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**Stockholm Economy Q4 2011**

**Reduced unemployment – but dampened growth**

**During 2011, Stockholm continued strengthening its attractiveness and both total residents and visitors reached new heights. The year 2011 also was a record year for newly started businesses. Total wages continued to increase during the fourth quarter but at a dampened rate. Once again, it is the private sector that is keeping growth up.**

**Wages**

During the fourth quarter of 2011, total wages increased by 5.1 percent in Stockholm County and 4.5 percent in the City of Stockholm compared to the previous quarter. In other parts of the country, total wages increased by 1.5 percent during the same period.

**Employment**

Employment in the county continues to rise at an unchanged rate at the same time as job vacancies are also increasing, although at a dampened rate. Compared to the fourth quarter of 2010, the total number of employed residents in the city rose by 3.1 percent. Open unemployment fell to 3.6 percent in the county and 3.9 percent in the city in relation to the labor force. The decrease was noticeable both for the long-term unemployed and for youths, 15–24 years of age.

"That open unemployment is declining despite the turbulence in the world around us is very gratifying," says Olle Zetterberg, CEO for Stockholm Business Region. "This shows that we have internationally competitive businesses in our region."

Job openings continue to increase in Stockholm but has been further dampened. The increase is at 12 percent in the county and 15 percent in the city compared to the fourth quarter of 2010. Most job openings are in business services. The number of persons laid off continued to rise during the fourth quarter of 2011, by 55 percent in the county and 68 percent in the city compared to the fourth quarter of 2010, which indicates a weaker labor market in the future.

**Housing**

Housing construction is slowing and has reached the lowest level in Stockholm for several years. The decline is generally due to increased uncertainty, but in the city, is also due to appeals.

**New businesses**

The year 2011 was a new record year with 24,046 newly registered businesses in the county of which 14,027 were in the city. During the fourth quarter of 2011, the number of residents increased by 6,947 in Stockholm County of which 3,314 were in the City of Stockholm. The population increase is explained both by a positive birth rate and a positive balance of net relocations. The majority of those moving from other countries came from Great Britain, Poland and Norway. Many Swedish-born moved home. The total number of residents in the county increased by 37,130 persons in 2011. On December 31, 2011, Stockholm county had 2,091,473 residents.

**Sales**

Sales decreased by 2.4 percent in the county. The decrease in sales was highest in the manufacturing industries. The combined service sector showed a marginal increase with healthcare and education accounting for the strongest increase.

**Tourism**

The tourism and visitor trade remains strong with 2.325 million overnight stays in Stockholm County, of which 1.663 million were in the City of Stockholm, an increase of 7 and 9 percent respectively compared to the fourth quarter of 2010. Guest nights from non-European visitors increased most during the period, by 32 percent. Among foreign visitors, Norway, Poland and the US accounted for the largest increases. The year 2011 was a record year with a total of 10.6 million commercial overnight stays.

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**About us**

*Stockholm Business Region serves to promote business and tourism in Stockholm, together with its subsidiaries Stockholm Business Region Development and Stockholm Visitors Board. The Stockholm region is marketed under the common brand Stockholm - The Capital of Scandinavia. The aim is to become Northern Europe's leading growth region and a world-class city by year 2030. Stockholm Business Region is a wholly-owned municipal company within the City of Stockholm. As part of the Stockholm Business Alliance partnership framework, SBR coordinates investment activities for a further 50 municipalities in greater Stockholm.*