

5.13 Regional variation in GDP per capita

In 2012 economic activity declined in all regions, with Zasavska recording the lowest GDP per capita for the second year in a row. The highest GDP per capita in 2012 was in the Osrednjeslovenska region (more than 40% higher than the national average), while the lowest was in the Zasavska region, more than a third lower than the national average. Reaching 69% of the national average, Zasavska thus replaced Pomurska as the economically least developed region for the second year in a row. The Obalno-kraška region was the only region other than Osrednjeslovenska to exceed the national average in the period analysed (by more than 2%), but had one of the largest declines in GDP (-6.3%) and therefore reduced its advantage over the national average by as much as 4.7 percentage points relative to 2011. After a slight improvement in 2011, economic activity declined again in 2012 across all statistical regions. The decline was largest in the Zasavska region (-7.8%) and smallest in the Koroška region (-1.0%).

The years of crisis have wiped out the progress towards narrowing the gap with the European average made by Slovenian regions in the 2005–2008 period. In 2005–2008 the statistical regions had mainly been moving closer to the average development level of the EU-28, but this came to a halt with the onset of the economic crisis. In 2012 most regions had a similar gap with the EU average as around 2002, some of them (the Notranjsko-kraška region, the Zasavska region) even similar to that in 1995 or even earlier. Compared with 2005, the gap with the EU average widened the most in the Osrednjeslovenska, Gorenjska and Zasavska regions (by 7 percentage points in each). Osrednjeslovenska is the only region to still exceed the European average, but its lead decreased from 28% in 2008 before the crisis to only 18% in 2012.² Among other regions, Obalno-kraška, Goriška and Jugovzhodna Slovenija exceed 75%³ of the EU-28 average, Savinjska reaches 75% of the European average, while all other regions remain below this limit.

The ratio between the two regions with the highest and lowest GDP per capita increased slightly in 2012, but remains relatively low; the differences in disposable income per capita are even smaller.

GDP per capita in the Osrednjeslovenska region in 2012 was 2.2 times that of the economically weakest Zasavska region, which is a slightly higher figure than in 2011 (2.1) and roughly the same as in 2006–2010. Taking into account the differences in purchasing power across regions, the actual ratio is probably even lower. The ratio between the highest and lowest disposable incomes (1.3 in 2011) is also much lower. It has been practically unchanged since 2007. In 2011 disposable income per capita increased in all regions, most notably in Koroška (by 4.9%) and the least in Osrednjeslovenska (by 1.1%). The highest disposable income per capita was in the Osrednjeslovenska region, but it did not exceed the Slovenian average by as much as its GDP per capita (only by slightly more than 7%). The national average was also exceeded by the other three regions from the cohesion region of Zahodna Slovenija (Goriška, Obalno-kraška and Gorenjska), and the Koroška and Notranjsko-kraška regions. Pomurska was farthest below the national average (by more than 14%), while Zasavska lagged behind by only slightly more than 3%.

In 2012 regional disparities in the relative dispersion of GDP per capita remained at the same level as in 2011, being still among the lowest in the EU. The relative dispersion of GDP per capita,⁴ which is one of the indicators of regional disparities, decreased by 0.8 percentage points to 21.6% in 2011, according to our calculations, and also remained at the same level in 2012. The regional disparities as measured by this indicator were thus lower than at the beginning of the implementation of SDS (2005) and comparable to the pre-crisis level (2008). The relative dispersion of GDP per capita is relatively low in Slovenia compared with other countries in the EU. In 2010 the value of this indicator for the EU-27 as a whole averaged 32.2%, with disparities being the greatest in Bulgaria (47.6%) and the lowest in Sweden (16.5%).

¹ Or were increasing their advantage, as was the case in the Osrednjeslovenska region.

² IMAD's calculations.

³ Under the EU cohesion policy, the regions at the NUTS 2 level whose GDP per capita is less than 75% of the average GDP in the EU-27 are considered less developed.

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

where t = year

P_r = population of the region,

P_R = population of Slovenia,

BDP_r = GDP per capita of the region,

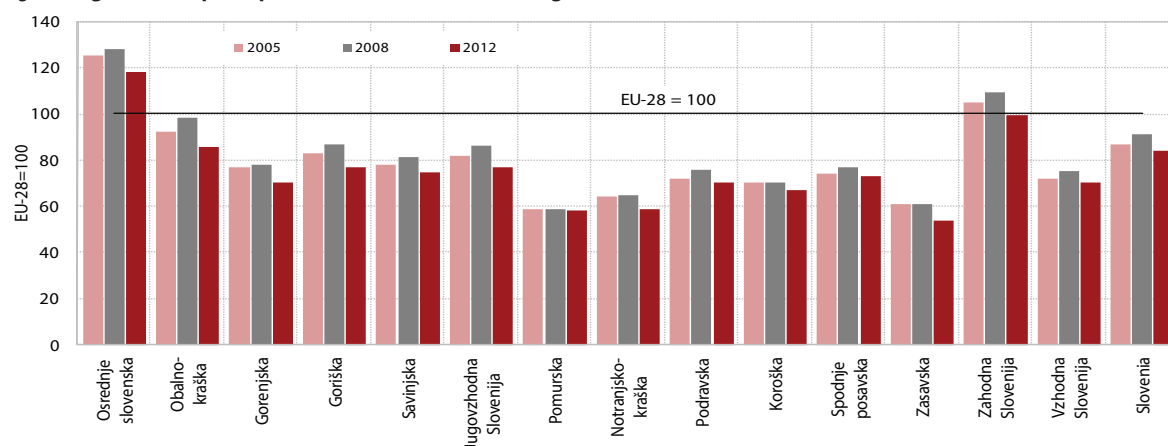
BDP_R = GDP per capita of Slovenia, expressed in percent.

Table: GDP per capita and real GDP growth

| Cohesion region / Statistical region | 2000 | 2005 | 2008 | 2009 | 2010 | 2011 | 2012 | EU-28=100 | | Real GDP growth, in % | |
|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|------------|-----------|-----------------------|-------------|
| | | | | | | | | 2011 | 2012 | 2011/2010 | 2012/2011 |
| Slovenia | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 100.0 | 84 | 84 | 0.6 | -2.5 |
| Zahodna Slovenija | 118.2 | 120.3 | 119.6 | 119.8 | 119.5 | 118.4 | 118.3 | 100 | 99 | N/A | N/A |
| Obalno-kraška | 107.8 | 105.6 | 107.7 | 108.9 | 109.8 | 106.9 | 102.2 | 90 | 86 | -1.8 | -6.3 |
| Goriška | 97.8 | 94.4 | 95.7 | 94.6 | 94.1 | 92.8 | 91.7 | 78 | 77 | -1.0 | -4.0 |
| Gorenjska | 88.9 | 87.7 | 85.4 | 82.2 | 82.9 | 83.2 | 83.6 | 70 | 70 | 1.7 | -2.3 |
| Osrednjeslovenska | 137.3 | 142.5 | 140.8 | 142.3 | 141.2 | 140.0 | 140.8 | 118 | 118 | 0.6 | -1.2 |
| Vzhodna Slovenija | 84.6 | 82.7 | 82.9 | 82.5 | 82.7 | 83.5 | 83.5 | 71 | 70 | N/A | N/A |
| Notranjsko-kraška | 80.7 | 72.6 | 72.1 | 72.5 | 71.6 | 70.9 | 69.8 | 60 | 59 | -0.3 | -4.5 |
| Jugovzhodna Slovenija | 93.0 | 93.3 | 94.9 | 92.4 | 92.9 | 92.6 | 91.8 | 78 | 77 | -0.5 | -4.3 |
| Spodnje posavska | 87.8 | 84.9 | 84.6 | 85.8 | 85.0 | 85.7 | 87.2 | 73 | 73 | 0.3 | -2.4 |
| Zasavska | 78.5 | 69.9 | 66.7 | 66.7 | 67.5 | 67.0 | 64.2 | 57 | 54 | -1.6 | -7.8 |
| Savinjska | 89.8 | 89.0 | 89.5 | 89.1 | 90.5 | 91.7 | 91.6 | 78 | 75 | 1.4 | -3.3 |
| Koroška | 83.8 | 79.8 | 77.6 | 75.1 | 75.0 | 77.5 | 79.6 | 65 | 67 | 2.9 | -1.0 |
| Podravska | 82.5 | 82.6 | 84.0 | 83.7 | 83.3 | 83.7 | 83.6 | 71 | 70 | 0.7 | -2.5 |
| Pomurska | 72.7 | 67.0 | 64.7 | 65.8 | 65.6 | 67.8 | 69.1 | 57 | 58 | 3.4 | -1.5 |

Source: SI-STAT Data Portal – Economy – National accounts – Regional gross domestic product, 2013, Eurostat – General and regional statistics, 2014; calculations by IMAD.
 Note: N/A – not available.

Figure: Regional GDP per capita relative to the EU-28 average



Source: SURS, Eurostat; calculations by IMAD.