

Regional disparities in GDP per capita

In 2008, the main contributor to the decreasing gap to the national average GDP per capita was the Spodnje-posavska region, while the lag of other economically weaker regions behind the national average continues. In 2008 (latest available data), GDP per capita was still highest in the Osrednjeslovenska region (which exceeds the national average by about 40%) and lowest in the Pomurska (65% of the national average) and Zasavska (65.3% of the national average) regions. The only other region to exceed the national average for a number of years is Obalno-kraška (by 6% in 2008). Compared with 2007, the lag behind the national average was reduced most by the Spodnje-posavska region (by 2.2 p.p.). In most regions GDP per capita decreased compared with the national average, and most in Osrednjeslovenska (by -2.1 p.p.). The gap to the national average continued to increase in economically weaker regions, particularly in Notranjsko-kraška and Zasavska. Compared with 2000, Zasavska also lagged the most behind the national average (by 14 p.p.) and lost most jobs (12.3%) in that period.

In 2008, all regions continued to narrow their gaps to the European average. In contrast to the lag behind the national average, all regions decreased their gaps to the European average in 2008. After 2000, the most dynamic growth was recorded by the Osrednjeslovenska region, which increased its GDP per capita relative to the European average by as much as 18.4 p.p. in 2008, compared with 2000. Only Zasavska widened its lag behind the European average in that period (by 3.8 p.p.). Osrednjeslovenska is also the only statistical region at the NUTS 3 level to exceed the EU average in all years after 2000 (according to our calculations, by 28.6% in 2008). The average GDP per capita in cohesion regions (NUTS 2) in the last three years is very important from the point of view of cohesion policy. In Vzhodna Slovenija, it reached 73.4% of the European average in 2006–2008, which is below the limit of eligibility for cohesion funds.

The ratio between the regions with extreme values of GDP per capita was relatively low and on the same level as in 2007. The GDP per capita of the Osrednjeslovenska region exceeded that of the economically weakest Pomurska region by a factor of 2.2 in 2008, i.e. by the same amount as in the previous year and slightly more than in 2000, when the former value had been twice as high as the latter. In view of the different purchasing power in regions, the actual ratio is probably even smaller. The ratio between the two regions with extreme values at the NUTS 3 level is among the more moderate in Slovenia. In most of the EU Member States, this ratio is much higher; in 2007, it was highest in the United Kingdom (9.1) and lowest in Malta (1.3). To a large extent, this is the result of

more dynamic growth in regions in which state capitals are located, which is also true for Slovenia.

Regional disparities in GDP per capita decreased slightly in 2008. In terms of the relative dispersion of GDP per capita,¹ which is one of the methods of measuring regional disparities, disparities in Slovenia have been relatively stable since 2003 and are among the lowest in the EU (at the NUTS 3 level). In 2007, the lowest dispersion rates were recorded in Nordic countries and the highest in new EU Member States, among which Slovenia has the lowest dispersion. According to our calculations, the dispersion of GDP per capita in Slovenia decreased by 0.5 p.p. to 21.9% in 2008. Compared with 2000, there was no convergence between regions in GDP per capita, as dispersion was 2.4 p.p. higher.² In the EU as a whole, the differences between NUTS 3 regions are decreasing; a closer look shows that convergence is mostly recorded within the EU-15 countries, while in new Member States the differences are mostly increasing.

$$^1 RD_{Rt} = 100 \sum_r \left(\frac{P_{rt}}{P_R} \right) \left| \left(\frac{BDP_{rt}}{BDP_R} \right) - 1 \right| \quad \text{whereby}$$

t = year,

P_r = population of the region,

P_R = population of Slovenia,

BDP_r = GDP per capita of the region,

BDP_R = GDP per capita of Slovenia, expressed in percent.

² If the economically most powerful region, Osrednjeslovenska, is excluded from the calculation, regional differences are almost 9 p.p. lower, while trends between years are similar.

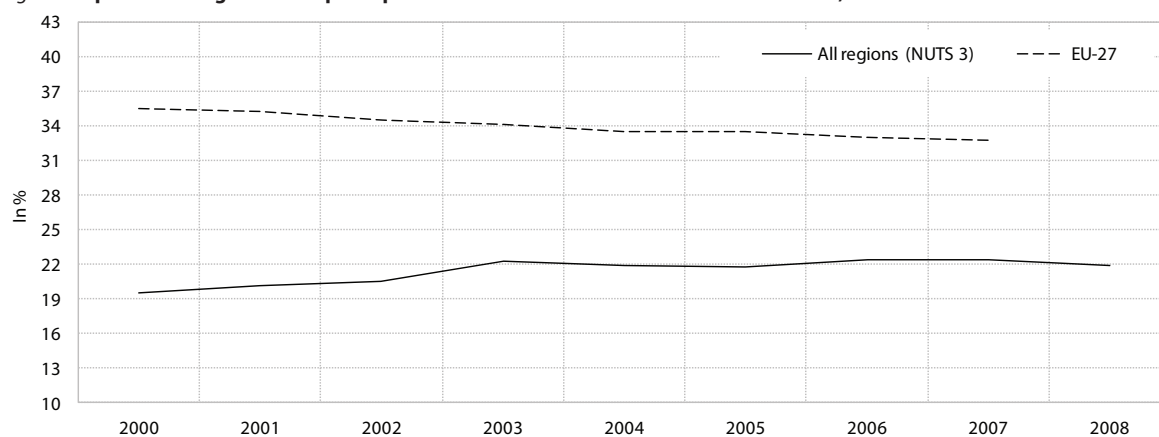
Table: Gross domestic product per capita, indices, Slovenia = 100

Cohesion region / Statistical region	1995	2000	2005	2006	2007	2008	GDV structure 2008, %
Slovenia	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Zahodna Slovenja	118.9	118.5	120.0	120.4	120.4	119.5	55.7
Obalno-kraška	108.5	105.4	101.8	102.3	104.0	106.0	5.6
Goriška	99.3	99.0	96.3	96.3	96.4	95.9	5.6
Gorenjska	89.2	87.6	85.3	84.3	84.7	84.0	8.3
Osrednjeslovenska	138.0	138.5	143.4	144.3	143.7	141.6	36.1
Vzhodna Slovenja	84.2	84.4	82.9	82.5	82.4	82.9	44.3
Notranjsko-kraška	78.7	80.5	76.0	74.8	75.4	74.1	1.9
Jugovzhodna Slovenija	88.7	91.7	92.7	92.9	93.1	92.9	6.4
Spodnjeposavska	80.9	85.0	82.5	80.8	80.2	82.4	2.8
Zasavska	84.8	79.3	69.7	68.1	66.1	65.3	1.4
Savinjska	93.0	90.6	89.6	88.9	87.9	89.7	11.5
Koroška	79.6	82.7	78.7	76.7	76.9	76.5	2.8
Podravska	81.6	83.7	83.5	84.2	85.1	85.3	13.5
Pomurska	74.9	69.6	66.8	65.7	65.2	65.0	3.9

Source: SI – STAT Data Portal – Economy – National accounts – Regional gross domestic product, 2010.

Note: GVA – gross value added.

Figure: Dispersion of regional GDP per capita in PPS at NUTS 3 level in EU-27 and Slovenia, %



Source: SI – STAT Data Portal, 2010.