

The ICT Sector in the Nordic countries

Statistics Denmark

Statistics Finland

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Statistics Norway

Statistics Sweden

**The ICT Sector in the
Nordic countries**

ISBN 87-501-1144-2

Cirkulation 1000

Printed by
Statistics Denmark
December 2000

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Preface

There is a growing demand for official and internationally harmonised statistics on the Information Society and its growing influence on different aspects of our society. As a consequence of these needs, the director generals of the 5 Nordic statistical institutes decided in November 1999 to set down a Nordic group for development of statistics on the Information Society. Amongst the responsibilities of this group was the preparation and publishing of statistical publications comprising different aspects of the Information Society based on harmonised definitions and concepts.

In 1998, the Nordic statistical institutes carried out a project - co-financed by the Nordic Council of Ministers - concerning the elaboration of a harmonised definition of the ICT sector as part of the OECD context of defining and measuring the ICT sector.

Based on this definition, the Nordic statistical institutes published the first statistical analysis of the Nordic ICT sector based on a harmonised definition, cf. Nordic Council of Ministers: *The Information and Communication Technology Sector in the Nordic Countries - a first statistical description*, TemaNord 1998:587. This publication is based on the experiences from the previous project, but the agreed definition of the OECD Working Party on Indicators on the Information Society (WPIIS) has been found too broad. The definition has been revised at the Nordic level for this publication, see also chapter 1.1 for further details, implying that the statistics presented in this publication cannot be directly compared with the results of the previous publication. As a huge demand from users for international comparable statistics has been experienced especially in the field of Information Society statistics, it is the intention of the Nordic group to produce an annual update of this publication.

This publication “*The ICT Sector in the Nordic Countries*” is an outcome of the work of the Nordic working group on Information Society Statistics. The work has been coordinated by Statistics Denmark and the publication has been elaborated by the following persons:

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Summary

The Information and Communication Technology (ICT) sector is of major economic importance in all the Nordic countries, employing nearly 450 000 employees in 1998 - or 7.8% of the employment in the private sector in the 5 Nordic countries. The ICT sector is largest in Sweden accounting for 9.6% of total employment in the private sector in 1998, followed by Finland (8.4%), Denmark (8.1%), Norway (5.0%) and Iceland (4.6%).

The ICT sector in the Nordic countries can also be characterised as a relatively fast growing sector as its share of the total employment in the private sector has risen from 7.1% in 1994 to 7.8% in 1998, and this in a period with a general growth in employment in the Nordic countries and thus experiencing a larger growth than the private sector in general.

The ICT sector is can be divided into the ICT manufacturing activities and the ICT services activities. The ICT services activities include Wholesale of ICT products, Telecommunications and ICT consultancy services.

The ICT manufacturing industries employed about 135 500 employees in all five Nordic countries in 1998. Especially in Finland and Sweden the ICT manufacturing sector is of importance, as the ICT manufacturing industries almost constitute 10% of the total number of employees within the manufacturing sector in these two countries.

The ICT services sector employed about 312 500 employees in all five Nordic countries in 1998. Especially in Denmark and Sweden the ICT services sector is important, employing 12-13% of the total number of employees within the total services sector in these two countries.

The total turnover of the ICT manufacturing sector in the Nordic countries is estimated to amount to 36 billion ECU in 1998. Especially the ICT manufacturing sector in Finland and Sweden is of importance as they constitute 15% and 13%, respectively, of the total turnover in the manufacturing sector in each country.

The total turnover of the ICT services sector in the five Nordic countries is estimated to 78 billion ECU in 1998. Larger differences in national importance are found in the ICT services sector, as the sector constitutes 13% of the total turnover in the services sector in Denmark and Sweden, thus having the ICT services sectors of largest relative importance. The two countries represent 39% and 24%, respectively, of the total turnover of the ICT services sector in the Nordic countries, followed by Norway (21%), Finland (15%) and Iceland (0.6%).

The export share of ICT products was largest in Finland with 22% of total exports in 1999, followed by Sweden with 19%, but in monetary

terms the exports were by far the largest in Sweden (14.7 billion Euro in 1999) followed by Finland (8,7 billion Euro in 1999).

The import share of ICT products was largest in Finland with 16.8% of total imports in 1999, followed by Sweden with 15.9%, but in monetary terms the imports of ICT products were the largest in Sweden (10.2 billion Euro in 1999) followed by Denmark (5.6 billion Euro in 1999).

Analysing the foreign trade balance of the Nordic countries, Finland and Sweden are characterised as having a surplus in foreign trade in ICT products compared with a deficit in foreign trade in ICT products for the other Nordic countries. The export/import ratio for ICT products was 1.7 in Finland in 1999 and 1.4 in Sweden.

The above mentioned statistical information are the main findings of this Nordic project on ICT sector statistics carried out by the official statistical institutes in the five Nordic countries as part of the institutes work program for development of harmonised and comparable statistics on the Information Society.