

Policies of sparsely populated rural areas in Finland

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Abstract

This paper addresses with the worrying development of the sparsely populated rural areas in Finland in recent years. Although the present economic development of the country is steady after a long downturn, even 13 of the weakest provinces of Nordic countries are located in Finland. Sparsely populated areas account for 68 percent of land area of Finland but less than 6 percent of the population. Regardless of the demographic decline and ageing of population, rural areas are home to active people and village communities. Free-time residents even double the population of many rural municipalities seasonally and thus also improve the offer of services. Regional policies in Finland have for a couple of decades mostly been in favor for the growth of cities. However, two policy means for declining regions were launched in 2017. First, *Strategy for Sparsely Populated Rural Areas 2017-2020* was prepared by the network for sparsely populated areas of the Rural Policy Council. Secondly, the Government set up a *Parliamentary Working Group on the Sparsely Populated Regions*. Each political party in parliament has nominated a member of the group. The group should e.g. set out concrete policy measures for the implementation of *Strategy* and examine the possibilities for tax relief from a sparsely populated rural point of view. Both of these initiatives are based on the view that policy measures have the strongest impacts on sparsely populated areas. Development of decentralized bioeconomy and branding sparsely populated rural areas as competitive places for residents and companies are key measures.

Key words: sparsely populated areas, Finland, rural policy

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