines will also be carried on during the period.

An attempt is to be made to remedy the expected reduction in the catch sizes in the fishing industry by improved utilization of the catch. The target here is to establish a joint fisheries laboratory where, in co-operation with fisheries laboratories and research centres across the country, research will be carried out into utilization of the guts which are at present thrown overboard and into finding new uses for fish offal.

There is also to be research into replacing some fishing with the raising of fish by aquaculture.

In the case of tourism, the target is to ensure more efficient marketing of the tourist area, including an improved booking system and the encouragement of active forms of holiday including cycling holidays and the use of recreational facilities (golf courses etc.), since it is wished to avoid overstrain of the natural environment by limiting the total number of beds available for tourists.

In the case of the other industries, especially the machine industry, clay, stone and timber industry and a number of service industries, it is necessary to introduce the use of new technology to maintain and increase employment.

Here Bornholm is handicapped by the geographical position of the island. To correct this situation an industrial centre is being planned which will contain a technology centre and a centre for courses.

The technology centre will be able to provide CAD/CAM equipment for small and medium-sized undertakings and will contain an electronic development workshop which can assist undertakings with the use of advanced production equipment.

There will also be equipment which can draw on knowledge and information from a large number of databases all over the world and provide information about techniques, market conditions etc. The centre will also be able to provide guidance for the acquisition and utilization of EDP equipment.

By providing this for the other industries it is hoped that employment will be increased by an amount corresponding to the expected reduction in the three main industries, fishing, agriculture and tourism.

An expected increase in employment in the other industries is also due to an expected increase in the utilization of straw, wood chips, wind and water energy, biogas etc. as renewable sources of energy where the target is to replace up to 80% of the currently imported oil for heating with these forms of energy by the year 2000. This will partly provide employment in the form of capital investment but also in the form of the development and production of equipment for sale outside Bornholm.

Employment projects

To reduce unemployment, which continues to be high and affects the young in particular, a youth guarantee scheme is being planned, linked with a number of public and private employment projects which for example are aimed at improving and preserving the environment and nature etc. on Bornholm.

In addition to this the vocational training college, manufacturing college and industrial experience course centre are being developed with the target of motivating and training the young people for the industries where there is expected to be a need for labour in the future.

b. Sector development targets.

Targets for development in individual sectors are as follows:

Agriculture

- To increase the level of income, so that the average wage is at least the same as for a skilled worker. This should be brought about by means of courses to instruct farmers in the use of new developments and new technology.

- To reduce physical hard work by means of improved working methods and equipment.
- To seek to improve the employment opportunities in agriculture by establishing a biomass refinery and new crops which can be used for "non food" production.
- To encourage increased processing in agriculture's production undertakings, with the aim of maintaining and as far as possible increasing the present level of employment.

The fishing industry

- To preserve as many as possible of the present number of jobs for both fishermen and the fishing industry by encouraging further processing in the fishing industry on Bornholm and better utilization of resources which are wasted at present.

Forestry

- To increase annual felling from approx. 50 000 m³ to approx 60 000 m³ by clearing less productive forest areas (for example, by felling for chip-board manufacture) and thus preserving and increasing employment and ensuring a better economic foundation for the forestry industry on Bornholm.

Market gardening

- To increase the degree of self-sufficiency and thus preserve employment.

Tourism

- The main target is, by extending the season, to maintain present employment and to increase earnings in the industry and to ensure that income received from tourism remains on Bornholm to the greatest possible extent. One way of achieving this is the introduction of new information technology in the form of a joint EDP booking system for the whole of the tourist industry.

An additional objective is to create good, attractive jobs within the tourist sector.

The building industry

- To maintain present employment opportunities, to improve earnings and to ensure steady employment.

Other industry, craft and service undertakings

- To ensure that the present total number of jobs is maintained and as far as possible increased.
- To develop alternative forms of energy and equipment for this.

Transport to and from Bornholm

- To keep rates and services at such a level that Bornholm's geographical position does not prevent trade and industry on the island from being as competitive as in the rest of the country.

Energy

- To aim to utilize to the greatest possible extent the island's own energy resources (straw, wood, sun and wind etc.) by means of heating and energy planning and the state energy support arrangements).

Target for public services

- To provide the island's population and trade and industry with services which are of the same standard as those provided in other parts of the country.

Vocational training courses

- To maintain the present level of courses, further training and re-training and increase it where possible.
- To give young people under the age of 25 a "youth guarantee", meaning that there will be either a job or further education for them, among other things by means of employment projects and courses.

c. The regional urban patterns

In county and municipal planning, the object must be to obtain a centre structure in accordance with the following guidelines:

Rønne is the county centre. Those of the large public institutions and services which serve the whole island must be located and expanded here predominantly.

The municipal centres' supply of services must be maintained and extended. However no development is to be encouraged which is at the expense of the smaller towns' supply of services. The following towns are municipal centres: Hasle, Allinge-Sandvig, Nexø and Åkirkeby.

In addition a number of local centres have been selected (2-3 per municipality excluding the municipality of Rønne) where the present level of service is to be maintained.

In the Municipal Plan for the municipality of Rønne a site is to be secured (approx. 15 hectares) which will be reserved for regional administration with the aim of relieving the pressure on Rønne town centre.

3. Development measures

a. Regional development assistance

The amounts which can be granted as assistance under the Regional Development Act are established in the annual budgets.

On the basis of the appropriations in the finance law for 1986, the budget proposals for the years 1987, 1988 and 1989 and the regional distribution to date of the assistance granted, it is estimated that in the years 1986-1989 the following assistance will be allocated to Bornholm:

Table 11.

DKr 1000	Industrial building loans	Investment subsidies
1986	-	4 800
1987	-	4 800
1988	-	4 600
1989	-	4 600

Calculated on the basis of the appropriations expected it is estimated that the investments which will be assisted by regional development support in the period 1986-1989 will result in the creation of the following number of jobs:

1986	1987	1988	1989
60	60	60	60

It must be pointed out that the above does not take into account the global loans which the Danish Government is expected to take up with the European Investment Bank.

b. Infrastructure

General

On the basis of the previously mentioned development tendencies for the development of population and industry etc. and with the aim of meeting the stated development targets for the community as a whole and for the individual main industries, the County Council wishes to indicate four main themes for the utilization of financial assistance from the EEC's Regional Development Fund, the Regional Development Board etc. for the period 1986-90. The emphasis will be put upon projects which promote industry and employment and which either can result directly in positive industrial development (industrial centres and the like) or which indirectly can create the basis for the required industrial development, for example infrastructure projects and the improvement of the environment:

The four main themes are:

1. Industrial service and vocational training.
2. Energy and environmental projects.
3. Tourism.
4. Infrastructure projects.

Below a number of relevant projects are described which are in accordance with the main themes mentioned. In future reviews of the development programmes these will be updated and supplemented.

c. Industrial service and vocational training

Industrial centre

The aim of establishing an industrial centre is primarily to ensure industrial development by assisting undertakings etc. with the introduction of new technology.

The planned industrial centre is expected to include:

- a secretariat function for the Bornholm Industrial Board, Bornholm Industrial Fund and TIC-Bornholm.

- an employment secretariat, especially for unemployed young people.
- a course centre aimed at further training as a result of new technology.
- a booking centre for the Bornholm Tourist Association.
- an agricultural training centre.

The technological basis for the industrial centre is to be obtained from a technology centre for which the Board of Technology have granted subsidies amounting to approx. DKr 3 million as of December 1985.

The technology centre is to contain CAD/CAM demonstration equipment, EDP equipment and an electronic development workshop and is to provide access to information from all over the world via databases.

For the establishment of the industrial centre, in addition to the facilities mentioned which are included in the technology centre, there will be a need for the construction and acquisition of further equipment for bookings in the tourist industry, and for the setting up of a training centre etc. The costs for these will be approx DKr 4.5 million, of which the county is expected to provide 50%.

It is also intended that the industrial centre - or possibly the technology centre - should have the appropriate technical and economic expertise at its disposal to be able to draw up studies and industrial development projects for municipalities and sectoral analyses for particular industries, to provide advisory and consultancy services to businessmen and farmers, and to manage study projects and the like in preparation for innovations in industry and the services.

Training

The enlargement of Bornholm's Vocational Training College is expected to be completed in 1986-87 with investments of DKr 2.0 million (the State).

Fisheries laboratory

The aim of establishing a fisheries laboratory is to develop methods by which the catch, which will perhaps be falling in size in the years to come, can be utilized more fully.

In connection with this the following projects are planned:

- the utilization of fish guts for medicine, animal foodstuffs etc.,
- the utilization of fish offal for animal foodstuffs and
- the detection of fish bones and the processing of fish products.

In addition in co-operation with the Danish Fisheries and Marine Research Laboratory the fisheries laboratory will carry out research into the fish stocks in the Baltic and into the possible consequences of the establishment of a permanent connection over the Great Belt. The laboratory will also be used for exhibitions and demonstrations of equipment etc. for fishing boats.

Setting up the fisheries laboratory is expected to cost a total of approx. DKr 5 million and will result in the creation of 5-6 new jobs.

Other industrial services

A scheme of assistance is being considered which would help the many Bornholm ceramic firms, both large and small, with product development and sales, and particularly with the organization of sales exhibitions.

d. Energy and the improvement of the environment

Energy installations

In 1984 the County Council began a project concerning long-lasting forms of energy for Bornholm with economic assistance from the Board of Technology.

The project was aimed at creating a plan for a more rational utilization of energy and for the use of a larger part of the island's local energy resources (straw, wood chips, waste, biogas etc.) with the intention of reducing the present dependence upon imported fuels.

As a part of the project a short-term and a long-term development plan was prepared for 1985-90 and 1985-2010 respectively.

The short-term development plan contains the following elements:

- energy conservation through the insulation of buildings etc. (1% per year),
- the establishment of 9 large and 700 small wood chip burners, mainly in country areas,
- the establishment of straw-fired district heating plants in 12 urban communities,
- the installation of a total of 6 000 m² of solar panels and
- the establishment of 30 wind park mills (at 100 kW) and 50 individual mills (55 kW).

In addition there is the possibility that there will be additional energy installations (for example biogas and straw-fired heating and power plants).

The implementation of the development plan for 1985-90 will involve investment of the order of approx. DKr 250 million and will result in an increase in employment of nearly 100 people per year.

The development will result in a total financial saving to the community of DKr 60 million.

The environmental effect of the development using long-term energy plants will be a reduction in sulphur pollution in particular.

Waste treatment plant

As a part of waste planning for Bornholm the five municipal executives have decided to set up a joint corporation to treat waste on the island. A very high proportion of waste would be recycled. A plant for the mechanical sorting of waste and processing of residual materials for re-use is expected to be set up in the next few years. There will probably be a supervised disposal site for the dumping of residual waste. The sorting of household waste "at source" is being considered as part of the plan.

In view of the quantities of waste involved the investment required would be of the order of DKr 20 to 30 million.

e. Tourism

Measures for the development of the tourist industry are included in the planned industrial centre (section 3.c) in that it houses the booking centre, with the aim of ensuring more effective marketing of the tourist areas.

The intention is to extend the booking system to include such services as ticket reservation, and to try to provide a consultancy service for product development and marketing.

The natural environment, which is a primary reason for tourism on Bornholm, would be conserved and improved by means of coordinated nature conservancy projects: natural areas would be cleared and delimited, wetlands would be re-established, and water courses would be improved by building dams to hold the winter run-off and by artificially channelling water into suitable strata. This latter work would form part of the Country Council's water supply plan for the county (see Table 3).

The scope for boating holidays would be improved by using the many small harbours after improvement of sailing conditions, the construction of jetties and piers, and the provision of service facilities on land.

f. Infrastructure projects

In connection with municipal planning the wish has been expressed in the municipality of Allinge-Gudhjem to establish a new main road connection between Tejn and Olsker.

The road is aimed at establishing a direct connection from Tejn Harbour to the main road network and thereby provide an improved traffic service between Tejn and Rønne. The road connection will also take some of the through-traffic in the Tejn area which at present causes considerable environmental problems.

The construction costs for the road connection which is approx 2 km long are estimated to be approx. DKr 5 million.

There are also plans in Hasle, Nexø and Rønne for harbour projects which would secure better sailing conditions and improve the operation of the main harbours in the three municipalities by providing jetties, ship hoist and loading equipment.

Investment overview 1986-1990 of the projects for which assistance could be sought from the EEC's Regional Fund (for guidance only).

Project number	Subject	Municipality	Investment 1985-DKr in DKr 1000	1986	1987	1988	1989	1990
				in DKr 1000				
<u>1.</u>	<u>Industrial service</u> <u>and vocational training</u>							
1.1	Industrial centre	The County of Bornholm	4 500	4 500				
1.2	Fisheries laboratory	Nexø	5 000	2 500	2 500			

Investment overview 1986-1990 of the projects for which assistance could be sought from the EEC's Regional Fund (for guidance only).

Project Number	Subject	Municipality	Investment 1985-DKr in DKr 1000	1986	1987	1988	1989	1990
				in DKr 1000				
<u>2.</u>	<u>Energy and environmental projects</u>							
2.1	Energy plant	The County of Bornholm	250 000					
2.2	Waste treatment plant	Rønne	20 000	?				
2.3	Biogas plant	Hasle	?	?				

Investment overview 1986-1990 of the projects for which assistance could be sought from the EEC's Regional Fund (for guidance only).

Project number	Subject	Municipality	Investment 1985-Dkr in Dkr 1000	1986	1987	1988	1989	1990
				in Dkr 1000				
3.	<u>Tourism</u>							
3.1	Nature conservancy project	The County of Bornholm	?					
3.2	Development of Hammer Harbour as a pleasure boat harbour	Allinge-Gudhjem	?	?				
3.3	Development of harbour installations etc. (sea tourism)	Hasle	?	?				

Investment overview 1986-1990 of the projects for which assistance could be sought from the EEC's Regional Fund (for guidance only).

Project number	Subject	Municipality	Investment 1985-DKr in DKr 1000	1986	1987	1988	1989	1990
				in DKr 1000				
<u>4.</u>	<u>Infrastructure projects</u>							
4.1	Road connection between Tejn and Olsker	Allinge-Gudhjem	5 000	?				
4.2	Harbour lift (Hasle Harbour)	Hasle	17 000	?				
4.3	Loading ramp (Hasle Harbour)	Hasle	750	?				
4.4	Breakwater (Svaneke Harbour)	Nexø	7 000	?				

PART 2

I. General

VI. Arhus

VII. Storstrøm

VIII. Fyn

IX. Ringkøbing

X. Ribe

XI. The small islands

I GENERAL INTRODUCTION

1 Characteristics of economic and social development 1981-1985

1.1 General economic development

Throughout the 1970's Denmark became a land with high inflation and with ever-decreasing competitiveness and profitability.

The domestic industries, primarily the public sector and building, showed a marked growth at the expense of competitive industry which decreased during this period. The harsh recession in the international market as a result of the oil price shock in 1979 made it clear that new measures must be taken if economic development was not to go off course. A structural revision of the Danish economy was required. This assumed a considerable improvement in competitiveness, as total domestic demand had to be adapted to Danish production capabilities.

To bring about economic growth in the longer term and thereby reduce unemployment, a high level of investment in industry had to be ensured, as Danish production had to be brought to a point where it could make use of technical developments.

In recent years there has been a considerable change in the production and demand structure in the Danish economy.

In the case of production, the private sector's share of production and employment has increased markedly, while the public sector has mainly remained at the same level as in 1982. In the case of employment there has been a considerable change from consumption, both private and public, to investment in order to form the basis for increased employment.

It has contributed to the growth in Danish exports that the quotas have been relatively high within a number of specialised products where the market has grown relatively strongly. Examples of these are furniture, wooden articles, machinery, electrical apparatus and medicines.

On the other hand it is characteristic that in Denmark there is only a little production and export of the new so-called high-technology products.

A large increase in imports has however led to an unsatisfactory development in the balance of payments which by virtue of continued tight control of the economy may have a moderating effect on future growth.

1.2 General development within a number of main areas.

1.2.1 Gross National Product

For the period 1978 to 1981 combined the growth in GNP in Denmark was considerably lower than abroad, while during 1982 it exceeded the foreign level with a growth of approx. 3% against OECD-Europe's growth of 2%.

The great growth in GNP took place in 1984 with an increase of approx. 4%. During 1985 growth decreased to 2.5%, approximately the same level as abroad (OECD-Europe).

1.2.2 Inflation

In nearly every single year up to 1983 inflation in Denmark has been above the foreign level of inflation (measured by the price rises in OECD-Europe). In 1983 and 1984 price rises in Denmark were roughly on a par with those abroad and in 1985 they will be well below those abroad.

1.2.3 Unemployment

The increase in unemployment which had been greater than that abroad during the years 1979 (9.6% in Denmark) to 1981 (12.3% in Denmark) became less than that abroad after 1982. Since the second half of 1983 (13.6% in Denmark) unemployment has fallen in Denmark and in 1984 it amounted to 12.9%. This tendency is expected to continue.

1.2.4 Income development

The average taxable income was DKr 53 000 in 1979 and rose during the period up to 1983 (most recent statistics) to DKr 76 000, an increase of 43%.

1.2.5 Population development

During the period 1981-85 the population decreased by 0.25% to approx. 5.1 million inhabitants.

1.3 Regional development

1.3.1 Employment

Employment showed regional variations in the years 1980 to 1984.

All the County of North Jutland and the northern part of the Counties of Århus, Viborg and Ringkøbing were considerably worse off than the national average during this period. The same applies to the western parts of the County of West Sjælland, Lolland Falster, and South and West Fyn.

The region around the capital, the Odense region, and also Mid and South Jutland had considerably higher employment.

It could be said that the regional differences greatly increased from 1979 to 1981 and thereafter decreased slowly. This decrease has however been less than the increase from 1979 to 1981 and the regional differences are therefore still greater in 1984 than in 1979.

It is noticeable that the County of Ringkøbing, which had employment near the national average in 1979, has since developed favourably.

Correspondingly Lolland Falster, the western parts of the County of West Sjælland, and South West Fyn, which in 1979 were unfavourably placed in relation to the national average, have had a development which has made their position even worse.

The employment situation in South Jutland has not developed well but since the starting position in 1979 was above the national average the position in 1984 was just a fraction below the national average.

The traditionally greatest area of unemployment in North Jutland has had near-average development and has thus neither improved nor worsened its relative position during the period 1979-1984.

1.3.2 Income development

Income development during the period 1979 to 1983 was positive with a weak tendency towards a levelling out of regional differences in income.

The regional distribution of income is however still very unequal, since in 1983 (latest statistics) only the Metropolitan Region and Esbjerg had average incomes above the national average (DKr 76 000), while the other regions were on average 8.3% below the national average. Of these the areas covered by the regional fund were on average 12% below the national average.

1.3.3 Agriculture, Fisheries etc.

Within the primary sector agriculture plays by far the most important role as far as employment is concerned.

Primary sector employment is highest in the Counties of North Jutland and Viborg, which were far above the national average of 7.5% with an average employment percentage in the primary sector of about 15% in 1983.

The Counties of North-Jutland, Ribe, South Jutland, Fyn and Storstrøm were also far above the national average with average employment of approx. 12%. Primary-sector employment in the areas qualifying for assistance from the regional fund was on average 2-3% higher than in the counties concerned.

In the County of North Jutland, the western part of the County of Viborg, the County of Ringkøbing and the County of Bornholm employment in the fishing industry plays an important role however, as some of the processing industries in the most important fishing ports are connected with fishing. Employment in the areas concerned in the primary sector fell on average by 2% against 3.2% in the whole country.

1.3.4 Industrial development

Industrial jobs moved "westwards" during the period 1980-83.

In 1983 51.2% of all industrial jobs were situated in the 7 Jutland counties, while the corresponding figure for 1980 was 48.5%.

The regional variation in the relative significance of manufacturing industries grew between 1980 and 1983. The Metropolitan Region and the County of West Sjælland contributed to this, having a low level in 1980 and relatively weak development.

The Counties of Ringkøbing, Vejle and Viborg have also contributed to the increased regional difference, having a high 1980 level and relatively favourable development.

Around the beginning of 1984 the Counties of Ringkøbing and Vejle were the most industrialized, while the lowest industrial employment was to be found in the Metropolitan Region and the Counties of Bornholm and West Sjælland.

1.3.5 The service industries

During the period 1980-83 growth in employment in the service industries slowed down greatly compared with the preceding 20-30 years.

Development in the regional variation in employment in the service industries in 1980-83 shows a rather weak tendency towards less geographical difference.

The County of Ringkøbing, which in 1980 had the lowest employment in the service industries of all the counties, has experienced less growth than the national average and hence has further worsened its position in this area, while the County of Århus has improved upon its already favourable position.

The highest employment in the service industries is to be found in the Metropolitan Region, the region of Århus and in the large towns which are the bases for large state institutions such as hospitals, institutions of higher education, county administration etc. It is also especially in these centres that parts of the private service industry such as banks, the professions and hotel and restaurant businesses are represented.

The least employment in the service industries is to be found in the western part of Jutland and otherwise in the country districts.

1.4 The extent of the Danish areas which qualify for support from the European Regional Development Fund.

1.4.1 Enlargement of the Danish areas qualifying for support.

The Danish regional development programmes for the period 1985-1990 include all the Danish regional development areas in accordance with the Government resolution of 1984.

The previous Danish regional development programmes included, in addition to the Greenland area, the Counties of North Jutland and Bornholm and parts of the Counties of Viborg and South Jutland.

The enlargement, which is due to Greenland's withdrawal from the EEC, comprises parts of the following counties: Ringkøbing, Ribe, Århus, Fyn and Storstrøm and also a number of the small islands.

The population in the areas qualifying for support in relation to the regional fund amounts to 24% of the total population of the country.

1.4.2 The municipalities qualifying for support

The demarcation of the Danish regional development areas was approved by the Commission up to and including the end of 1986.

The regional development directorate is at present carrying out a socio-economic analysis of the regional development areas, so that any changes in the demarcation of the areas can be endorsed by the Commission from and including 1987.

The Danish regional development programmes will be reviewed in accordance with this if the case should arise.

The areas qualifying for support from the European Regional Development Fund comprise the following municipalities:

- a. All the municipalities in the County of North Jutland.
- b. The municipalities of Thisted, Hanstholm, Sydthy, Morsø, Sallingsund, Sundsøre, Møldrup, Ålestrup, Fjends, Skive and Spøttrup in the County of Viborg.
- c. The municipalities of Samsø, Mariager, Langå, Nørhald, Purhus, Randers, Rougsø, Sønderhald, Grenå, Nørre Djurs, Midtdjurs and Ebeltoft in the County of Århus.
- d. The municipalities of Thyholm, Thyborøn-Harboøre, Lemvig, Struer, Vinderup, Ulfborg-Vemb, Trehøje, Ringkøbing, Videbæk, Årskov, Brande, Holmsland, Skjern and Egvad in the County of Ringkøbing.
- e. The municipalities of Fanø, Bramming, Holsted and Ribe in the County of Ribe.
- f. The municipalities of Tønder, Højer, Løgumkloster, Bredebro, Skærbæk, Rødding, Nr. Randstrup, Gram, Åbenrå, Tinglev, Rødekro, Lundtoft and Bov in the County of South Jutland.
- g. The municipalities of Ærøköbing, Marstal, Tranekær, Rudköbing and Sydlangeland in the County of Fyn.
- h. The municipalities of Ravnsborg, Nakskov, Rudbjerg, Højreby, Maribo, Rødby, Holeby, Saksköbing and Nysted in the County of Storström.

- i. All the municipalities in the County of Bornholm.
- j. 28 small islands without independent municipal status.

1.5 National subsidies and loans and subsidies and loans from the Community granted 1981-1985.

The statements concern the counties which qualified for support under the Regional Fund up until 1.1.1985, i.e. the Counties of North Jutland, Viborg, South Jutland and Bornholm.

1.5.1 Regional development assistance

During the period 1981-1985 the regional development law required the authority to provide aid in the form of loans, subsidies or loan guarantees.

Since 1973 regional development support has been granted for a good Dkr 3 billion, for industrial investment totalling Dkr 7.2 billion, representing 40% of the total industrial investment in the regional development areas. It is estimated that this has led to additional employment of 27 000 jobs.

During the period 1981-1985 the following regional development support has been granted in the areas covered by the Regional Fund:

The County of North Jutland:

Regional development support was granted for industrial investment amounting to a total of Dkr 1445 million. Of this a total of Dkr 55.1 million was reimbursed from the EEC's regional fund.

It is estimated that the industrial investment has resulted in the creation of 5332 jobs.

The County of Viborg:

Regional development support was granted for industrial investment amounting to a total of DKr 731 million. Of this a total of DKr 7.1 million was reimbursed from the EEC's regional fund.

It is estimated that the industrial investment has resulted in the creation of 2275 jobs.

The County of South Jutland:

Regional development support was granted for industrial investment amounting to a total of DKr 325 million. Of this a total of DKr 4.7 million was reimbursed from the EEC's regional fund.

It is estimated that the industrial investment has resulted in the creation of 616 jobs.

The County of Bornholm:

Regional development support was granted for industrial investment amounting to a total of DKr 192 million. Of this a total of DKr 3.5 million was reimbursed from the EEC's regional fund.

It is estimated that the industrial investment has resulted in the creation of 385 jobs.

1.5.2 General subsidy and reimbursement arrangements

Introduction

In Denmark the State finances approx. 40% of the expenses which are met by the municipalities.

The transfers from the State to the municipalities fall into two groups: reimbursement arrangements and general subsidies.

In addition there are several intermunicipal arrangements which equalize differences between the municipalities.

of the municipalities' facilities for maintaining a level of service which does not deviate greatly from the average municipal level of service with an average taxation percentage is mainly achieved by means of the equalization arrangements.

The State refunds 100% of the municipalities' expenditure on retirement pensions and certain other personal payments. As a rule 50% of the municipalities' expenditure on social services is refunded. The direct state subsidies to the municipalities - the general subsidies which are distributed in proportion to the municipalities' taxation base - have amounted to a decreasing percentage of the municipalities' expenditure and in 1986 cover approx. 15% of the net expenditure. In 1987 part of the reimbursement arrangement described above will be changed to general state subsidies whereby this type of financing will again play a more important role in the economy of the municipalities.

The general state subsidy has a neutral effect in relation to the regional economic differences between the municipalities since changes in the total subsidy have the same significance on the taxation percentage in all the municipalities.

Differences between the municipalities are equalized in an intermunicipal arrangement which is however administered and fixed by the State.

The equalization and state subsidy arrangements are described in greater detail below.

The current general subsidy and equalization system

The subsidy and equalization system consists of three elements:

- a) an arrangement for equalizing the expenditure requirement,
- b) an arrangement for equalizing the taxation base,
- and

c) a general state subsidy.

The arrangements will be described in this order.

a) Equalizing the expenditure requirement

A municipality's expenditure requirement is calculated by taking into account a number of factors which affect expenditure: the number of children under school age in the municipality, the number of children of school age, the number of old people, the number of people with special social needs.

The expenditure requirement is expressed in DKr per inhabitant. The average expenditure requirement is - in 1986 - approx. DKr 15 000 per inhabitant.

Equalization consists of municipalities with expenditure requirements below the average paying a contribution to the municipalities with expenditure requirements above the average.

In practice it is only approx. 1/3 of the differences between the primary municipalities which is equalized.

Within the Metropolitan Area there is however a special extra equalization. It is calculated in principally the same way and it means that just under 2/3 of the difference in the expenditure requirement is equalized.

For the counties concerned 4/5 of the differences in the expenditure requirement in all parts of the country is equalised.

b) Equalization of differences in the taxation base

A municipality's taxation base is an expression of how large the incomes and land values are in the municipality.

The national average in 1986 is approx. DKr 60 000 per inhabitant.

Equalization consists of municipalities which have a high taxation base paying a contribution to municipalities which have a low taxation base.

For the differences to be fully equalized the subsidy and liability should correspond to the value of the tax on the differences in the taxation base.

In practice it is only approx. half of the differences between the primary municipalities which is equalized.

In the Metropolitan Area there is however an extra equalization of approx. 30%, so that in all approx. 80% of the differences between the municipalities in the Metropolitan Area is equalized.

For the counties concerned the equalization is approx. 80%.

c) The State subsidy

As stated equalization takes place by the municipalities making payments to each other. In addition to this the State grants a subsidy which is primarily determined historically. It was not considered desirable that the great obligations and burdens connected with municipal reform after 1970 should lead to a growth in municipal taxation and the municipalities were therefore compensated for this by the introduction of the general subsidies.

Today the main role of the state subsidies is to maintain the balance between national and municipal taxation.

The subsidy is also regulated in line with changes in the obligations and burdens which the State imposes on the municipalities. If the municipalities are given a new obligation, the subsidy is increased (the so-called total balance principle).

Finally the state subsidy has been used to regulate the finances of the municipalities.

Since the subsidy is not to be equalized it is divided between the municipalities so that it has the same tax value everywhere. If there were no subsidy, all the municipalities would have to increase taxes by the same amount.

The general state subsidy to the municipalities in 1986 is approx. DKr 3.5 billion and the subsidy to the counties is approx. DKr 11.5 billion.

The Danish Government have however decided that from 1987 a number of social reimbursements will be transferred to the general subsidies.

In accordance with current legislation the municipal block subsidy will therefore amount to approx. DKr 15 billion in 1987 and the county block subsidy will amount to approx. DKr 12 billion.

Reimbursements

In the social field, state reimbursements of the order of DKr 70 billion are provided. Most of this, approx. DKr 50 billion, is paid as 100% reimbursement on expenditure for social pensions (retirement and early retirement pensions), child allowances and maintenance allowance in the event of illness or childbirth. Most of the remaining DKr 20 billion is paid as 50% reimbursement of municipalities' expenditure on social institutions (nursery schools, day nurseries, nursing homes etc.) and social assistance. A smaller part of the amount concerns expenditure on health visitors etc. in the primary health sector.

As mentioned above reimbursements corresponding to approx. DKr 12 billion are to be changed in 1987 to general subsidies. This concerns reimbursements for the social institutions and the primary health sector. Calculations of the effect of the change as far as regional finances are concerned show that the change does not significantly change the distribution of the burden between the municipalities.

Special subsidy arrangements

In addition to the general arrangements described above, the state grants various subsidies to municipalities with special economic problems.

This is a matter of subsidies to disadvantaged municipalities which are for relieving special economic problems which have resulted in a high tax burden and other special problems. The special problems arise in particular when the municipalities have extreme criterion-values, for example many old people or many school children, or where the taxation base is very low. This subsidy is distributed as is deemed necessary. In addition subsidies are granted for shipping services to certain small islands, for municipalities with particularly many immigrants and, to a limited extent, to individual municipal development projects and the like. Finally in the area of health, various specific subsidies are granted for dialysis and other special functions.

Table 1. Summary of general subsidies to the ERDF-areas
for the period 1981-85

DKr 1000	1981	1982	1983	1984	1985
Storstrøm	350 843	394 520	402 926	444 431	409 954
North Jutland	2 297 298	2 614 652	2 695 484	2 857 360	2 713 029
Bornholm	243 065	272 754	278 723	298 501	282 240
Fyn	121 583	138 928	141 184	160 733	149 044
South Jutland	551 895	633 645	665 212	705 242	677 227
Ribe	291 811	338 490	348 117	366 998	343 423
Århus	724 485	835 620	858 959	913 345	868 038
Viborg	731 102	844 396	879 809	942 493	859 936
Ringkøbing	379 188	440 508	449 041	478 770	453 530

1.5.3 Support from the European Regional Development Fund

In accordance with the resolution of the Danish Government, during the period from 1981 to 1985 the Danish share of the regional fund was used in the following way:

- a) The greater part of the Danish share, around 80%, was to be used for projects in Greenland.
- b) That part of the quota which was left for the rest of Denmark was to be used to support commercial investment and to support investment in infrastructure in a minority of the Danish regional development areas.

Following Greenland's withdrawal from the Community as of 1.1.85 the Government resolved that the reduced Danish share of the regional fund was to be used in all the Danish regional development areas.

The subsidies from the regional fund for the period 1981-85 for the Danish areas previously qualifying for support and for 1985 for the areas included in those qualifying for support as of 1.1.85 are shown below.

In the period 1981-85 subsidies were granted totalling DKr 196 million for the partial financing of capital costs of DKr 540 million in connection with 54 infrastructure projects in the Counties of North Jutland and Bornholm and part of the Counties of Viborg and South Jutland.

In addition in 1985 subsidies were granted totalling DKr 31 million for the partial financing of capital costs of DKr 66 million in connection with 14 infrastructure projects in parts of the Counties of Ringkøbing, Ribe, Århus, Fyn and Storstrøm.

Table 2. Distribution of ERDF support for the period 1981-85

ERDF-.	Number of projects	Subsidy (millions)	Total investment
North Jutland	20	130.0	346.0
Viborg	18	22.0	60.0
South Jutland	10	28.0	80.0
Bornholm	6	16.0	54.0
Ringkøbing*	3	12.5	25.0
Århus*	6	12.5	25.0
Ribe*	2	2.3	7.5
Fyn*	1	1.2	2.5
Storstrøm*	2	2.8	5.6
Total	68	227.3	605.6

*Only subsidy in 1985.

1.5.4 The EEC's agricultural policy/EAGGF's subsidy schemes

The agricultural structure policy is of special regional interest because of economic assistance for the modernization of agricultural undertakings and assistance for structural projects in connection with the processing and marketing of agricultural products. The two schemes referred to are supported by EAGGF's development section.

Community assistance for the modernization of agricultural undertakings amounts to 25% of the approved measures.

Assistance for structural projects only covers the secondary sector of agriculture (dairies and slaughterhouses), and is allocated on the basis of sector programmes containing an analysis of the conditions in the sector and region concerned, together with a statement of expected development over the next 3-5 years.

By far the largest part of the assistance is received in Denmark by the slaughterhouse and dairy sector.

The regional effect of the two forms of assistance becomes noticeable in areas of high agricultural production - animal production in particular.

The areas covered by the Regional Fund include the Counties of North Jutland and South Jutland. Here there has been a slowing-down in the reduction of employment in rural districts, both directly in the agricultural sector and indirectly in undertakings that supply agriculture with feedstuffs and fertilizers and process agricultural production.

Within the counties that include areas covered by the Regional Fund, total planned investment amounted to DKr 1185 million, of which the EAGGF is expected to grant a subsidy of approx. DKr 300 million.

Total planned investment amounted to DKr 1185 million, of which the EAGGF is expected to grant a subsidy of DKr 300 million.

Table 3. EAGGF subsidies for development plans 1981-84

County	Development plans	DKr million
Bornholm	5	4.0
South Jutland	240	222.0
Viborg	137	111.0
North Jutland	214	184.0
Total	596	521.0

Within the areas referred to above the following investment in structural projects was made during the years 1981-84:

Table 4. EAGGF subsidies for structural projects

County	Structural projects	EAGGF subsidies
Bornholm	50.0	7.8
South Jutland	54.0	6.7
Viborg	51.0	9.3
North Jutland	152.0	24.6
Total	307.0	48.4

1.5.5 The European Investment Bank's activities in the areas covered by the Regional Fund (ERDF-areas)

During the years 1981-84 the European Investment Bank granted loans to Denmark amounting to DKr 6487 million, consisting of DKr 1121 million in 1981, DKr 1715 million in 1982, DKr 2105 million in 1983 and DKr 1546 million in 1984.

The loans were granted to the Danish Government partly to finance State projects and partly as a global loan for lending onwards to small and medium-sized undertakings, predominantly through the Directorate of Regional Development. In addition, direct loans were granted for large private and municipal projects.

In 1981 the Danish Government took up global loans totalling DKr 75 million for financing small and medium-sized projects in the ERDF-areas. In addition loans granted to State and municipal projects for implementing the Community's energy policy amounted to DKr 932 million.

In 1982 over half of the loans were made available for projects to reduce the Community's dependence upon oil, DKr 820 million. The Danish Government took up a global loan for further distribution to small and medium-sized undertakings in the ERDF-areas totalling DKr 50 million.

In 1983 the Investment Bank's loans for energy projects were doubled to a total of DKr 1704 million. Four new global loans were made available for Danish borrowers for the advancement of small and medium-sized undertakings in the ERDF-areas totalling DKr 50 million.

In 1984 the Danish Government took up a global loan of DKr 40 million for lending onwards to the ERDF-areas, the remaining assistance being granted partly to State energy projects, amounting to DKr 977 million, and partly to Danish National Railways for the electrification of an experimental section of track, DKr 450 million.

In addition to the loans granted by the European Investment Bank from its own funds, Denmark received NCI loans totalling DKr 2741 million during the period 1981-84.

NCI (the new Community instrument for the taking up and granting of loans) loans were granted for investment projects by small and medium-sized undertakings, the rational use of energy and infrastructure for encouraging regional development. DKr 1861 million of the loans granted was used for improving the natural gas network and processing equipment.

It is not possible to give a regional breakdown of the loans granted.

The volume of assistance granted to areas covered by the European Regional Development Fund (ERDF-areas) is of special interest.

In the County of North Jutland, a total of 33 commitments was made during 1980-84 - amounting to approx. DKr 64 million - to smaller and medium-sized undertakings as global loans.

In the ERDF-areas in the County of Viborg, during the same period, there were 25 commitments amounting to a total of DKr 41.2 million.

In the ERDF-areas in South Jutland, there were 5 commitments during the period amounting to a total of DKr 32.8 million.

Bornholm received 3 global loans amounting to approx. DKr 6 million during the period 1980-84.

Concerning large projects within the Regional Fund areas, during the period 1980-84 the following loans were granted: 2 loans totalling DKr 60 million for a marine research centre in Hirtshals, a loan for the widening and deepening of the shipping channel from Ålborg harbour to Kattegat totalling DKr 68 million, 2 loans totalling DKr 15 million for the modernization of Tejn harbour on Bornholm and a loan of DKr 15 million for the modernization of Åbenrå harbour.

2. Prospects for future development 1985-1990

2.1 Economic development

During the period up to 1990 continued positive economic development is expected, and a real increase in GNP is expected to continue at the same level as during the period 1983-1985, i.e. on average 3 - 3 1/2%.

As a special economic development prospect, the production of oil and natural gas in the Danish sector of the North Sea is expected to play an important role in the Danish economy in the years up to 1990.

It is assumed that production will rise by nearly 25% per year on average, so that the value of the production of oil and natural gas in 1990 is estimated to amount to approx. 2 1/2% of GNP (at current prices) against nearly 1% in 1984.

It is therefore assumed that domestic production will meet 50% of energy consumption in 1990.

2.2 The labour market

The continued growth in production is expected to lead to a reduction in unemployment of about 215 000 people in 1990.

The reduction in unemployment is a net result of an expected increase in employment of approx. 105 000 people during the period 1987-1990 and an expected new intake to the work force of approx. 90 000 people.

This projection allows for approx. 110 000 more employed in the private sector in 1990 than in 1985, of which approx. 40 000 in industry.

2.3 Bottleneck problems

In a situation where the private sector is looking for extra workers there is a risk of there being bottleneck problems.

This is due to the fact that for the past 20 years the education system has been mainly designed to meet the growing demand for workers from the public sector.

Considerable demands will therefore be made for the labour market and the education system to adapt.

If the private sector cannot have its demand for a qualified work force met in the years to come there is partly a danger of pressure on salaries in the areas where there are shortages and partly a danger of lower rises in productivity if it should become necessary to use labour without the proper qualifications.

2.4 Regional prospects

The question is whether industrial development can be expected to continue to favour the Jutland fringe areas in particular or whether on the contrary there are signs that in the future expansion will take place in other parts of the country.

In the rather longer term it could be possible that development will change in character.

There are possibly grounds for a certain scepticism as to whether industrial expansion will be concentrated in the Jutland fringe areas to the same extent as during the 1970's.

One of the circumstances which could be an ever greater problem in the future for industries in the fringe areas is access to skilled labour in the individual localities.

Some of the most important reasons for this include:

- Decentralisation and moving towards the west of industrial production has not resulted in a corresponding movement of educational institutions. This applies especially to higher education.
- The demand from industry for highly qualified labour has been - and will continue to be - on the increase and higher education in particular is concentrated around Copenhagen, Århus, Odense and Ålborg.
- The geographical mobility of the work force will probably continue to decrease, among other reasons on account of the increasing employment of women.
- For labour with both technical and economic training there is a favourable employment situation which makes it extra difficult for undertakings situated far from the educational institutions to attract these types of labour, which are among the most sought-after of those with higher education.

The regional distribution of employment in the service industries shows a concentration in the large urban communities and in the eastern part of the country.

Those parts of the country which do not have large urban communities and which are situated in remote areas have, in addition to employment in agriculture and fishing, in the main only employment in manufacturing industries as an alternative to enable them to maintain the economic activity of the population and maintain reasonable standards of living. Employment in the manufacturing industries in these areas must therefore be increased so that it amounts to a far greater part of total employment than in the rest of the country.

Areas dominated by individual large undertakings or characterized by a pronounced industrial monostructure (the textile industry, fisheries, shipbuilding industry, the timber and furniture industry) must be developed in the direction of a more differentiated industrial structure in order to reduce sensitivity to the state of the market and thereby reduce the risk of serious regional development problems.

2.5 Fisheries

It is still too early to give a precise evaluation of the effects of the Community's fisheries policy upon production and employment in the areas of Denmark which are dependent upon fisheries, among other reasons because the importation of raw materials must be taken into consideration.

It is however obvious that the regulations laid down will mean a reduction in production and employment.

An attempt can be made to counteract this negative effect by fishing for species which are not endangered and are not therefore subject to restrictions. This presupposes an alteration in fisheries and the fisheries industry which would require previous research and product development.

In addition there could be a higher level of improvement to known products.

The mandate of the Board concerning the carrying out of special community action with regard to the regional development of areas affected by the common fisheries policy includes the areas in Denmark which are greatly dependent upon fishing situated in the previously mentioned areas characterized by a difficult socio-economic situation.

This creates important assumptions for compensatory development in these areas.

Putting the guidelines laid down by the Community for the special Community action into the form of a programme was begun in co-operation with the regional authorities and the programme is expected to be put before the Commission by the end of 1986.

3. Regional policy

3.1 Main elements

Industrial policy and labour market and education policies form the most important links between general economic policy and regional policy.

The geographical dimension in regional policy is contained in national planning policy and regional development policy.

Regional development assistance and assistance from the EEC's Regional Fund represent important implementation instruments in the regional policy.

3.2 Main goal

Even if regional development assistance has had a favourable effect upon development in the weaker areas, the goal has not yet been reached.

The demarcation of the regional development areas has been changed several times to ensure that the law's assistance benefits the regions which are the most poorly developed.

By calculating the level of development in accordance with different criteria (employment, levels of income, degree of industrialization, the importance of the service industries, the distribution of different age groups and the extent of industry) it has been found that there are still marked differences between parts of the country which provide ample justification for continued regional development assistance to the weaker areas.

In the regional development areas considered together, the unemployment percentage has been 22% above the national average in recent years and taxable income has been 13% lower than in the country in general.

The main aims of regional policy are therefore still to encourage development in the weaker regions, including encouraging the use of modern technology in manufacturing industries and the development of new products intended for the international market.

3.3 Development strategy

In order to maintain and develop Danish production in growth areas it is vital that undertakings in general but in particular in the weaker regions are encouraged to invest in the new production processes which modern technology can offer.

Industrial policy and the contribution of the State in research and education must to the highest possible degree encourage industries to move into growth areas.

In the field of industry, industrial policy will be redirected to a greater extent from solving the problems in industries hit by crises, including interest assistance arrangements, towards increased contributions concerned with structural policy directed towards research, education and renewal of technology.

The technological development programme is an example of such a change. Approx. DKr 1.5 billion has been earmarked for this programme for up until the end of the 1980's.

Within the framework of the EEC, Denmark is also participating in a number of large research programmes which will also contribute to breathing new life into industry. These include programmes within the fields of computing, information technology (ESPRIT), basic technical research and the use of new technologies (BRITE), biotechnology and energy.

At national level, an effort is being made to develop the two largest centres in the weakest areas, Esbjerg in the south-western part of Jutland and Ålborg in North Jutland, into provincial centres containing a number of main service facilities etc. on an equal footing with Århus in East Jutland, Odense in Fyn and Copenhagen which is both a provincial centre and the national centre.

Within the individual regions an effort is being made to build up a network of towns in a hierarchy with in principle one regional centre supplemented by a number of smaller centres of decreasing size.

The aim is to create a fair and varied supply of labour, jobs, public and private services, energy and transport within a given geographical area. In the national assistance areas there are considerable difficulties associated with realizing this development strategy, where for example the supply of public services in a number of areas of education is below that assumed by regional planning.

As a link in the national strategy for the development of the weaker areas, stress is therefore laid upon giving priority to the development of the weakest centres.

In general development within the manufacturing industries in the weaker areas must be encouraged to constitute a greater share of total employment than the national average to compensate for the lack of public jobs.

3.4 Important partial goals in regional policy

- to form effective and flexible frameworks for industrial development by means of planning at regional and municipal level,
- to encourage co-ordination between local industrial development and local work-orientated education,
- to encourage the use of information technology in small and medium-sized undertakings which dominate the weaker regions,
- to consider regional development problems in the administration of general measures to encourage technology,
- that when granting assistance within the national support areas corresponding to the areas covered by the ERDF, an attempt is made to achieve localization which is appropriate for industry and which fits in with other measures to encourage development which the State has implemented or considers implementing.
- that the development of the 27 small Danish islands which amount to a special support area is to be encouraged as much as possible, partly by means of financial support and partly by positive discrimination in administrative affairs.

4. Public investment programmes and resources

4.1 National investment of importance for the regions

A high level of investment in the private sector is required if production and employment are to be increased.

A considerable part of the investments which are included in the public investment programme contribute towards achieving the required infrastructure.

This is a matter of investment within the traffic and communication sectors, investment in supply systems for e.g. gas and electricity and the investments which are implemented by licensing the utilization of Danish energy resources in the North Sea.

The investment programme comprises government and municipal investment and also investment in licensed companies. In addition private investment is included which is subject to public regulation, including publicly assisted building.

The investment programme is composed of two parts, a basic programme containing the investment projects which have already been included in budgets and agreed upon with an estimate of a realistic course of investment during the period 1989-94 and also a supplementary programme of projects which are still being considered.

Table 5 The public investment programme 1984-94

Price and wages level 1985	1984	1985	1986	1987	1988	1989-94 average per year
Budgets/projections	12.1	14.8	12.9	12.7	10.3	9.5
Energy supply						
Traffic	5.8	5.6	5.5	5.5	5.3	5.4
Communications	3.2	3.1	3.1	3.0	2.9	2.8
Housing	7.2	7.6	7.6	7.6	7.6	7.4
Services etc.	14.9	15.9	15.6	14.6	14.3	13.6
Total	43.2	47.0	44.7	43.4	40.4	38.7
Supplement						
Bridge for road and rail over Store Bælt*	-	-0.0	-0.2	-0.2	-0.2	1.5
Hybrid network	-	0.3	0.5	0.6	0.5	0.2
TV-2	-	-	0.2	0.2	0.1	-
Housing area	-	-	-0.1	-0.4	-0.6	-0.6
Total	-	0.3	0.4	0.2	-0.2	1.1
Investment programme including supplement	43.2	47.3	45.1	43.6	40.2	39.8

* Extra expense compared to implementation of combining ferry services.

Source: Budget statement 1985

4.2 Special regional support arrangements

Regional development support

In February 1985 the Danish Government passed a new law concerning regional development support which among other things abolished low-interest loans as a means of support along with a couple of seldom used financing instruments of lesser importance.

As compensation, total resources for support in the form of subsidies were increased, to the subsidy value of the low-interest loans for 1984.

Subsidies cannot exceed 25% of capital costs but in priority areas this is increased to 35%.

The potential for giving investment loans to municipalities for partial financing of industrial building for sale or rent is maintained at the same level as before.

There will continue to be financial assistance in the form of global sub-loans from the European Investment Bank.

It is expected that approx. DKr 600 million will be used in support during the period 1986 to 1991 as capital subsidy, while it is expected that approx. DKr 130 million will be granted in loans to municipal industrial building. It is expected that support will be granted to the small islands (traffic support etc.) amounting to approx. DKr 55 million within the same period.

4.3 ERDF resources

ERDF resources (at present approx. DKr 80-100 million per year) are intended for use within all the national support areas. An effort is made to distribute the resources fairly, which means that approx. 2/3 will be used within the priority areas.

Approx. 40% of ERDF resources is intended to be used for industrial investment, mainly for industries with high use of technology and export-oriented production.

Special importance will be placed upon the question of employment and also the matter of diversification in the area of industry.

The remaining 60% of the ERDF resources is intended to be used mainly for assistance for the financing of infrastructure construction directly linked with industrial development.

Stress will be put upon encouraging in general small and medium-sized undertakings to make use of modern technology and also upon the removal of obstacles within the field of communications where this is of special significance for the development of industry.

It is the intention to use to an ever greater extent national programmes of interest to the Community in connection with encouraging development within the ERDF-areas.

The support resources in connection with the special fisheries action (approx. DKr 100 million over 5 years) are intended to be used within the given framework in such a way that total investment during the period of the programme amounts to approx. DKr 500 million.

5. Implementation

The implementation of regional development programmes takes place in co-operation between the central and the regional authorities.

The programmes are for guidance only and can be altered or changed as a result of statutory reviews of the regional plans approved by the Government.

The regional programmes' investment plans are likewise of an advisory nature and can be adjusted in connection with annual regional budgeting.

The elected county councils are responsible for the preparation of proposals for the regional development programmes in accordance with the centrally approved regional plans.

Central acceptance of the development programmes of the regions qualifying for support and concrete proposals for support from the EEC's regional fund takes place in a committee under the Ministry of Industry representing the Prime Minister's Department, the Ministry of Foreign Affairs, the Ministry of Finance, the Ministry of Labour, the Ministry of Agriculture, the Ministry of Fisheries, the Directorate For Regional Development and the Ministry of the Environment.

On the initiative of the Regional Development Directorate annual meetings are held between the individual county councils of the areas qualifying for support, the Regional Development Directorate and the Planning Board, where the county councils' proposals for projects and programme initiatives for putting into effect the regional development programmes are given preliminary priorities.

The result is then placed before the central committee under the Ministry of Industry where the final allocation of priorities takes place before the annual applications are sent to the Commission.

VI. REGIONAL DEVELOPMENT PROGRAMME - THE COUNTY OF ÅRHUS

The County of Århus is distinguished from the other regions of the country by the fact that it contains the second largest urban area and also some of the country's most sparsely populated regions in the northerly part of the county. The region is divided between a well developed region in the south and some relatively poorly developed regions in the north. These wide differences mean that the great regional differences which are to be found nationwide are reflected within the County of Århus.

The County of Århus covers an area of 4 560 km² and has a population of 580 000 inhabitants. The county is the largest in the province in terms of population and the third largest in terms of area.

Administratively, the county is divided into 26 municipalities, of which the largest - Århus - has approx. 250 000 inhabitants, which makes it the country's second largest urban area. In addition the county has two large boroughs, Randers and Silkeborg, with 62 000 and 47 000 inhabitants respectively. The smallest municipality in the county is Samsø with approx. 4 700 inhabitants.

The 12 most northerly and easterly municipalities were designated as general regional development areas in 1982. From January 1985 the Government also included the 12 municipalities in the areas which could receive assistance from the European Regional Development Fund. In addition the island Tunø in the municipality of Odder was included in the areas which qualify for regional development assistance and assistance from the European Regional Development Fund.

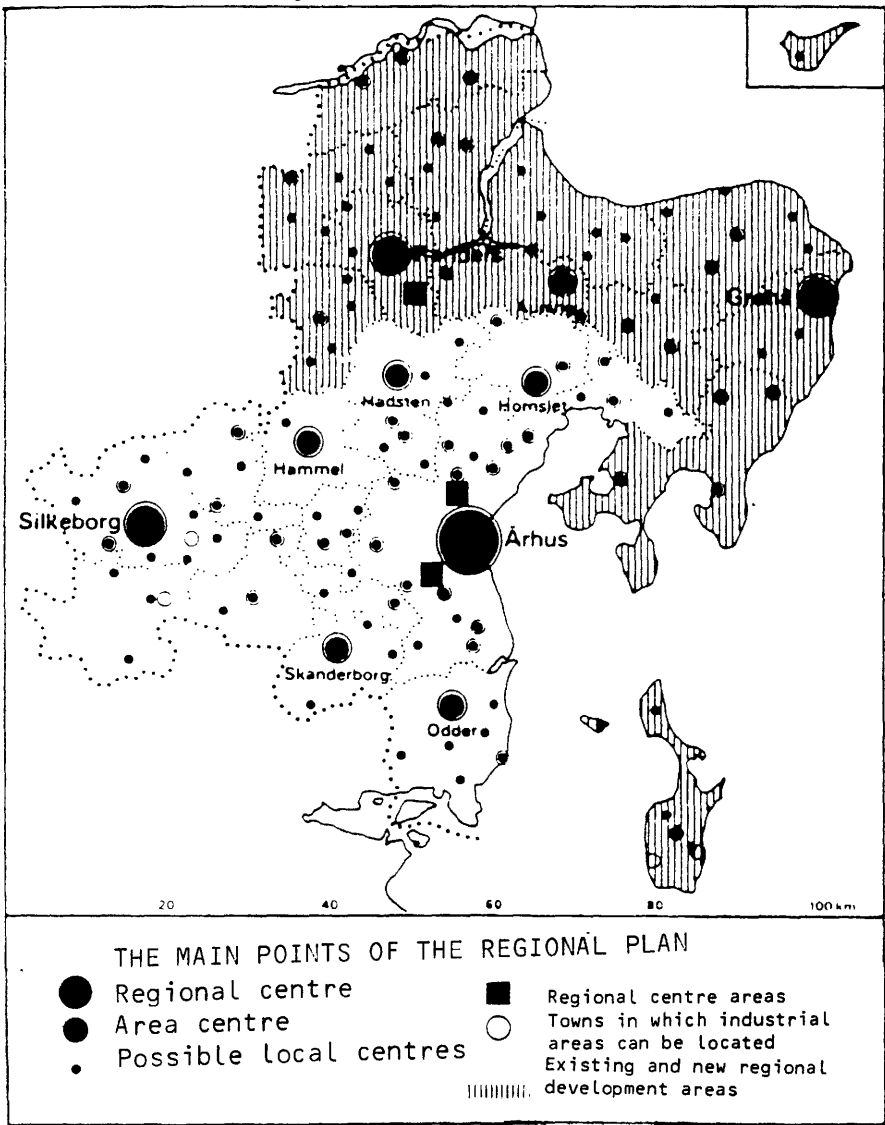
The regional development areas comprise approx. half of the area of the county (2 212 km²), but only a quarter of the inhabitants of the county (approx. 162 000) live in this part of the county.

The municipalities of Mariager and Samsø together with Tunø and Anholt are included in the special regional development areas.

1980 Regional Plan

One of the most important targets for the Regional Plan for the County of Århus is the strengthening of development in the weakest areas of the county.

Map 1



In the Regional Plan for 1980 12 municipalities were designated as support areas and these were later designated as regional development areas.

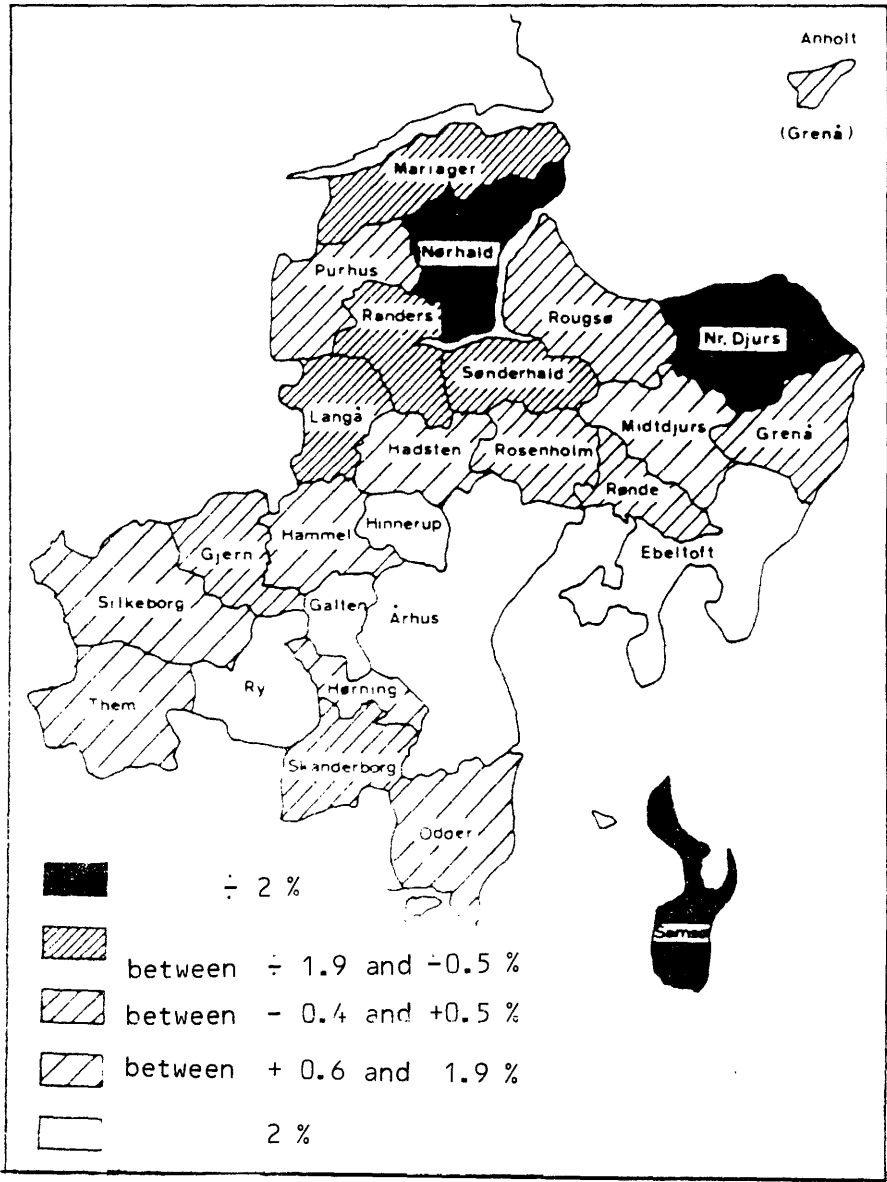
In the Regional Plan for 1980 a network of towns was selected - provincial centre (Århus), regional centres (Grenå, Randers and Silkeborg) and area centres (Odder, Skanderborg, Hammel, Hadsten, Hornslet and Auning). In addition 3 regional (overspill) centre areas have been selected - Hasselager and Skejby/Lisbjerg near Århus and Paderup near Randers. The Regional Plan also indicates a number of possible local centres.

Thus one of the regional centre areas (Paderup), two of the regional centres (Randers and Grenå) and one of the area centres (Auning) are situated in regional development areas.

1. Social and economic development

a. General development 1981-1985

Map 2 Population development 1981-85



Population development

The population in the country as a whole dropped in the period 1981-85 but in the County of Århus it increased by 1.2%. The increase was however very uneven within the County of Århus, in that the increase was exclusively in the southerly part of the county while the northerly part of the county had a reduction in population which was much greater than the national average, namely -1.1%. The reduction in the population within the assisted areas was also uneven, in that Randers and Samsø had a very large reduction compared to the other areas and the municipality of Grenå had a small increase (see Appendix 1, Table 1).

Table 1. Population development 1.1.81 - 1.1.85

Areas	1981	1985	1/1-1/1 1981-1985	1981-85
Areas qualifying for ERDF support	163 418	161 635	- 1 783	- 1.1
The rest of the county	412 122	420 576	8 454	2.1
The county	575 540	582 229	6 689	1.2
The country as a whole	5 123 989	5 111 108	-12 881	- 0.25

Source: D.S.: The population in the municipalities as of
1st January of the year concerned.

If the population development is viewed in the light of the urban pattern there is a great difference. Grenå had an increase in population while the other regional centre Randers had a considerable reduction. The area centre Auning, which is situated in the municipality of Sønderhald had a reduction which corresponded to the average for the assisted municipalities.

Table 2. The number of people in employment resident in the areas concerned.

Areas	Agriculture etc.		Manufacturing, building, construction		Service, transport commerce		Total	
	abs.	%	abs.	%	abs.	%	abs.	%
Qualifying for ERDF assistance								
1981*	8 712	11.8	21 902	29.5	43 318	58.7	73 832	100
1983*	8 377	11.2	21 351	28.5	45 258	60.3	74 986	100
1981-83**	-335	-3.8	-451	-2.1	1 940	4.5	1 154	1.6
The county								
1981*	19 525	7.1	72 997	26.5	182 926	66.4	275 448	100
1983*	19 132	6.8	70 690	25.1	192 365	68.1	282 187	100
1981-83**	-393	-2.0	-2 307	-3.2	9 439	5.2	6 739	2.5
The country as a whole								
1981*	195 743	7.6	649 559	25.2	1 730 028	67.2	2 575 330	100
1983*	189 472	7.5	640 827	25.2	1 712 403	67.3	2 542 702	100
1981-83**	-6 271	-3.2	-8 732	-1.3	-17 625	-1.0	-32 628	-1.3

* Relative share

** Growth percentage

Source: D.S.: Statistical information, labour market statistics and already published service tables from D.S.

Employment within agriculture and manufacturing industry is relatively higher in the northerly part of the county than in the southerly part of the county.

In the northerly part of the county there is considerably lower employment within the main industries which have been increasing during the period, for example public service industries.

As can be seen from Tables 2 and 3 in Appendix 1, there has also been a displacement within the assisted areas. In the regional centres Randers and Grenå there has been an increase in the number of jobs while in the other parts of the regional development areas there has been a reduction. The improvement in Randers and Grenå is due mainly to growth in the manufacturing industry and growth within the public sector.

This is largely outweighed by a corresponding reduction within these main industries in the rest of the assisted areas - rather more for manufacturing industry and rather less for public services.

Employment rates

Employment rates are generally lower for both women and men in the northerly part of the county than in the southerly parts. In addition the employment rates are lower in the large towns than in the areas which are less urbanized. This is probably mainly due to the fact that a large number of young people are resident here during their education and training.

Table 3. Employment rates 1981 and 1983.

	1981		1983	
	Men	Women	Men	Women
Randers	83.9	64.2	83.2	66.4
Grenå	87.2	67.0	86.7	68.9
The other regional development areas	88.0	67.5	87.2	68.9
The regional development areas as a whole	86.3	66.1	85.6	68.3
Århus	83.3	71.1	72.1	72.4
The other part of the county	88.8	72.7	87.8	71.7
The County of Århus as a whole	85.7	70.2	84.7	71.9
The country as a whole	87.6	71.4	86.8	73.8

The lack of traditional jobs for women in both industry and commerce and especially in the private and public service sector, is probably the reason for the lower employment rate for women.

The structure of industry

Table 4. The number of people employed in industry proper 1980 and 1983.

	1980	1983
Randers	6 798	6 259
Grenå	2 476	2 520
The other regional development areas	3 517	3 420
The regional development areas as a whole	12 791	12 199
The municipality of Århus	17 716	16 202
The other part of the county	11 446	11 340
The county excluding the regional development areas	29 161	27 542
The County as a whole	41 953	39 741
The country as a whole	383 056	361 684

There has been a considerable recession in industry in the County of Århus, which is mainly due to the general state of the market during the period. The reduction in industrial employment has affected the southerly part of the county more than the northerly. Most of the recession in industry in the northerly part of the county is due to the recession in industry in Randers.

The town is industrially dominated by a few large old industrial undertakings for which the state of the market has been especially unfavourable. The reason that the northerly part of the county has had a smaller recession is that industry in Grenå consists of a few large undertakings in the paper and printing and iron and metal industries which have done well during the period.

A more detailed structure of industry is shown in Appendix 1, Tables 4 and 5.

The development of employment

Table 5. Unemployed converted to full-time unemployed as a % of the number insured.

Areas	1981		1984		1981-84*
	Absolute	%	Absolute	%	%
Areas qualifying for ERDF support	8 580	15.9	8 980	15.4	4.7
The county	26 380	13.1	29 500	13.5	11.8
The country as a whole	216 588	12.3	240 051	12.9	10.8

* Relative change in unemployment.

Source: D.S.: Unemployment statistics.

There was a deterioration in the employment situation in the county as a whole from 1981 to 1984. The number of people unemployed in the regional development areas increased by 47% during the period. In contrast to the general employment situation, unemployment increased greatly for young people in the age range 16-24 years. The youth unemployment percentage rose from 11% in 1980 to 13.2% in 1983 and during the whole period it was 2% higher in the northerly part of the county than in the southerly part.

Table 5.1 Youth unemployment

Youth unemployment in the regional development municipalities in the County of Århus.		
	1980	1983
Number of young people in the age range 16-24 years	20 903	21 829
Number of young people unemployed	2 301	2 873
Unemployment percentage	11.0%	13.2 %

Income development

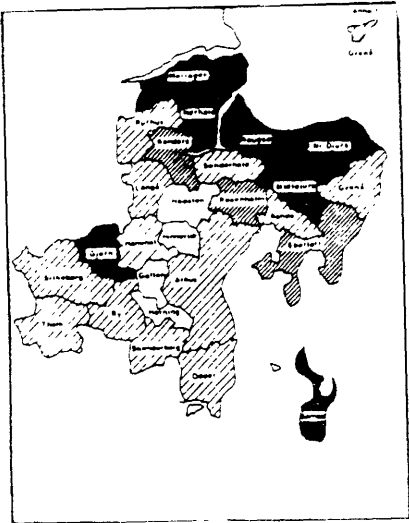
With regard to income differences, gross incomes are generally lower in the northerly part of the county than in the southerly part of the county. For a short period from 1980-1983 there was a further deterioration in that the municipality of Randers had a smaller increase in gross incomes than the average so that the average income in Randers today is 5% below the average for the region.

Map 5.

Average annual gross
income per inhabitant.

County average in 1980

71 364.

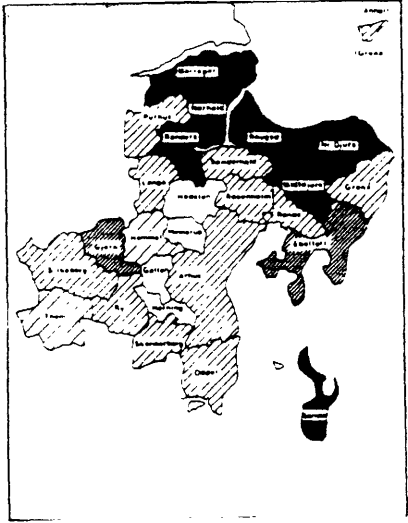


Map 6.

Average annual gross
income per inhabitant.

County average in 1983

93 401.



More than 5% below the
average for the county.



Between 2.5 and 5% below
the average for the county.



Between 2.5% below and 2.5%
above the average for the county.



Between 2.5 and 5% above the
average for the county.



More than 5% above the
average for the county.

Education and training structure

There are a number of education and training institutions in the northerly part of the county but the number of training places for the 16-19 age range is relatively lower for the northerly part than for the southerly part. This applies both to general education (comprehensive schools etc.) but in particular to technical colleges where there are considerably fewer places. The situation as far as commercial colleges are concerned corresponds to the supply in the rest of the county.

The choice of technical subjects is smaller in colleges in the Grenå and Randers areas than in the southerly part of the county. That is to say that as regards the training of young people, the northerly part is worse off than the southerly part of the county as far as both quantity and quality are concerned.

b. The most important areas which are characterized by the lack of equality in the region and the reasons for this.

The difference between the northerly and the southerly part of the county did not improve during the period 1980-83. On the contrary there was a freeze in the situation between the two parts of the region. In certain areas there was even an increase in the differences.

The reduction in employment within the private sector was greater in the northerly part of the county than in the southerly part. In the southerly part the reduction was more than outweighed by increased employment within the public sector. This has not been the case in the regional development areas and so total employment fell during the period by almost 4 000 jobs.

This development also resulted in a larger increase in unemployment and a lower income development in the northerly part of the county.

In the northerly part of the county there is a considerably lower employment rate for women and this is due partly to the lack of job opportunities for women in this part of the county in the public sector.

Similarly there are poorer opportunities for unskilled labour, where the level of employment is considerably lower in the northerly part of the county than in the southerly part. This can be due to the relatively poorer opportunities for training locally in the northerly part of the county and also to the fact that industry is using specially trained labour to a greater extent.

Development in the northerly part of the county has also changed:

Grenå has thus increased employment in both industry and in the public sector.

However the structure of industry in Grenå, which is situated in one of the least urbanized parts of the country, is one-sided, with a few large industrial undertakings. This means that the employment situation in the municipality is sensitive to changes in employment in individual undertakings.

Industry in Randers is on the other hand primarily composed of undertakings in declining industries, but during the period it was possible to replace some of these jobs by jobs within the public sector to a certain extent. However there is considerable unemployment and a very low level of income in Randers compared to the southerly part of the county.

Youth unemployment is also considerable in Randers. Half the unemployed young people in the regional development areas live in Randers.

Unemployment has risen in the other parts of the county which qualify for assistance. There has also been considerably lower income development in these municipalities.

As the main conclusions regarding the uneven development in the regional development areas the following can be mentioned:

- employment is relatively high in the main industries, agriculture and manufacturing, which are generally in recession,
- many people are employed in industries which are in recession, for example, foodstuffs, stone, clay and glass,
- there are considerably fewer public and private service industries in the northerly part of the county and
- there are insufficient training opportunities for young people and for unskilled men and women.

c. Measures during the period 1981-1985

To improve industrial development in the northerly part of the county there has been considerable public investment, partly in a general improvement of public services and partly in infrastructure projects.

Regional development assistance

Table 6. Regional development assistance for the assisted areas in the County of Århus.

DKr 1000	Capital loans section 6 1)	Industrial building loans section 9 1)	Investment subsidies section 10 1)
1982	27 200	-	-
1983	17 100	3 200	100
1984	15 600	13 100	2 500
1985		4 000	16 600

- 1) Capital loans, industrial building loans and investment subsidies in 1983 and 1984: in accordance with law 219/1972, sections 6, 9 and 10 respectively.
Capital loans were discontinued in 1985.
Industrial building loans and investment subsidies in 1985: in accordance with law 88/1985, sections 7 and 6 respectively.

Since 1982 a not inconsiderable amount of regional development assistance has been granted to the areas in the County of Århus and this has resulted in the creation of approx. 1100 jobs.

As can be seen from the table there has been a certain amount of industrial building, for instance in Knebel in the municipality of Ebeltoft and in the municipalities of Grenå and Mariager.

Table 7. Number of jobs created in the County of Århus as a result of regional development assistance.

<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>
337	132	184	467

Infrastructure

Ports

There has been investment in harbours, partly in the form of enlargements and partly in the form of modernization. Examples are the enlargement and improvement of Grenå North Harbour (DKr 23.5 million), Randers Harbour where there have been enlargements and the acquisition of tugs etc. for approx. DKr 19.5 million, Ebeltoft Harbour which has been improved at a cost of DKr 500 000, and improvements to Sælvig Harbour on Samsø costing DKr 10.2 million to enable this harbour to be used to a greater extent for ferry traffic between Samsø and the mainland.

Airports

A new terminal building has been constructed at Tirstrup Airport, which has partly been self-financed and partly paid for by the 4 co-operating municipalities Ebeltoft, Randers, Grenå and Århus. The total cost was DKr 67.2 million. Of this the regional development municipalities paid approx. DKr 10 million.

Industrial sites

During the period the municipalities purchased and developed a considerable number of industrial sites. For instance Ebeltoft has invested approx. DKr 1.8 million, Langå DKr 3.5 million, Mariager DKr 3.2 million, Randers DKr 8.5 million, Nørre Djurs DKr 950 000 and Grenå DKr 5.6 million in the development of new industrial sites.

Road improvements

During the period approx. DKr 141 million was invested in the roads for which the County Council is the Highways Authority. The investment was primarily for improving the standard of existing stretches of road. However there has been a considerable improvement in traffic conditions at Randers bridge which alone has cost DKr 78 million. In addition to this the municipalities have invested considerable amounts in the widening of the bridge over Randers Fjord. An access road has also been constructed for the new airport terminal.

The municipal roads have also been improved, especially in connection with the development of industrial sites. For instance Nørre Djurs has improved the road network at a cost of DKr 6.5 million and Mariager has also improved its roads at a cost of DKr 6.5 million. The municipality of Randers improved its road network at a cost of approx. DKr 55 million in the period 1980-84.

Other infrastructure improvements

All municipalities have improved their sewer and drainage systems. In many municipalities purification plants have been introduced during the period. In addition inter-municipal arrangements have been made for the disposal of other waste, for example by establishing dumping sites and incineration plants.

During the period the electricity supply system was also improved, for example in the Randers area at a cost of approx. DKr 10 million.

Heat supply

There has been an attempt to counteract rising energy prices by alterations to heat supply systems.

For instance in Randers DKr 481 million has been used for the establishment of a new combined power and heating plant and for improvements and enlargements to the district heating system.

In the municipality of Grenå a waste burning plant (DKr 26 million) and a straw-fired system have been set up with the aim of utilizing local energy resources and increasing local employment.

Establishment of education and training institutions

Based on the Regional Plan's targets concerning the establishing of education and training institutions in the northerly part, the county has made considerable investments during the 1980's. The County Council has sited a new comprehensive school in Paderup and a training course for nursing home assistants was also situated in Paderup in accordance with regional policy.

The county granted subsidies for a new commercial college in Randers in 1982/83, a new department of the technical college in Randers in 1984, and an extension to the college for semi-skilled workers in Randers in 1983/84. It also granted a subsidy to the college for semi-skilled workers at Djursland in 1982/83 for new buildings and supported the setting up of a new technical college in Grenå.

In addition to the colleges to which the County Council has granted subsidies or which it has established in the northerly part, the county has also urged that there should be a broader selection of training in the technical colleges in the northerly part of the county, (for example training courses in foodstuffs and land transport).

As a further example, the county wanted to establish an intensive 1-year training course within the field of iron and metal, since at certain times paradoxical problems have arisen in the northerly part of the county in that it has not been possible to fill

certain jobs in spite of the large number of people out of work. For various reasons, including a lack of finance for practical places, the project had to be abandoned.

Combatting unemployment

By means of a number of measures designed to encourage employment, the county has attempted to improve the employment situation, especially for young people in the northerly part of the county.

The county has also in a number of cases entered into co-operation with the municipalities and these have also provided resources for this in accordance with the law concerning measures to encourage employment.

It should be noted that during the whole period the County of Arhus set aside considerably larger amounts than the obligatory minimum amounts in its budgets.

Investment was greatly increased during the period 1980-84. Subsidies were increased, especially as a result of the youth guarantee experiment which was implemented with Government subsidies in the period 1980-83 (see Appendix 1, Table 6).

During the period, investment resulted in the total effect on employment being increased from approx. 300 man/years to approx. 900 man/years.

During the period 1980-84 the county established three projects for unemployed young people in the regional development municipalities. Project ERVA in Randers was established linked to a rehabilitation institution and young people have for instance worked on the manufacture of furniture. On project "North" in Randers and on project "Djursland" young people have been employed on various building and construction jobs at the county's institutions. The total employment effect per year of these projects has been approx. 40 jobs.

The county has implemented various courses for unemployed young people in the northerly part of the county. During the period 1980-82 a number of special courses were implemented for young people at college level in the municipality of Randers and courses on the conservation of nature and the countryside in Grenå.

During the period 1982-84 a day college for unemployed young people was established in Randers and various guidance courses of short duration with general and vocational content were established in various municipalities including Grenå, Midtdjurs and Randers.

The county has established a number of training/practical places at various county institutions.

In addition a large number of subsidies have been granted for the establishment of training/practical places in private undertakings. The following summary shows the number of training/practical places which have been established with subsidies in the various regional development municipalities.

Table 8. The number of training/practical places for which the county granted subsidies during the period 1980-84.

	1980	1981	1982	1983	1984
Ebeltoft	17	63	48	50	83
Grenå	31	77	66	118	137
Langå	14	14	5	30	37
Mariager	13	30	30	34	60
Midtdjurs	7	15	17	48	43
Nørhald	2	8	7	26	13
Nørre Djurs	6	9	5	22	25
Purhus	5	11	7	24	29
Randers	131	245	220	354	394
Rougsø	10	7	8	39	56
Samsø	10	12	9	20	26
Sønderhald	10	14	8	18	28
Total	246	505	430	783	931

In addition since 1979 the county has implemented a number of starting up courses, that is to say courses for people who want to start up their own businesses. A considerable number of unemployed people have participated in the courses. The county has held 14 starting up courses in the northerly part of the county with an average of 22 participants (total 308 people). 5 of the 14 courses were held in Randers, 4 in Grenå, 2 in Ebeltoft and 1 in Mariager, Midtdjurs and on Samsø.

Approx. 1/3 of the participants on the courses have since started up their own business with approx. 3 employees per business, which is an employment effect of approx. 300 new jobs.

The municipalities' efforts to combat youth unemployment

In a large number of cases the municipalities have established projects and given young people jobs in their administrations and institutions. In addition the municipalities have granted wage subsidies to private employers for employing young people. The number of subsidies has increased considerably from approx. 70 in 1980 to approx. 500 in 1983. The increase is due partly to a great increase in the number of subsidies granted to private employers.

The individual municipalities have financed the subsidies from their own resources and from various subsidies from the State and to a lesser extent from the EEC's Social Fund. Most of the regional development municipalities have set aside considerably larger sums in their budgets than the obligatory minimum amount.

There was a doubling of net expenditure per inhabitant from DKr 75 in 1980 to DKr 150 in 1983. However it is estimated that the amount spent in 1984 will be approx. 20% less than the amount spent in 1983 as a result of Government assistance for the youth guarantee experiment being discontinued and as a result of reductions in the national job creation pool.

The municipalities have spent large amounts to establish guidance courses, arrangements for contacts and information distribution and manufacturing colleges for young people.

d. Development potential and conditions and probable development up to 1990

As can be seen from the development of the balance of labour for the southerly and northerly parts of the county, in the regional development areas there is the prospect of a considerably smaller increase in the number of jobs.

Table 9. The balance of labour in the regional development areas and in the other parts of the county, 1983-1990.

	REGIONAL DEVELOPMENT-AREAS			THE REST OF THE COUNTY		
Industry	Jobs 1983	Jobs 1990 Low growth alternative	Jobs 1990 High growth alternative	Jobs 1983	Jobs 1990 Low growth alternative	Jobs 1990 High growth alternative
Agriculture	8 322	6 500	7 300	10 854	8 500	9 500
Manufacturing	15 691	15 500	16 000	38 045	39 100	41 400
Building and construction	4 092	3 500	5 700	12 796	14 600	21 300
Commerce, etc	11 300	11 000	11 000	33 893	34 800	34 800
Transport	3 956	3 800	4 500	15 125	18 400	21 500
Financing	4 129	5 200	5 200	15 293	18 800	18 300
Public services	20 235	23 600	23 600	69 482	80 700	80 700
Other services and no information	3 858	3 700	3 700	12 071	12 200	12 200
1. Total	71 583	72 800	76 400	207 559	227 100	240 200
2. Net commuting from area	3 403	3 400	3 400	÷ 358	÷ 400	÷ 400
3. Work force	84 282	86 500	86 500	226 664	249 100	249 100
4. Unemployed (3 - 1 - 2)	9 796	10 300	6 700	19 463	22 400	9 300
5. Unemployment percentage(4:3)	11.0	11.9	7.7	8.6	9.0	3.7

The increase in the work force will also probably be greater in the regional development areas than in the other parts of the county, partly because of the low employment rate for women in these areas.

Thus with low growth up to 1990 there will be a small increase in the number of people unemployed, while with high growth the number will probably fall to 2/3 of the present level. However the difference between the northerly and southerly parts of the county will still be considerable.

With low growth up to 1990 there will be a recession in agriculture and the building and construction industries, while there will be stagnation for manufacturing, commerce, transport and other services. On the other hand there will be a small increase for financing and public services. With high growth there will be the same tendencies but there will be a modest increase in manufacturing and a considerable increase in building and construction. The number of public employees will not increase by more than with low growth.

For there to be an improvement in probable development there would have to be generally improved prospects for manufacturing industry and private service and, for certain parts of the regional development areas, also for the tourist industry.

A special problem is that the demand for labour does not have the same structure as the work force.

The labour market in the northerly part of the county is not so stable and varied as in the southerly part. It is therefore vital to provide the work force with the necessary qualifications to enable them to meet the needs of industry by means of training and re-training. It is also necessary to provide unskilled labour with the opportunity to improve their qualifications by means of various re-training activities which can qualify them for jobs within those areas where there will be a demand for labour now and in the future.

Special island problems

With regard to industrial development, the problems of the two islands Anholt and Tunø can be mentioned as special problems. Population development has been stagnant or decreasing on the two islands. The age structure on the islands is also such that there is a larger percentage of old people and a smaller percentage of young people than in the rest of the county. The decreasing population is due partly to the remote position of the islands far from the mainland and partly to the lack of industrial development. Agriculture and fishing are the main industries on the islands, agriculture on Tunø and fishing on Anholt.

Table 10. The number of inhabitants on Tunø and Anholt as of
1.1.76 and 1.1.81.

	1976	1981
Anholt	166	147
Tunø	121	121

Source: Statistical Yearbook 1984. Denmark's Statistics.

The supply of services is very limited as a result of the small number of inhabitants. Today there is one school on each of the islands. In addition there are a number of general goods shops and during the summer there are additional kiosks etc.

For Anholt the fishing industry is still the island's main industry in spite of the recession. There are now less than a score of fishermen left. Today tourism has become an important source of income based on chalet sites, camping sites and moorings for pleasure boats in the harbour. There has been a similar development on Tunø where agriculture is the island's main industry and tourism is the industry which is on the increase.

Any development of tourism on the two islands should take into consideration the effect on the islands and the population. Industrial development on the islands is linked in many cases to poor ferry and air services and further subsidies for the operation of ferries would be necessary for there to be any real industrial development on the islands.

On Anholt it is wished to situate a possible small holiday village but this depends upon further investigation into the amount of tourism the natural environment could stand.

In the period 1980-84 there was considerable economic investment on Anholt to improve conditions for the island's population. A new ferry was acquired and the ferry operation was "turned round" so that the ferry now stays overnight on the island. In addition the municipality of Grenå has established a camping site (at a cost of approx. DKr 1.8 million) a new power station (DKr 4.1 million) and a new waterworks (DKr 2.7 million).

On Tunø the inhabitants also want to encourage the tourist industry, partly by establishing individual chalets and partly by enlarging the pleasure boat harbour. The island as a whole is a protected area.

2. Development targets

a. General targets

The aim of the Regional Plan for 1980 for the County of Århus is that a fairer supply of employment opportunities should be ensured in the county and that public and private services should be maintained and increased in as many places as possible in the county.

At the same time one of the targets of the Regional Plan is to strengthen the weakest and most sensitive areas in the county.

It is the wish of the County Council that the targets of regional policy should not only be expressed in a localization policy but should co-ordinate more widely all the initiatives - labour market policy, traffic policy, tourism policy etc. - which can help to strengthen the weak areas in such a way that the individual initiatives support each other. In addition the County Council wants regional planning to help

to ensure a suitable supply of suitable industrial sites in the individual parts of the county, especially for undertakings with special site requirements,

to economise on the use of resources as much as possible, including the conservation of natural resources,

to ensure a stable and cheap energy supply and

to encourage the supply of and access to training places, especially for the young.

b. Specific targets

The regional urban pattern

The development of the urban pattern is one of the main ways of meeting the main target of the Regional Plan regarding strengthening the weaker regions in the county. The development of regional centres, area centres and municipal centres can help to strengthen local industry and ensure a fairer development of industry and population since it brings services and jobs nearer.

The regional centres and the area centres are the cornerstones of the Regional Plan. These towns are to be developed so that they are able to provide a varied selection of jobs and provide the opportunity for the location of parts of the main services. By the location of the regional and area centres the County Council has attempted to provide geographical cover for the sparsely populated areas too, so that there is only a distance of approx. 20-25 km to the regional and area centres.

However, it is the case for some areas in the county that the aim of good access to service and to a varied supply of jobs has not been met sufficiently. This is the case for example with Ebeltoft, the Mariager area and Samsø. Here the population is so small that it has not been possible to situate main institutions, for example comprehensive schools, with the requirements for population bases which these have, in these areas. However it is to be stressed that for these areas the County Council feels that higher priority should be given to meeting the needs of local areas than is the case in the rest of the county, so that any increased operating costs in the setting up or maintaining of these institutions will have to be accepted in certain cases.

In addition, to strengthen this part of the county a site near Mariager Fjord has been selected in the Regional Plan for undertakings with special site requirements.

Grenå is the region's smallest regional centre, but is of considerable importance to the regional urban pattern through being the only large urban community in Djursland. In addition Grenå has good development potential on account of its good harbour with deep water and good facilities for disposing of waste water. In regional planning the county has designated a special area near Grenå town for undertakings with special site requirements. There are already a number of undertakings established which have special site requirements.

In addition Grenå has been selected in one of the reports prepared by the Planning Board concerning the location of a base harbour for oil and gas exploration as a possible off-shore harbour for oil and natural gas exploration in Kattegat. The town has also good ferry links with Sweden and Zealand.

Randers is the largest regional centre in the northerly part of the region and is therefore an important element in industrial development here. From historic times Randers has had good industrial development potential, since it has had a good harbour and good traffic connections on land. In recent years training capacity has been increased in Randers and a number of industrial sites have been designated including one for undertakings with special site requirements.

In the present regional heating plan the County Council has stressed that regional considerations are to be taken into account. It is regarded as important that district heating plants should primarily use local sources of energy. Such a policy will assist the local economy greatly and will increase employment in the regional development area where there is a relatively large quantity of straw and excess heat from local industrial production. Part of the excess heat is already being utilized in Pindstrup and Vivild in Djursland.

The County Council also puts considerable importance upon the advantages of natural gas being ensured for industry in the whole of the county - regardless of whether the industry's processing energy is covered by the heating supply act.

3.+4. Development measures and financial resources

The Regional Plan does not in itself give the County Council the management capabilities to implement the projects described below. The terms of the Regional Plan only enable the County Council to influence public and private initiatives which will be evaluated and approved based upon an evaluation of whether they assist in attaining the urban pattern laid down by the County Council and whether they assist the evening out of regional differences.

To encourage industrial development, the County Council wants to improve the infrastructure and develop a supply of services and training which is tailor-made to the requirements of the local undertakings (EDP training, product development, marketing support etc.). In addition the County Council wants as large a part of the county as possible to share in the new technology, information technology in particular.

This would require increased co-operation between all the public authorities and private undertakings with the aim of encouraging product development and system development.

The County Council finds that it will be necessary in the years to come to intensify co-operation and interaction between the public and private sectors with the aim of assisting industrial development, including assisting technological development.

To encourage industrial development in order to improve the standard of living of the population, the County Council wants to give priority to the following four areas over the next 5 years:

- The realisation of infrastructure projects.
- Improvements to vocational training and services for industry.
- The conservation of nature and the environment.
- The development of the tourist industry, on Samsø and the small islands, in the northerly part of Djursland and in the municipalities of Ebeltoft and Mariager.

The County Council wants primarily to assist initiatives aimed at improving industry and employment. Construction work of regional importance will be given priority over work of local importance. This is because of the wish to strengthen the main infrastructure in the region and thereby hopefully encourage a broader industrial development.

For example it is important to safeguard regional and large industrial sites such as, for example, industrial sites for undertakings with special site requirements or harbour sites. Accordingly it is the regional road connections and connections to regional networks which are to be given the highest priority.

To promote the realisation of the aims within the areas given priority it will be necessary to provide assistance, for example regional development assistance and also assistance from the European Regional Development Fund, if a number of projects are to be implemented in the period.

Future regional development assistance

It is laid down in the annual finance laws what amount can be provided as assistance in accordance with the regional development law.

Based upon the appropriations in the finance law for 1986, the budget proposals for the years 1987, 1988 and 1989 and the regional distribution of the available assistance up till now, it is estimated that during the years 1986-1989 investment subsidies and industrial building loans will be granted to the regional development areas in the County of Århus as shown in Table 11.

Table 11. The forecast regional development assistance to the areas in the County of Århus in the years 1986-1989.

DKr 1000	Investment	Industrial
	subsidies	building loans
1986	12 500	7 200
1987	12 500	7 200
1988	12 000	7 200
1989	12 000	7 200

Calculated on the basis of the expected appropriations etc. it is estimated that the investments which will be supported by regional development assistance in 1986-1989 will result in the creation of approx. 800 jobs.

Table 12. The forecast number of new jobs as a result of regional development assistance in the years 1986-1989.

Year	Number of jobs
1986	200
1987	200
1988	200
1989	200

It must be stressed that in the above calculations the global loans which the Danish Government is expected to take up with the European Investment Bank have not been taken into account.

Infrastructure⁺

Ports

In order for the two large ports in the regional development areas Randers and Grenå to be able to assist in the strengthening of industrial development, a number of improvements to existing conditions and new constructions are required.

In the case of Randers Harbour it is vital that there is an improvement in sailing conditions in the fjord without any delay. This can be brought about by for instance extraordinary fascine work on Randers Fjord (DKr 3.2 million) and the establishing of a plant for the depositing of rubbish from dredging work in Randers

Footnote to Chapter VI, page 27:

- + Where not otherwise indicated, the municipalities will be responsible for the implementation of the various projects.

Fjord and by the establishment of sluicing areas (DKr 1.1 million). In addition it is necessary to improve the quay installations (DKr 3.2 million). Grenå Harbour is to be improved in the next 5 years to strengthen industrial development in Norddjursland and to enable it to accept off-shore traffic. This can be brought about by improving loading and unloading facilities, (DKr 3.9 million), enlarging Grenå North Harbour, including possibly establishing roll-on/roll-off ramps. The main implementation of work to the harbour etc. at Anholt Harbour totalling DKr 9 million is expected to be completed during 1985 (the State).

In addition there will be modernization of Sælvig Harbour which will help to improve traffic conditions for local industry (approx. DKr 1.5 million) (the county).

Airfields

During the period 1985-90 there will be improvements to the airfield in the northerly part of the county at Højslet in the municipality of Randers. This will improve industry's access to markets in Denmark and abroad.

Roads

Roads which are necessary for the utilization of ports, large industrial areas and the like are to be given the highest priority.

The main Randers-Langå-Bjerringbro road is to be improved, in that a new bridge is to be built at Fladbro (approx. DKr 7 million) (the county).

In the municipality of Grenå a northern link road is to be constructed so that the industrial areas and Grenå North Harbour will have better traffic connections to the highways Grenå-Randers and Grenå-Århus (DKr 7 million).

The municipality of Nørre Djurs will improve the link road between Bønnerup Harbour and the highway Randers-Grenå (DKr 7.5 million).

In the municipality of Sønderhald road connections to the industrial area near Auning are to be improved.

In addition it is wished to establish Ringboulevarden in Randers to improve the connections between the northerly industrial areas and the connections to the south (the State).

Railways

To encourage industrial development in Djursland and in the Grenå area it is wished to improve the Grenå line's track from Hornslet to Grenå. By improving the line it will be possible to operate with an increased axle pressure of 20 tons against the present 16 tons axle pressure. The speed can also be increased from 45 km/h to 75 km/h. This would result in a considerable improvement in the transportation time to and from Århus (approx. DKr 50 million) (DSB).

Industrial sites

In accordance with the supplement to the 1985 Regional Plan during the period there is to be investment in industrial sites for undertakings with special site requirements in Grenå and Randers and possibly at Assens in the municipality of Mariager and in the municipality of Nørre Djurs.

There will also be investment in industrial sites in the other municipalities which will be of local importance.

Vocational training courses and services for industry

In order for there to be better training for the work force so that it is in greater accordance with the requirements of the labour market, the County Council wishes to extend the vocational training courses and the opportunities for further training. In addition it is wished to invest in EDP training courses and other training courses to strengthen technological development in the area, including extending in particular the choice of training courses at the technical colleges.

In addition the County Council wants to strengthen the more traditional subjects within the range of the technical colleges, for example in foodstuffs and land transport.

It is also wished to make greater efforts to encourage the training of people who want to start up their own businesses and to establish institutions which can encourage product development in co-operation with local industry. For example it is planned to establish an idea and development centre at Virring Vocational Training College and an experiment has been started concerning the setting up of a college for inventors at Ebeltoft.

Conservation of the environment and nature

The County Council wants to support the initiative for establishing an environmental technology institution in Grenå for the development of measures to combat pollution and to develop new products. This will take place in close co-operation with local industry.

The establishing of a full-scale experimental purification plant for purifying various forms and mixtures of industrial and domestic waste water at Grenå town (approx. Dkr 60.0 million) is planned. This can possibly be in co-operation with the planned environmental technology institute.

To utilize local resources it is planned to reuse excess heat from processing for the industries in Grenå by connecting the undertakings to a pipe network for the utilization of excess heat (approx. Dkr 10 million).

Development of the tourist industry

The County Council wishes by means of local initiatives and by investment to encourage the tourist industry on Samsø and the small islands, in the northerly part of Djursland and in the municipalities of Ebeltoft and Mariager.

This can be carried out as mentioned above by improving traffic connections to the islands and by establishing or extending the tourist facilities such as, for example, pleasure boat harbours and individual holiday villages and holiday hotels. Concrete plans have been put forward for the establishing of a pleasure boat harbour on Tunø.

Appendix 1. Statistical documentation

Table 1: Population development 1980-1984

Table 2: People in employment with jobs in the municipalities as of 1.1.1980.

Table 3: People in employment with jobs in the municipalities as of 1.1.1983.

Table 4: Number of employees distributed by main industrial groups 1980.

Table 5: Number of employees distributed by main industrial groups 1983.

Table 6: Subsidies for measures to increase employment.

Table 1: Population development 1980-1984.

	1.1.1980	1.1.1984	Growth in %
Randers	62 486	61 410	÷ 1.7
Grenå	18 429	18 501	0.4
Sønderhald	8 213	8 134	÷ 1.0
Samsø	4 910	4 703	÷ 4.2
The rest of the assisted areas	69 382	68 991	÷ 0.6
The assisted areas	163.420	161.739	÷ 1.0
The municipality of Århus	244 839	250 404	2.3
The rest of the county	165 657	167 696	1.2
The County of Århus	573 916	579 839	1.0
The whole country	5 122 065	5 112 230	÷ 0.2

Table 2: Those employed with jobs situated in the municipalities as of 1.1.1981.

	1	2	3	4	5	6	7	8	Total
	Agri- culture	Manu- facturing industry	Building and con- struction industry	Commerce and rest- aurant industry	Transport industry	Finance and business services	Public services	Services + no information	
	1 1	2	3	4	5	6	7	8	1981
Randers	702	6 704	1 683	5 176	1 539	2 107	8 019	1 470	27 400
Grenå	877	2 050	657	1 542	643	518	2 002	437	8 726
Sønderhald	513	810	391	678	191	210	920	168	3 881
Samsø	670	275	184	323	132	101	536	124	2 345
The rest of the assisted areas	6 080	6 287	2 875	4 823	1 868	1 538	7 991	1 458	32 920
Regional development areas	8 842	16 126	5 790	12 542	4 373	4 474	19 468	3 657	75 272
The municipality of Århus	3 010	20 589	7 060	21 083	10 377	10 291	42 300	8 228	122 938
The rest of the county the non assisted areas	8 058	17 957	6 411	13 763	4 567	5 354	22 823	3 758	82 681
	11 068	38 546	13 471	34 846	14 944	15 645	65 123	11 986	205 629
The County of Århus	19 910	54 672	19 261	47 388	19 317	20 119	84 591	15 643	280 901

Table 3: Those employed with jobs situated in the municipalities as of 1.1.1983.

	1	2	3	4	5	6	7	8	Total
	Agri- culture	Manu- facturing industry	Building and con- struction industry	Commerce and rest- aurant industry	Transport industry	Finance and business services	Public services	Services + no information	
Randers	676	8 397	1 545	5 706	1 618	2 256	9 736	1 792	31 726
Grenå	807	2 515	540	1 441	593	697	2 426	406	9 425
Sønderhald	533	426	276	369	108	118	702	170	2 702
Samsø	634	266	117	309	121	88	530	138	2 203
The rest of the assisted areas	5 672	4 087	1 614	3 475	1 516	970	6 841	1 352	25 527
Regional development areas	8 322	15 691	4 092	11 300	3 956	4 129	20 235	3 858	71 583
The municipality Arhus	2 798	23 141	8 692	23 186	12 134	11 483	48 693	9 167	139 294
The rest of the county	8 056	14 904	4 104	10 707	2 991	3 810	20 789	2 904	68 269
The non assisted areas	10 854	38 045	12 796	33 893	15 125	15 293	69 483	12 071	207 554
The County of Arhus	19 176	53 736	16 888	45 193	19 081	19 422	89 717	15 929	279 142

Table 4 : Number of employees distributed by main industrial groups en 1980.

	Raw materials	Food stuffs	Textiles	Timber & Furniture	Paper & Printing	Chemical Industry	Stone & Clay	Iron & Metal	Other	Total
	29	31	32	33	34	35	36	37 + 38	39	
Randers		1 214	409	465	1 207	211	269	2 988	35	6 798
Grena	21	576	314 ^x		494 ^x	430	68	561	12 ^x	2 476
The rest of the assisted areas	164	643	268	838	301	123	384	789	7	3 517
Total for the assisted areas	185	2 433	991	1 303	2 002	764	721	4 338	54	12 791
Silkeborg's catchment area	⊗	388	1 325	563	523	44	119	2 273	200	5 451
The municipality of Arhus	⊗	4 904	858	707	2 813	926	451	6 949	96	17 716
The rest of Arhus's catchment area (excl. Arhus, Ebeltoft & Midtdjurs)	⊗	958	931	853	289	542	276	2 031	114	5 995
Total for the non assisted areas	29	6 250	3 114	2 123	3 625	1 512	846	11 253	410	29 162
The county of Arhus	214	8 683	4 105	3 426	5 627	2 276	1 567	15 591	464	41 953

x Corrected figures

⊗ Must not be published

Table 5 : Number of employees distributed by main industrial groups in 1983

	Raw materials	Food stuffs	Textiles	Timber & furniture	Paper & printing	Chemical industry	Stone & clay	Iron & metal	Other	Total
	29	31	32	33	34	35	36	37 + 38	39	
Randers		1 137	395	339	1 103	199	155	2 858	73	6 259
Grenå	27	506	368 ^x		578 ^x	386	34	621		2 520
The rest of the assisted areas	190	692	240	696	305	168	249	880		3 420
Total for the assisted areas	217	2 335	1 003	1 035	1 986	753	438	4 359	73	12 199
Silkeborg's catchment area	10	340	1 380	708	420	25	80	2 130	84	5 177
The municipality of Århus	19	4 763	703	547	2 682	849	340	6 203	96	16 202
The rest of Århus's catchment area excl. Århus, Ebeltoft & Midtdjurs)		1 033	879	831	277	699	173	2 102	169	6 163
Total for the non assisted areas	29	6 136	2 962	2 086	3 379	1 573	593	10 435	349	27 542
The county of Århus	246	8 471	3 965	3 121	5 365	2 326	1 031	14 794	422	39 741






^x Corrected figures

Table 6: Subsidies for measures to increase employment.

	Gross expenditure DKr	Net expenditure (gross expenditure - subsidies) DKr	Net expenditure per inhabitant DKr
1980	6 836 040	6 298 059	39
1981	13 551 266	7 187 317	44
1982	18 589 226	10 589 583	65
1983	27 981 847	11 347 139	70
1984	31 067 122	14 062 100	

Investment overview 1986-1990 of the projects for which assistance could be sought from the EEC's Regional Fund (for guidance only).

Project number	Subject	Municipality	Investment 1985-DKr in DKr 1000	Investment period 1986 ' 1987 1988 1989 1990 in DKr 1000
<u>1.</u>	<u>Infrastructure</u>			
	<u>Ports</u>			
1.1	Establishment of traffic and fishing harbour near Ebeltoft Ferry Harbour.	Ebeltoft	?	?
1.2	Enlargement of Grenå North Harbour.	Grenå	6 500	↔
1.3	Enlargement of approach and parking areas at the ferry harbour at Grenå Harbour.	Grenå	13 500	↔
1.4	Acquisition and renovation of Kongsdal Harbour.	Mariager	4 000	?
1.5	Acquisition of Dania Harbour.	Mariager	8 500	?

1.6	Fascine work along Randers Fjord.	Randers	3 000		
<u>Airfields</u>					
1.7	Establishment of Randers Airfield.	Randers	1 800		
<u>Roads</u>					
1.8	Road south of Mariager-Assens.	Mariager	33 000		
1.9	Industrial road in Ryomgård.	Midtdjurs	1 500		
1.10	Bypass at Stabrand.	Midtdjurs	1 400		
1.11	Main road 528.	Sønderhald	?		
1.12	Inner ring road.	Sønderhald	4 200		
1.13	Bypass in Auning.	Sønderhald	1 500		
<u>Industrial sites</u>					
1.14	Ebeltoft industrial park.	Ebeltoft	3 000		

Project number	Subject	Municipality	Investment 1985-DKr in DKr 1000	Investment period 1986 1987 1988 1989 1990 in DKr 1000
<u>Other infrastructure projects</u>				
1.15	Reconstruction of defective sewers.	Randers	8 000	
<u>2.</u>	<u>Training of the work force</u>			
2.1	Danish Inventors College.	Ebeltoft	5 000	
2.2	Application technology plastic centre.	Kronjylland's Board of Industry	0 800	
2.3	Establishment of an industry and service centre (multi-centre)	Samsø	5 200	
2.4	Promotion of the application of new technology in the regional development areas in the County of Århus.	The County of Århus and the Labour Market Tribunal for the County of Århus	0.600	

3.	<u>Conservation of the environment and nature</u>							
3.1	"Multi-power" centre for alternative energy and research.	Ebeltoft	?	?				
3.2	Environmental Technology Institute.	Grenå	1,5-2 000					
3.3	Investigation into the construction of a biogas power and heating plant.	Nørre Djurs	0 200	?				
3.4	Waste treatment plant.	Randers	32 100					
3.5	Salmon breeding.	Randers	2 300	?				
3.6	Establishment of mechanical, biological purification plant in Ballen.	Samsø	6 000	?				

Project number	Subject	Municipality	Investment 1985-DKr in DKr 1000	Investment period			
				1986	1987	1988	1989 1990
4.	<u>Development of the tourist industry</u>						
4.1	"Fregathalvøen" (competition for architects etc.)	Ebeltoft	?	?			
4.2	Cycle tracks for tourists.	Ebeltoft	?	?			
4.3	New bus terminal at Øster Allé in Knebel.	Ebeltoft	?	?			
4.4	Tourist facilities at Mariager Harbour.	Mariager	2 000	?			
4.5	Covering of open air pool in Assens.	Mariager	5 200	?			
4.6	Investigation into development of the tourist industry in the Randers Fjord area.	Nørhald	0 300	?			
4.7	Cycle tracks and footpaths from the sea to Sirridsvej.	Nørre Djurs	0 700	?			
4.8	Footpath along Klitvej, Fjellerup Beach.	Nørre Djurs	1 000	?			
4.9	Nature trail from Porsbakken to Old Estrup Castle and nature trail along Alling river.	Sønderhald	0 900	?			
4.10	Nature trail in Assentoft.	Sønderhald	0 100	?			
4.11	Enlargement of Tunø Harbour.	Odder	0 750	↔			

VII. REGIONAL DEVELOPMENT PROGRAMME - THE COUNTY OF STORSTRØM

1. Introduction

The County of Storstrøm covers an area of 3398 km², which corresponds to nearly 8% of the total area of the country. As of 1st January 1984 it had a population of 257 585 inhabitants. The density of population in the county is thus approx. 76 people per km², which means that the county is one of the most sparsely populated since there are only 4 counties in South and West Jutland which have a lower density of population.

The low density of population, and the special geographical structure of the county, are some of the reasons behind the problems there are in maintaining a reasonable level of public and private services for the citizens without excessive costs.



As can be seen from the map, the county consists of basically two areas, South Zealand being one area and the three islands Lolland, Falster and Møn together being the other. The two areas are different from each other in a number of ways. South Zealand is rather more densely populated and has a higher average income level and more varied trade and industry. The area is characterized by the relative proximity to Copenhagen.

Lolland, Falster and Møn are relatively further from the large concentrations of population in the country. The islands are sparsely populated, like the sparsely populated counties in South and West Jutland. Trade and industry are linked to agriculture to a great extent, although on West Lolland there is considerable employment in other areas, including in particular Nakskov Shipyard which is of great importance for the whole of Lolland.

Until the latest review of the boundaries for the regional development areas, the whole of Lolland-Falster and Møn were covered by the support arrangements. After the review on 1st January 1982, only the West Lolland area retained its status as a special regional development area. East Lolland has retained its status as a general regional development area.

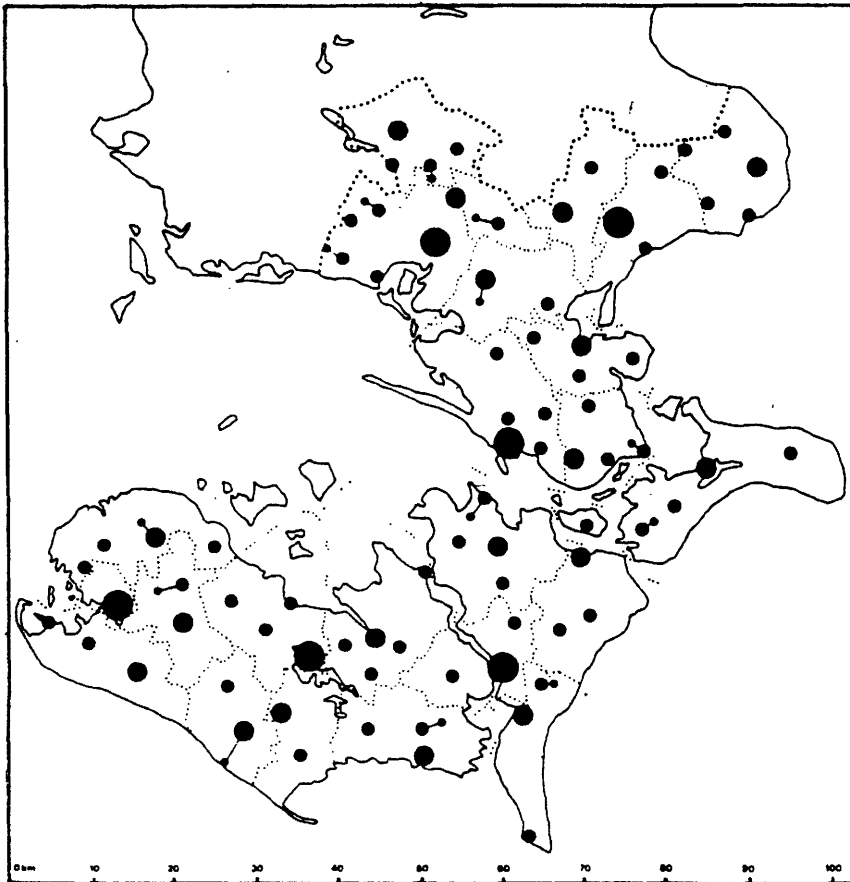
The division into areas in relation to the Regional Plan

The West Lolland area, which has status as a special regional development area, corresponds to the area which is linked to the regional centre Nakskov in the approved Regional Plan. The area comprises the municipalities of Nakskov, Højreby, Ravnsborg and Rudbjerg.

East Lolland, which is a general regional development area, corresponds to the area which is linked to the regional centre Maribo in the Regional Plan. The area comprises the following municipalities: Maribo, Holeby, Nysted, Rødby and Sakskøbing.

In addition to the regional centres the Regional Plan designates a municipal centre in each of the other municipalities. The Regional Plan is to assist in ensuring a sufficient supply of public and private services linked to the centres.

Centre structure - all categories



- Regional centre
- Municipal centre
- Local centre

In addition to the regional and municipal centres the Regional Plan also designates possible local centres, which are to ensure the necessary services for the "outlying areas" of the municipalities. The location of the possible local centres can be seen on the map. The final selection of the local centres will be carried out by the individual municipalities in connection with municipal planning.

1. Social and economic development

a. General development 1980-1984

Population development

The population on Lolland fell between 1981 and 1985 by 1827 people from 73 046 to 71 215, corresponding to a fall of 2.5%. As a comparison, the population in the whole of the County of Storstrøm fell during the same period by 1.2% and in the whole country by 0.25%.

The reduction has been especially great in the municipalities of Ravnsborg, Rudbjerg, Holeby and Rødby.

Table 1. Population development 1.1.1981 - 1.1.1985

Areas	1981	1985	1/1-1/1 1981 1985	1981-85
Areas qualifying for ERDF assistance*	73 046	71 219	- 1 827	- 2.5
The county	260 160	257 060	- 3 100	1.2
The whole country	5 123 989	5 111 108	-12 881	- 0.25

* Møn, which was not included in the assisted areas after 1983, is not included in 1981.

Source: D.S.: The population in the municipalities as of
1st January of the years concerned.

The age structure of the population divided into 3 selected age groups as of 1st January 1984 is shown in Table 2.

Table 2 The distribution of the population into three
selected age groups, 1984.

	0-19 years	20-64 years	65 years or over	Total
West Lolland	8 175	18 017	6 285	32 447
East Lolland	9 844	22 081	7 326	39 251
The whole of Lolland	18 019	40 098	13 611	71 728
The County of Storstrøm				
	67 247	146 346	43 992	257 585
The whole country	1 378 332	2 972 227	761 571	5 112 130
- distribution as a percentage -				
West Lolland	25.2	55.5	19.3	100
East Lolland	25.1	56.2	18.7	100
The whole of Lolland	25.1	55.9	19.0	100
The County of Storstrøm				
	26.1	56.8	17.1	100
The whole country	27.0	58.1	14.9	100

Source: Danish Statistics: The population in the municipalities.

The age structure of Lolland is characterized by relatively many old people and relatively few of working age and young people compared with the average for the county and for the whole country.

Employment development

The number of people in employment who were resident in Lolland in 1981 and 1982 can be seen from Table 3. In 1980 there were 34 355 people employed, while this number had fallen in 1982 by 822 to 33 533, corresponding to a fall of 1.9%. In the country as a whole employment fell by only 0.6% during the same period.

The table also shows that the fall in employment was a little greater on East Lolland than on West Lolland. Corresponding figures are not available for development since 1982, but based on the above information on the development of unemployment and the development of employment in industry in Nakskov from 1982 to 1983 it must be assumed that in recent years employment has fallen most on West Lolland.

Table 3 Number of employed people on Lolland, 1980 and 1982.

	1980	1982	Percentage change 1980 - 1982
West Lolland	15 103	14 793	- 2.1
East Lolland	19 252	18 740	- 2.7
The whole of Lolland	34 355	33 533	- 2.4
The County of Storstrøm	126 117	123 666	- 1.9
The whole country	2 558 867	2 542 702	- 0.6

Source: Danish Statistics: Statistical information 1983, 8 and 1985, 4.

Industrial statistics which, as far as Lolland is concerned, only contain information about Nakskov, show therefore that employment in industry fell from 3 365 in 1982 to 2 515 in 1983, corresponding to a fall of 25.3% in one year. Most of the reduction was in the iron and metal industry which declined by 34.9% from 1982 to 1983.

Table 4 shows that in comparison to the rest of the country Lolland is characterized by a large percentage of employment within the primary industries. In 1983 13.4% of the people in employment on Lolland worked in the primary industries, compared to only 7.6% for the whole country.

Employment in the secondary industries is also greater on Lolland than in the rest of the country, although the difference is not so great as in the case of the primary industries. On the other hand employment in the tertiary industries is considerably lower on Lolland than in the country as a whole.

Industrial employment is somewhat different between East and West Lolland, in that the percentage of people employed by secondary industries is relatively high and the percentage of people employed in tertiary industries is correspondingly low on West Lolland. The reason for this is probably employment in Nakskov Shipyard.

Table 4. Numbers in employment with residence in the areas concerned.

Areas	Agriculture etc.		Manufacturing, building, construction		Service, transport, commerce		Total	
	Absolute %		Absolute %		Absolute %		Abs. %	
Qualifying for ERDF assistance *								
1981**	4 734	13.4	9 965	29.4	19 162	56.6	33 861	100
1983**	4 510	13.4	9 686	28.9	19 337	57.7	33 533	100
1981-83***	-335	-3.8	175	0.9	175	0.9	-328	-1.0
The county								
1981**	23 789	11.1	35 258	28.4	75 102	60.5	124 149	100
1983**	13 670	11.1	33 156	26.8	76 940	62.1	123 666	100
1981-83***	-119	-0.9	-2 102	-6.0	1 738	2.3	-483	-0.4
The country as a whole								
1981**	195 743	7.6	649 559	25.2	1 730 028	67.2	2 575 330	100
1983**	189 472	7.5	640 827	25.2	1 712 403	67.3	2 542 702	100
1981-83***	-6 271	-3.2	-8 732	-1.3	-17 625	-1.0	-32 628	-1.3

* Møn, which was not included in the assisted areas after 1983, is not included in 1981 either.

** Relative share

*** Increase percentage

Source: D.S.: Statistical information, labour market statistics and already published service tables from D.S.

Development from 1981 to 1983 was characterized by a reduction in the primary and secondary industries and a small increase in the tertiary industries, which is a continuation of the development from the preceding years.

Employment rates

The employment rates in 1982 divided by age and sex are shown in Table 5.

Table 5 Employment rates divided by age, at the end of November 1982, per cent.

	Lolland		The County of Storstrøm		The country as a whole	
	men	women	men	women	men	women
16-19 years	68.3	54.3	67.7	53.4	68.1	55.5
20-24 years	94.0	88.5	93.0	88.1	88.9	85.4
25-29 years	95.5	89.8	94.9	89.2	92.3	88.2
30-34 years	95.3	84.7	95.7	86.1	94.5	87.5
35-39 years					95.1	86.2
40-44 years					94.4	84.1
45-49 years	93.2	76.9	93.8	80.0	93.4	79.1
50-54 years					91.2	70.4
55-59 years	87.5	61.0	88.9	61.7	87.8	58.5
60-66 years	48.2	22.8	49.4	24.2	52.1	26.9
Total	84.6	67.9	85.6	70.0	85.8	72.4

Source: Danish Statistics, Statistical information 1985, 4.

In 1982 the average employment rates for both men and women were lower on Lolland than in the rest of the country. Within the age groups there are however certain fluctuations. With the exception of women between 16 and 19 years the employment rates for the young (up to 29 years) are greater on Lolland than in the rest of the country. The explanation for this is probably that a smaller percentage of the young people on Lolland begin any training.

The employment rates for 30-49 year old men on Lolland are approximately the national average, while the employment rates for women in this age range are slightly below.

For the older age groups (55-66 years old) the picture is somewhat different.

The employment rates for older women are somewhat below the national average as are those for younger women, but in contrast to the men under 50 years old, the older men on Lolland have a lower employment rate than older men in the country as a whole.

Unemployment

The development of unemployment on Lolland from 1981-1984 compared with the development in the whole county and in the country as a whole can be seen in Table 6.

Table 6. Unemployed converted to full-time unemployed as a % of the number insured

Areas	1981		1984		1981-1984*
	Absolute	%	Absolute	%	%
Qualifying for ERDF assistance**	3 137	13.2	4 676	18.7	49.1
The county	11 512	13.0	14 601	15.7	26.8
The country as a whole	216 588	12.3	240 051	12.9	10.8

* Relative change in unemployment

** Møn, which was not included in the assisted areas after 1983, is not included in 1981 either.

Source: D.S.: Unemployment statistics.

From 1981 to 1984 average annual unemployment on Lolland increased by a good 1500 from 3137 to 4676 or by 49.1% The corresponding increase in the country as a whole was 10.8%.

The development was especially serious on West Lolland where unemployment rose by almost 50%.

In Table 7 unemployment in the months of January, April and August 1984 is compared with the annual average for 1983. It can be seen that the relative deterioration in Lolland's situation continued into 1984. The seasonal increase which is shown by the January figures is especially bad on Lolland. Although in the months which follow there was a considerable fall in unemployment on Lolland, the development up to August 1984 indicated a relative deterioration in the unemployment situation on Lolland even if 1983, when unemployment was already very great, is taken as the starting point.

Part of the explanation for this high unemployment is to be found in dependency upon one single large work place, namely Nakskov Shipyard. The recession in the ship-building industry has affected this shipyard and this in turn has had a considerable effect upon the local community.

Table 7 Number of unemployed converted to full-time unemployed, January, April and August 1984.

	1983 ¹⁾	Jan 84	Apr 84	Aug 84
West Lolland	2 386	3 222	3 004	2 344
East Lolland	2 461	3 126	2 672	2 161
The whole of Lolland	4 847	6 348	5 676	4 505
The County of Storstrøm	16 251	20 157	17 455	14 538
The whole country	283 041	328 839	288 338	257 930
<u>Index</u> ²⁾	100	131	117	93
Lolland	100	124	107	89
The County of Storstrøm	100	116	102	91
The whole country				

1) Annual average

2) 1983 = 100

Source: Danish Statistics: Unemployment 1983 and Unemployment Statistics 1984, 1, 4 and 8.

Table 8 shows the unemployment percentages for 1983 and for January, April and August 1984 for the individual municipalities on Lolland.

Table 8 Unemployed converted to full-time unemployed as a percentage of the number insured.

	I	II	III	IIII	Change in percentage August 83 - August 85
Percentage	1983 ¹⁾	Jan 84	Apr 84	Aug 84	I - IIII
Nakskov	17.6	24.5	23.0	17.0	- 0.6
Højreby	19.0	25.6	24.3	18.8	- 0.2
Ravnsborg	20.8	29.1	26.2	19.5	- 1.3
Rudbjerg	20.8	28.1	23.8	18.5	- 2.3
Maribo	14.7	18.6	17.0	13.4	- 1.3
Holeby	15.3	18.9	16.4	12.3	- 2.0
Nysted	19.9	24.0	20.5	15.9	- 4.0
Rødby	15.4	20.8	17.6	13.5	- 1.9
Sakskøbing	17.1	22.5	17.7	15.5	- 1.6
The County of Storstrøm	15.4	19.5	16.6	13.5	- 1.9
The whole country	13.0	15.6	13.4	11.5	- 1.5

1) Annual average

Source: Danish Statistics: Unemployment 1983 and Unemployment
Statistics 1984, 1, 4 and 8.

As this shows, unemployment in all the municipalities in Lolland is above the national average, especially in West Lolland where unemployment is extremely great with unemployment of 25-30% in January and 17-20% in August. These figures are considerably above the national average and very few other municipalities have such high unemployment.

Income development

Table 9 shows income development from 1980 to 1983 calculated as the taxation base per inhabitant.

Table 9 Taxation base per inhabitant, 1980-1983.

	1980	1981	1982	1983
West Lolland	30 310	33 620	38 730	40 240
East Lolland	30 460	32 980	38 090	40120
The whole of Lolland	30 430	33 270	38 380	40 170
The County of Storstrøm	31 680	34 560	39 180	42 092
The whole country	34 850	38 380	43 030	46 770
Lolland as a percentage of the whole country	87.3	86.7	89.2	85.9

Source: Calculations by the County of Storstrøm based upon material from Municipal Data's final statistics.

It can be seen that the taxation base on Lolland has been considerably below the national average for the whole period. In 1983 the taxation base per inhabitant for the country as a whole was thus DKr 6 600 higher than in Lolland (DKr 46 770 in the whole country and DKr 40 170 in Lolland). From 1980 to 1982 Lolland slowly caught up with the national average, but from 1982 to 1983 the taxation base on Lolland rose considerably more slowly than in the country as a whole and the percentage of the average taxation base fell to below the 1980 level.

Conclusion

As this description shows development during the period 1980-1985 was characterized by a number of negative tendencies.

The population has fallen relatively more than on a national basis and the population structure is characterized by relatively many old people. Continued development in this direction will have negative consequences for economic development in the area.

Employment has also fallen more on Lolland than on a national basis and it is characteristic that "declining sectors", the primary industries, are relatively larger, while the "growth sectors", the tertiary industries, are considerably smaller than in the rest of the country.

Employment rates divided by age show that women and older men have relatively low employment rates, while both young women and young men have high employment rates. It is therefore to be expected that the new intake to the labour market will be relatively large in the years to come as the younger age groups move up.

The increasing pressure on the labour market is to be compared with the fact that unemployment has already risen greatly, so that today several municipalities on Lolland have levels of unemployment which are among the highest in the country.

Finally the size and development of incomes is indicative of the serious situation. Not only has the level of income been lower than for the whole country throughout the years, but especially from 1982 to 1983 the increase was unusually low and considerably less than the increase in the rest of the country.

b. Reasons for the lack of equality

The reasons for Lolland being in the unfortunate situation regarding population and employment described above are to a great extent historical. This situation also applies to Falster and Møn to a great extent.

As far as natural resources are concerned, Lolland is an area which is very fertile and well suited to agriculture. Several decades ago Lolland was regarded as a relatively prosperous area.

At the same time however there were rather large economic differences between the groups in the community. The average size of the farms was considerably larger than in the country as a whole and this created a need for foreign labour which was partly met by immigrants from Poland. The province has thus been characterized by a large group of relatively poor agricultural workers without any academic qualifications to a greater extent than other regions in the country.

The industrialization of Lolland and Falster has mainly taken place based upon agricultural production. The production of sugar plays an especially important role in the area. This industry is an excellent example of the fact that the degree of processing in industry which has grown based on agricultural production is relatively small. This in turn means that production is very dependent upon protection from foreign competition, such as is provided at present by the quota arrangements for the sugar market, and that there is little chance of export-based growth in these industries.

Another typical trend is that industry is characterized by relatively large undertakings. In addition to the sugar factories, the shipyard at Nakskov plays a very dominating role as far as employment is concerned.

Ship-building, like the agriculture-based industries mentioned above, is not an industry which is particularly future-oriented. The fact that a very large part of the work force has been employed in these large undertakings has also resulted in the population as a whole not being brought up in the "setting up tradition" and so there has been no development of the "undergrowth" of small undertakings which is often described as a considerable strength when discussing Danish trade and industry as a whole.

An industrial structure based upon smaller undertakings often proves to be more flexible and more capable of adapting quickly when the state of the market changes. It is characteristic that the upturn in production and employment in industry which has taken place in the last couple of years has been less marked on Lolland than in the rest of the country.

Finally, it should be mentioned that industries such as those on Lolland which are based upon relatively traditional technology do not have the same requirements for training as industries which are based upon advanced technology and which have to be regarded as the "industries of the future" if the country is to retain its high standards of living. This is again a question of the supply of training courses, in that there has not been the basis for establishing other training opportunities than the more traditional ones, especially long-term training courses. The lack of advanced training is one of the reasons that the age structure in the population is distorted, since large numbers of young people in the 18-20 age range leave the region.

To sum up, the reasons for the Lolland area not being included in the industrial upturn of recent years are to be found in the interaction between

- relatively low technology industry,
- most of the industries being those with declining markets,
- a lack of higher education directed towards industry (and in general) and
- no tradition for the setting up of businesses.

c. Measures during the period 1982-85

Regional development assistance

The following assistance was provided in Lolland (the County of Storstrøm) during the years 1982-84:

DKr 1000	Capital loans 1) (Section 6)	Industrial building loans (Section 9) 1)	Investment subsidies 1) (Section 10)
1982	7 900	-	4 200
1983	2 700	-	200
1984	12 300	2 300	2 400
1985	-	-	3 100

- 1) Capital loans, industrial building loans and investment subsidies in 1983 and 1984 in accordance with law 219/1972, sections 6, 9 and 10 respectively.
Capital loans were discontinued in 1985.
Industrial building loans and investment subsidies in 1985 in accordance with law 88/1985, sections 7 and 6 respectively.

The assisted investments have resulted in the creation of the following number of jobs:

<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>1985</u>
137	21	164	142

Infrastructure

Ports

There have been a number of investments totalling approx. Dkr 20 million in the ferry harbour at Rødby including the construction of a new berth, T-pier and lengthening of the staging. The work has not yet been completed (the State).

The county is participating the financing of the deepening of Sakskøbing Harbour. The work was mainly carried out in 1983 and 1984 and the total cost is expected to be about Dkr 5 million. The aim of the deepening is, in addition to allowing slightly larger ships to use it, mainly to ensure that Sakskøbing Shipyard can build ships of a size which are attractive to investors and thereby ensure that employment is maintained.

In the years since 1980 a total of approx. DKr 4 1/2 million has been spent on renewing the ferry berths in Kragenæs and Vesterby on Fejø to ensure the continuation of the ferry service between Lolland and Fejø/Femø. Together with the use of a larger ferry on the Fejø service this has created the basis for a reasonable level of service for the citizens on both the islands as well as for industry, which is mainly characterized by agriculture.

Airports

On Lolland there are two airports, Nakskov and Holeby (Mariager Airfield). Measured by the total number of take-offs and landings Maribo Airfield is 3-4 times as large as the airfield at Nakskov. The level of services at Maribo Airfield is being gradually developed. During the period 1980-1982 lights, navigation and communication equipment were installed at a cost of DKr 0.8 million, and approx. DKr 0.4 million was used for safety measures for approach flights, including the felling of trees in a nearby wood.

Roads

In the years 1980-1983 the county spent a total of approx. DKr 100 million on construction work on the county roads. In 1984 and 1985 the level of expenditure was approx. DKr 20 million per year with the stress being put upon improving the existing road network.

The Halsted-Branderslev highway is being extended. Government investment has amounted to approx. DKr 14 million (the State) up till now.

Education and training

In the period since 1980 a training centre has been completed in Nakskov. The centre houses a comprehensive school, commercial college and technical college and is thus an untraditional collection of education and training facilities which are the responsibility of the county, the municipality and the State respectively. The total cost for the building, which also contains a library and a theatre, was approx. DKr 120 million shared between the State, the county and the municipality.

Assistance for employment etc.

During the years 1980-1983 the County Council spent a total of approx. DKr 49 million on measures to combat unemployment including, in particular, measures to combat youth unemployment.

The County of Storstrøm has been a trial ground for the so-called youth guarantee arrangement which is intended to ensure that all young people under the age of 25 are given either a job or a training opportunity. The trial ended at the end of 1983.

In the budgets for 1984 and 1985 a total of approx. DKr 35 million was reserved for measures to combat unemployment.

The county provides assistance to a number of bodies which promote industry. Subsidies were granted to the Regional Development Committees for Lolland, Falster and Møn totalling DKr 0.9 million in 1985. The Technological Information Centre was granted DKr 0.3 million in 1984 but the size of the subsidy for 1985 has not been determined. Finally DKr 0.5 million was set aside for the County of Storstrøm Tourist Group in 1985.

It is not possible to determine how large a part of the above amount was used to benefit the Lolland area which is covered by regional development assistance, but it seems reasonable to assume that a relatively large part of the resources were used here, taking into consideration the great amount of unemployment.

d. Development potential and conditions and probable development up to 1990.

Table 10 contains information about the distribution of the work force by industry and about net commuting from the area and unemployment as of the end of November 1982 which are the most recent available statistics. There is however more recent information concerning unemployment and, as Table 7 shows, the number of people on Lolland who are unemployed has increased greatly since 1982.

At this moment in time it is not possible to make a sufficiently accurate quantitative forecast for the future development of employment in the County of Storstrøm, including Lolland.

Table 10. The balance of labour on Lolland, end of November 1982.

	West Lolland	East Lolland	Combined	Lolland	The whole county	The whole country
Agriculture	1 871	2 659	4 530	14.3%	11.8%	7.4%
Manufacturing	3 931	3 366	7 297	23.1%	19.6%	19.2%
Building and construction	851	951	1 802	5.7%	6.6%	6.0%
Commerce etc.	1 770	2 965	4 735	15.0%	15.1%	16.3%
Transport	682	1 473	2 155	6.8%	5.9%	6.9%
Financing	507	613	1 120	3.5%	4.3%	7.2%
Public services	3 752	4 718	8 470	26.8%	31.4%	31.4%
Other services	611	897	1 508	4.8%	5.3%	5.6%
Total	13 975	17 642	31 617	100.0%	100.0%	100.0%
Net commuting from area Work force	818 16 354	1 098 20 682	1 916 37 036			
Unemployed	1 561	1 942	3 503			

Source: Danish Statistics: Statistical information, 1985, 4.

An evaluation of the development tendencies on the existing basis and on the assumption that no special measures are implemented gives the following result:

The development to date in agriculture with ever larger farms and a continued reduction in employment must be expected to continue for a number of years. As Table 10 shows, the percentage of agriculture on Lolland is almost twice as large as in the country as a whole. The forecast reduction in employment for this industry will therefore affect Lolland especially badly.

The manufacturing industries are also relatively large on Lolland, and an increase in employment can be expected here, especially in the electronics industry and parts of the iron and metal industry. However, there are very few electronic undertakings on Lolland and the iron and metal industry is characterized to a great extent by undertakings with less bright prospects such as Nakskov Shipyard. A favourable development in the manufacturing industries will therefore require a special effort to be made to encourage changes and new development.

The building and construction sector is approximately the same size as on a national basis and future development will to a great extent depend upon the general development of the state of the market and the opportunities the region has to benefit from general economic growth. The need for urban renovation is greatest on Lolland but it would require special stimulus for this to be put into effect and thus benefit the building and construction sector.

All the service industries are relatively small on Lolland. Since the most important development and increase in employment in recent years has generally taken place within the service sector, Lolland's relatively small share in this sector has contributed to the area's development problems.

Most employment is in the public services with 8 470 people employed on Lolland. This is however a smaller percentage than in the country as a whole and the likelihood of an equalization of this difference and thereby a considerable increase in employment in the public sector must be regarded as very small. The very tight economic situation which the municipalities find themselves in at present, made even worse in the case of Lolland by a stagnating taxation base, means that increased employment within the public services cannot be expected.

Taken as a whole, employment up to 1990 is expected to stagnate or possibly show a slight tendency to rise if, as a result of a general high state of the market, it should be possible to increase employment in the manufacturing and service industries at a greater pace than the expected reduction in employment in the agricultural industries.

The new intake to the work force will in the same period be increasing, since the years with relatively high birthrates and with a high employment rate will be coming onto the labour market.

As Table 5 shows, the employment rate for the older age groups is relatively low and lower on Lolland than in the country as a whole, while the employment rates for the young are high and higher than in the country as a whole. The work force will therefore increase greatly in the years to come.

If extraordinary measures which can change development are not implemented, unemployment must be expected to increase up to 1990 as a result of the increasing new intake onto the labour market and stagnating or only slightly increasing employment.

The following conditions are among those which are the most important for more favourable development than that outlined here.

The necessary conditions for an ability to adapt rapidly, rapid product development and utilization of new technology including information technology must be provided. As an example, the establishment of the hybrid network and later broad band network are relatively more expensive in a sparsely populated area like Lolland. This barrier must be overcome if the industries are to be competitive. New markets in the environmental and working environmental sector and the energy sector must be cultivated and local trade and industry must be put in a position where it can utilize the opportunities effectively.

In view of the increasing work force there must be a great effort in training and advanced training, especially in information and EDP technology and the other fields mentioned above. The aim must be to create development and expansion potential for future-oriented industries which includes providing the necessary training courses.

Special island problems

The small islands with a limited number of inhabitants have in recent years had special industrial problems. The island of Askø in the municipality of Maribo and Femø and Fejø in the municipality of Ravnsborg have such problems. The population is small and has been falling rapidly as can be seen from the following:

Number of inhabitants as of 1st January:

	1976	1981	1984
Femø	337	300	269
Fejø	789	738	694
Askø	107	105	95

It is also characteristic that the age structure of the population is characterized by many old people.

The dominating industry on the islands is agriculture, but the number of farms has been decreasing with a reduction in employment as a result. An increasing number of the islands' inhabitants have therefore been obliged to find employment outside the islands and a considerable part of the working population commutes between home and work place with long travelling times and high costs as a result.

Over the years there has been a drastic fall in the private services on the islands and today there are only one or two general shops on each island. Public services are not present to any great extent either because of the limited population base.

There is however one school on each island, but only offering primary education.

There are regular ferry services to all three islands. The operation and maintenance of the ferries and berths etc. is however very expensive with the existing traffic base. Income from the passengers only covers about 20-25% of the costs. For the three routes combined the State meets approx. 1/4 of the deficit and the respective municipalities and the county meet 3/8 each.

Plans and wishes for possible future industrial development include the tourist industry, camp schools or colleges and possibly marine fish farming. On Askø the idea has been put forward for the establishment of a combined health centre.

2. Development targets

a. General targets

Storstrøm's County Council approved the proposed Regional Plan for the period 1985-1996 at the end of 1984. In connection with regional planning the County Council has stated that future measures for industrial development in the region should be strengthened and it has also been stressed that in particular the development of the economically weakest part of the county, i.e. Lolland, should be supported.

The County Council expressed its general attitude to future industrial development as follows:

"The County Council feels that an increase in employment opportunities is vital in the rest of the 1980's. This presupposes that more jobs are created within industry and the service industries since the continued structural changes in agriculture will result in the release of manpower for some time to come. The County Council also wants to retain the youngest part of the work force which up to now has sought employment outside the county to a considerable extent. The County Council will increase its investment to create employment opportunities for the increase in the work force which results from this. These efforts are to be assisted using the inter-municipal industrial areas and by improving the infrastructure."

As early as the time of the approval of the Regional Plan in 1979 the County Council stated that it was its aim to encourage fairer development in the county, which meant that the southerly part in particular was to be assisted. The generally weak economic and population development since then has made it more vital and at the same time more difficult to realize this target and has put Lolland in a difficult situation. The County Council therefore wishes to retain the target and it finds it necessary to increase investment and search for new ways of achieving improved industrial development.

b. Specific targets

In its future initiatives and other industrial policy, the County Council will attempt to ensure:

- that international freight transport is routed through the area in connection with the completion of the South Motorway and the development of the Denmark Highway,
- that the necessary changes and product development in the relatively large agricultural industry is encouraged as much as possible,
- that small undertakings are assisted in product development and expansion,
- that people wanting to start up new businesses are assisted in establishing their own businesses,
- that the utilization of new technology, better marketing and export initiatives is supported,
- that co-operation between public authorities and private undertakings is increased,
- that production which will benefit the environment and the working environment is encouraged,
- that co-operation between undertakings and research and development institutions is increased,
- that investment in urban renovation is increased,
- that measures to encourage tourism are encouraged and co-ordinated.

In particular it is necessary for undertakings to be provided with the necessary conditions to enable them to utilize the opportunities provided by new technology.

In the field of training and advanced training the County Council will therefore work towards there being sufficient capacity and flexibility in general training in the use of EDP, in the utilization of high technology in industry e.g. in connection with industrial robots and CAD/CAM systems and in advanced information technology.

It is also the County Council's target that by means of experiments, special measures etc. it is ensured that the necessary investment for the utilization of the new technology by industry, craft and the service industries is undertaken at a sufficiently great rate and extent. Here the special problems connected with establishing a hybrid network and later a broad band network in a sparsely populated area can be mentioned, as it is the intention of the County Council that Lolland will not fall behind developments in this field.

As an important element in a policy to encourage employment, the County Council also wants to increase investment in urban renovation in the years to come. The implementation of urban renovation is a rational utilization of limited economic resources. Urban renovation has a considerable direct effect upon employment and also affects local trade and industry greatly.

The poorest housing is to be found on Lolland, Falster and Møn in particular where an improvement in the standard of dwellings would also encourage the desired stabilization of the population. In other parts of the county too, housing improvements and urban renovation would help to retain the desired population base.

The County Council also feels that the increase in the number of tourists which has taken place in recent years should not only be maintained but increased. In the future there must be more importance put upon a co-ordinated effort by the bodies and institutions who participate in the tourist work. In the case of Lolland special attention should be paid to tourists from West Germany on account of its proximity.

The above policy to encourage industry and employment is to be co-ordinated with other regional planning. By means of this planning an effort is to be made to ensure that the county's sites and natural resources are utilized, based upon an evaluation of the overall effect upon the community, which includes the target of encouraging fairer development in the county.

It is therefore the target of the Regional Plan to create equal opportunities for the citizens of the region regarding access to jobs, necessary services, natural areas and recreational facilities. These must be attempted to be met by means of the main structure of the Regional Plan based upon regional centres, municipal centres and local centres and upon inter-municipal industrial areas and upon the necessary transport and supply connections.

On Lolland two regional centres have been designated, namely Nakskov and Maribo for the West Lolland and East Lolland areas respectively. In addition a municipal centre has been designated in each of the other 7 municipalities on Lolland, while the two regional centres also act as municipal centres for these municipalities. Finally the municipalities have designated a number of local centres which are to contain the services which meet the everyday needs of the population.

Public and private services, other industries and cultural activities are to be located in accordance with this main structure, so that the targets of the Regional Plan can be realised. The economic stagnation of the last few years has hit Lolland especially hard with great unemployment and migration of the population out of the area as a result, and this has led to problems in maintaining the private service industries in particular in certain parts of the region.

In this connection the special problems can be indicated which apply to the small islands in the Småland Channel and which also apply to the most sparsely populated regions. The citizens on these islands have at present no access to services etc. which are assumed in the Regional Plan and extraordinary measures would be required to stabilize the development of the population and industry on the small islands.

The special measures for Lolland are to be assisted by inter-municipal industrial areas and by improving the infrastructure.

In each of the two regional centres on Lolland an inter-municipal industrial area is planned. The areas are to be designed to accept undertakings with special site requirements and/or a demand for labour from the regional centre's catchment area. In addition one of the county's two reserved sites for specially polluting industry with special site requirements has been situated on Lolland.

Industrial sites are also planned in the regional and municipal centres, while in the local centres industrial sites are only planned for light industry and small manufacturing undertakings.

In the planning of the industrial areas it is a target that environmental considerations are taken into account by means of landscaping, establishing purification plants etc.

It is also a target that forms of energy should be developed which can reduce dependency upon oil and compensate for the lack of a natural gas supply.

Regional planning does not lay down any actual quantifiable targets for industrial and income development, since neither the County Council nor the municipal authorities have control of sufficiently effective and detailed means of controlling the situation regarding this. The target is, where possible, to support economic activity so that income development at the least corresponds to income development on a national basis and so that full employment can be achieved over a number of years.

In connection with the planning of sites for industrial use the County Council has however calculated the forecast use of the sites for factories and workshops. From this it is possible to get an impression of the targets for industrial development which the County Council feels are realistic. The calculated use of the sites in the Lolland municipalities for the Regional Plan period 1975-1997 and a relative part of this for the period 1985-90 can be seen in Table 10.

Table 10. Sites for factories and workshops.

	Calculated use 1985-97 hectares	Calculated use 1985-90 hectares	Undeveloped sites ¹⁾ 1.1.82 hectares
Nakskov	75	31	59
Højreby	4	2	-
Ravnsborg	5	2	7
Rudbjerg	3	1	-
West Lolland	87	36	66
Maribo	20	8	28
Holeby	17	7	83
Nysted	12	5	28
Rødby	11	5	65
Sakskøbing	14	6	16
East Lolland	74	31	220
All of Lolland	161	67	286

1) In urban zones and within the framework of section 15.

Source:

3. +4. Development measures and financial resources 1985-90.

Regional development assistance.

It is laid down in the annual finance laws what amount can be granted as assistance in accordance with the regional development law.

Based on the appropriations in the finance law for 1986, the budget estimates for the years 1987, 1988 and 1989 and the regional distribution of the assistance provided up till now, it is estimated that in the years 1986-89 the following assistance will be provided on Lolland:

DKr 1000	Industrial building loans	Investment subsidies
1986	900	4 600
1987	900	4 600
1988	900	4 600
1989	900	4 600

Calculated on the basis of the expected appropriations it is estimated that the investments which will be supported with regional development assistance in 1986-1989 will result in the creation of the following numbers of jobs:

1986	1987	1988	1989
90	90	90	90

It must be stressed that in the above the global loans which the Danish Government is expected to take up with the European Investment Bank have not been taken into account.

State investments

Rødby ferry harbour. New ferry berths, construction of T-pier, extension of staging. It is estimated that DKr 10.6 million will be invested in 1988 and DKr 21.2 million in 1989.

Connections over/under Guldborg Sound. It is estimated that the investment will be DKr 52 million in 1985, DKr 86 million in 1986, DKr 83 million in 1987 and DKr 59 million in 1988.

The stretch of motorway Ørslev-Sakskøbing. It is estimated that investment will be DKr 41 million in 1985, DKr 29 million in 1986, DKr 30 million in 1987 and DKr 23 million in 1988.

County investments

Some of the investments in roads which are planned for the years to come are part of the development of the South Motorway, which because of the Farø bridges etc. will improve the accessibility of the Lolland area generally in relation to the rest of Denmark.

On Lolland there is a proposal for roadworks around Majbølle where the motorway necessitates an extension of a main road. Also included in the project is the improving and extending of a longer stretch of road which is to be used for works traffic for the conveying of the South Motorway over/under Guldborg Sound. It is estimated that this stretch of road will cost a total of approx. DKr 12 million.

It is estimated that a further DKr 14 million will be spent on inter-municipal investment on roads in connection with the South Motorway. However only a small part of this is expected to be spent in the area under discussion here.

As an element in the training policy it is planned in addition to establish two new training courses within new technology.

The training centre in Nakskov plans to establish a special training course in EDP for unemployed people including rehabilitees, in co-operation with the social services etc. in Nakskov.

The object is to demystify the use of computer technology, to improve the foundation on which the participants can base further training and to help to provide the qualifications for the work force which future industrial development will demand.

The cost of establishment is estimated to be approx. DKr 500 000, of which approx. DKr 420 000 is for the purchase of EDP equipment.

The technical college at the training centre in Nakskov plans in addition to set up an advanced training course in the use of high technology equipment.

The course is aimed at training a qualified work force to use the most modern industrial technology, for example off-shore technology. Such qualifications are a vital condition if the work force is to take part in the development which the industry of the future will demand.

By the acquisition of a robot and a processing unit with associated equipment together with the equipment which is already at the college, the technical college will be able to offer the necessary training.

The cost is estimated to be approx. DKr 2.5 million.

As a further development of this advanced training course it is planned to establish a high technology service centre for small and medium-sized undertakings in particular. The centre will partly support and encourage the use of the newest technology by these undertakings, and will partly assist in creating a development environment in the technological field.

Its tasks will include actual technological service, consultancy work, training, research and analysis projects and providing information from databases. These tasks are to be carried out in close co-operation with private undertakings. Co-operation with advanced research and education institutions is also to be established. The possibilities for co-operation with institutions under the control of the EEC and other authorities and undertakings in Europe will also be examined.

The total costs of establishment over a five year period are estimated to be DKr 30-35 million.

In conjunction with the high technology service centre it is also wished to establish a similar development centre within the agricultural industry. The target will be to accelerate the changes and production development in traditional agricultural production. In the first instance the concrete requirements and possibilities will be investigated and analysed in greater detail before final planning can be undertaken.

Finally it can be mentioned that approx. DKr 1.3 million has been set aside as the county subsidy to the commercial college in Nakskov, for which the total investment is estimated to amount to approx. DKr 15 million. Most of the cost will be borne by the State.

Licensed companies

A/S Lollandsbanen, (Lolland Railway Ltd.), which is a company owned by a number of municipalities in Lolland and Falster, will replace all the length of track between Nakskov and Nykøbing in the years to come. The track replacement is a vital condition for the maintaining of a reasonable train service in the long term. A number of industrial undertakings use the Lolland Railway for the transportation of heavy goods. The cost for the total track replacement will be of the order of DKr 100 million. Most of the track runs within the regional development area.

Municipal investment in the years to come

The large investments which are planned in the municipalities are concentrated upon a few main areas:

Ports

The largest single investment is the deepening of the approach to Naksoy Harbour. This has been made necessary by the contracts which have been entered into by Nakskov Shipyards for the construction of two drilling platforms for a Norwegian company. The deepening is required so that it will be possible to deliver the platforms. The investment is estimated to be DKr 11 million.

In addition the municipalities' investment plans include a number of investments for the improvement of the facilities in the ports with the aim of maintaining the ports' competitiveness. This applies to Nakskov Harbour in particular, but investments are also planned for Sakskøbing Harbour, Nysted Harbour and a couple of small fishing ports.

Finally improvement to the ferry harbour on Femø which is considered to be vital, not least for trade and industry on the island, is estimated to cost DKr 2 1/2 million.

Industrial areas

In several municipalities investments in industrial areas are planned, partly for development but also in some cases for e.g. road construction aimed at making accessibility more suitable and thereby making the areas more attractive.

Airfields

In order to make Maribo Airfield more up-to-date, it is planned to lengthen the runway and make further improvements to the lighting system etc. The total cost is estimated to be DKr 2 million.

Tourist industries

A number of small investments are planned to improve the tourist facilities, for example around pleasure boat harbours but also with regard to camp sites.

In addition to the projects mentioned above, it can be stated that the municipality of Ravnsborg is considering participating in an experiment concerning modern communications technology in the form of the so-called "hybrid network". The municipality could in this respect be interesting as an example of the use of this technology in a sparsely populated agricultural area. It has not yet been decided however whether the municipality wishes to participate and if so to what extent, so it is impossible to estimate the expenditure which the project would involve.

Finally it can be mentioned that in 1982 the county completed an investigation into whether it was technically and economically viable to utilize the excess heat from the sugar factories.

The investigation concluded that such utilization of waste heat would be profitable as far as social economy was concerned but that the connecting pipes to the local district heating network would be so expensive that the project would be difficult to implement.

It is estimated that a connection pipe to the two sugar factories on Lolland would cost approx. DKr 7 million each. A subsidy for this would therefore assist a social economic investment and permit a target of the regional heat planning to be partially realised.

Investment overview 1986-1990 of the projects for which assistance could be sought from the EEC's Regional Fund (for guidance only).

Project number	Subject	Municipality	Investment 1985-DKr in Dkr 1000	Investment period 1985 1986 1987 1988 1989 1990	
<u>Road construction etc.</u>					
1.1	Establishment of bypass	Nakskov	35 000		
1.2	Construction of relief road	Højreby	3 400		
1.3	Construction of footbridge	Højreby	1 000		
1.4	Development of trunk road in industrial estate	Rødby	1 100		
1.5	Construction of industrial road	Rødby	1 100		
1.6	Lengthening of primary road	Maribo	23 500		
1.7	Construction of access road	Nysted	1 800		
1.8	Road lengthening	Nysted	1 200		
1.9	Establishment of bypass and connecting roads	Sakskøbing	?		
1.10	Road improvements	Rødby	7 000	7 000	

Investment overview 1986-1990 of the projects for which assistance could be sought from the EEC's Regional Fund (for guidance only).

Project number	Subject	Municipality	Investment 1985-DKr in Dkr 1000	1985	Investment period 1986 1987 1988 1989 1990 in Dkr 1000	
<u>Industrial sites and buildings</u>						
3.1	Development of industrial areas	Højreby	3 000			
3.2	Establishment of industrial buildings	Holeby	4 000			
3.3	Establishment of energy supply for market gardens	Holeby	5 000			
3.4	Enlargement of industrial area and establishment of industrial buildings	Sakskøbing	?			

Investment overview 1986-1990 of the projects for which assistance could be sought from the EEC's Regional Fund (for guidance only).

Project number	Subject	Municipality	Investment 1985-Dkr in Dkr 1000	Investment period 1985 1986 1987 1988 1989 1990 in Dkr 1000	
<u>Information technology</u>					
4.1	Implementation of experiment into the use of the facilities of the broad band network	Ravnsborg	?		
4.2	Establishment of a course in EDP	Nakskov	500	500	
4.3	Establishment of a high technology course	The County of Storstrøm	2 500	2 500	
4.4	Establishment of broad band connections and local TV network on Fejø	Ravnsborg	4 000		
4.5	High technology service centre in Nakskov	The County of Storstrøm	35 000		

Investment overview 1986-1990 of the projects for which assistance could be sought from the EEC's Regional Fund (for guidance only).

Project number	Subject	Municipality	Investment 1985-DKr in DKr 1000	Investment period				
				1985	1986	1987	1988	1989 : 1990
<u>Improvements to the tourist industry</u>								
5.1	Enlargement of camp site	Nakskov	1 500					
5.1	Enlargement of pleasure boat harbour	Nakskov	10 000					
5.3	Enlargement of camp site	Rudbjerg	1 500					
5.4	Improvements to facilities connected with leisure areas	Rudbjerg	2 500					
5.5	Enlargement of pleasure boat harbour	Rudbjerg	?					
5.6	Establishment of holiday and camping centre	Maribo	20 000					
5.7	Improvements to harbour and bathing facilities	Nysted	1 200					
5.8	Construction of recreational footpath	Nysted	2 500					
5.9	Investigations into promoting tourism	Nakskov	?					

Investment overview 1986-1990 of the projects for which assistance could be sought from the EEC's Regional Fund (for guidance only).

Project number	Subject	Municipality	Investment 1985-DKr in Dkr 1000	1985	Investment period 1986 1987 1988 1989 1990 in Dkr 1000	
<u>Utilities etc.</u>						
6.1	Establishment of incineration plant	Nakskov	23 000	?		
6.2	Establishment of supply network	Nakskov	8 500		→	
6.3	Establishment of purification plant	Ravnsborg	700		→	
6.4	Establishment of water mains	Rødby	8 600		→	
6.5	Improvement of purification plant and establishment of pipe to the sea	Rødby	1 600		→	
6.6	Establishment of main sewers	Rødby	1 600		→	
6.7	Establishment of water main to craft and industrial area	Rødby	1 900		→	
6.8	Improvement and extension of water supply	Holeby	3 000		→	

Investment overview 1986-1990 of the projects for which assistance could be sought from the EEC's Regional Fund (for guidance only).

Project number	Subject	Municipality	Investment 1985-DKr in DKr 1000	Investment period				
				1985	1986	1987	1988	1989 1990
							in DKr 1000	
	<u>Agricultural industry</u>							
7.1	Establishment of development centre (green centre) for the agricultural industry	The County of Storstrøm	?					

VIII. REGIONAL DEVELOPMENT PROGRAMME - THE COUNTY OF FYN

The County of Fyn is a group of islands.

The largest island, Fyn, has an area of 2 984 km². The next largest are the islands of Langeland and Ærø which are 284 km² and 88 km² respectively.

The population of the county as of 1st. October 1984 was 454 235 inhabitants. The two largest towns, Odense and Svendborg, are situated on the island of Fyn. The municipalities of Odense and Svendborg have 171 500 and 39 400 inhabitants respectively.

The islands Langeland and Ærø, which are situated to the south of Fyn, are so-called special regional development areas where subsidies can be granted for industrial investment. In the County of Fyn there is also a number of small islands which are also special regional development areas.

The development conditions for Langeland and Ærø are described below. The situation of the small islands is similar to some extent but the very limited size of the population in the individual islands adds special problems which are described briefly in section 1.d.

By way of introduction it should be mentioned that the transportation facilities to and from the two islands play an important part in industrial development. Langeland has road links with Svendborg and ferry routes to Zealand, Lolland and West Germany. Ærø has ferry routes to Langeland and Fyn.

The two islands' problems and potential have certain common features but the islands' industrial development is not directly mutually dependent. The town of Svendborg on Fyn is of certain importance for both islands as far as employment and services are concerned, but the commuting times from Ærø and most of Langeland are much longer than what is normally considered acceptable.

In addition it should be noted that administratively, Langeland is divided into three municipalities, Rudkøbing, South Langeland and Tranekær, while Ærø is divided into the municipalities of Marstal and Ærøskøbing.

1. Social and economic analysis

a. The most important development features

Population development

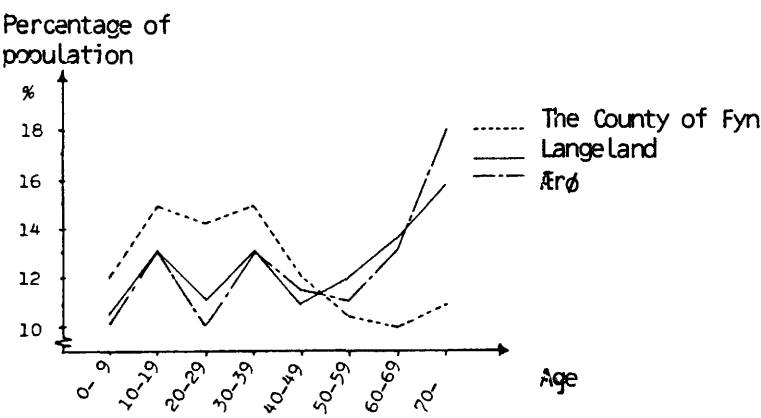
Table 1. Population development 1.1.1981 - 1.1.1985

Areas	1981	1985	1/1-1/1 1981 1985	1981-85
Areas qualifying for ERDF assistance	25,007	24,409	-598	-2.4
The county	453,626	454,278	652	0.1
The whole country	5,123,989	5,111,108	-12,881	-0.25

Source: D.S.: The population in the municipalities as of
1st January of the years concerned.

The reduction in the population of Langeland and Ærø is due mainly to the birth rate being less than the death rate on account of the very great percentage of old people; cf. Figure 1. This development has been intensified by a net migration from the area by the 15-19 and 20-24 age groups compared with a slight net migration to the area divided between the other age groups. Combining the two, there has nearly been equilibrium in the migrations from and to the area during the period 1981-83.

Figure 1. The age structure of the population as of 1st January 1984.



Industry, employment and unemployment

In the period November 1980 to November 1982 the employment situation in the county deteriorated. The work force increased by approx. 3 500 people and the number of people unemployed increased correspondingly, as Table 2 shows.

Table 2. Number of jobs, people in employment and people unemployed at the end of November 1980 and 1982.

	Langeland		Ærø		The County of Fyn		The country as a whole	
	1980	1982	1980	1982	1980	1982	1980	1982
Jobs								
Net commuting from area	6.839	6.686	3.414	3.451	210.067	209.946	-	-
	403	412	880	354	5.037	5.339	-	-
Number employed	7.242	7.098	3.794	3.805	215.104	215.285	2.551.858	2.542.702
Number unemployed	827	1.037	263	279	20.929	24.465	193.672	238.477
Work force	8.069	8.135	4.057	4.084	236.033	239.750	2.745.530	2.781.179

The increase in the work force shown in Table 2 corresponds to 0.7% per year for the whole county, while the increase for Langeland and Ærø was only 0.4% per year and 0.3% per year. This difference can be explained by the development in the age structure of the population which was mentioned earlier.

Since Table 2 only includes a period of 2 years, the development cannot be given too much significance with regard to the islands' general direction of development. It can however be stated that Langeland has had a relatively large increase in unemployment as a result of a drop in the number of jobs.

It can be calculated from Table 2 that net commuting from Langeland was approx. 6% and from Ærø approx 10% of the people in employment.

The development in the islands' jobs can be considered in greater detail; cf. Table 3. It appears that for both Langeland and Ærø there was a marked reduction during the period 1977-1983. For Langeland the reduction was large for both 1977-80 and for 1980-83, while Ærø only had a reduction in the first period.

+)

Table 3. Development in industrial jobs 1977-1983.

Area	1977	1980	1983
Langeland	869	667	469
Ærø	467	306	353

+) This is partly an estimate.

Table 4. Numbers in employment with residence in the areas
concerned.

Areas	Agriculture etc.		Manufacturing, building, construction		Service, transport, commerce		Total	
	Absolute	%	Absolute	%	Absolute	%	Absolute	%
Qualifying for ERDF assistance								
1981*	2 255	20.7	2 556	23.5	6 076	55.8	10 887	100
1983*	2 127	19.5	2 291	21.0	6 485	59.5	10 903	100
1981-83**	-128	-5.7	-265	-10.4	409	6.7	16	0.2
The country								
1981*	20 926	9.9	62 081	26.3	128 611	60.8	211 618	100
1983*	20 603	9.6	60 487	28.1	134 195	62.3	215 284	100
1981-83*	-323	-1.5	-1 594	-2.6	5 584	4.3	3 666	1.7
The country as a whole								
1981*	195 743	7.6	649 559	25.2	1 730 028	67.2	1 575 330	100
1983*	189 472	7.5	640 827	25.2	1 712 403	67.3	2 542 702	100
1981-83*	-6 271	-3.2	-8 732	-1.3	-17 625	-1.0	-32 628	-1.3

* Relative share

** Percentage increase

Source: D.S.: Statistical information, labour market
statistics and already published service
tables from D.S.

Table 5. Unemployed converted to full-time unemployed as a % of the number insured

Areas	1981		1984		1981-1984*
	Absolute	%	Absolute	%	%
Qualifying for ERDF assistance	1,203	17.4	1,412	18.4	17.4
The county	22,732	14.3	24,674	14.7	8.5
The country as a whole	216,588	12.3	240,051	12.9	10.8

* Relative change in unemployment

Source: D.S.: Unemployment statistics.

Regarding employment rates it can be noted that the two islands' rate for the 16-66 age range was 0.77 for Langeland and 0.75 for Ærø, which is a little below the county and national average of 0.79.

Income

In 1982 Ærø had an average taxable income per taxpayer of DKr 54 352, while for Langeland it was DKr 58 262, approx. 23% and 17% respectively below the national average. (People covered by the special rules regarding the taxation of seamen are not included in the calculation.)

Finally it should be stated that all statistical information in the above is based on material from Danish Statistics.

b. The effects of earlier measures to relieve the problems

Regional development assistance

The following assistance was provided in Årø and Langeland in the years 1982-84:

DKr 1000	Capital loans (Section 6)	Industrial building loans (Section 9)	Investment subsidies (Section 10)
1982	5,600	700	1,100
1983	3,845	-	1,900
1984	2,585	-	960

The assisted investments have resulted in the creation of the following number of jobs:

1982	1983	1984
32	62	28

c. Development potential and probable economic and social development

A precondition for correcting the distorted population development is that basic jobs must be created which can provide income from outside.

However it is expected that there will continue to be a slow reduction in employment in agriculture, which constitutes a considerable part of the jobs at present.

The basic jobs within the public services can probably only be considered as being an exception and can not be expected to form the basis for long-term industrial development.

Within private service on the other hand there seems to be some development potential - mainly in connection with tourism. It is however vital that it is not a matter of activities which have a short season.

In addition there is potential in the manufacturing industries, where a larger percentage of undertakings has arisen over the years for which the cost of transporting raw materials and finished products is of relatively small importance while local conditions are of greater importance. That is to say that the need for large town locations has been diminishing. Realization of the potential in the manufacturing industries will probably depend partly upon whether there is an active industrial policy locally.

If the areas' industrial development is not strengthened, it is expected that the number of jobs on the two islands will fall by approx. 0.1% per year up to 1990 - in spite of the fact that a slight increase is expected in the county as a whole. The reason for this is partly the great importance of agriculture, where a fall in employment is expected, and partly that the number of jobs in manufacturing industry is expected to remain unchanged against the forecast of a slight increase in the country as a whole. For other industries a somewhat lower growth is expected than for the county.

If the migration pattern of the population continues as in the period 1980-1983, and assuming that there will be a slight increase in the employment rates, the balance of labour for the islands can be depicted as shown in Table 6. As a result of the reduction in the work force, there will be a small reduction in the number unemployed. Langeland and Ærø will however continue to have an age structure with relatively many old people and the employment situation in the areas will remain almost unchanged, while for the country as a whole and for the county an improvement in the unemployment situation is expected.

Ærø is expected to have a reduction in the population of approx. 1% per year in the period 1985-90. For Langeland a reduction of approx. 0.6% per year is expected, while the reduction for the county as a whole is only expected to be 0.1% per year.

Table 6. Estimated development in the balance of labour 1985-90.

(The table is based upon the calculations made by the County of Fyn, based upon Danish Statistics' 1984 population forecast and the register-based work force statistics for 1980-1983)

	<u>Langeland</u>		<u>Ærø</u>	
	1985	1990	1985	1990
Jobs	6,572	6,539	3,518	3,500
Net commuting from area	405	403	361	359
Employment	6,977	6,942	3,879	3,859
Unemployment	1,137	1,082	269	249
Work force	8,114	8,024	4,148	4,108

d. The small islands

The following small islands in the County of Fyn are included in the areas where special assistance can be granted in accordance with the law concerning regional development: Avernakø, Birkholm, Bjørnø, Bågø, Drejø, Hjortø, Lyø, Skarø and Strynø. The islands have a combined area of 3 257 hectares and in 1980 they had a population of approx. 970 people.

The five largest islands, Avernakø, Bågø, Drejø, Lyø and Strynø, had a population of 850 people in 1980, corresponding to nearly 90% of the population of the small islands. It appears from information from Danish Statistics that the five largest islands had an average annual reduction in population of 1.7% from 1980 to 1984, which is more than double the rate of reduction for Langeland and Ærø; cf. Table 1.

A vital precondition for halting the decline will be that the accessibility of the islands is not made any worse. This will be a condition for the creation/preservation of basic jobs on the islands and also for the chances of keeping people living on the islands who work elsewhere. There is also the importance of the transport situation for the availability of service which also affects the islands' attractiveness.

The small islands find it particularly difficult to bear the costs of ferry connections with the outside world, especially when new investments are required.

2. Development targets.

The targets of the Regional Plan concerning the future distribution of urban growth are considered relevant in this connection.

These targets can be divided between:

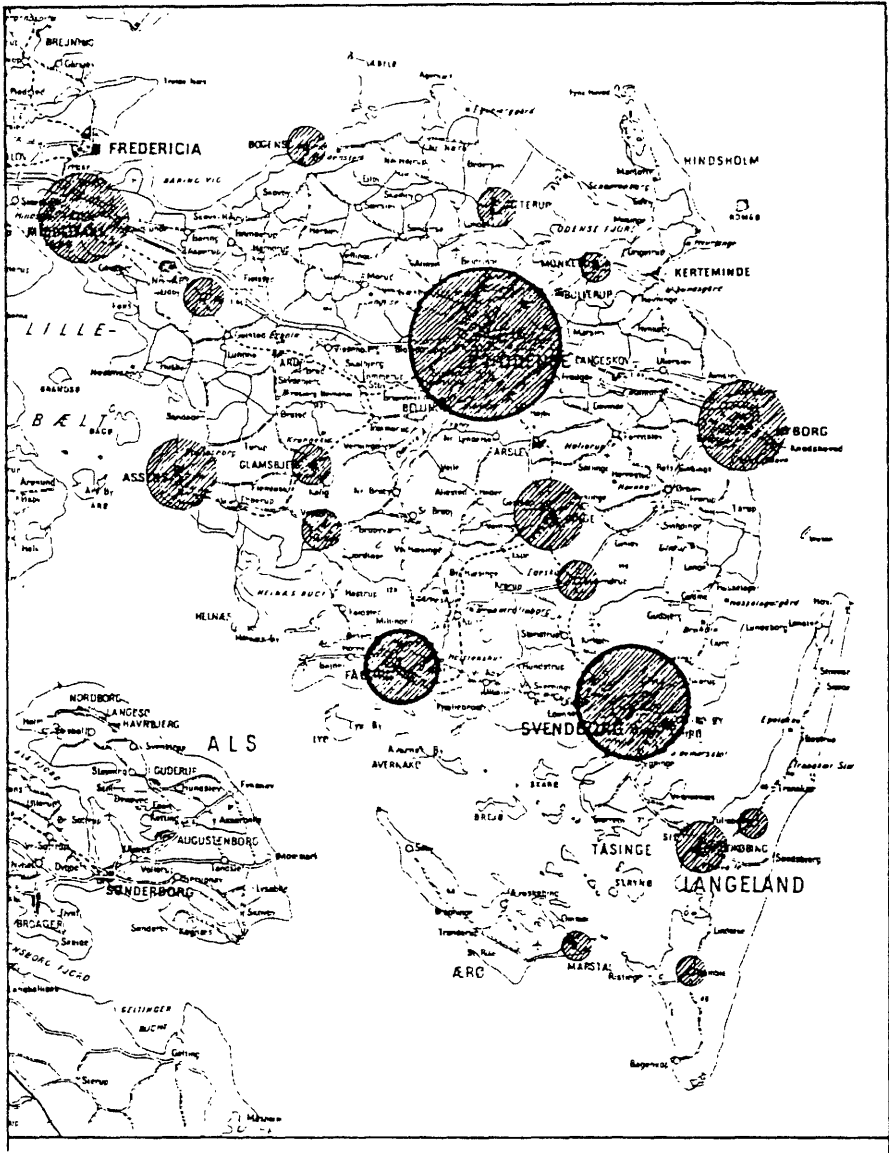
1. Regional policy interests.
2. Regional infrastructure interests.
3. Regional protection interests.

The Regional Plan is a framework plan, in which the frameworks are so laid down that citizens, undertakings and municipalities are given as much freedom to act as the consideration of important regional interests permits.

In connection with the preparation of the Regional Plan, all the potential urban growth areas were evaluated with regard to their suitability for urban growth in relation to the regional interests stated above. Following this evaluation urban growth was limited or forbidden in certain areas, while other areas were designated as suitable for the location of large undertakings or as centres for main services. These areas are named in the Regional Plan as regional industrial areas and regional centre areas respectively. The location of these areas is shown in Figures 2 and 3.

The siting of regional industrial areas in other places where they could promote regional targets which have high priorities is being considered in general in connection with the normal supplement to the Regional Plan in 1985.

Figure 2.



Towns with regional industrial areas



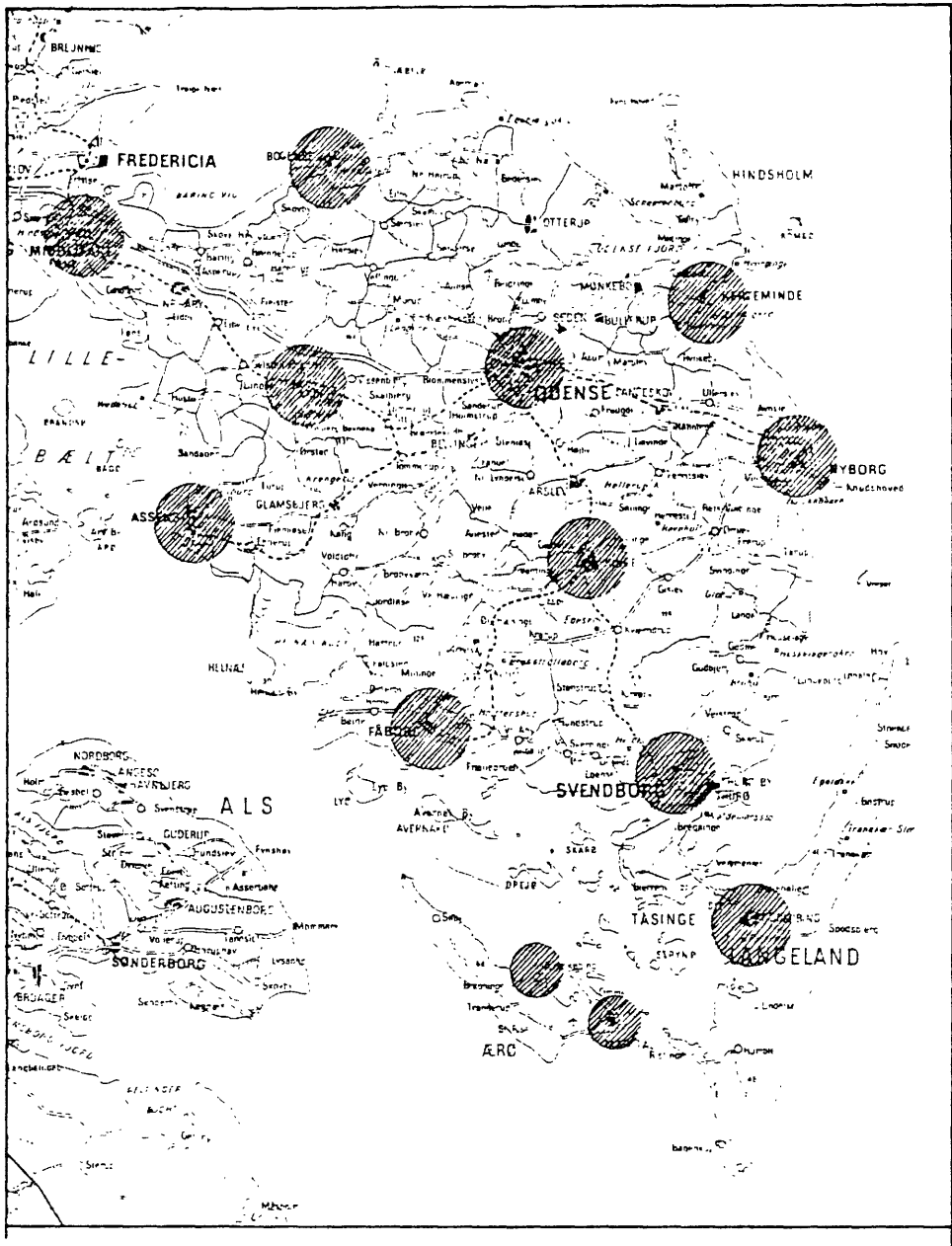
Towns where expansion requires changes to the Regional Plan.



Towns where expansion could possibly take place after negotiations with the County Council.

In nine of the municipalities with potential for the siting of regional industrial areas, specially water polluting industry can be located - this includes the municipalities of South Langeland and Tranekær.

Figure 3.



Main centres for private service

In the following what targets are involved in the above categories of regional interests in connection with the siting of industrial areas and residential urban growth are described in greater detail.

Regional policy interests include the following targets:

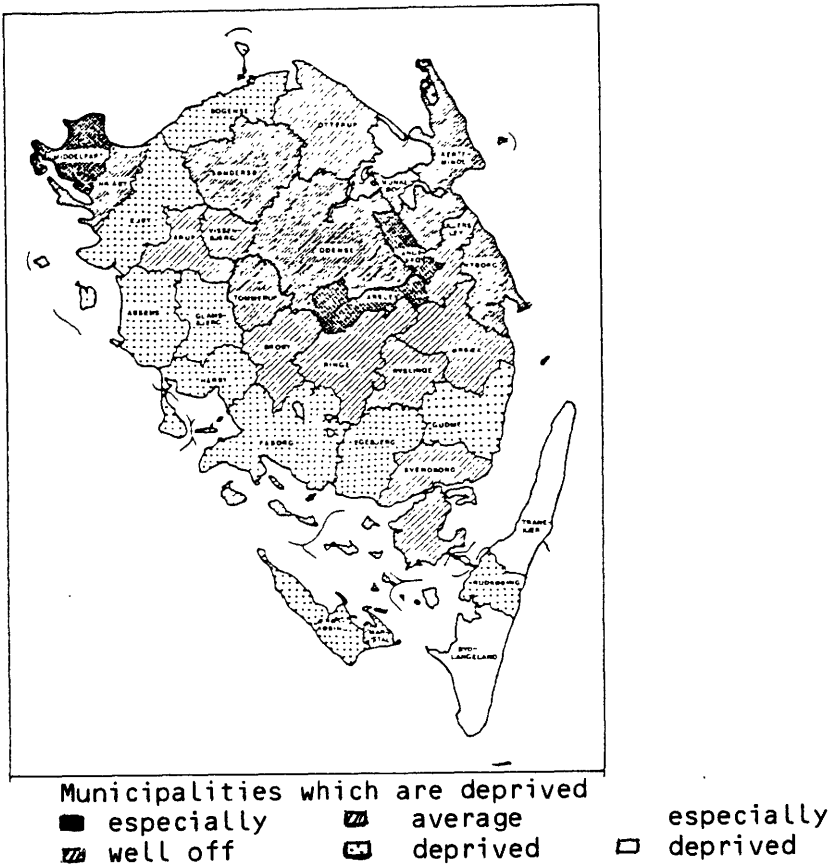
- In the distribution of urban growth it is an aim to encourage development in particular in the regions of the county which are the most deprived.

In accordance with the paragraph concerning aims in the law concerning regional planning, in national and regional planning an effort is to be made to bring about fair development in the country. Many of the municipalities in the County of Fyn pointed out in their proposals for regional planning that this aim could also apply to the different regions within the county.

The County Council has put this into concrete form, so that it is to be a target to locate new jobs in areas with low average incomes, many low-income families and high unemployment.

The regions in the county which are deprived are shown in Figure 4.

Figure 4



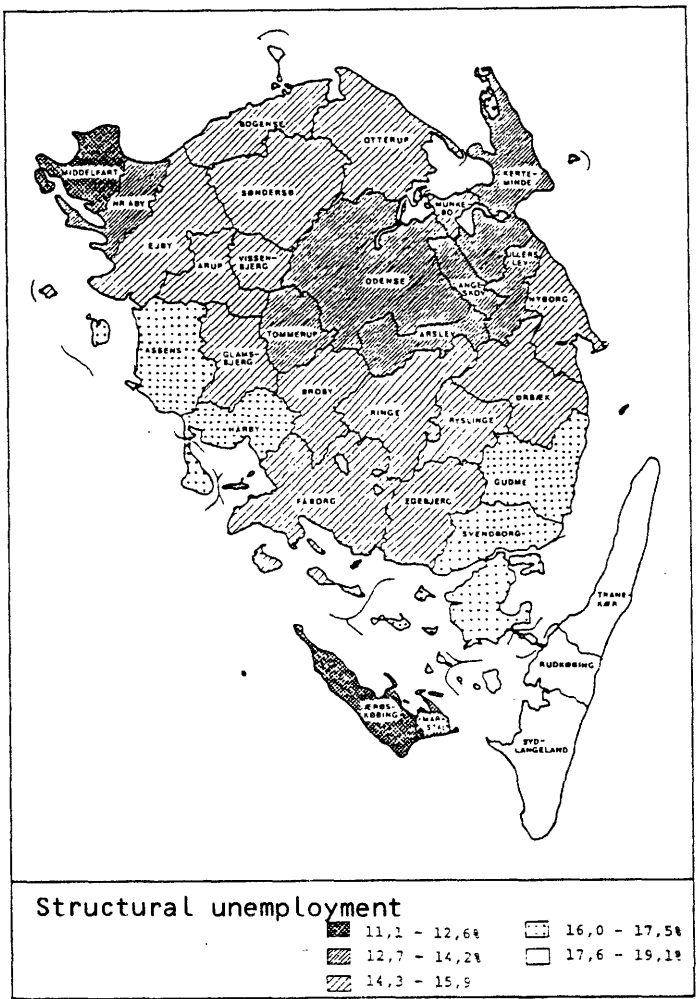
- In the distribution of urban growth it is a target to locate new jobs in regions where structural unemployment is high.

Structural unemployment is calculated as the average of the individual municipality's unemployment percentages over a three year period (1981-1983), while taking into consideration the labour market potential in the neighbouring municipalities.

The reasons for such a target are purely economical, namely that an increase in activity (supply of new private or public jobs) in an unemployment area should not take up manpower which would otherwise have been used for other production.

The structural unemployment of the municipalities is shown in Figure 5.

Figure 5.



- In the distribution of urban growth it is a target to give a large proportion of the population the chance to live and work in a small urban community.

This target has its origin in the belief that the growth of the large towns creates a number of problems, including traffic problems, environmental problems and social problems.

Regional infrastructure interests concern the suitable utilization of various utilities, for example waste water plants and traffic installations. The following targets were included in the 1980 Regional Plan:

- In the distribution of urban growth it is a target to prevent pollution in open areas of water. This is directly stated in the paragraph concerning aims in the law on regional planning.
- In the distribution of urban growth it is a target to locate new industrial areas in such a way that maintenance costs for the road network are as low as possible.
- In the distribution of urban growth it is a target to take into consideration public transport.
- In the distribution of urban growth it is a target to encourage the possibilities for the utilization of combined power and heating.

It is to be noted that the last target will be altered in connection with the supplement to the Regional Plan in 1985 so that in the distribution of urban growth the advantages to the community of using other forms of heat supply than combined power and heating are also taken into consideration.

Regional protection interests include the following targets:

- In the distribution of urban growth it is a target to protect the interests of conservation.

- In the distribution of urban growth it is a target to retain the best agricultural land.
- In the distribution of urban growth it is a target to protect areas which are important for ground water formation and water extraction.

In the evaluation of industrial or residential targets, the above targets are included and given significance according to their relevance.

Summary regarding ERDF areas in the County of Fyn

Concerning ERDF areas in the County of Fyn, in relation to the development targets outlined above it must be pointed out that these areas are clearly the most deprived in the county with considerably declining populations and great unemployment. The islands' special industrial development is also expected to be decisive for the improvement of the situation in the future and this has been taken into consideration by the County Council in fixing the Regional Plan's guidelines and in the on-going implementation of the policy - for example in letting regional considerations be set aside to a certain extent to allow more freedom for these areas' industrial development.

There are grounds for maintaining that the County Council puts great importance upon jobs being created where they will advance the regional policy target regarding attempting to achieve fair development and to combat structural unemployment. From the viewpoint of the Regional Plan, infrastructure projects should be given priorities in the first instance on the basis of the effect of the individual project on the number of jobs in relation to the public investment.

3. Development measures and financial resources

In connection with the description of the targets, some of the methods which are used in the Regional Plan were mentioned in section 2. These work mainly as frameworks for municipal planning. In the following, other methods are mentioned which are connected with regional planning.

In the Regional Plan it is laid down that in establishing or closing down main institutions choices are to be made between any alternatives, taking into consideration the effects of the alternatives on planning, including the effects on the employment of deprived groups of workers and the effects on the centre structure.

In determining by the County Council of the order in which new roads and extensions to roads should be implemented on the main road network, the targets of the Regional Plan are also to be taken into account to encourage appropriate urban and regional development.

The targets of the Regional Plan are also taken into account in connection with the county's planning of the regional heating structure. The growth in the costs of heat provision since 1973-74 has made Ærø and Langeland relatively worse off, since investment in combined power and heating and natural gas supplies has been most attractive near and between large urban areas. Assistance for the establishing of energy supplies would be able to improve this. Certain types of supply will not only be of importance for supplying heat but will also be able to contribute to the supply of processing energy, for example the supply of natural gas.

Finally it must be mentioned that the County Council allocates priorities to applications on the basis of the targets of the Regional Plan when allocating loan funds from the county's tax fund.

The geographical location of Langeland and Ærø has a considerable influence upon the industrial development potential, which is reflected in the infrastructure projects which it is wished to implement.

Infrastructure projects which concern improvements to the transport connections with the outside world must therefore be expected to be of greater significance here than in most of the other regional development areas in the country.

This will apply correspondingly for industries connected with tourism, in that the utilization of the islands' advantages in the form of natural and coastal areas must be regarded as being of considerable importance for future industrial development.

The County Council's main allocations of priority

The County Council's main target has been to encourage projects which are especially directed at improving the possibilities for creating/maintaining basic jobs in manufacturing industry and the like.

In this connection the County Council wants for instance to encourage infrastructure work in harbours which in addition to improving transport facilities will also serve to improve the conditions for undertakings associated with harbours, including tourism.

The County Council regards as equally important those infrastructure projects which serve to improve the energy supply for the manufacturing industries.

For projects which are evaluated as being somewhat equal in relation to the main targets, the County Council has made the decisive factor the target of the Regional Plan which has the highest priority: that of supporting deprived municipalities.

An evaluation of unemployment and incomes puts the five municipalities in this order, where this target is concerned:

- 1) South Langeland, which is the most deprived,
- 2) Tranekær,
- 3) Ærøskøbing,
- 4) Rudkøbing and
- 5) Marstal.

a. Regional development assistance

It is laid down in the annual finance laws what amount can be provided as assistance in accordance with the regional development law.

Based on the appropriations in the finance law for 1985, the budget estimates for the years 1986, 1987 and 1988 and the regional distribution of the assistance provided up till now, it is estimated that in the years 1985-88 the following assistance will be provided:

DKr 1000	Investment subsidies	Industrial building loans
1985	2,900	-
1986	2,900	-
1987	2,900	-
1988	2,800	-

Calculated on the basis of the expected appropriations it is estimated that the investments which will be supported with regional development assistance in 1985-1988 will result in the creation of the following numbers of jobs:

1985	1986	1987	1988
34	34	34	34

It must be stressed that in the above the global loans which the Danish Government is expected to take up with the European Investment Bank have not been taken into account.

b. Infrastructure projects

Below are described a number of concrete projects which could be implemented in the period 1985-90 - in certain cases only if assistance is received from the ERDF. The construction costs given for the individual projects are calculated at 1985 price levels.

For certain of the projects it is stated that they are not covered by the relevant Regional Plan and will therefore require a supplement to the Regional Plan. It has not been possible in the time allowed to evaluate these projects in relation to the regional protection interests. It could therefore be a matter of imposing supplementary conditions in connection with any preparation of a supplement to the Regional Plan.

It is noted that for the projects in general no decision has been reached concerning the details in relation to the County of Fyn's sector planning/administration.

Harbours

The municipality of Rudkøbing wants to establish a new slipway in the pleasure boat harbour. The establishment of a new and larger slipway would be a step in the modernization of the harbour and would also help to maintain the viability of the ship-building industry in the town. The investment is estimated at Dkr 500 000 in 1985.

It is planned to enlarge the harbour in Rudkøbing by approx. 125 linear metres of new quays and approx. 6 400 m² of new harbour area. The water depth and the length of the quays in the basins are at present only just adequate and there is a shortage of quay space for existing as well as new undertakings. This project would create a longer and more accessible quay with a 5 m water depth and also a considerable area of new space. The municipality of Rudkøbing forecasts that the total investment will be about Dkr 5.4 million over four years.

Søby Harbour Co. expect to construct a new industrial harbour on account of the shortage of quay space and the poor water depth in order to ensure the continued existence and development potential of the existing undertakings.

The project could be implemented between 1985 and 1989 for approx. Dkr 12 million excl. VAT. The municipality of Ærøskøbing has assumed that there would be assistance from the county of Dkr 1 million.

The strengthening of 200 m of quay in Marstal Harbour. The work is necessary for the shipyards to continue their work of repairing ships. The expected cost is approx. DKr 3 million over a period of 3 years.

The deepening (and dredging) of Marstal Harbour, primarily on account of the ship-building industry but also on account of tourist pleasure boat traffic. The expected cost is DKr 1 million over a 2 year period.

Improvements to slipway facilities and deepening of the harbour basin in Bagenkop harbour, with the aim of maintaining employment in the land-based undertakings.

The municipality of South Langeland is responsible for the project, which is expected to cost DKr 3 million.

Airports

The acquisition of a new service building and the lengthening of the runways in Ærø Airport Co. The lengthening of the runways is necessitated by a new air service between Ærø and Tåsinge. The airfield is of considerable importance for local trade and industry when there is a need to transport people and small goods quickly.

The cost of DKr 200 000 is to be shared between the municipalities of Marstal and Ærøskøbing in proportion to the number of inhabitants.

Roads

In 1985-86 a road project will be carried out in the regional industrial areas in Tullebølle in the municipality of Tranekær. The project consists of a road through the industrial area to the new Highway 206, Svendborg-Spødsbjerg. The road system will make the area more attractive by improving accessibility for industrial transport. The cost of the work is calculated to be DKr 951 000. The municipality of Tranekær is responsible for the project.

Energy

Natural Gas Fyn Co. is requesting assistance of Dkr 6.65 million - corresponding to 50% of the investment - for laying a 14.9 km steel pipeline for natural gas between the existing M/R station in Vindeby on Tåsinge to the M/R station near Rudkøbing. From here the intention is to supply the three municipalities on Langeland by means of a 4 bar network.

The network will be financed to a great extent by means of loans from the European Investment Bank.

A considerable part of the market for natural gas on Langeland consists of the industrial undertakings in Rudkøbing. In a number of industrial processes energy savings can be attained by the use of natural gas instead of other forms of energy. This will reduce energy costs, which will benefit a number of existing undertakings and also attract new undertakings.

Site development

In the municipality of Ærøskøbing industrial areas are to be developed in the town of Søby. At present there are no vacant developed industrial sites in the area of Søby. Total cost: Dkr 1.24 million excl. VAT.

Project for water supply in the municipality of Marstal. The project is necessary in order to be able to provide a water supply to industries which require one, such as for example the planned holiday hotel in Marstal town. Cost: Dkr 2 million.

Pleasure boat harbours

It is wished to enlarge the pleasure boat harbour in Rudkøbing by approx. 190 berths including the necessary facilities. The cost will be the responsibility of the municipality of Rudkøbing and is expected to be approx. Dkr 5.3 million between 1985 and 1987.

It is wished to enlarge the marina in Bagenkop Harbour since its capacity is insufficient. The municipality of South Langeland expects that the work could be carried out for DKr 15 million between 1987 and 1989, possibly with assistance. The municipality has mentioned the possibility of assistance from the county.

The municipality of South Langeland is considering the establishment of pontoon facilities for pleasure boats at Ristinge Harbour. The costs are expected to be approx. DKr 2 million. The municipality has mentioned the possibility of assistance from the county.

The project is not covered by the relevant Regional Plan.

Vestre Boat Harbour in Ærøskøbing town is planned to be enlarged in 1985 by approx. 50 24-hour moorings due to the lack of capacity for visiting pleasure boats. Cost: DKr 1.3 million excl. VAT.

Tourism

The municipality of South Langeland wishes to set up as an independent institution a "holiday land"/nature park at Ristinge near the large chalet areas and Ristinge beach. The estimated cost is DKr 10 million. The project is not covered by the Regional Plan.

Research and education

The municipality of South Langeland wants to establish a biological research and education centre in Bagenkop in co-operation with an existing university. The centre will work on problems concerning development in the Baltic, the fjords and the Belts. The total investment is expected to amount to DKr 75 million in the period 1985-90.

The centre in this case will be set up as an independent institution and it is assumed that there will be a subsidy from the Regional Fund, while it is planned to obtain the remainder by means of public loans and subsidies from the Ministries, the County of Fyn and the municipality of South Langeland.

The project is not covered by the relevant Regional Plan.

Investment overview 1986-1990 of the projects for which assistance could be sought from the EEC's Regional Fund (for guidance only).

Project number	Subject	Municipality (or other body responsible for the project)	Total investment 1986-DKr (DKr 1000)	Investment period (DKr 1000) 1986 1987 1988 1989 1990
<u>Harbours</u>				
1.1	Quay strengthening, Marstal Harbour	Marstal	3 200	1 000 1 100 1 100
1.2	Deepening of Marstal Harbour	Marstal	1 000	330 330 340
1.3	Deepening of approach to Marstal	Marstal	1 300	1 300 1 300 1 400
1.4	Land facilities for new dock, Marstal Harbour	Marstal	1 000	500 500
1.5	Establishment of floating dock to replace old slipways, Marstal	Marstal	12 000	6 000 6 000

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1.6	Enlargement of harbour with new quay and new harbour area, Rudkøbing	Rudkøbing	5,500	1,000 1,000 2,200 1,300
1.7	New slipway, deepening, Bagenkop Harbour	South Langeland	2,500	1,000
1.8	Enlargement of harbour with new industrial harbour, Søby. Stage I Stage II	Ærøskøbing	7,800 4,500	1,000 1,000
1.9	Enlarging of ferry harbour facilities for larger ferries to Kiel, Bagenkop Harbour.	South Langeland	15,000	1,000

Project number	Subject	Municipality (or other body responsible for the project)	Total investment 1986-DKr (DKr 1000)	Investment period (DKr 1000)				
				1986	1987	1988	1989	1990
<u>Airports</u>								
2.1	New service building and lengthening of runway, Ærø Airport	Marstal and Ærøskøbing	200					
<u>Industrial sites - development</u>								
3.1	Development of regional industrial area near Møllemarksvej in Rudkøbing	Rudkøbing	2,455	770	345	150	280	900
3.2	New roads to regional industrial area, Tullebølle	Tranekær	811	413	398			
3.3	Development of industrial areas in Søby.	Rudkøbing	1,300	650		650		
3.4	Development of industrial area (including quay construction), Ærøskøbing.	Ærøskøbing	5,200					

<u>Utilities</u>				
4.1	Laying of water pipe to the town of Marstal from new sources, 5 - 12 km from the town	Marstal	2,400	1,200 1,200
4.2	Wells, untreated water pipes and water treatment plant to ensure water supply for Bagenkop.	South Langeland	2,100	—
4.3	Natural gas pipeline to Langeland	Natural Gas Fyn Co.	13,300	

Project number	Subject	Municipality (or other body responsible for the project)	Total investment 1986-DKr (DKr 1000)	Investment period (DKr 1000) 1986 1987 1988 1989 1990
<u>Tourism - including pleasure boat harbours</u>				
5.1	Enlargement of pleasure boat harbour including slipway facilities, Rudkøbing	Rudkøbing	5,900	2,000 1,700 2,200
5.2	Establishing of pleasure boat harbour in Spødsbjerg	Rudkøbing	7,500	
5.3	Enlargement of marina, Bagenkop Harbour	South Langeland	15,000	2,000 10,000 3,000
5.4	Establishing of pontoon facilities for pleasure boats, Ristinge	South Langeland	2,000	1,000 1,000
5.5	Setting up of a "holiday land"/nature park, Ristinge	South Langeland	10,000	1,000 6,000 3,000
5.6	Enlargement of pleasure boat harbour, Ærøskøbing	Ærøskøbing	1,300	

<u>Research and education</u>		
6.1	Setting up of biological research and education centre, Bagenkop	South Langeland 75,000

IX. REGIONAL DEVELOPMENT PROGRAMME - THE COUNTY OF RINGKØBING

The County of Ringkøbing is the western part of Central Jutland in Denmark and covers an area of 4850 km². There are approx. 265 000 inhabitants in the county. The density of population in the county is 54 inhabitants per km², which is among the lowest in the country.

Administratively the county is divided into 18 municipalities, of which Herning and Holstebro are the largest with 56 000 and 38 000 inhabitants respectively. The smallest municipality is Thyholm with approx. 4 000 inhabitants.

Of the 18 municipalities which make up the county, 14 have been designated as regional development municipalities and from 1st. January 1985 they are also included in the areas which can receive assistance from the European Regional Development Fund.

The regional development areas comprise more than 2/3 of the area of the county (3432 km²) but only slightly over half of the population of the county (143 460) lives in this part of the county.

The county is bordered by Limfjord on the north and the North Sea on the west. There are fishing ports in Thyborøn, Thorsminde, Hvide Sande, Lemvig and Struer.

In the Regional Plan for the County of Ringkøbing the following regional centres have been designated: Herning, Ikast, Holstebro, Struer, Lemvig, Ringkøbing and Skjern-Tram.

Herning and Holstebro, with approx. 31 000 and 27 000 inhabitants respectively, are the towns in the county which have the largest concentration of the population. The two towns and Ringkøbing are regarded as developed regional centres. The other regional centres are under development.

Municipal centres, local centres and village centres have been designated in all the municipalities.

The centre structure of the Regional Plan is an expression for decentralized development which the County Council and the municipal authorities wish to encourage.

1. Social and economic development

a. General development 1981-85

Population development in the County of Ringkøbing was characterized by a slight increase throughout the 1970's.

In the first year after 1980 there was a period of stagnating development, which can be attributed to a fall in the birthrate and net migration out of the county.

In the period 1981-1985 there was a reduction in the population in the regional development municipalities combined of 0.2%.

Table 1. Population development 1.1.1981 - 1.1.1985

Areas	1981	1985	1.1 1981 - 1.1 1985	1981-85
Areas qualifying for ERDF assistance	143,678	143,460	-218	-0.2
The county	263,519	264,531	1,012	0.4
The whole country	5,123,989	5,111,108	-12,881	-0.25
Source: D.S.: The population in the municipalities as of 1st January of the years concerned.				

Population development up till now for the county in general has resulted in a population structure with relatively fewer people in the older age groups in comparison to the rest of the country.

However, if only the 14 regional development municipalities are considered, these are characterized by relatively many people in the older age groups.

Table 2. The 1984 population structure: Percentage distribution.

	Age:	0-16	17-64	65-	Total
The 14 regional development municipalities		25.8	59.9	14.2	100.0
The county as a whole		25.5	61.5	12.9	100.0
The country as a whole		22.0	63.1	14.9	100.0

Source: Danish Statistics and Appendix Table 2.

It can be seen from Table 2 that there is a lower percentage of the population of working age in the regional development municipalities than in the rest of the country. This means among other things that there is a worse ratio between the number of "breadwinners" and the number of "non breadwinners" in the regional development municipalities compared to the other parts of the country.

It should be noted that the outlying areas in the northerly part of the county, Thyholm and the island Venø, have had a reduction in the population in recent years.

Industrial development has been characterized by movements from agriculture and fishing, through industry and craft to private and public service.

The regional development municipalities in the County of Ringkøbing can all be described as outlying areas at great distances from the centres of economic vigour. There is therefore relatively little exchange of goods, services and information with the centres. This does not apply of course in all cases.

The industrial structure is dominated by the primary and secondary industries. The service sector has a considerably smaller percentage of employment than is the case for the country as a whole.

The primary industries comprise in the main agriculture and fishing. In the municipalities of Holmsland, Thyborøn-Harboøre and Lemvig a considerable part of employment in the primary industries is linked to the fishing industry, while the other municipalities are characterized by agriculture.

Table 3. Numbers in employment with residence in the areas concerned.

Areas	Agriculture etc.		Manufacturing, building, construction		Service, transport, commerce		Total	
	Absolute	%	Absolute	%	Absolute	%	Abs.	%
Qualifying for ERDF assistance								
1981*	14,868	21.5	19,604	28.4	34,607	50.1	69,079	100
1983*	15,015	21.0	20,493	28.7	35,836	50.3	71,344	100
1981-83**	147	1.0	889	4.5	1,229	3.6	2,265	3.3
The county								
1981*	20,094	15.5	39,503	30.4	70,349	54.1	129,946	100
1983*	20,263	15.0	42,163	31.3	72,367	53.7	134,793	100
1981-83**	169	0.8	2,660	6.7	2,018	2.9	4,847	3.7
The country as a whole								
1981*	195,743	7.6	649,559	25.2	1,730,028	67.2	2,575,330	100
1983*	189,472	7.5	640,827	25.2	1,712,403	67.3	2,542,702	100
1981-83**	-6,271	-3.2	-8,732	-1.3	-17,625	-1.0	-32,628	-1.3
* Relative share								
** Percentage increase								

Source: D.S.: Statistical information, labour market statistics and already published service tables from D.S.

Statistics concerning the structure of industry divided into different lines of trade show that the food, drink and tobacco, textile and clothing, timber and furniture and the iron and metal industries constitute 90% of total employment in industry.

Table 4. Personnel in industry in the County of Ringkøbing, 1983.

Municipality	Total personnel	Of which salaried workers	People per undertaking 1983	Salaried workers as % of total personnel 1983
Brande	1,131	348	54	30.8
Egvad	566	108	44	19.1
Holmsland	233	45	33	19.3
Lemvig	908	154	34	17.0
Ringkøbing	1,637	376	41	23.0
Skjern	849	161	37	19.0
Struer	3,274	886	121	27.1
Thyborøn-Harboøre	837	231	64	27.6
Thyholm	55	15	18	27.3
Trehøje	584	118	31	20.2
Ulfborg-Vemb	486	62	30	12.8
Videbæk	1,086	212	49	19.5
Vinderup	696	86	44	12.4
Åskov	777	133	56	17.1
			Average	
Total	13,119	2,935	50	22.4
As % of the country as a whole	3.6	2.7		
			Average	
The country as a whole	362,741	107,075	55	29.5
Non regional development municipalities:				
Aulum-Haderup	629	79	27	12.6
Herning	7,274	1,585	36	21.8
Holstebro	3,095	689	55	22.3
Ikast	4,196	756	32	18.0
			Average	
The county as a whole	28,313	6,044	45	21.3

Source: Danish Statistics: Industrial statistics.

The number of industrial undertakings in the regional development municipalities amounts to 4.0% of the total number of undertakings in the country, while the total number of people employed amounts to 3.6% and the number of salaried workers amounts to 2.7%.

There has not been any significant displacement during the period 1981-1983; cf. also Appendix Table 6.

This information highlights two central conditions in industry in the regional development municipalities:

Firstly, undertakings are relatively small by Danish standards and secondly, the low percentage of salaried workers is indicative of a relatively low degree of specialization in the industry which characterizes the regional development municipalities.

It should also be noted that employment in the public sector in particular is linked to the large town centres, and therefore the regional development municipalities have a low percentage of their employment linked to the service sector.

This means that the regional development municipalities are worse off in periods of recession when the public institutions as a rule act as a stabilizing element.

Unemployment

Table 5. Unemployed converted to full-time unemployed as a
% of the number insured.

Areas	1981 Absolute %	1984 Absolute %	1981-1984* %
Qualifying for ERDF assistance	6,525 15.7	6,077 12.6	-6.9
The county	11,982 13.9	10,643 11.2	-11.2
The country as a whole	216,588 12.3	240,051 12.9	10.8

* Relative change in unemployment

Source: D.S.: Unemployment statistics.

The unemployment statistics show that the regional development municipalities have greater unemployment than the average for the county. Correspondingly there are relatively more long-term unemployed in the regional development municipalities.

Taking the county as a whole, unemployment has been falling slightly in recent years.

The fall in unemployment is due in particular to more employment in Herning and Ikast which are not regional development municipalities.

Incomes

The industrial structure is reflected in a number of other areas in the municipalities.

One of the most important is the income which is created by means of employment in industry which has direct significance for those employed and their families. Disposable income is one of the most important elements in the population's standard of living.

The industrial structure is also of considerable indirect significance for the municipal sector, since the creation of income and hence the size of the taxation base affect the levels of taxation and service for the municipalities.

The county and primary municipal service is another important component in the population's standard of living.

Table 6. Average taxable income in 1983.

	Per taxpayer (in whole Dkr)	Index
Regional development municipalities	68,731	91
The county as a whole	70,709	93
The country as a whole	75,687	100

Source: Danish Statistics: Incomes and capital, cf. Appendix Table 5.

The lower taxable income per taxpayer in the regional development municipalities is associated with three conditions in particular:

1. A lower average income per employee in the individual industries.
2. An unfavourable industrial structure, since certain industries pay lower wages than others.
3. Relatively high interest costs in the agricultural sector, which is of great importance in most of the municipalities.

If the average taxable income per inhabitant is calculated the result is even more unfavourable for the regional development municipalities, in that the percentage of taxpayers in relation to the total number of inhabitants is lower in West Jutland than in the rest of the country.

b. The most important areas which are characterized by a lack of equality in the region and the reasons for this.

The regional development municipalities in the County of Ringkøbing are characterized in relation to the rest of the country by:

Regional development municipalities are characterized by a reduction in the number of inhabitants and the percentage of the population who are of working age is less than in the rest of the country. Because of this the burden of support on the people who are working is relatively larger. One of the consequences of this is that the taxation base in relation to the number of inhabitants is affected negatively.

The industrial structure is characterized by the primary and secondary industries, while the service sector constitutes a modest part of the total employment.

Industry is characterized by relatively small undertakings which only have a few salaried workers among the employees.

The economic conditions of the population are characterized by relatively low disposable incomes, which reflect the character of the industrial structure and are caused by there being relatively low wages in the dominating industries.

The economic base for municipal activity is thus poorer in the regional development municipalities compared with the national average.

The existing state subsidies and equalization arrangements do not go anywhere near to meeting the regional economic inequalities.

The increase in tax pressure will be greater than the increase in the level of service as a result of the low taxation base and the lack of equalization of the differences to bring them up to the national average.

Venø, which is the only island in the county and which has the problems which are characteristic for most islands with a reduction in the population, must be mentioned as a special area.

There is a small school with few classes on Venø.

c. Measures during the period 1982-85

Regional development assistance

The following assistance was provided in West Jutland (the County of Ringkøbing) in the years 1982-85:

DKr 1000	Capital loans 1) Section 6	Industrial building loans Section 9 1)	Investment subsidies 1) Section 10
1982	16,200	8,200	1,000
1983	36,500	900	800
1984	26,000	800	4,900
1985	-	2,000	6,300

1) Capital loans, industrial building loans and investment subsidies in 1983 and 1984 in accordance with law 219/1972, sections 6, 9 and 10 respectively.

Capital loans were discontinued in 1985.

Industrial building loans and investment subsidies in 1985 in accordance with law 88/1985, sections 7 and 6 respectively.

The assisted investments have resulted in the creation of the following number of jobs:

1982	1983	1984	1985
180	401	314	184

State infrastructure

In Thyborøn Harbour there has been enlarging of the harbour, major repairs to installations, improvements to berth discharging conditions and the construction of berths for ferries. The investments amount to approx. DKr 33 million.

There have been a number of investments amounting to approx. DKr 13 million in Thorsminde Harbour including major repairs to the harbour installations, the construction of entrance breakwaters, harbour enlargement and development of harbour areas.

Hvide Sande Harbour has been modernized, sluice gates changed to remote control, harbour installations repaired etc. The investments amounted to approx. DKr 13.5 million.

Regional measures

Since the approval of the Regional Plan in 1979/80 the County Council has worked to encourage more equal development.

Comprehensive schools were built in Lemvig and Ringkøbing in 1980/81. The construction costs for the county amounted to approx. DKr 45 million in all and annual running costs will amount to a good DKr 18 million in 1985.

In 1984 a county nursing home was established to the south of Lemvig for old people with psychological problems. The annual running costs will be approx. DKr 4.5 million.

A similar nursing home was established in Kibæk. Here the annual running costs will be DKr 2.5 million.

In Videbæk a special treatment home was built in 1984. The annual running costs will amount to a good DKr 8 million.

The County Council grants an operating subsidy to a technical information centre in Holstebro which has tasks covering the whole county in relation to private undertakings with regard to providing advice and guidance in matters to do with industrial technology.

A subsidy is also granted to West Jutland's Development Board which assists undertakings in all matters to do with exporting. West Jutland's Development Board also participates in the organization of export campaigns at trade fairs and the like.

In spite of the Government restraints upon the general subsidies to the county, the small hospitals in Lemvig, Ringkøbing and Tarm have maintained their intended functions.

With the new Hospital and Health Plan which the County Council approved in February 1985, an organisational framework has been established which will ensure improved co-ordination of the health services and help to bring about more decentralized development.

In the field of education it will be attempted to co-ordinate the training of 16-19 year olds with regional industrial development by means of on-going education planning.

It is a theme for planning to create as much co-ordination as possible between the regional supply of training and the regional demand for labour.

The county has attempted to improve the employment situation by means of considerable subsidies. This is taking place by means of co-operation with private and with public authorities.

Subsidies have been granted for the establishing of training/practical places.

The municipalities have established many projects with the aim of relieving unemployment, especially among the young. These include production colleges, day colleges etc.

d. Development potential and probable development up to 1990

Danish Statistics' population forecasts for the period 1983-1990 show that the regional development municipalities combined will have a fall in the total number of inhabitants and there will be large moves in the direction of relatively more old people.

In the industrial field it is expected that there will be a reduction/stagnation in employment in the agricultural sector corresponding to tendencies up till now.

In the regional development municipalities which are characterized by the fishing industry, there is the danger that there will be a fall in employment as a result of the quotas laid down by the EEC for fishing in the Baltic and the North Sea.

Part of the employment in the county is connected to tourism and determined by development in that area. An improvement in the infrastructure will thus be of great regional significance.

Within the manufacturing industries and crafts there have been no clear tendencies in recent years. It can be expected that electronically controlled machinery and other equipment will reduce employment in, for instance, the textile and clothing industry.

Such a development will have consequences for the employment situation for women in particular.

Development in the expanding industries has been accompanied by steadily increasing utilization of new technology for both production and administration purposes.

The relative price development in these areas seems to be favourable for a continuation of the tendencies up till now.

It must therefore be assumed that the technological development in production and administration will continue, so that robots and electronic information and communication equipment will be used to an increasing extent.

It must also be expected that new technology will be adopted first by the larger undertakings which have the necessary capital and know-how, and by undertakings in the large town centres where there will be easy access to the new technology.

The consequences of this will include increased inequality in growth potential between the large and small undertakings and especially between undertakings in the large town centres and undertakings in the smaller and more remote areas.

If economic development is to be turned in a more favourable direction it is probably a vital condition that a supply and demand of labour with a higher level of training than at present is created.

It is therefore necessary for the regional development municipalities to become competitive in relation to the other parts of the country, as far as the location of undertakings is concerned and including not least the establishment of service industries with a high level of pay.

As a continuation of the above the question can be put as to whether an improved foundation can be created for the setting up of new undertakings and which can assist the smaller undertakings in the regional development municipalities in the technological area.

Strengthening the small undertakings' access to information, data processing and new technology will increase the prospects of the undertakings for growth in production, sales and employment.

There will also be a need for a change in the industrial sector in the direction of a labour force which is more based on know-how and advanced proficiency than is the case at present.

In this connection sufficient access must be created to training in the use of the new technology, especially for the part of the population which is of working age.

To sum up concerning industrial development in the next five years, it can be maintained that employment in the primary industries must be expected to fall and that the prospects for development in the smaller industrial undertakings will be subject to a considerable degree of uncertainty.

It must also be acknowledged that technological development will lead to a need both for highly qualified labour and for changes in production methods for industrial undertakings if profitable production is to be achieved.

As far as the regional development municipalities are concerned it must therefore be recognized that positive industrial development will require a considerable contribution in the areas of infrastructure, technology and training.

2. Regional development targets

General targets

The Regional Plan for the County of Ringkøbing was prepared by the County Council of Ringkøbing with proposals from the municipalities.

It is a target of the Regional Plan to promote fairer development in the county, so that more equal conditions are created for the inhabitants of all the regions in the county. It is therefore a target that the number of inhabitants in the medium-sized and small towns should be increased.

The approved plan for the urban pattern in the Regional Plan creates the foundation for such a development. By means of the allocation of sites for residential and industrial building the western and northern regions will have the chance to get a larger share of the population and jobs.

A condition for the indicated urban pattern having the intended effect is that traffic connections in the region should be improved. This applies to harbours and roads in industrial areas.

Economically it is the target that the income base be improved and that the geographical inequalities be evened out by means of regional development assistance to those parts of the county where there is a need for better economic development.

The County Council thus wants the municipalities in the western and northern part of the county to have increased employment in industry. In this connection it can be mentioned that ERDF assistance and the EEC's regional policy are decisive for positive development in the County of Ringkøbing.

The County Council wants undertakings to continue to be located in small towns too.

As far as industry is concerned it is wished in general to increase the supply of jobs and to have a more equal geographical distribution, taking into account the local industrial structure.

The County Council also states in the Regional Plan that it should be easy for new undertakings to be set up and enlarged in all regions of the county.

Undertakings associated with the fishing industry should be able to be located in the towns which have fishing harbours.

As far as energy is concerned the targets of the County Council can be seen in the Regional Plan and the on-going heat planning. The County Council does not want the price ratios between the alternative forms of energy to have the effect of counteracting the County Council's target of fairer development in the whole county.

Heat planning should to the greatest possible extent support the desired regional development. It is therefore wished to run natural gas supply pipelines to the industrial areas and in choosing between alternative forms of heating the greatest possible consideration should be given to the effect on employment.

Therefore local energy sources should be utilized as much as possible.

It is wished to develop tourism by means of co-ordinating the various types of measure, taking into account natural resources.

In the field of education and training it is a target that the level of service is to be raised and that there is to be a decentralization of the training opportunities.

In the health area it is the target that preventive measures are to be increased, to change investigation/treatment activities into increased out-patient activities and to create increased co-ordination between the primary health authority, the hospital authority and parts of the social services.

3. Development measures and financial resources

By means of regional planning the county can attempt to influence private and public initiatives. The Regional Plan does not provide the opportunity for realizing particular projects; cf. the law on national and regional planning.

With the aim of improving industrial development and the population's standards of living, the County Council wants to create an improved infrastructure, development in the technological area in the form of experimental projects etc. and more co-ordinated investment in the fields of health and education.

In the field of technology, an experimental project can be set up with regional databases to benefit trade and industry. Such an experimental project could be started for an acquisition cost of approx. DKr 7 million.

This would assume intensified co-operation between the public and private sectors and between all the public authorities, including the EEC.

Regional development assistance in the years 1986-1989

It is laid down in the annual finance laws what amount can be provided as assistance in accordance with the regional development law.

Based on the appropriations in the finance law for 1986, the budget estimates for the years 1987, 1988 and 1989 and the regional distribution of the assistance provided up till now, it is estimated that in the years 1986-89 the following assistance will be provided in West Jutland:

DKr 1000	Investment subsidies	Industrial building loans
1986	9,800	1,200
1987	9,800	1,200
1988	9,300	1,200
1989	9,300	1,200

Calculated on the basis of the expected appropriations it is estimated that the investments which will be supported with regional development assistance in 1985-1988 will result in the creation of the following numbers of jobs:

1985	1986	1987	1988
250	250	250	250

It must be stressed that in the above the global loans which the Danish Government is expected to take up with the European Investment Bank have not been taken into account.

Infrastructure

The County Council wants good safe traffic connections between the towns in the county and with other counties and parts of the country.

An increasing part of through traffic, especially heavy traffic, should be routed around town centres in order to avoid traffic and noise problems in urban areas.

With the aim of increasing road safety and improving the basis for tourism, the County Council wants to establish a co-ordinated cycle track network in the county.

It is wished to maintain the existing railways with through services of express and intercity trains.

The present commercial, ferry and fishing ports will be maintained and developed.

In Lemvig the harbour conditions should be improved by deepening the approaches and by the establishment of a new repair quay. These improvements will mean that the function of the harbour can be maintained and will help to encourage the development of the harbour. The deepening of the approaches and the establishment of the new quay will cost approx. Dkr 8.2 million.

In Struer an extension of the northern pier can help to maintain and improve the importance of the harbour for industry. Such an extension would cost approx. Dkr 3.5 million.

Traffic connections to Venø should be maintained which would necessitate raising the road embankment and ferry berth at Kleppen and lengthening the staging in the ferry berth. This will cost approx. Dkr 2.2 million.

The facilities for sailing through the Hvide Sande sluice should be improved as much as possible on account of trade and industry in Ringkøbing and Hvide Sande. For example the chamber sluice should be widened with the aim of ensuring continued good through-sailing facilities for fishing boats and coasters. This enlargement would cost approx. DKr 12 million.

In Thyborøn Harbour there is to be an extension of the harbour installations and major repairs to harbour installations and a certain amount of building work. It is expected that DKr 2.4 million will be invested in 1985, DKr 6.3 million in 1986, DKr 13.1 million in 1987 and DKr 21.1 million in 1988 (the State).

In Thorsminde Harbour the development of various sites will be undertaken and mechanization of the sluices will be implemented. It is expected that DKr 1.2 million will be invested in 1985, DKr 0.9 million in 1986 and DKr 0.7 million in 1988 (the State).

In Hvide Sande Harbour construction and major repair work will be carried out on the installations, the North Harbour will be enlarged, ice and discharging piers will be constructed and buildings will be constructed and repaired. It is expected that DKr 4.9 million will be invested in 1985, DKr 13.8 million in 1986, DKr 17.3 million in 1987 and DKr 15.2 million in 1988 (the State).

Industrial sites

The County Council has stated in the Regional Plan that it considers it desirable that there should be well-sited industrial areas in the regional centres for undertakings with special site requirements on account of noise and air pollution.

Industrial areas with undertakings which are especially noisy or which cause a lot of air pollution can be sited in designated places after consultation with the County Council.

The designated industrial areas should be easily accessible for traffic and should not cause noise problems.

Undertakings without special site requirements can be developed and set up in the designated regional, municipal and local centres with designated industrial areas.

For example an industrial area could be developed at Ejning (Tværmosen) in the municipality of Vinderup. The development could be implemented for approx. Dkr 2.6 million.

For example accessibility of industrial areas could be made easier by extending a road at a large industrial area near Vildbjerg and extending a road near a regional industrial area at Nr. Vium in the municipality of Videbæk. The projects will cost approx Dkr 2.7 million and Dkr 1.6 million.

Technology

In the field of technology research should be started, included publicly financed research, with the aim of forming the foundation for favourable industrial development.

By increasing access to the new information technology this is expected in addition to create growth opportunities for a number of small undertakings.

Technological research will also attract service industries and thus have a number of favourable effects on expansion.

Within the county's own area a project for the health sector will be prepared.

The health sector is made up of the primary health services, the hospital authority and those parts of the social sector which give practical assistance and care to the housebound or people in nursing homes.

In 1986 an experimental project is being prepared for the health sector in the northern part of the county comprising the municipalities of Holstebro, Struer and Lemvig.

The experimental project will among other things reveal to what extent the use of electronic information and communications equipment can help to improve the health authority's service to patients and their families by means of better co-ordination of the services within the framework of the hospitals as well as the primary health services.

At the end of 1985 a detailed project description was prepared with the aim of implementing it in the middle of 1986. The experiment will be evaluated in the middle of 1988.

Training

In co-operation with the labour market board the County Council will prepare proposals for planning in the field of training which will be aimed at creating better co-ordination with the demand for labour.

In this work all types of training will be included so that an effort can be made to avoid bottlenecks in the labour market, especially in expanding areas.

For example the Fishing College in Thyborøn should be enlarged with the aim of ensuring training within the fishing sector. The enlargement would cost approx. Dkr 1.3 million.

The establishment of a commercial college in Videbæk (Opsund) can help to create better co-ordination with the demand for labour and provide an improved basis for the training of labour based upon the needs of the market. The project will cost approx. Dkr 0.5 million.

For example the establishment of a University Extension Centre at Skærum Mølle near Vemb could assist in education and training at a higher level. The project will cost approx. Dkr 6.0 million.

Appendix tables

Table 1 : Population development in the County of Ringkøbing

Municipality	1.1.1980	1.1.1982	1.1.1983	1.1.1984	1980-82	1982-84
Brande	8.327	8.412	8.367	8.427	1,0	0,2
Eqvad	9.860	9.811	9.778	9.752	-0,5	-0,6
Holmsland	5.066	5.276	5.332	5.345	4,1	1,3
Lemvig	19.773	19.743	19.576	19.563	-0,2	-1,2
Ringkøbing	16.463	16.699	16.796	16.811	1,4	0,7
Skjern	12.478	12.606	12.616	12.517	1,0	-0,7
Sæder	18.876	18.959	19.012	18.229	0,4	-0,2
Thyborøn-Harboøre	5.165	5.282	5.282	5.255	2,3	-0,5
Thyholm	4.030	4.059	4.051	3.998	0,7	-1,5
Frederic	8.950	8.873	8.919	8.911	-0,9	0,4
Gjellerup-Vemb	7.420	7.385	7.390	7.273	-0,5	-1,4
Videbæk	11.826	11.856	11.821	11.238	0,3	0,3
Vinderup	8.321	8.327	8.268	8.270	0,1	-0,7
Aaskov	6.622	6.542	6.544	6.539	-1,2	0,0
Total	143.177	143.830	143.752	143.423	0,5	-0,3
The country as a whole	5.122.065	5.119.155	5.116.464	5.112.130	-0,1	-0,1
Non regional development municipalities:						
Aulum-Haderup	6.644	6.657	6.634	6.681	0,2	0,4
Børnby	56.033	55.905	55.927	55.923	-0,2	0,0
Holstebro	36.777	37.030	37.250	37.405	0,7	1,0
Hast	20.120	20.458	20.540	20.639	1,7	0,9
Total	119.574	120.050	120.351	120.648	0,4	0,5

Source: Danish Statistics

Table 2: Population development in the County of Ringkøbing

Municipality	0-16	17-64	65+	Total	0-16	17-64	65+	Total
Brande	2.080	5.088	1.259	8.427	24,7	60,4	14,9	100,0
Eqvad	2.466	5.916	1.370	9.752	25,3	60,7	14,0	100,0
Bolmstland	1.587	3.213	540	5.340	29,7	60,2	10,1	100,0
Lemvig	4.639	11.820	3.044	19.503	23,8	60,6	15,6	100,0
Ringkøbing	4.284	10.022	2.505	16.811	25,5	59,6	14,9	100,0
Skjern	3.147	7.331	2.039	12.517	25,1	58,6	16,3	100,0
Struer	4.892	11.655	2.382	18.929	25,8	61,6	12,6	100,0
Thyborøn-Harboøre	1.443	3.311	501	5.255	27,5	63,0	9,5	100,0
Thyholm	1.029	2.211	758	3.998	25,7	55,3	19,0	100,0
Trehøje	2.498	5.311	1.102	8.911	28,0	59,6	12,4	100,0
Ulfborg-Vemb	1.774	4.351	1.153	7.278	24,4	59,8	15,8	100,0
Videbæk	3.223	7.011	1.654	11.888	27,1	59,0	13,9	100,0
Vinderup	2.169	4.830	1.271	8.270	26,2	58,4	15,4	100,0
Åskov	1.798	3.895	846	6.539	27,5	59,6	12,9	100,0
Total	37.029	85.970	20.424	143.423	25,8	59,9	14,2	100,0
The country as a whole	1.124.085	3.226.474	761.571	5.112.130	22,0	63,1	14,9	100,0
Non regional development municipalities:								
Århus-Haderup	1.823	4.029	829	6.681	27,3	60,3	12,4	100,0
Herning	14.013	35.655	6.255	55.923	25,1	63,8	11,2	100,0
Holstebro	8.997	23.880	4.528	37.405	24,1	63,8	12,1	100,0
Ikast	5.589	12.958	2.092	20.639	27,1	62,8	10,1	100,0
Total	30.422	76.522	13.704	120.648	25,2	63,4	11,4	100,0
The whole country	67.451	162.492	34.128	264.071	25,5	61,5	12,9	100,0

Source: Danish Statistics

Table 3: Population, industry and incomes in the County of Ringkøbing and the country as a whole

November 1980 Municipality	Population		Work Force		Employment	
	Men	Women	Men	Women	Men	Women
Total						
Brønne	4.225	4.130	2.558	1.979	2.351	1.851
Lyng	5.101	4.735	3.177	2.144	2.953	1.994
Holmsland	2.710	2.438	1.779	1.089	1.678	1.033
Lemvig	10.123	9.681	6.193	4.146	5.773	3.813
Ringkøbing	8.375	8.257	5.217	3.837	4.877	3.575
Silkeborg	6.318	6.275	3.842	2.794	3.609	2.627
Struer	9.524	9.426	5.750	4.372	5.289	3.917
Thyborøn-Harboøre	2.709	2.508	1.739	878	1.600	760
Thyborøn	2.053	1.996	1.203	849	1.098	771
Frederik	4.629	4.283	2.758	2.020	2.536	1.872
Ulfborg-Vemb	3.805	3.529	2.237	1.549	2.064	1.418
Videbæk	6.146	5.765	3.628	2.515	3.340	2.335
Vinduså	4.283	4.054	2.615	1.786	2.446	1.626
Årskov	3.450	3.142	2.065	1.412	1.950	1.319
Total	71.459	70.219	44.761	31.430	41.569	28.911
The Country as a Whole	2.528.225	2.595.765	1.535.194	1.210.336	1.430.415	1.121.443
The Metropolitan Area	841.410	898.450	523.708	443.623	492.908	424.287
Non regional development municipalities:						
Århus-Municip	3.443	3.197	2.123	1.496	1.986	1.370
Herlev	27.531	28.477	17.109	14.406	15.733	13.405
Holstebro	18.381	18.602	11.351	9.077	10.613	8.275
Ikast	10.090	10.120	6.290	5.322	5.860	4.926
Total	59.444	60.396	36.873	30.301	34.192	27.976
Total						

Source: Statistical information, 1983 n. 7.

Table 4: Population and industry in the County of Ringkøbing and the country as a whole

Municipality	Agri- culture	Manufact- uring	Commerce	Other services	Total	Agri- culture	Manufact- uring	Comm- erce	Other services	Total
Brande	615	1.502	1.156	929	4.202	14,6	35,7	27,5	22,1	100,0
Egvad	1.361	1.104	1.158	1.324	4.947	27,5	22,3	23,4	26,8	100,0
Holmsland	884	548	780	499	2.711	32,6	20,2	28,8	18,4	100,0
Lemvig	2.309	2.282	2.358	2.642	9.591	24,1	23,8	24,6	27,5	100,0
Ringkøbing	1.500	2.318	2.210	2.424	8.452	17,7	27,4	26,1	23,7	100,0
Skjern	1.319	1.526	1.639	1.752	6.236	21,2	24,5	26,3	23,1	100,0
Struer	947	3.361	2.346	2.552	9.206	10,3	36,5	25,5	27,7	100,0
Thyborøn-Harboøre	518	671	662	508	2.360	21,9	28,4	28,1	21,5	100,0
Thyholm	468	480	393	528	1.869	25,0	25,7	21,0	28,3	100,0
Trehøje	1.125	1.306	881	1.096	4.408	25,5	29,6	20,0	24,9	100,0
Ulfborg-Vemb	966	739	857	920	3.482	27,7	21,2	24,6	26,4	100,0
Videbæk	1.294	1.906	1.153	1.322	5.675	22,8	33,6	20,3	23,3	100,0
Vinderup	1.013	1.261	794	1.004	4.072	24,9	31,0	19,5	24,7	100,0
Aaskov	836	1.124	580	729	3.269	25,6	34,4	17,7	22,3	100,0
Total	15.155	20.128	16.968	18.229	70.480	21,0	29,0	23,7	26,4	100,0
The country as a whole	197.594	680.310	791.050	382.904	2.551.858	7,7	26,7	31,0	34,6	100,0
The Metropolitan Area	12.105	209.255	339.059	256.776	917.195	1,3	22,8	37,0	33,9	100,0
Non regional development municipalities										
Aulum-Haderup	836	992	723	805	3.356	24,9	29,6	21,5	24,0	100,0
Herning	1.825	10.412	7.965	8.936	29.138	6,3	35,7	27,3	30,7	100,0
Holstebro	1.670	4.313	5.949	6.956	18.888	8,8	22,8	31,5	36,8	100,0
Lilke	982	4.910	2.461	2.433	10.786	9,1	45,5	22,8	22,6	100,0
Total	5.313	20.627	17.098	19.130	62.168	8,6	33,2	27,5	30,7	100,0

Source: Statistical information, 1983, n° 7.

Table 5: Population, and industry in the County of Ringkøbing and the country as a whole

	Number of taxpayers			Taxable income in DKr 1000			Average income per taxpayer (whole DKr)		
	1980	1982	1983	1980	1982	1983	1980	1982	1983
Brandø	6.579	6.674	6.588	324.569	395.870	443.066	49.334	59.315	67.253
Bovad	7.788	7.771	7.693	355.526	425.575	482.969	45.650	54.765	62.780
Holmsland	4.144	4.322	4.391	246.104	299.289	316.510	59.338	69.248	72.082
Lemvig	15.814	15.819	15.642	748.551	934.639	1.028.030	47.335	59.083	65.722
Ringkøbing	13.110	13.401	13.351	668.702	857.746	929.218	51.007	64.006	69.599
Skjern	9.859	9.985	9.928	473.361	584.878	652.342	48.013	58.576	65.707
Struer	14.759	15.027	15.086	773.113	981.249	1.083.028	52.382	65.299	71.790
Thyborøn-Harboøre	3.936	4.052	3.994	241.051	302.350	313.621	61.243	74.617	78.523
Thyholm	3.167	3.203	3.165	144.080	181.399	192.681	45.494	56.634	60.879
Trøjsgårde	6.657	6.762	6.767	302.059	386.842	439.701	45.375	57.208	64.977
Vilthorpe-Vemb	5.808	5.908	5.790	267.280	340.470	371.255	46.019	57.629	64.120
Videbæk	9.208	9.248	9.210	419.370	527.497	593.864	45.544	57.039	64.480
Vindrup	6.504	6.524	6.444	288.409	357.444	404.049	44.343	54.784	62.702
Åskov	5.029	5.048	5.006	219.951	275.793	319.995	43.737	54.634	63.922
Total	112.362	113.744	113.055	5.472.126	6.851.011	7.770.329	48.701	60.232	68.731
The country as a whole	4.166.945	4.204.320					57.433	69.862	75.687
Copenhagen and the municipality of Frederiksberg	490.903	497.123				40.742.785	66.978	81.376	81.957
Non regional development municipalities									
Aulum-Haderup	5.021	5.149	5.077	222.919	284.340	319.795	44.397	55.222	62.989
Borning	44.046	44.606	45.543	2.443.323	3.048.161	3.382.524	55.472	68.335	74.271
Holstebro	29.337	29.812	29.823	1.594.272	2.005.731	2.189.124	53.343	67.279	73.404
Ikast	15.616	16.136	16.145	790.601	1.033.536	1.161.820	50.628	64.052	71.962
The country as a whole	206.382	209.447	209.643	10.523.241	13.222.779	14.823.592	50.989	63.132	70.709

Table 6: Industrial development in the County of Ringkøbing

Municipality	Number of under- takings	Total person- nel 1980	Of which salaried workers	Number of under- takings i 1983
Brande	17	1.077	291	21
Eqvad	15	686	120	13
Holmsland	8	207	36	7
Lemvig	29	848	153	27
Ringkøbing	34	1.477	356	40
Skjern	27	889	189	23
Struer	31	3.128	905	27
Thyborøn-Harboøre	9	728	201	13
Thyholm	3	52	13	3
Trehøje	18	495	93	19
Ulfborg-Vemb	13	384	50	16
Videbæk	23	1.012	204	22
Vinderup	18	527	85	16
Aaskov	13	642	104	14
Total	258	12.152	2.800	261
As % of the country as a whole	3,9	3,2	2,6	4,0
The country as a whole	6.684	384.330	107.661	6.571
Non regional development municipalities				
Aulum-Haderup	19	443	59	23
herring	191	6.967	1.434	200
Holstebro	53	3.955	674	56
Ikast	123	3.390	562	133
The country as a whole	644	26.007	5.599	673

Source: Danish Statistics, Industrial statistics

Investment overview 1986-1990 of the projects for which assistance
could be sought from the EEC's Regional Fund (for guidance only)

in Dkr 1000

Project	Municipality	Invest- ment 1985-DKr	Investment period					ERDF subsidy
			1985	1986	1987	1988	1989	
<u>Projects which have been allocated assistance from the ERDF for 1985:</u>								
1. Experimental project concerning information and communications systems	Egvad, Lemvig, Struer and the County of Ringkøbing	5,820		2,090	3,730			2,910
2. Widening of chamber sluice in Hvide Sande	Holmsland, Ringkøbing and the County of Ringkøbing	15,000		15,000				5,900
3. Establishment of new repair quay in Lemvig	Lemvig	7,200			7,200			3,600
<u>Projects which have been given priority for assistance from the ERDF in 1986:</u>								
1. Enlargement of pier in Struer Harbour	Struer	3,500						1,750
2. Extension of North West Jutland's Fishing College	Thyborøn-Harboøre (independent institution)	1,855			1,855			870
3. Deepening of approach to Lemvig harbour	Lemvig	1,900						950
4. Modernization of Old Harbour in Lemvig	Lemvig	1,000			1,000			500
5. Establishment of road to the east of Vildbjerg	Trehøje	3,050			3,050			915
6. Development of industrial site at Tvaermosen	Vindrup	2,430						900

X. REGIONAL DEVELOPMENT PROGRAMME - THE COUNTY OF RIBE

Introduction

The County of Ribe is characterized by the fact that it contains a provincial centre, a number of small urban communities and several very sparsely populated areas.

The County of Ribe covers an area of 3130 km² and has a population of approx. 216 000 inhabitants.

The area of the county is a good 7% of the area of the country as a whole, but the population only amounts to approx. 4% of the population of the country as a whole.

Administratively, the county is divided into 14 municipalities, the largest of which - Esbjerg - has approx. 81 000 inhabitants.

6 municipalities have between 10 000 and 20 000 inhabitants while the remaining 7 municipalities have less than 10 000 inhabitants. The smallest municipality in the county is Fanø with approx. 3 100 inhabitants.

The demarcation of the regional development areas was changed in 1982 with effect from 1st January 1983 but with certain transitional arrangements.

Before the changes 10 of the municipalities in the county were within the "general regional development area". On the other hand the "special regional development areas" did not include any areas within the County of Ribe. The 10 municipalities were Blåbjerg, Blåvandshuk, Bramming, Esbjerg, Fanø, Helle, Holsted, Ribe, Varde and Ølgod.

After the changes only 4 municipalities (Bramming, Fanø, Holsted and Ribe) remained in the "general regional development area". In addition the classification of Fanø and the island Mandø were increased to that of "special regional development area". The

remaining 6 municipalities were no longer included as regional development areas. Esbjerg and Helle were excluded as from 1st January 1983 and Blåbjerg, Blåvandshuk, Varde and Ølgod with effect from 1st January 1984.

Since 1st January 1985 the four current regional development municipalities have been included by the Government in the regions which can receive assistance from the European Regional Development Fund.

The regional development areas cover approx. a quarter of the area of the county (767 km²) but only a fifth of the county's inhabitants (approx. 41 000) live in these areas.

The Regional Plan, 1980-91

One of the main targets of the Regional Plan proposal for the County of Ribe is to ensure the possibility for the development of industries and services in the South West Jutland region with Esbjerg as an alternative location to the 3 largest cities in the country. In the Regional Plan for 1980-91 a network of towns has been designated - a provincial centre (Esbjerg), regional centres (Grindsted, Ribe, Varde and Vejen), municipal centres and local centres of regional importance. In addition a number of possible local centres have been designated.

Regional Plan proposals 1985-96

In the Regional Plan proposals for 1985-96 the County Council has carried out an updating and supplementing of the approved Regional Plan for 1980-91 for the County of Ribe and has extended the period during which the plan is valid.

The main structure for the region's urban development laid down in the Regional Plan for 1980-91 is to be maintained and where possible strengthened in the Regional Plan proposals for 1985-96.

1. Social and economic development

a. General development, 1980-84

Population development

Table 1.1 Population development 1.1.1981 - 1.1.1985

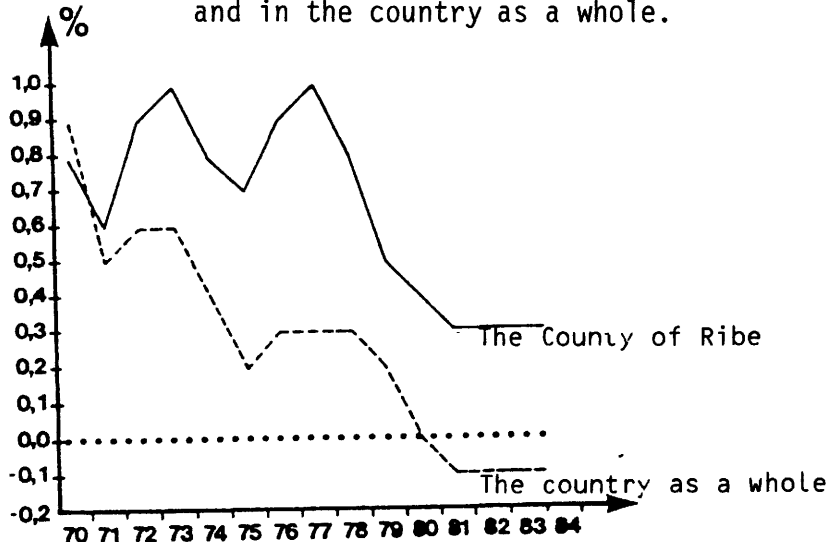
Areas	1981	1985	1/1 - 1/1 1981-1985	1981-85
Areas qualifying for ERDF assistance*	40 601	40 730	129	0.3
The county	213 503	215 405	1 902	0.9
The whole country	5 123 989	5 111 108	-12 881	-0.25

* The areas excluded from the regional development areas in 1983 are not included in the figure for 1981 either.

Source: D.S.: The population in the municipalities as of 1st January of the years concerned.

On 1st January 1985 the County of Ribe had 215 405 inhabitants, which is an increase of 1 902 compared to 1981. This corresponds to an average annual increase of 0.2%. In the previous decade (1970-80) the average annual increase was 0.8%. The County of Ribe has still a positive increase in population although the increase is slowing down and approaching stagnation.

Figure 1.1 Percentage increase in population in the County of Ribe and in the country as a whole.



Source: Statistical information, various years.

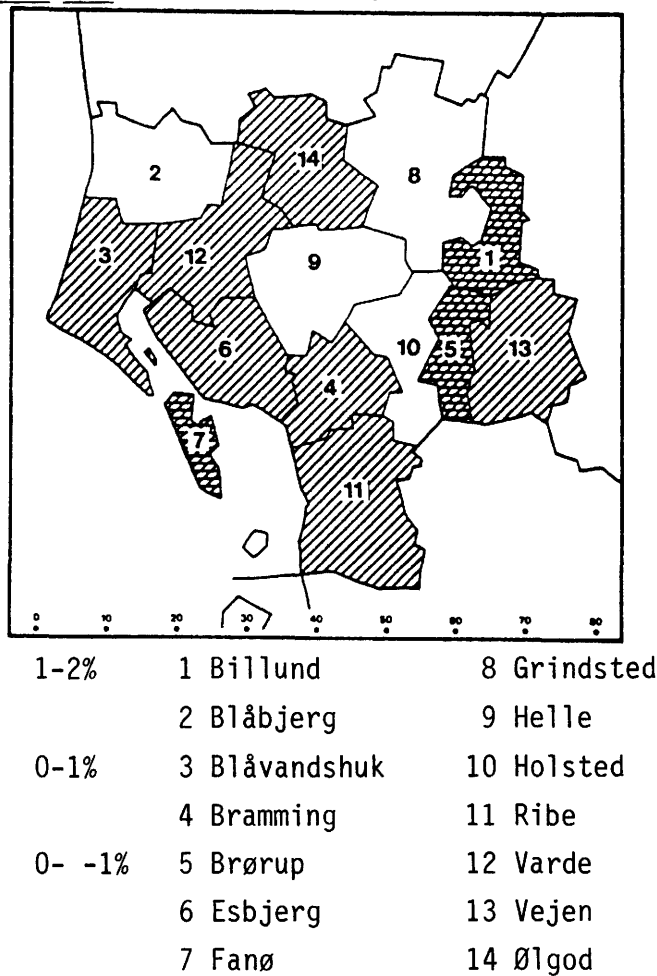
Compared with the rest of Denmark, the County of Ribe is above the national average since the average annual growth for the country as a whole was approx. -0.1% for the period 1982-84. The fall in the rate of growth in the population for the County of Ribe began in 1978 while the country as a whole has had a falling rate of growth for the whole period 1970-84. However, development seems to have stabilized during the period 1982-84 at 0.3% for the County of Ribe and -0.1% for the country as a whole.

As Figure 1.2 shows, the growth in population was not evenly distributed between the municipalities in the county.

In the period 1980-84 the municipality of Fanø was the only regional development area to have had a growth rate over 1%, which is somewhat above the average for the county.

For the municipalities of Ribe and Bramming the annual average growth rate was somewhat lower, with a growth rate of 0.2% and 0.6% respectively during the same period.

Figure 1.2 Average annual growth rate 1980-84 divided by municipality



Source: Statistical information 1980-84

The municipality of Holsted is the only regional development municipality to have had negative population growth in the period with a fall of -0.9%.

Table 1.2 shows the distribution of the population as a percentage by selected age groups in the County of Ribe and in the four regional development municipalities.

Table 1.2 The distribution of the selected age groups as a percentage as of 1st January 1984.

	0-16	17-24	25-59	60-	Total
Bramming	26.2	12.6	44.2	17.0	12 719
Fanø	23.6	11.2	45.2	20.0	3 111
Holsted	25.0	12.2	42.4	20.4	6 890
Ribe	23.5	13.0	44.5	19.0	18 153
The County of Ribe	24.6	12.9	44.6	18.0	215 247
The country as a whole	22.0	12.4	15.4	20.2	5 112 122

Source: Danish Statistics: Population forecasts 1984-2000.

It is characteristic for the regional development municipalities that there are relatively small fluctuations in the selected age groups compared with the County of Ribe.

For the municipality of Bramming it is the case that the population is relatively the youngest among the selected areas. This is due to a relatively high birth rate compared with the other municipalities.

The population of the municipality of Fanø is relatively older than the average for the county and for the three other municipalities. This is due to a migration surplus among the 25-45 age range. It should also be noted that the percentage of the 17-24 age group is the smallest of the selected municipalities.

The population distribution for the municipality of Holsted shows that the municipality has the largest percentage of the oldest age group of the selected municipalities. In addition it can be seen that the percentage of the population of working age is relatively the smallest in the regional development municipalities in the County of Ribe.

The municipality of Ribe has relatively the lowest percentage of the youngest age groups but the age distribution is not significantly different from the average for the county.

Employment

The following is a short account of the development in employment divided by main industry with the stress upon the regional development municipalities.

Table 1.3 Numbers in employment with residence in the areas concerned.

Areas	Agriculture etc.		Manufacturing, building, construction		Service, transport, commerce		Total	
	Absolute	%	Absolute	%	Absolute	%	Abs.	%
Qualifying for ERDF assistance*								
1981**	3.516	18,0	4.453	22,8	11.586	59,2	19.555	100
1983**	3.475	17,1	4.601	22,7	12.220	60,2	20.296	100
1981-83***	-41	-1,2	148	3,3	634	5,5	741	3,8
The county								
1981**	14.197	13,8	28.273	27,5	60.476	58,7	102.946	100
1983**	13.890	13,0	29.868	28,0	63.015	59,0	106.773	100
1981-83***	-307	-2,2	1.595	5,6	2.539	4,2	3.827	3,7
The country as a whole								
1981**	195.743	7,6	649.559	25,2	1.730.028	67,2	2.575.330	100
1983**	189.472	7,5	640.827	25,2	1.712.403	67,3	2.542.702	100
1981-83***	-6.271	-3,2	-8.732	-1,3	-17.625	-1,0	-32.628	-1,3

* The areas excluded in 1983 are not included in 1981 either.

** Relative share

*** Percentage increase

Source: D.S.: Statistical information, labour market statistics and already published service tables from D.S.

Agriculture etc.

During the period 1981-1983 the number of farms fell by approx. 3% per year on a national basis.

With the exception of Fanø the number of people in employment fell in the years 1981 to 1983. For the county as a whole employment in agriculture etc. fell by approx. 2.2%.

All the regional development municipalities, with the exception of Fanø, had relatively more people employed in agriculture than the industry's percentage for the County of Ribe.

The municipality of Holsted in particular stood out with almost a third of the work force employed in agriculture. The industry was the largest user of manpower in the municipality.

Manufacturing industries etc. and building and construction industries

Compared to the national average, the percentage of employment in all the regional development municipalities was lower in the industries concerned. The municipalities of Ribe and Fanø had the lowest percentages with approx. 15% of those in employment in the secondary sectors. In the municipalities of Bramming and Holsted the percentage was approx. 3% lower than the average for the county.

Commerce, transport and finance

It is noted that the municipalities of Holsted and especially Fanø experienced a growth in employment in the industries concerned.

The other regional development municipalities' percentage of employment in the industrial area is on a par with the percentage for the county.

Commuting in the regional development municipalities in 1981

The following is an account of absolute commuting for the individual regional development municipalities divided by the type of industry of the people employed. By considering commuting into and out of a municipality and net commuting, a rough indication is given of the

relationship between the number and industrial breakdown of those in employment and the employment opportunities in the home municipality. This assumes that those in employment would prefer as short a time as possible to be spent travelling between home and workplace and for the journey to be as cheap as possible. This hypothesis can be counteracted to some extent by the fact that some people looking for work accept a relatively long journey from home to work determined by the possibility of or choice of home location.

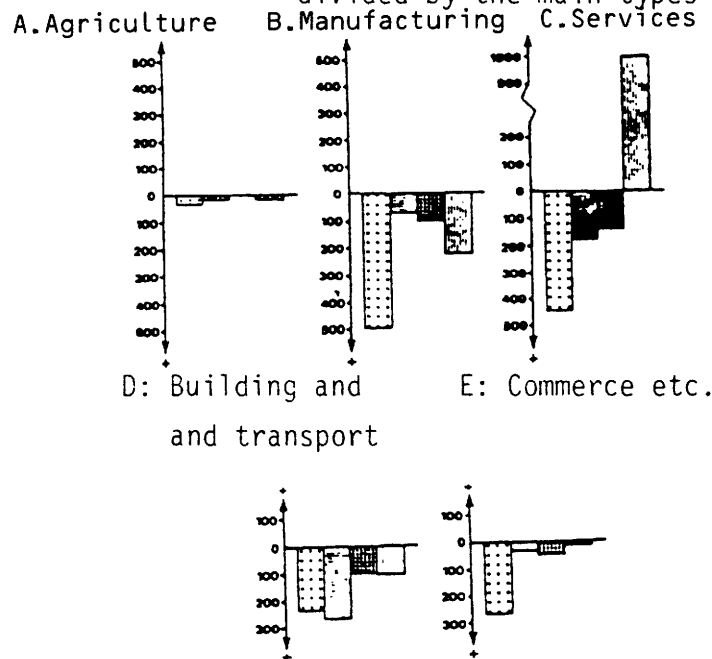
Table 1.4 Number of commuters in the municipalities divided by the main types of industry.

1981	Agriculture	Manu- facturing	Building & transport, etc.	Commerce	Services	Total
<u>Bramming</u>						
Commuting into area	33	130	169	116	244	692
Commuting out of area	69	624	407	383	686	2 172
<u>Fanø</u>						
Commuting into area	2	2	10	37	53	104
Commuting out of area	21	74	274	71	232	645
<u>Holsted</u>						
Commuting into area	55	193	40	99	127	514
Commuting out of area	55	294	141	148	267	905
<u>Ribe</u>						
Commuting into area	42	104	142	158	1 566	2 015
Commuting out of area	63	326	248	172	567	1 376

Source: D.S.: Statistical Information, 1984:6

From Table 1.4 it can be seen that for the municipalities of Bramming and Fanø there are more people in employment who travel out of the municipalities every day than there are people who travel into the municipalities. The same applies to the municipality of Ribe when the commuters who are employed in the "services" category are discounted. Within this category the commuting balance is so much in favour of the municipality of Ribe that the excess results in a larger number of commuters coming into the municipality than commuters going out.

Figure 1.3 Net commuting in the regional development municipalities divided by the main types of industry, 1981.



KEY:

- The municipality of Bramming
- The municipality of Fanø
- The municipality of Holsted
- The municipality of Ribe

Figure 1.3 shows the difference between absolute commuting into and out of the regional development municipalities divided by main types of industry.

- A. With the exception of the municipality of Holsted the regional development municipalities had modest negative net commuting within agriculture. The municipality of Holsted had zero net commuting within the industry.
- B. Within the manufacturing industries net commuting was negative in all the municipalities. The municipality of Bramming stood out with a commuting deficit among those employed in the industry of 494 people resident in the municipality. It is presumed that a great number of these commuters work in the municipality of Esbjerg.

- C. Except for the municipality of Ribe, which as previously mentioned had positive net commuting in the service industries, the other municipalities had negative net commuting. Again the municipality of Bramming stood out with relatively large negative net commuting of 442 people. Again it is presumed that a great number of these commuters work in the neighbouring municipality of Esbjerg.
- D. In the building and transport industries all the regional development municipalities had negative net commuting. The municipalities of Fanø and Bramming had commuting deficits of 264 and 238 people respectively. The municipalities of Holsted and Ribe each had a deficit of approx. 100 people.
- E. The commuting deficits for those employed in commerce etc. for the municipalities of Fanø, Holsted and Ribe were limited in the year in question. However the commuting deficit for the municipality of Bramming was 267 people.

Summary

It is characteristic that the regional development municipalities in general have negative net commuting. The exception to this is the municipality of Ribe which has an industrial structure dominated by the service industries. Here there is corresponding positive net commuting into the municipality within this type of industry.

Income development

This section gives a brief account of the income development in the regional development municipalities compared to income development in the County of Ribe and in the country as a whole. This account utilizes the gross income which is expressed in DKr per taxpayer. In addition there will be an account of the growth in taxable income which is calculated by deducting tax allowances from gross income. Taxable income is also expressed in DKr per taxpayer. Finally the development of the number of taxpayers in the above areas is shown as a percentage.

Table 1.5 Growth in gross income.

	1981	1982	1983	1981-83
Bramming	74 701	84 495	91 967	17 266
Fanø	75 966	84 148	93 574	17 608
Holsted	70 195	79 939	86 599	16 404
Ribe	75 112	84 514	92 663	17 551
The County of Ribe				
	78 003	87 629	94 876	16 873
The country as a whole	81 134	90 739	97 459	16 235

Source: The National Association of Municipalities,
Municipal statistical information, various years.

As Table 1.5 shows, gross income in the County of Ribe was below the national average for the three years 1981-83. The regional development municipalities' gross income was even lower than the county level during the period, and the municipality of Holsted had the lowest income level.

Gross income development in the regional development municipalities was equalized a little during the period in relation to the increase in the rest of the country, in that the increase in income was higher than the increase for the country as a whole.

Compared to the other municipalities the municipality of Holsted had the lowest increase in gross incomes. The three other municipalities were above the county average.

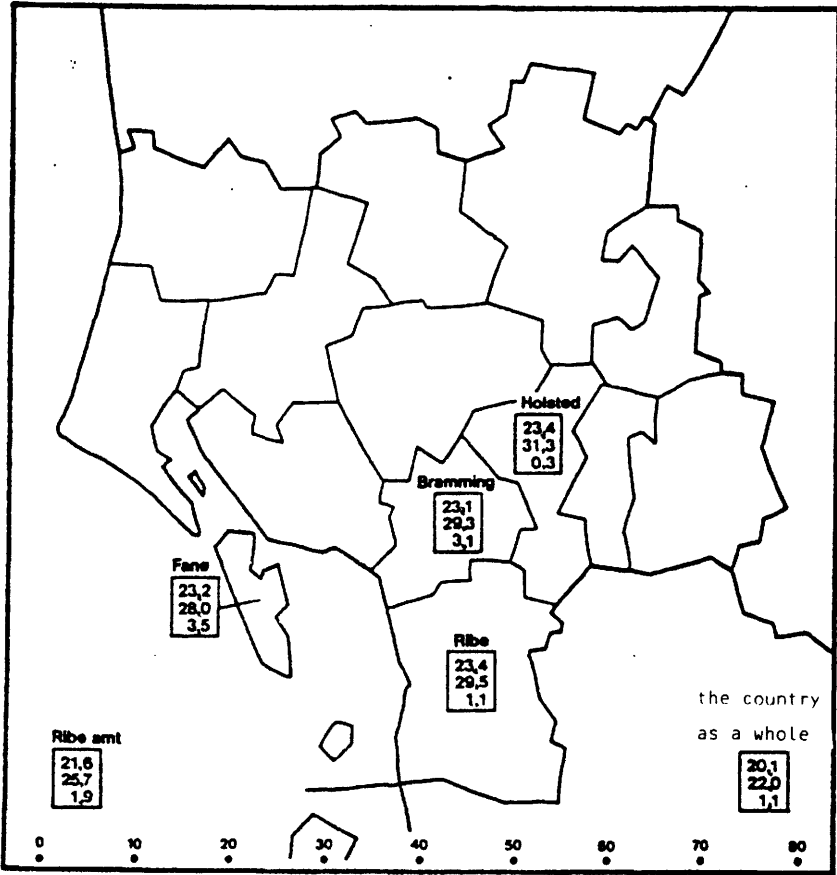
Table 1.6 Growth in taxable income.

	1981	1982	1983	1981-83
Bramming	50 892	57 731	65 828	14 936
Fanø	53 851	60 694	68 926	15 075
Holsted	45 439	53 030	59 678	14 239
Ribe	52 350	59 877	67 785	15 435
The County of Ribe	56 330	64 022	70 795	14 465
The country as a whole	62 043	69 697	75 687	13 655

The growth in taxable income in the County of Ribe follows with small deviations the growth in gross income, as can be seen from Tables 1.5 and 1.6. The taxable income in the regional development municipalities was at a lower level during the period than the level for the County of Ribe and for the country as a whole. It can also be seen from Table 1.6 that the taxable income level for the County of Ribe was lower than the level for the country as a whole.

During the period the regional development municipalities came slightly nearer to the national average since growth in the municipalities (and in the county as a whole) was above the growth in taxable income for the country as a whole. Only the municipality of Holsted had a lower growth in taxable income than the county average during the period.

Figure 1.4 The changes in income growth during the period 1981 to 1983 shown as percentages.



Explanation:

22.9	Growth in gross income as %
29.8	Growth in taxable income as %
2.7	Growth in number of taxpayers as %

Source: Municipal statistical information, various years.

In conclusion concerning income growth, Figure 1.4 shows the percentage changes in gross income and taxable income. It also shows the percentage growth in the number of taxpayers in the areas.

The percentage growth in gross income in the regional growth municipalities was a good 3% above growth for the country as a whole and just under 2% above the county average in the period 1981 to 1983.

The percentage growth in the taxable income in the municipalities was between 6% and 9% above growth for the country as a whole and approx. 2-6% above growth in the average taxable income for the county.

Unemployment

This section gives a brief account of the development in unemployment in the regional development municipalities compared to unemployment in the County of Ribe and in the country as a whole in the period 1981 to 1984.

Table 1.7 Unemployed converted to full-time unemployed as a % of the number insured.

Areas	1981		1984		1981-1984*
	Absolute	%	Absolute	%	%
Qualifying for ERDF assistance**	1 649	14.1	1 980	13.3	20.1
The county	9 782	13.8	10 852	13.8	10.9
The country as a whole	216 588	12.3	240 051	12.9	10.8

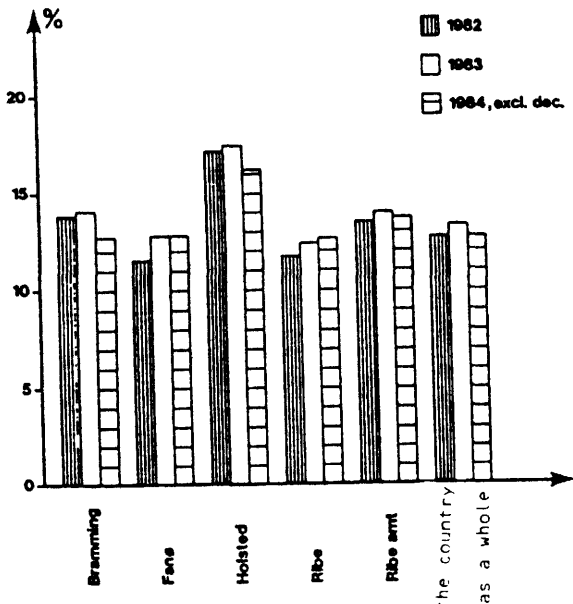
* Relative change in unemployment

** The areas which were not included in 1983 are not included in 1981 either.

Source: D.S.: Unemployment statistics.

Figure 1.5 shows the annual average unemployment percentage for the above areas, where the unemployed are converted to full-time unemployed as a percentage of the number insured.

Figure 1.5 The average annual unemployment percentage in the period 1982 to 1984.



Source: Danish Statistics, Unemployment Statistics, various years.

The unemployment percentage for the County of Ribe was 0.9% higher throughout the period than the average percentage for the whole country. The development of the unemployment percentage was the same throughout the period, where unemployment in both areas came to a peak in 1983 followed by a fall in 1984.

Unemployment developed in the same way in the municipality of Bramming as in the county. In 1982-83 the unemployment percentage was higher than the county's but in 1984 the unemployment percentage reached a lower level than for the county as a whole.

During the whole period the unemployment percentage for the municipality of Fanø was at a lower level than the county level. From 1983 to 1984 unemployment fell only a little compared to the relative improvement in employment for the county in the same period.

In 1982 and 1983 the unemployment percentage for the municipality of Holsted was a good 3% higher than for the county. In 1984 there was

a relative improvement, in that unemployment was then approx. 2.5% higher than the percentage for the County of Ribe.

In the three years from 1982-84 unemployment was at a relatively lower level in the municipality of Ribe than both the county and national average. Unlike the other municipalities, the unemployment percentage rose in the municipality of Ribe during the period.

b. The most important areas which are characterized by a lack of equality in the region and the reason for this.

The fall in employment in the private sector has been greater in the municipalities of Holsted and Bramming than in the county as a whole. The fall has been a little less in the municipality of Ribe and Fanø has had a small increase in employment.

The percentage fall in total employment is at the same level in the municipalities of Bramming and Ribe as in the county as a whole, while employment in Holsted has fallen somewhat more. In the municipality of Fanø there has been a slight increase.

Employment is relatively high in agriculture (apart from Fanø), while employment in manufacturing industries and commerce etc. is lower than in the county as a whole.

There are relatively many people employed in types of industry which are in recession, for example foodstuffs, timber, stone, glass and pottery.

There are insufficient training opportunities for both young people and the unskilled.

Average incomes during the period (gross income as well as taxable income) were lower in the County of Ribe than in the country as a whole and even lower in the four regional development municipalities, even though relative income growth from 1981 to 1983 was slightly greater in the regional development municipalities (apart from Holsted) than in the county as a whole.

c. Measures during the period 1982-85

Regional development assistance

To improve industrial development in the regional development areas the public sector has invested considerable amounts, partly in improving public services and partly in infrastructure projects.

The following assistance was provided in the County of Ribe during the years 1982-85:

DKr 1000	Capital loans (section 6)	1) Industrial building loans (section 9)	1) Investment subsidies (section 10)
1982	22 900	2 700	—
1983	24 700	1 500	—
1984	6 600	200	—
1985	—	—	2 900

The assisted investments have resulted in the creation of the following number of jobs:

1982	1983	1984	1985
224	137	43	77

- 1) Capital loans, industrial building loans and investment subsidies in 1983 and 1984: in accordance with law 219/1972, sections 6, 9 and 10 respectively.
Capital loans were discontinued in 1985.
Industrial building loans and investment subsidies in 1985: in accordance with law 88/1985, sections 7 and 6 respectively.

Road improvements

During the period the County Council of Ribe invested approx. DKr 110 million in extending and improving the main road network for which the County Council is the highways authority.

The largest single investment (approx. DKr 50 million) was for the new main road construction work in the Esbjerg area as the County Council's contribution to the improvement of the infrastructure in and around the provincial centre.

The remaining investments in the main road network were used for improving standards, work to promote road safety and footpath construction work in accordance with the County Council's plans for establishing regional cycle routes.

A large number of municipal roads have also been improved, especially in connection with the development of industrial sites.

Combatting unemployment

During the period 1980-84 the County Council implemented a number of measures to encourage employment designed to improve the employment situation for young people in particular.

It should be noted that during the period the County Council of Ribe spent considerably larger amounts on these measures than the obligatory amount according to legislation; cf. Diagram 1.

The County Council created a number of training/practical places in various county institutions.

In addition a large number of subsidies were granted for establishing training/practical places in private undertakings. Table 1.7 shows the number of training/practical places for young people who are resident in the regional development municipalities which have been established with subsidies.

Diagram 1 Measures to encourage employment 1980-84

	1980	1981	1982	1983	1984
Planting in the County of Ribe	2 369 605	2 620 513	2 364 407	1 605 848	962 977
Project at Askersbølgaard	2 224 045	2 275 570	2 383 044	978 014	1 350 551
Employment of young people at own institutions	472 457	440 881	30 687	227 492	185 924
Subsidies for training/practical places in private undertakings	7 327 149	6 468 976	12 008 546	13 683 624	14 501 842
Training/practical places in own institutions	151 918	581 565	2 007 907	1 976 629	1 032 416
Courses for young people	1 342	270 138	130 929	340 592	56 384
Subsidies for municipal projects	383 972	0	0	0	0
Training of nurses	0	1 242 357	1 303 457	0	0
Subsidies for "starting up" courses	0	0	0	40 000	40 000
Subsidies for private job creation projects	0	0	0	0	246 272
Total	12 930 488	13 900 000	20 228 977	18 852 199	18 376 366
According to law n°488 the following amount should be reserved:	4 864 316	5 315 600	5 978 084	12 846 240	13 526 100
During the same period the following amount was received as a subsidy from the EEC Social Fund	503 939	44 999	1 391 275	1 325 741	Estimated 1 000 000

Finally in 1983 and 1984 the county granted subsidied for "starting up" courses, that is courses for people who want to start up their own businesses.

Table 1.8 The number of training/practical places in private undertakings for young people resident in the regional development municipalities which were established with subsidies, 1980-84.

	1980	1981	1982	1983	1984
Bramming	37	45	92	115	77
Fanø	9	3	8	11	12
Holsted	14	16	50	68	51
Ribe	32	53	84	158	105
Total	92	117	234	352	245

d. Development potential and conditions and probable development up to 1990

Expected population development

During the period 1984-1990 it is expected that the population in the County of Ribe will increase from 215 247 to 217 356 - an increase of 2109 inhabitants or approx. 1%.

Below is given the expected population development for the regional development municipalities in the County of Ribe during the period 1984-1990 according to Danish Statistics' Population Forecast for 1984-2000:

- the municipality of Bramming: population growth of 226 inhabitants. An increase of 1.8%.
- the municipality of Fanø: population growth of 212 inhabitants. An increase of 6.8%.
- the municipality of Holsted: population growth of -132 inhabitants. A fall of -1.9% and
- the municipality of Ribe: population growth of 37 inhabitants. An increase of 0.2%.

The expected population development in the regional development municipalities and in the County of Ribe for the period 1986-1990 divided between the selected age groups can be seen in Table 1.8.

The municipality of Bramming will have a relatively larger percentage of the youngest age groups in the period, compared with the percentage for the County of Ribe. Conversely the percentage of the older age groups is smaller than the county's during the period, but there is a tendency towards a slight increase.

The productive age group in the municipality of Fanø is expected to increase during the period, compared with the other age groups. It can also be seen that this group is relatively larger than in the county as a whole.

Table 1.9 Forecast of the population development of the age groups in the regional development municipalities and in the County of Ribe, 1986-1990.

As %	0-16	17-24	25-59	60-	Total
<u>Bramming</u>					
1986	25.2	12.8	44.7	17.3	12 798
1988	24.7	12.4	45.5	17.4	12 869
1990	24.0	12.1	46.6	17.4	12 945
<u>Fanø</u>					
1986	23.1	11.5	46.2	19.2	3 191
1988	22.8	11.2	47.0	19.0	3 264
1990	25.4	10.9	48.5	18.2	3 323
<u>Holsted</u>					
1986	24.0	12.4	42.9	20.6	6 840
1988	23.3	12.5	43.9	20.4	6 796
1990	22.4	12.3	44.9	20.3	6 758
<u>Ribe</u>					
1986	23.1	12.7	45.2	19.1	18 181
1988	22.7	12.5	45.7	19.1	18 179
1990	21.9	12.4	46.4	19.3	18 190
<u>The County of Ribe</u>					
1986	23.7	12.8	45.2	18.4	216 052
1988	23.1	12.5	46.0	18.4	216 737
1990	22.3	12.3	46.8	18.6	217 356

Source: Danish Statistics, Population Forecast 1984-2000.

Calculation 1.

Finally it is expected that the part of Fanø's population of student age (the 17-24 year olds) will be less than in the county during the period.

In the case of the municipality of Holsted it is expected that the older age groups will be approx. 2% higher than the county's during the period. In addition the percentage of the productive age groups will be approx. 2% lower than the percentage for the corresponding age group for the county.

The 0-24 age group's relative percentage of the population is close to the county's percentage during the period.

The youngest part and the part of the population of student age in the population of the municipality of Ribe compared to the corresponding age groups for the county are a little smaller than the county percentages during the period. Conversely the percentage of older age groups in the municipality of Ribe is approx. 0.5% higher than the county percentage during the period.

The percentage of the population of student age and the productive percentage of the population are distributed approximately in accordance with the distribution for the County of Ribe.

Summary of development in the age groups in the period 1986-1990

To sum up it can be observed from Table 1.8 that there is a general tendency in the county and the municipalities for the percentage of the 0-16 age group to become smaller. The exception to this is the municipality of Fanø, where an increase in this age group is expected. This must be attributed to expected migration to the island.

For the productive age group it can be observed for all the regional development municipalities and for the County of Ribe that the age group's percentage of the total population increases.

Finally it is expected that that percentage of the age group of student age will fall in all areas in comparison with the total population.

Population development up to 1990

It is a general phenomenon in Denmark that the birth rate will fall in the years to come. This is of significance for population development, since the birth rate is an important demographic determining factor.

2. Development targets

In accordance with the law concerning national and regional planning the County Council of Ribe prepared a "Regional Plan 1980-91 for the County of Ribe" in January 1980.

As a follow-up to this work the County Council have prepared a "2-year statement - status as of 1st January 1982" and a discussion proposal concerning a "Regional Plan 1985-1996" (supplement to the Regional Plan 1980-91), in November 1984.

The 2-year statement contains an account of the development which has taken place in the county and an evaluation of whether development has been in accordance with regional planning or has otherwise influenced it.

The Regional Plan and the supplement to this contain a number of targets for development in the region and guidelines for municipal planning.

a. General targets

The main principles for urban development and the improvement of the infrastructure in the County of Ribe were laid down in the Regional Plan for the County of Ribe 1980-91 which was passed by the County Council and approved by the Minister for the Environment.

The principles are expressed in the so-called Traffic band outline, which was one of three alternative outlines which were put forward for debate among the public authorities and the municipal authorities in the winter of 1977/78.

The main themes of the Traffic band outline are:

that Esbjerg is to be developed as a provincial centre,

that Grindsted, Ribe, Varde and Vejen are established as regional centres and

that along the traffic arteries between these five towns and along the private railway from Varde to Nr. Nebel it is desirable to strengthen urban development in a number of small towns (municipal centres and local centres of regional importance).

It is wished to maintain this main principle in the present supplement to the Regional Plan 1985 which sets frameworks for development beyond 1991 up until the end of 1996 and forms the starting point for several of the more detailed guidelines in the supplement.

With the aim of strengthening and promoting the realization of the intentions of the Regional Plan concerning the development of Esbjerg as a provincial centre and thereby an alternative location for trade and industry, stress is to be put upon:

- continued improvements to Esbjerg Harbour,
- improvements to the main A1 road between Esbjerg and the East Jutland Motorway,
- development and improvements to the railways' passenger and freight traffic service and
- the development of education and research institutions in Esbjerg, including the South Jutland University Centre.

At the same time an effort must be made to utilize regional development loans and subsidies and resources from the EEC's Regional Fund to promote improvement of the region's infrastructure.

In addition the County Council has formulated a number of guidelines/partial targets in a number of fields.

It is a target to safeguard the best agricultural land for continued agricultural use, so that stress is to be laid upon limiting the use of agricultural land for urban development, recreational use and the like. Guidelines have been prepared with the aim of safeguarding irrigation capabilities and the potential for extracting important raw materials.

In addition stress will be laid upon safeguarding valuable natural areas and sites for recreational use and open-air activities.

In this connection stress will be laid upon developing tourism with regard to considerations to do with nature.

In order to encourage the area's development potential it is the intention in the future to work on developing alternative forms of energy and supply systems.

With the intention of encouraging regional urban development and the improvement of the main infrastructure, in June 1984 the County Council changed the criteria for the municipalities' loans from the tax fund, so that half of the resources of the fund can be loaned out for the establishing of one or more main technical installations which the County Council considers to be of vital importance for the region and/or society.

b. Specific targets

The regional urban pattern

In the approved Regional Plan the regional urban pattern is laid down with one provincial centre and four regional centres.

In addition a municipal centre has been designated in each of the other municipalities and the Minister for the Environment has approved a number of local centres of regional importance.

Provincial centre

The present and future main centre for the region and the province, Esberg, has a considerable percentage (about 40%) of the population of the region and an equally large percentage of the region's jobs are to be found here. The town contains a number of service facilities serving the region and the province such as central hospitals, training institutions for 20-25 year olds and a university centre as well as cultural facilities - museums, symphony orchestras etc. Esbjerg Harbour is of great importance for the province and for a large part of the rest of the country, as an export harbour.

Regional centres

The region's regional centres are Ribe, Varde, Grinsted and Vejen. These towns, which have between 6 000 and 12 000 inhabitants, provide public and private training institutions for the 16-19 age group, hospitals, varied shopping facilities, the professions etc. for a catchment area consisting of several municipalities and between 25 000 and 35 000 inhabitants. Like the provincial centre the regional centres are places where jobs are concentrated and the region's public transport is to a great extent arranged to connect the regional centres with their respective catchment areas.

Municipal centres

Billund, Nr. Nebel, Oksbøl, Bramming, Brørup, Nordby, Holsted, Årre and Ølgod are the region's municipal centres. These towns differ from each other in the number of inhabitants and the provision of service facilities but they all have certain common features. They all have a varied selection of large shops and have education and health facilities (schools with 1st to 10th forms, doctors and dentists), the professions (e.g. lawyers and accountants) and the municipal administration is situated here.

Certain of these municipal centres - Billund, Brørup and Bramming - contain facilities which serve a catchment area which extends beyond the boundaries of the municipality.

With regard to jobs the municipal centres - with the exception of Billund - are characterized by the tertiary industries and as a rule they are the location for a concentration of jobs for the immediate surrounding area, that is the municipality.

Local centres

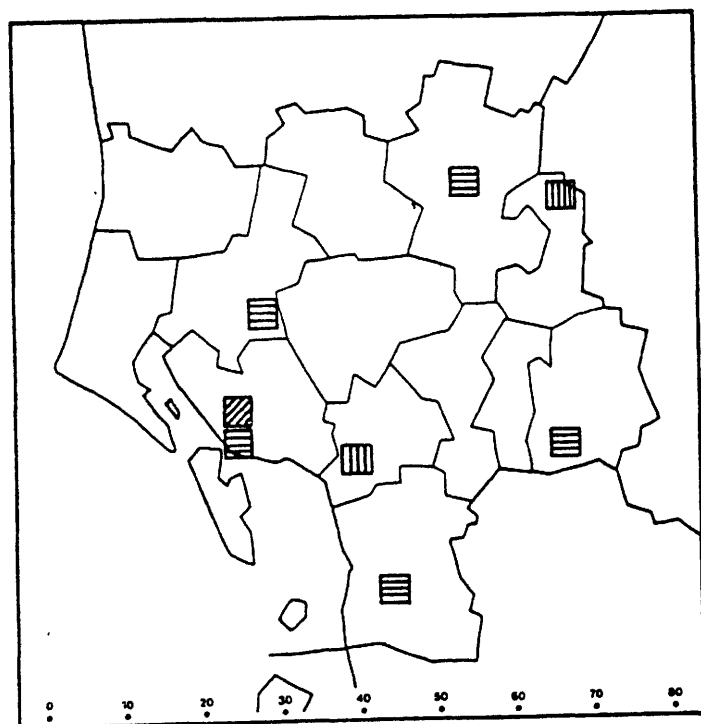
Local centres are to be designated in connection with municipal planning. The Minister for the Environment has however approved 12 towns as local centres in connection with the approval of the Regional Plan, since it was felt that these towns were of regional interest for urban development with the aim of ensuring the main structure of the Regional Plan.




Industrial sites. R-zones

With the aim of ensuring location possibilities for industry, institutions etc. of major regional importance guidelines are laid down in the Regional Plan concerning the allocation of sites for so-called R-zones in the provincial centre, the regional centres and the municipal centres Billund and Bramming; cf. Figure 2.1.

It is wished to have R-zones for industrial and public use in order to ensure in the long term sites which are well served by transport for undertakings and institutions which are of major regional importance. These types of undertaking and institution will often have a work force and catchment area which cover a large part of the region. Therefore it is vital that these sites are well situated in relation to public transport. It is also necessary for the sites to be located centrally out of consideration for the transportation of goods and for visits by clients. In addition the sites should be large enough for the undertakings and institutions in the R-zones to have room to expand.

Figure 2.1

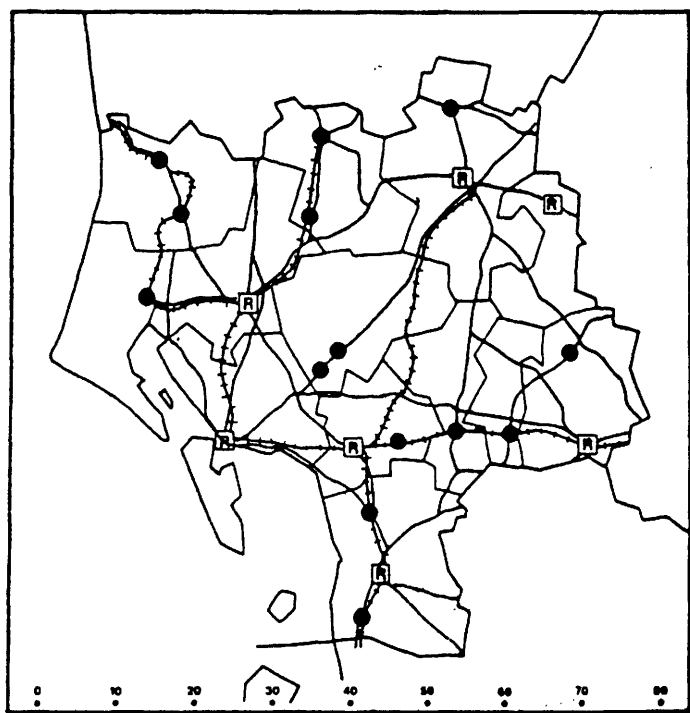


-  R-zone, provincial centre functions
-  R-zone, regional centre functions
-  R-zone, traffic terminal functions

R-zones can be located in undeveloped as well as developed areas. When there is urban renovation in developed areas, stress is to be put upon the consideration of location possibilities for functions of regional importance, but local functions can however be maintained.

Other sites for new public and private undertakings which provide a large number of jobs or which in some other way require larger traffic facilities are to be suitably located with regard to the stops in the public transport system and with regard to the main road network.

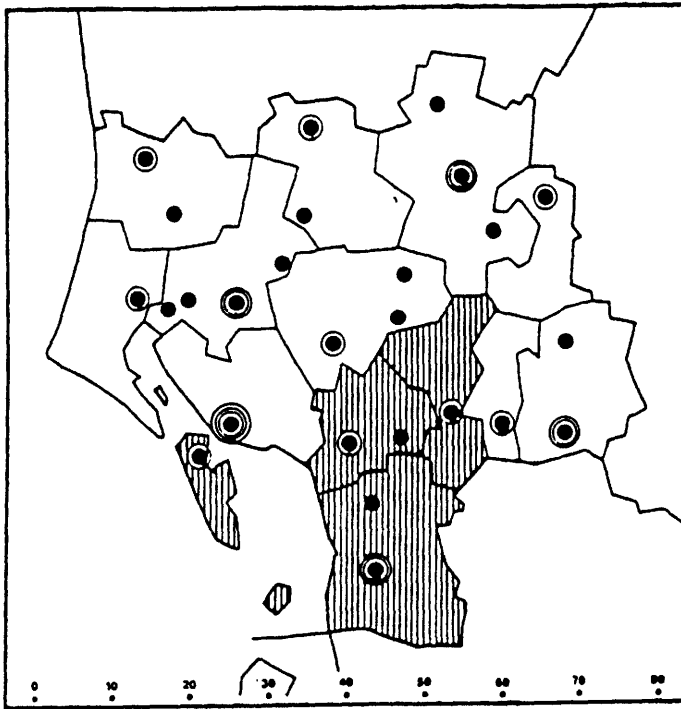
Figure 2.2



- R R-zone localities
- Possible locations for large public and private undertakings
- +—+—+— Railways
- Main road network

Figure 2.2 shows the main traffic system and the possible locations for large public and private undertakings. Figure 2.3 shows how the existing regional development areas are involved in this system.

Figure 2.3



- ⊙ Provincial centre
- ⊙ Regional centre
- ⊙ Municipal centre
- Local centre of regional importance
- ▨ Existing regional development area

With the aim of encouraging continued development of the stated centre structure and to support the base for the public transport system and also to a certain extent to encourage the possibilities for establishing collective heating systems, the County Council has laid down guidelines for the allocation of sites for dwellings, industry and public institutions so that a certain minimum of the permitted allocation of sites for these purposes is to be located in regional centres, municipal centres and local centres of regional importance.

A final plan for the location of especially polluting industries has not yet been prepared in the regional planning, but in the preparation of the supplement to the Regional Plan it is assumed that the County Council in co-operation with the respective municipal authorities will carry out investigations into the suitability of proposed possible sites for the location of such undertakings.

In the Regional Plan stress is put upon industries being offered good conditions. The future industrial sites will ensure many and varied location possibilities for the industrial undertakings with due consideration of general environmental conditions (by purification plants, planting trees as screens etc.).

The County Council will also in their administration of the county tax fund give the highest priority to applications for loans for purposes which encourage the centre structure laid down in the Regional Plan.

3.+4. Development potential and financial resources

a. Regional development assistance

It is laid down in the annual finance laws what amount can be provided as assistance in accordance with the regional development law.

Based on the appropriations in the finance law for 1986, the budget estimates for the years 1987, 1988 and 1989 and the regional distribution of the assistance provided up till now, it is estimated that in the years 1986-89 the following assistance will be provided in South West Zealand (the County of Ribe):

DKr 1000	Investment subsidies	Industrial building loans
1986	2 600	-
1987	2 500	-
1988	2 500	-
1989	2 500	-

Calculated on the basis of the expected appropriations it is estimated that the investments which will be supported with regional development assistance in 1986-1989 will result in the creation of the following numbers of jobs:

1986	1987	1988	1989
115	115	115	70

It must be stressed that in the above the global loans which the Danish Government is expected to take up with the European Investment Bank have not been taken into account.

b. Infrastructure projects

Coastal safety

It is expected that a project will be implemented in 1985-86 to protect Nordby in the municipality of Fanø against floods. A local planning proposal has been prepared. The costs of the flood protection are estimated to be approx. DKr 16 million (the municipality).

It is planned to strengthen the access road to Klægudtag at St. Darum in the municipality of Bramming in 1985-86. The costs are estimated to be DKr 0.1 million.

Pleasure boat harbours

It is planned to enlarge and improve the pleasure boat harbour in Nordby in the municipality of Fanø. In accordance with the approved Regional Plan the pleasure boat harbour can be enlarged to have room for approx. 70 large boats.

The project is of significance for the situation of the municipality as an international holiday location. The costs are estimated to be approx. DKr 5 million (the municipality).

Recreational facilities

It is planned to construct a new swimming pool on Fanø. The project will be of significance for the development of tourism on the island. The cost is estimated to be approx. DKr 15 million (the municipality).

The construction of a new youth hostel in Ribe. The project is planned to be realised in 1985-86 at a cost of approx. DKr 6 million (the municipality). The project is of significance for the position of the town of Ribe as a tourist centre.

Energy installations

Enlargement of the district heating network in the town of Ribe. It is expected - dependent upon future heat planning - that it will be possible to start the project at the end of 1985 or at the beginning of 1986. The costs are expected to be approx. DKr 20 million (the municipality).

It is planned to implement an experimental project with a biogas plant in the village of Vilslev in the municipality of Ribe. The costs for this project are estimated to be approx. DKr 5 million (the municipality).

The introduction of natural gas plays an important part in the County Council's heat planning and is regarded as vital for regional urban development.

It is planned to introduce natural gas into the municipalities of Holsted, Bramming and Ribe in the period 1985-88.

There is to be a regional distribution pipeline through the three municipalities and a supply pipeline to Hovberg in the municipality of Holsted. It is also planned to establish a supply to the industrial area in the town of Bramming. The cost will be approx. DKr 3.8 million.

Roads and railways

Construction of the Bramming West stretch of highway. It is estimated that DKr 9.2 million will be invested in 1985, DKr 1.4 million in 1986 and DKr 3.9 million in 1987 (the State).

In the municipality of Bramming it is planned to begin an investigation (analysis) concerning the traffic capacity of the municipal roads which are used by regional traffic. The costs are estimated to be DKr 0.2 million (the municipality).

It is planned to implement a project concerning the completion of the road system in connection with an industrial area in the town of Bramming in the municipality of Bramming (Industry West, which is expected to be designated as an R-zone). The costs are estimated to be approx. DKr 0.9 million (the municipality).

There is to be deepening of two viaducts in Industry East in the town of Bramming in the municipality of Bramming (the area is expected to be designated as an R-zone). The costs are estimated to be approx. DKr 2.5 million (the municipality).

New second track for the railway line Brørup-Bramming. It is expected that DKr 2.4 million will be invested in 1985, DKr 27.3 million in 1986, DKr 51.0 million in 1987 and DKr 12.5 million in 1988 (the State).

Other projects

Projects concerning environmental measures at fish farms in the municipality of Holsted.

Analysis of the industrial structure in the municipality of Ribe in connection with the move from the Ribelund institution. The cost is expected to be Dkr 0.6 million (the municipality).

Enlargement of the cycle track network around Gørding in the municipality of Bramming and at Hovborg and Holme River in the municipality of Holsted.

Investment overview 1986-1990 of the projects for which assistance could be sought from the EEC's Regional Fund (for guidance only).

Project number	Subject	Municipality	Investment	Investment period			
			1985-DKr in DKr 1000	1985	1986, 1987, 1988, 1989, 1990	in DKr 1000	
Infrastructure projects:							
<u>Roads</u>							
1.1	Improvements to road connections from the mainland to Mandø.	Ribe	1.000			1.000	
1.2	Establishment of inner ring road link incl. bridge over the Ribe river and the regulation of the Lorry Station.	Ribe	10.545				
1.3	Road between Gørding and Vejrup.	Bramming	7.000				
1.4	Parking area near the ferry berth.	Fanø	632			632	

Industrial sites

1.5	Development of industrial area East in Bramming town.	Bramming	2.000
1.6	Development of industrial area in Gørding.	Bramming	700

Investment overview 1986-1990 of the projects for which assistance could be sought from the EEC's Regional Fund (for guidance only).

Project number	Subject	Municipality	Investment 1985-DKr in DKr 1000	Investment period 1985 1986 1987 1988 1989 1990 in DKr 1000
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Infrastructure projects:

Other infrastructurel work

1.7	Establishment of sewer system on Mandø.	Ribe	1.127	
1.8	Experimental project with biogas plant in Vilslev.	Ribe	5.000	
1.9	Investigation of the development potential for the plastics industry.	Ribe	750	750
1.10	Setting up of plastics technology development centre.	Ribe	10.000	

1.11	Drinking water supply for the Kærgårds area.	Bramming	330
1.12	Drinking water supply for the Vong-Raunsø area.	Bramming	3.000
1.13	District heating system for Bramming South.	Bramming	5.000

Investment overview 1986–1990 of the projects for which assistance could be sought from the EEC's Regional Fund (for guidance only).

Project number	Subject	Municipality	Investment 1985-DKr in DKr 1000	Investment period 1985 1986 1987 1988 1989 1990 in DKr 1000
<u>Infrastructure projects:</u>				
1.14	Natural gas supply to Bramming industrial area.	Bramming	5.000	
1.15	Natural gas supply to Vejrup-Endrup.	Bramming	4.500	
1.16	Retarding basin at Bramming purification plant North.	Bramming	490	
1.17	Making Darum purification plant more efficient.	Bramming	370	
1.18	Dike project at Nordby.	Fanø	26.230	

1.19	Moving of Nordby waterworks	Fanø	5.000	5.000
1.20	Provision of drinking water supply in country areas.	Holsted	?	?

Investment overview 1986-1990 of the projects for which assistance could be sought from the EEC's Regional Fund (for guidance only).

Project number	Subject	Municipality	Investment 1985-DKr in DKr 1000	Investment period 1985 1986 1987 1988 1989 1990 in DKr 1000
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Training:

2.1	Alterations to Mandø school so that it can be used as a camp school etc.	Ribe	1.400	
2.2	Establishing of idea and development centre.	Ribe	1.000	1.000
2.3	Construction of hotel and conference centre.	Ribe	5.000	

Investment overview 1986-1990 of the projects for which assistance could be sought from the EEC's Regional Fund (for guidance only).

Project number	Subject	Municipality	Investment 1985-DKr in DKr 1000	Investment period 1985 1986 1987 1988 1989 1990 in DKr 1000
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Development of the tourist industry:

3.1	Pleasure boat harbour in Nordby.	Fanø	5.000	
3.2	Establishment of camping site on Mandø.	Ribe	650	650

REGIONAL DEVELOPMENT PROGRAMME FOR THE DANISH SMALL ISLANDS

Introduction

The island programme covers 27 small islands without independent municipal status, the majority of which were first included as regional development areas when the EEC Commission approved the Danish regional development areas in 1982 in accordance with the government's policy for the development of the small islands.

Previously only the small islands which were part of regional development municipalities had been included. See Appendix 1.

The small islands can be regarded as a separate Danish region, characterized by a number of common problems which could be alleviated by means of assistance in accordance with the regional development legislation, other special national assistance arrangements and assistance from the EEC's Regional Development Fund.

Most of the islands are situated in the areas of South Fyn and South Zealand in the Kattegat, a few islands are in Limfjord in North Jutland, one is in the North Sea off the coast of South Jutland and one is in Isefjord in North Zealand.

The conditions on the islands are very varied. Some of the islands are fertile and almost completely cultivated while in other places the natural conditions make this difficult. The largest of the islands, Anholt, has no agricultural land at all.

Some of the small islands are less than 10 minutes away from the mainland by boat while others are more than 1 hour away.

For some of the small islands the mainland harbour is in the main town of the municipality while for others it is many miles from the town where the municipal administration is situated.

The islands had a population of approx. 5700 inhabitants as of 1st January 1984, corresponding to approx. 0.1% of the population of Denmark.

Most of the islands have less than 200 inhabitants and only three have more than 500 inhabitants.

The largest of the islands is Anholt which is 2237 hectares. The smallest is Hjortø which is 90 hectares.

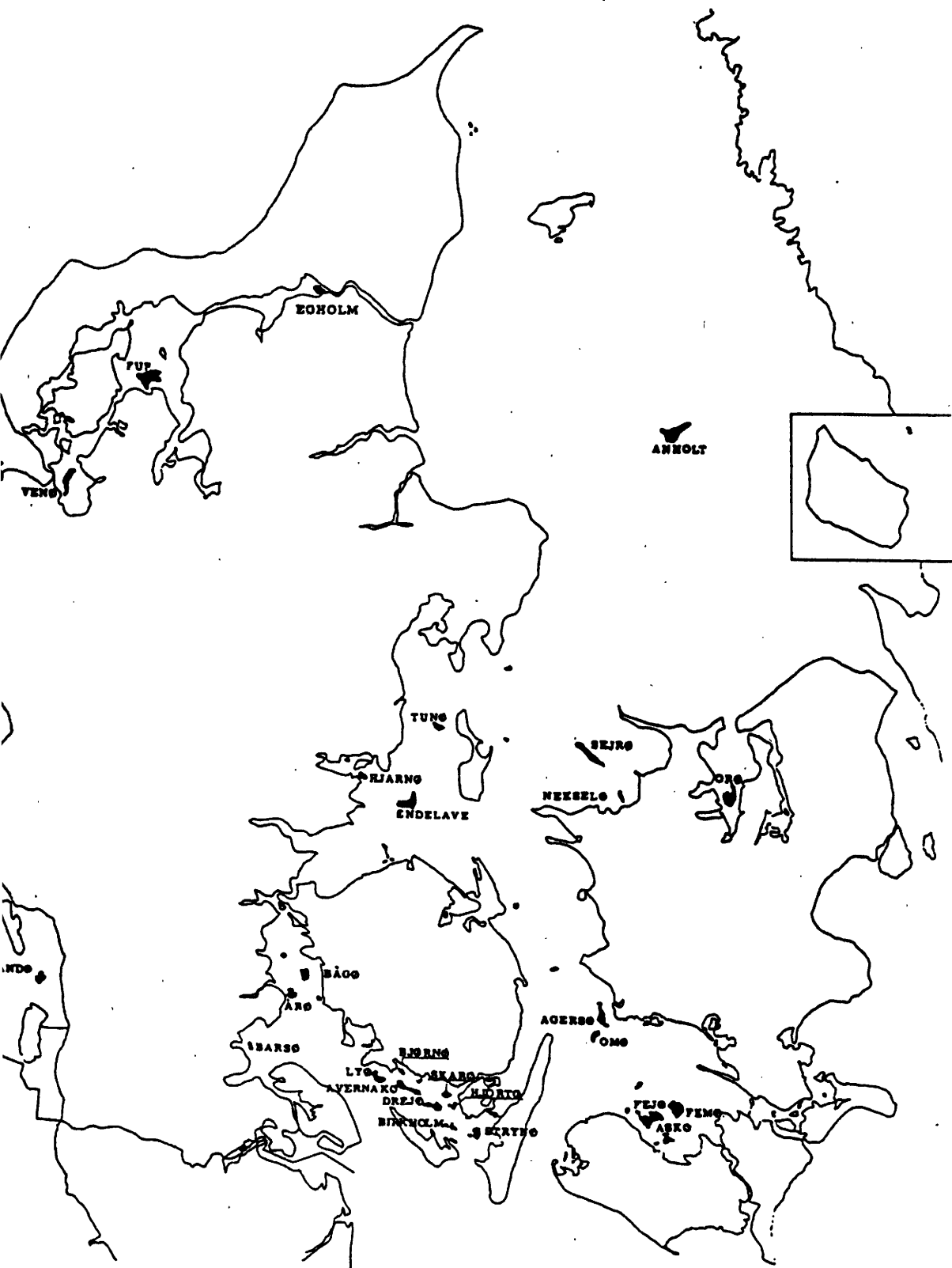
Table 1. Statistical Information 1. January 1984

	Total number of inhabitants	Number of inhabitants of working age (15-65)	Agricultural land in use (hectares)	Number of farms	Total number of service and industrial undertakings	Distan to mail by sea
Birkholm	11	8	28	2	0	
Ljø	175	90	520	32	13	1
Avernakø	131	78	470	24	7	1
Bjørnø	39	21	145	6	0	
Strynø	233	133	467	25	5	
Båge	68	39	535	19	2	
Drejø	128	69	220	16	13	2
Skarø	39	23	225	10	4	2
Hjortø	14	7	90	6	2	1
Egholm	59	38	600	16	2	
Venø	155	94	317	10	12	
Aske	96	60	270	14	2	
Fejø	694	410	1.425 +)	115 +)	(15)	
Femø	269	156	1.005 +)	55 +)	(13)	
Barsø	25	18	213	7	1	
Årø	223	146	476	20	12	
Endelave	190	111	1.059	46	(15)	
Hjarnø	143	71	290	24	4	
Agersø	256	159	686	47	15	
Omø	171	97	328	27	15	
Orø	640	409	1.225	52	68	
Sejro	487	271	1.036	81	36	
Nekselø	16	8	196	8	2	
Tunø	98	51	220 +)	20 +)	4	
Anholt	159	108	0	0	25	
Fur	1.094	652	1.300	113	32	
Mandø	87	45	1.000	11	6	
	5.700	3.372	14.346	806	325	

+) Information as of 1st January 1982

() Estimated by the Planning Board

1) Calculated distance



The islands covered by the regional programme.

1. Social and economic analysis

a. General development 1970-1984

Population development

During the 1930's the population of the islands stagnated at around 10 000 inhabitants.

Since 1940 the population has been steadily decreasing and since 1960 the migration from the islands has been especially great.

The combined population of the islands has continued to decrease but since 1982 it has only decreased by approx. 2% since six of the islands have had a small increase in population.

Table 2. Age distribution of the population on the 27 small islands as of 1st January 1984

	Total	0-6 years	7-14 years	15-19 years	20-49 years	50-64 years	Over 65
Birkholm	11	0	0	0	2	6	3
Lyø	175	11	18	10	48	32	56
Avernakø	131	6	10	4	40	34	37
Bjørnø	39	4	9	3	15	3	5
Strynø	233	12	25	7	65	61	63
Båge	68	2	9	6	21	12	18
Drejø	128	5	13	8	34	27	41
Skarø	39	2	6	2	10	11	8
Hjortø	14	0	1	0	4	3	6
Egholm	59	6	4	5	16	17	11
Venø	155	12	18	10	56	28	31
Askø	96	5	9	6	25	29	22
Fejø	694	28	49	41	161	208	207
Femø	269	3	21	14	68	74	89
Barsø	25	0	3	2	10	6	4
Årø	223	15	13	20	79	47	49
Endelave	190	7	18	12	59	40	54
Hjarne	143	12	19	7	58	6	41
Agerø	256	12	20	15	83	61	65
Ovø	171	17	15	14	43	40	42
Oro	640	35	62	53	241	115	134
Sejre	487	32	33	36	131	104	151
Neksø	16	0	0	0	2	6	8
Tunø	98	4	10	5	26	20	33
Anholt	159	8	24	10	68	30	19
Fur	1.094	65	106	100	333	219	271
Mandø	87	4	3	8	19	18	35
Total	5.700	307	518	398	1.717	1.257	1.503
%	100	5,4	9,1	7,0	30,1	22,0	26,4

The age distribution shows that there are more and more old people on the islands. On 1st January 1984 old people over the age of 65 amounted to approx. 26.5% of the islands' total population compared with approx. 15% for the country as a whole. Two years ago the percentage of old people on the islands was just under 25%. There are also fewer and fewer children, 14.5% as of 1st January 1984 compared with 16% two years ago. For the country as a whole children under 15 years old amounted to 19% of the total population in January 1984. The tendency for there to be more old people and fewer children on the islands is thus continuing.

Employment and industrial development

Employment on the islands fell during the period 1960-82 in all types of industry.

Agriculture is the islands' most important industry and development here has therefore been of considerable importance. The number of farms went down by approx. 25% in the period 1975-1983, mainly through amalgamation, compared to approx. 12% in the country as a whole.

The development of agriculture on the islands has followed the same pattern as in the rest of the country with a reduction in animal production and a transition to cereal production.

14.1% of the total population was employed in agriculture in 1984 compared with 7.5% for the country as a whole.

Fishing

Fishing is of considerable importance for the small islands.

In recent years development in the fishing industry has been characterized by a recession as a result of decreasing fish stocks.

Any further reduction in the supply will mean that fishing and the associated industries on certain small islands will cease completely.

An effort must therefore be made to ensure that the resources for the fishing industry and the processing industry are better utilized and increased where possible in the years to come by efforts to remove the environmental causes of the reduction in natural fish stocks and by means of the development of various forms of fish farming.

As more people leave the islands more and more craft and industrial undertakings on the islands are being closed down. For example during the period 1950 to 1975 20 dairies were closed down and today there is only one dairy left.

The number of shops selling everyday goods fell between 1975 and 1982. Four of the islands were without a shop selling everyday goods in 1975 and 7 of the islands in 1982.

In addition the number of shops selling everyday goods on the other islands went down in the period 1975-1982.

The number of jobs in the public sector was greatly reduced in connection with the implementation of the municipal reforms in 1970. This meant that the individual islands - which had usually been independent rural districts - were included in larger municipal units and the municipal administration was moved from the islands to the mainland with a resulting loss of jobs.

Where there were previously schools on all the islands, in some cases more than one school, today there are 8 islands where the schools have been closed down, with the loss of the jobs associated with them.

Developments have also meant that today only 8 of the islands have a resident doctor, a similar number have a resident nurse and 12 of the islands have neither a doctor nor a nurse.

Both these circumstances discourage people who may have wanted to move to the small islands to live.

Developments in employment rates

The employment rate for men is above the national average.

The employment rate for women varies greatly, depending upon the location of the island in relation to the mainland which affects the opportunities for seeking employment elsewhere than on the islands, which are undersupplied with jobs for women.

Unemployment

The unemployment percentage on the islands is below the national average.

There is however hidden unemployment for the island populations, in that the lack of jobs has forced the islanders to move to the mainland.

Income development

The average gross income is somewhat below the national average and is also in most cases less than for the municipality (the county) to which the island belongs. Development in the average gross income has shown a slight tendency to rise in recent years corresponding to development on a national basis.

Results of previous action to remedy these factorsRegional development assistance

The following assistance was provided to the small islands during the years 1982-84:

DKr 1000	Capital loans (Section 6)	Industrial building loans (Section 9)	Investment subsidies (Section 10)
1982	800	-	-
1983	1.090	-	380
1984	855	-	980

The assisted investments have resulted in the creation of the following number of jobs:

1982	1983	1984
-	13	6

Infrastructure investments

Harbours and ferries

Approx. Dkr 6 million has been invested in construction and major repair work to the harbour installations etc. in Anholt Harbour (the State).

A number of investments have been made in the other harbours, mainly for repairs and maintenance of breakwaters and ramps for ferries.

During the period 1975-1982 a total of DKr 34.7 million was invested in 6 new ferries.

DKr 16.5 million was provided by the State, DKr 7.9 million by the counties and DKr 9.9 million by the municipalities. Private investment was DKr 0.4 million.

DKr 4.7 million was invested in the purchase of and alterations to a single ferry. The cost was met by the county and the municipality.

The investments in ferries have been aimed at replacing the oldest and most outdated ferries and have helped to keep the small islands' ferry fleet at an acceptable level.

Traffic assistance

The small islands' special problems have been the subject of discussions and have been dealt with in a number of reports during the past 12-15 years both among the islanders themselves and at municipal and national level.

At the beginning of the 1970's the government set up a group of civil servants with the task of making proposals for "public policy for the small islands".

The group came to the conclusion that it was urgently necessary to implement arrangements which would alleviate the islands' transport problems.

Without a considerable improvement in the transport situation there would not be the basis for implementing a coherent policy to counteract the negative tendencies which characterized development on the small islands.

Based upon this an interim traffic support arrangement was introduced in 1975. This was made permanent with effect from 1984 by the passing of law no. 620 of 23rd December 1983 concerning assistance for the small island communities (traffic services etc.).

The combined public assistance from the State, counties and municipalities for traffic services for the small islands has been the following amounts per year:

1975-78: approx. DKr 12-18 million

1979-81: approx. DKr 20-24 million

1982-84: approx. DKr 30-33 million

By means of assistance arrangements an effort has been made to ensure that the employment situation of the islanders and the service on the islands do not deteriorate. The interim assistance arrangement from 1975-83 had a positive effect for the islands and this arrangement was the basis for the introduction of the statutory assistance arrangement from 1984.

According to the law each year there is to be public assistance totalling at least DKr 30 million from the State, counties and municipalities combined.

Section 4 assistance

With the passing of the island support law in 1984 provision was made in the regulations in section 4 for direct economic support to be provided for projects, research and experiments etc. which could assist in creating new jobs or keeping existing jobs on the small islands.

The assistance is direct State support and in 1984 and 1985 it amounted to Dkr 1.2 million per year.

In 1984 assistance was provided for alterations to a co-operative dairy which ensured 5-6 jobs, for the starting up of a shellfish experiment which will possibly lead to a new undertaking which can be the largest provider of jobs on Strynø, and for the establishment of a new camp school which is expected to provide 3-5 new jobs.

Section 4 assistance can also be used for example for projects concerning rebuilding or enlarging hotels, camp sites and youth hostels or can possibly be used for ensuring the supply of everyday goods on the islands which would benefit employment on the small islands.

The island secretariat

On account of their size and location the small islands have completely unique problems compared to the rest of the country. New ideas and non-traditional solutions are therefore required.

A private advisory office for all the islands is being established on one of the islands.

In the period 1st July 1985 to 1st July 1987 the State will provide assistance of Dkr 1 million for constructing the office and starting it up.

The office will provide advice and negotiate on behalf of the islanders with both private undertakings and public authorities. The office will also act as an industry and tourist office for the 27 small islands and thus assist in improving the employment situation on the islands.

When fully developed the office will provide 4 new jobs.

Special administrative treatment

In the committee appointed by the government to deal with the small islands there are representatives from a number of ministries, government departments, organisations and islanders.

By means of interdisciplinary co-operation the committee is investigating the possibilities for implementing "positive discrimination" in favour of the small islands in legislation and administration with the aim of improving conditions for the island communities.

For example, better opportunities have been created for zone permission for buildings for industrial use and permanent residential use on the small islands and changes in legislation have resulted in better chances of preserving the schools on the islands.

The "positive discrimination" is to help to alleviate some of the adverse effects on employment which the community development in the 1960's and 1970's has had on the small islands.

In addition at present work is being carried out on a proposal for increasing the possibilities for erecting camping chalets on the small islands. An island-specific solution in the health services and the care of the elderly is also under consideration.

c. Development potential and conditions for this

An increase in the population in the working age groups would require increased employment opportunities and migration to the islands in the years to come.

The basis for this must primarily be the agricultural and fishing industries.

Favourable climate and soil conditions mean that on several of the islands it is possible to grow crops which can not be grown economically elsewhere in the country. Small farms could be used for the specialized or intensive production of such crops as well as of the more traditional ones. Such farms could possibly form the basis for a processing industry on the island with the possibility of creating new jobs. The fishing industry and various forms of aquaculture could similarly supply raw materials for a specialized processing industry on the islands.

Tourism can play a part in improving the viability of a number of the islands' service facilities (shops selling everyday goods, public houses, banks and the like) but the undertakings cannot survive on tourist income alone. The islands could be developed further as far as tourism is concerned and during the last 10 years there have been increasing numbers of tourists coming to the islands. During the summer holiday period many of the islands have more than twice as many tourists than inhabitants.

As far as the infrastructure is concerned the preconditions for such a development are not always present (water supply, water purification, energy etc.).

The development of a modern cheap transport system is however the most important precondition for utilizing the islands' own potential for creating increased employment.

2. Development targets

a. General targets for the development of the small island region

The main policy is aimed at preserving the small islands in the future as viable local communities with an adequate supply of jobs and reasonable access to public and private service.

The most important target in the next few years is to create reasonable transport conditions for both the population and the undertakings on the islands.

There must also be an effort made to create the conditions for as many jobs as possible on the islands with industry of varied structure and sizes to avoid dependency upon any one undertaking and also to maintain and develop public and private services which are needed every day.

It is also of great importance for the future development of the small islands that from the beginning they can participate in developments in the field of information technology and develop competitive energy supplies so as not to be in a worse position than the rest of the country in the rapid development in this area in the years to come.

It is a precondition that the main policy is implemented with close co-operation between the main and local authorities and in co-operation with representatives from the small islands.

It is also a decisive element in this policy that the necessary measures for the implementation of this are carried out while taking into consideration the preservation of the islands' distinctive character.

b. Development measures and financial resources

Regional development assistance

It is laid down in the annual finance laws what amount can be provided as assistance in accordance with the regional development law.

Based on the appropriations in the finance law for 1985, the budget estimates for the years 1986, 1987 and 1988 and the regional distribution of the assistance provided up till now, it is estimated that in the years 1985-88 the following assistance will be provided:

DKr 1000	Investment subsidies	Industrial building loans
1985	500	-
1986	500	-
1987	500	-
1988	500	-

Calculated on the basis of the expected appropriations it is estimated that the investments which will be supported with regional development assistance in 1985-1988 will result in the creation of the following numbers of jobs:

1985	1986	1987	1988
6	6	6	6

It must be stressed that in the above the global loans which the Danish Government is expected to take up with the European Investment Bank have not been taken into account.

Infrastructure

Ferries

The ferry to the mainland is the lifeline of the small islands. Without a reasonable traffic service to and from the islands employment on the islands cannot be ensured and improved.

The ferries have to be able to transport the islanders to and from work. School pupils have to go to and from places of education on the mainland. The ferry has to bring the freight and goods which are required for industry on the islands. Agriculture in particular makes special demands upon the size and capacity of the ferries. Fertilizers, animal foodstuffs and agricultural machinery and equipment are heavy and take up a lot of room. The transportation to the mainland of agricultural products, such as corn, milk, beet, fruit etc., also impose special requirements.

Many of the island ferries are old and out of date. In particular they are not large enough for the development which has taken place in lorries.

In connection with an investigation into the investment requirements for new ferries an attempt has been made to develop a new type of ferry which can meet the special requirements of the small islands. The ferry must also be economical to operate, reliable and inexpensive.

An outline project for such a ferry was put before the island counties, island municipalities and the ferry companies in the spring of 1985. There would be a number of advantages for the maintenance of the ferries if the new type of ferry should lead to a standardization in ferries for the small islands.

However it must be added that the islands are so different as regards size, distance from the mainland, number of inhabitants etc. that one single type of ferry would not be able to meet the transportation requirements of all the islands.

In connection with a concrete application under the presentation of the "standard ferry" already described there has been outlined a somewhat smaller ferry especially designed for islands where the sailing time is around 15 minutes.

The main dimensions of the two types of ferry are:

- | | | |
|----|-------------------|------------|
| 1) | Total length | 25.8 m |
| | Median width | 10.0 m |
| | Median depth | 3.0 m |
| | Max. draught | 2.0 m |
| | Carrying capacity | 85.0 tons |
| | Passengers | approx 100 |
| | Crew | 3 |
| 2) | Total length | 18.0 m |
| | Median width | 6.5 m |
| | Median depth | 2.1 m |
| | Max. draught | 1.5 m |
| | Carrying capacity | 27.0 tons |
| | Passengers | 12-20 |
| | Crew | 1-2 |

The costs of building the ferries would be approx. DKr 8 million and DKr 4 million respectively.

It can be added that the above investigation of the actual investment requirements reached the following conclusions:

In the short term (2-3 years)	approx. DKr 35 million
In the long term (10-15 years)	<u>approx. DKr 37 million</u>
Total	approx. DKr 72 million

Harbours

Good harbour facilities/ferry berths are necessary for the traffic service to the small islands. It is especially necessary that the island harbours are so equipped that the ferry can spend the night on the island. This is namely tantamount to the crew members living on the island and thereby being part of the island community with an interest in maintaining it.

Ferry berths and harbour conditions are not modern but new ferries will naturally be able to use existing ferry berths provided these are of such a quality that it is considered advisable.

For mainly technical reasons it would however be advantageous to construct ramps as part of the ferries themselves. The newly developed type of ferry is constructed in this way. This means that the ramp can be placed directly upon the quay while the ship is secured to the side by dolphins.

This would have the following advantages:

- No installations on land.
- No maintenance on land
- Ramps etc. are maintained in the shipyard at the same time as the ferry is inspected and maintained.

The type of ferry in question can also be constructed for a traditional ferry berth. The actual investment requirements which have been calculated only include investments in the traditional type of ferry berth and amount to approx. DKr 48 million within the next 10-15 years. The improvement and protection of the island harbours by for example breakwaters are not included in this amount.

Water supply and waste water disposal

On many of the islands there are both quantitative and qualitative water supply problems. With regard to the potential for developing jobs in the manufacturing industries which will be mainly in the food, drink and tobacco sector it is of great importance that water supplies on the islands are generally improved. It is also necessary on account of the great influx of tourists during the summer months.

For the islands which are near the mainland it could be a matter of a water pipeline, while for the other islands it could be a matter of wells and equipment for collecting rainwater.

There must also be a general improvement in the disposal of waste water by means of the establishment of modern purification plants. The need for these will increase in line with the development of a proper food, drink and tobacco production industry.

Energy

In the matter of electricity supply it must be ensured that the islanders are not worse off economically than the inhabitants of the mainland. There should also be an effort to utilize the islands' own potential both in the form of unlimited energy sources such as the sun and wind and in the form of limited sources of energy such as biogas, straw, waste etc. to compensate for it not being possible to connect the islands to public energy systems.

Tourism

The islands are visited each year by a large number of tourists.

It will however affect the special character of the islands if this development is supported by means of the siting of new, large chalet areas and it will cause problems with regard to water supply and drainage facilities.

It would therefore be more advisable to concentrate upon tourism in the form of pleasure boat owners, cyclists and hikers and improve the harbour facilities and camp sites with this aim.

The facilities for tourists should be improved by means of the construction of cycle tracks, footpaths etc. and the establishment of various forms of tourist services: eating facilities, information, meeting places etc.

Other conditions

Efforts in the next few years must also include investigations and experimental projects which can develop and work out ideas for solutions to the islands' problems, especially in relation to the new information technology and new forms of energy and alternative industrial opportunities in connection with these.

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