

## A CENTRE FOR EXPERT SERVICES

It was always claimed in Kemi from the 1930's onwards that the people of Rovaniemi made their living out of washing each other's shirts, which polluted the water for those living downstream of them. It was not until after the war that Rovaniemi began to gain most of its incomes from administration, trade and tourism.

### Settlement and building up to the mid-1960's

The process of rebuilding under the Land Acquisition Act and the Land Utilization Act of 1958 continued intensively until the mid-1960's. New residential areas were established in the southern parts of the district, a total of almost 200 new farms were created and additional land was allocated to almost 900 existing farms. Accompanied by the abandonment

of forest grazing and the natural meadows and the introduction of more productive breeds of cattle, this increased agricultural performance, particularly in dairy farming.

The building of the hydro-electric power stations on the River Kemijoki after the war also increased the number of inhabitants in Rovaniemi. Work at the Petäjaskoski site commenced in 1953 and was completed in 1957, followed by Pirttikoski in 1956-1959, Valajaskoski in 1957-1960, Permantokoski in 1960-1961 and Vanttauskoski in 1967-1972. The work at Petäjaskoski and Pirttikoski in particular gave rise to local communities amounting to several thousand people at the time. The labour force engaged in the construction sector in the rural district increased almost ten-fold in the 1960's.

Rovaniemi became one of the

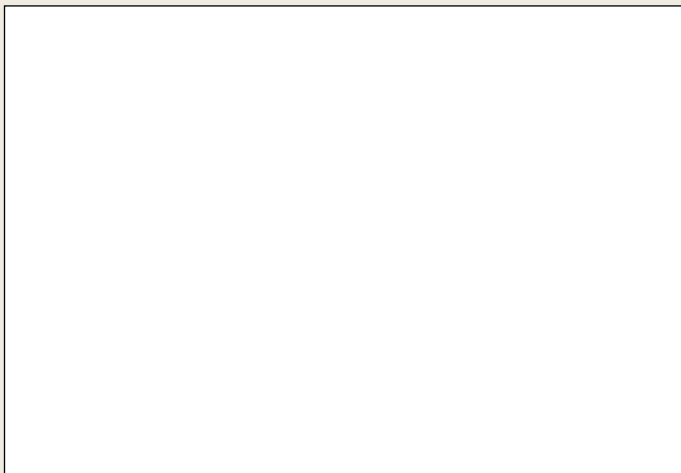
first new towns to be established in Finland since independence with its elevation to this status on 1.1.1960, and the new town recorded a gain in population of more than 2700 in the early 1960's, as a consequence of the high level of economic activity, as opposed to a loss in population of 1900 persons in the rural district.

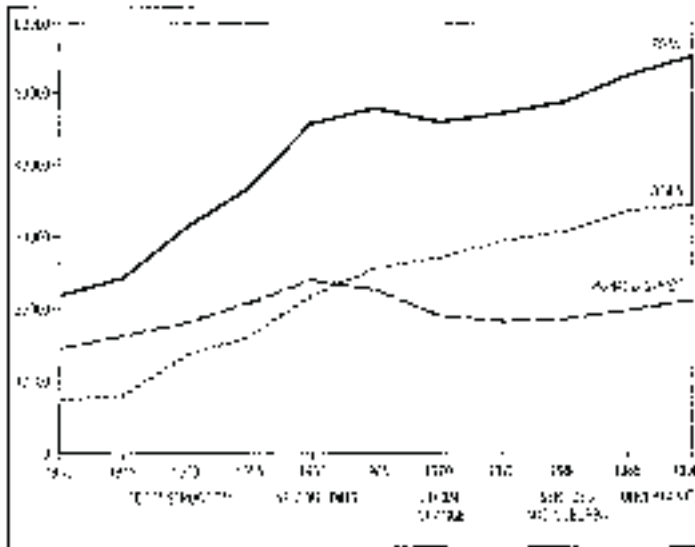
### 1965-1975 - the 'Great Transformation'

The late 1960's marked a period of vast changes over the whole of Lapland, including Rovaniemi. Together with the introduction of multipurpose forestry machinery, the sudden reversal in Finland's agricultural policy from the establishing of new farms to the limitation of over-production gave rise to a huge wave of migration from the rural areas to Sweden and the industrial centres of Southern Finland. This trend, which formed part of the national social and economic reorganisation known as the 'Great Transformation', reduced the proportion of people engaged in agriculture and forestry in the Rovaniemi rural district from 50 % in 1960 to 21 % by 1980.

The situation was further aggravated by the fact that the building of the power stations became gradually less labour-intensive and finally came to an end entirely. Where 18-20 % of the total workforce in the town and rural district had been engaged in construction work in 1960, the figure was only 10 % in 1980, and the rural district recorded a net population loss through migration of 4600 per-

*Rovaniemi was rebuilt very quickly after the war. The picture shows the main street and the new Borough Hall in winter 1958.*





*The population of the borough, and of the town from 1960 onwards, has grown steadily. Now the population of the Rural District has begun to increase as well after the difficulties of the changes in social structure in Finland in the 1960's and 1970's, mainly on the strength of overspill from the town.*

sons in 1965–1975, reducing its total population from 23\$000 in 1960 to 18\$000 by 1975.

Services and administration began to expand in the 1960's, thanks to the opening of regional offices of many central government organizations and the great expansion in vocational training.

Similar rapid development also took place in health care, social services and education. Although the town of Rovaniemi achieved a net migration gain of 2500 persons in 1965–1975, this was unable to compensate entirely for the loss of population in the rural district.

### Development of services and suburbs in 1975–1985

Services continued to develop greatly during the next 10 years, and the number of jobs in this sector also began to increase in the rural district. Although the town was able to expand its boundaries towards Vennivaara and Kursunki and to create the new residential areas of Ounasrinne, Pöykkölä and Vennivaara, new building also spilled over into parts of the rural district close to the town boundary.

The status of Rovaniemi nationally was enhanced by two important events, the inauguration of the Rovaniemi Court of Appeal in May 1979 and the opening of a college of higher education in autumn 1979, followed by its designation as a university in December 1990. The Town Council made a major cultural investment by building the Lappia Hall, placing the theatre under council control and founding a provincial museum and a municipal orchestra.

The proportion of people employed in the service sector increased from 29 % in 1960 to 40 % by 1980, the figures for the rural district being 11 % and 34 %, and even exceeding those for the town in the late 1980's. The town had a net migration



*Rovaniemi has preserved its position as the commercial centre for Lapland and the Peräpohjola region. The modern Sampo Centre was designed by the architects Ola Laiho, Mikko Pulkkinen and Ilpo Raunio.*



*The University College of Lapland, founded in autumn 1979, gained full university status in 1990. It had already acquired buildings of its own in 1987, on the former vicarage estate at Rantavitikka. The picture shows the university's opening ceremony.*

gain of almost 1100 persons in 1975–1985, although this was immediately followed by a loss of 700 in the late 1980's, while the rural district achieved a net in-migration of almost 500 people during this period. The latter could compete for new inhabitants so successfully by the late 1980's, in fact, that its migration gain exceeded 700 persons, most of them settling to live in the suburban areas on the outskirts of the town.

### **Facing an uncertain future**

Central government was still the main employer in Rovaniemi at the beginning of the 1990's, its offices and agencies employing almost 3400 persons. The role of the public administration was further underlined by Rovaniemi Town Council itself (2100 jobs) and the broad-based joint authorities responsible for running the regional hospital and vocational schools. The rural council itself was the main employer in the Rovaniemi Rural District (1200 jobs), the employment role of the public sector being emphasised still further by the Armed Forces and Muurola Hospital.

Industrial jobs have accounted for some 10 % of overall employment throughout the post-



*Rovaniemi invested large amounts of money and effort in the development of its cultural activities in the 1970's, including the building of a cultural and administrative centre designed by Alvar Aalto. On the left the Library (1964–65), and behind it the Lappia building (1975), which houses the theatre, provincial museum, music school and radio and television studios.*

war era, and transport for slightly less than 10 %. Despite the admittedly activating influence of tourism, even commerce is no longer able to create a large

number of new jobs. There are now major pressures to reduce the role of the public sector, the large size of which is regarded as constituting an economic risk.