

Welfare innovations at the local level in favour of cohesion

# **CITY REPORT: BARCELONA**

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This report is part of Work Package 3 of the research project entitled "Welfare innovations at the local level in favour of cohesion" (WILCO). WILCO aims to examine, through cross-national comparative research, how local welfare systems affect social inequalities and how they favour social cohesion, with a special focus on the missing link between innovations at the local level and their successful transfer to and implementation in other settings. The WILCO consortium covers ten European countries and is funded by the European Commission (FP7, Socio-economic Sciences & Humanities).



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# 1. TRANSFORMATIONS IN THE LABOUR MARKET

## 1.1. Socio-economic trends

Located in North eastern Spain on the shores of the Mediterranean, Barcelona is the economic, cultural and administrative capital of Autonomous Community of Catalonia. It is one of the largest European metropolises and centre of a province made up of over 217 municipalities, with a population of 4.6 million.

The economic base of Barcelona has changed deeply. Industry continues to have significant weight (around 13% of the workforce) but services have come to play a predominant role (82% of employment). Business services, tourism-related activities and commerce play a key role in the city's economy. In recent years, the so-called "quinary sector" has experienced a strong growth and diversification including strategically important industries such as health, culture, education, art and entertainment —all linked to innovation and creativity—, fields in which Barcelona has an enormous potential.

As the economic growth has been mainly based in construction sector, the current economic crisis has had a strong impact in Spain, especially in 2009, when national GDP decreased by 3.7% after an increase of just 0.9% in 2008.<sup>1</sup> Provisional data indicate a GDP decrease by 4% in 2009 for the Metropolitan Area of Barcelona and a similar figure for autonomous community of Catalonia.

The most recent data about economic sectors distribution in the Metropolitan Area of Barcelona are from *Anuari Economic Comarcal*<sup>2</sup> [Economic Regional Yearbook]. In the *Barcelones Comarca*<sup>3</sup> (almost equivalent to metropolitan area and also province in this case) in 2009, the 82.31% in services, the 13.24% in industry and the 4.43% in construction.

#### Labour market

The Metropolitan Area of Barcelona has been strongly affected by the crisis, especially in 2009. During the last decades, Spanish economic growth had been driven chiefly by construction, so the crash of this sector has had important economic consequences.

The last available data at the local level (2007) indicate a GDP decrease by 3.7% (Cambra de Comerç i Diputació de Barcelona 2009). Data on companies' establishments and the labour force also show a downward trend. The number of work establishments with at least one employee decreased by 5.5% during 2009, and the number of workers (including self-employed) decreased by 4.5%. In a year and a half of crisis, the Barcelona metropolitan region has lost 10% of its companies (Consell Economic i Social 2009).

Anyway, economic performance in Barcelona has been somewhat better than elsewhere in Spain due to the importance of services (both private –tourism and trade– and public – health and education–). The distribution of labour force by sectors in table 1 demonstrates the relative weight of each economic sector for the three territorial levels (national, province and local).

See: http://www.catalunyacaixa.com/Portal/en/Particulares/Anuario\_Comarcal+Comarcal+2011?subtipus=6



<sup>&</sup>lt;sup>1</sup> According to INE [National Statistics Institute].

 $<sup>^{2}</sup>$  The *Comarca* is a geographical, social, and culturally homogeneous area, with a clear natural or administrative demarcation, smaller than regions.

<sup>&</sup>lt;sup>3</sup> Caixa d'Estalvis de Catalunya, Tarragona i Manresa (2010).

	Agriculture Industry				Construction				Services			
	SPN	BCN Province (NUTS 3)	BCN City	SPN	BCN Province (Nuts 3)	BCN City	SPN	BCN Province (NUTS 3)	BCN City	SPN	BCN Province (NUTS 3)	BCN City
2001	6.5	1.0	0.4	19.7	31.8	21.4	11.6	8.9	5.3	62.2	58.4	73.0
2005	5.3	1.2	0.5	17.3	24.9	14.9	12.4	12.4	7.5	65.0	64.8	77.1
2010	4.3	0.8	0.1	14.1	20.0	13.0	8.9	8.2	5.1	72.6	71.0	81.7

Source: Spain and Province: National Institute of Statistics (INE), Labour Force Survey (EPA) -Barcelona City: Statistics Department. Barcelona City Council

Over 80% of Barcelona city's labour force works in services, 10 points above national and province averages. The same difference may be seen for three territorial levels in 2000. The sector of Information and Communication Technology (ICT) is responsible for the 7% of city's economy. It takes advantage of technological development and generates business opportunities with new advances in infrastructure in neighbourhoods such as "22@Barcelona".

The crisis has had two important consequences in Barcelona's labour market. On the one hand, there has been a decrease in employment between 2008 and 2009. Between 2007 and 2010 employment rate in the city has decreased from 72.9% to 66.2%. Table 2 shows the evolution of activity, employment and unemployment rates, with unemployment reaching a rate of 16.2% in 2010.

Table 2 - Employment, unemployment and activity rates in Barcelona city
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	2005	2006	2007	2008	2009	2010
Employment Rate	71.3	72.8	72.9	72.2	66.8	66.2
Unemployment Rate	7.3	6.4	5.8	8.4	15.4	16.2
Activity Rate	76.9	77.8	77.4	78.9	79,0	79,0

Source: Statistical Yearbook of Barcelona City (2010), Barcelona City Council Note: Rates refer to population aged 16 to 64.

Although the *Encuesta de Población Activa* (EPA) [Economically Active Population Survey] carried out by Instituto Nacional de Estadística (INE) [National Statistics Institute] shows that in 2010 permanent contracts at the national level were 74% of all contracts, there has been a decrease of regular contracting and an increase of temporary because of economic crisis. Between 2002 and 2007, a fast-growing period, the number of new contracts increased more than 31% at national level and 28% in Barcelona city.

 Table 3 - Register employment new contracts. Percentage of permanent

 and temporal contracts

	Total contracts registered			% ten	% temporary contracts			% permanent contracts			
	SPN	BCN Province (NUTS 3)	BCN City	SPN	BCN Province (NUTS 3)	BCN City	SPN	BCN Province (NUTS 3)	BCN City		
2002	14,179,245	1,607,914	714,928	91	85.8	85	9	14.2	15		
2007	18,622,108	2,146,589	915,196	88.1	83.1	82.9	11.9	16.9	17.1		
2009	14,021,837	1,558,909	756,279	90.6	86.5	87	9.4	13.5	13		

Source: Statistics Department, Barcelona City Council - Department of Labour, Catalonian Government

It looks that this trend is reversing since 2010 when the labour market has started showing some symptoms of recovery. As the Economic and Social Council of Barcelona (Consell



Econòmic i Social de Barcelona 2011c) has pointed out, while in 2009 contracting fell in all territorial levels (with rates above 15%) in 2010 there is an increase at all of them. Both in Barcelona and in Spain, the number of contracts rises in 2.8%.

In Barcelona city, women's employment is very important. It has been the only territory in which women's contracts make up the majority of contracts signed. During 2010, 53% of all contracts were signed by women (8.2% above the Spanish average). Meanwhile permanent contracts decreased about 5% in all three territories but temporary contracts have increased (by 3.8% in Spain and by 4.1% in Barcelona).

Finally, the analysis of new contracts registered during 2010 indicates that in Barcelona the weight of those with university higher education studies almost doubles the national average (with 17% and 9.7% of the total respectively). Contracts signed by people who have primary studies were just 10.3% of the total and is below national average in 9.7%. In Barcelona 15.1% of the contracts were signed by people with vocational training, while in Spain it was only 10.7%.

## Informal labour market

The informal economy has grown significantly in Spain since the late 1980's (Brindusa and Vázquez 2010). Fraud in the Spanish labour market is significant and the most frequent irregularities are: undeclared work and hiring foreign workers without work permits. As Brindusa and Vazquez (2010) have pointed out, there are many reasons that may explain this, but they highlight the high unemployment rate in 90's, little labour market flexibility and excessive bureaucracy.

The importance of construction and the arrival of immigrants in recent years have contributed to increase fraudulent activities that define this kind of economy. According to the international comparative study of Schneider, quoted by Brindusa, the underground economy in Spain (Schneider 2010) could be close to 20% of the GDP (or even 22% according to estimates made for 1994/95). Study indicates that throughout the period observed, from 1990 to 2010, there is a correlation between the increase in informal economy, rising unemployment rates and slower economic growth.

## Immigration

Immigration in Spain is linked to the rapid economic growth of the early 2000s. In 2000 foreigners represented 2.28% of the Spanish population. This proportion jumped to 12.22% in 2010. In Barcelona city the increase has been somewhat higher, from 3.08% in 2000 to 17.46% in 2010<sup>4</sup>. Their activity rate was 67.8% in 2007 and 73.7% in 2009.

Table 4 - Evolution of immigrant's activity rate and unemployment rate, by sex in Spatian	in
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	Activit	ty Rate	Unemploy	ment Rate
	2007	2009	2007	2009
Immigrant total population	67.8	73.7	12.9	30.6
Men	78.5	80.8	10.6	32
Women	57.6	66.4	16	28.9

Source: Migration Survey, 2006-2009 series, National Statistics Institute (INE)

<sup>&</sup>lt;sup>4</sup> See Statistical Institute of Catalonia (IDESCAT).



The employment growth in Barcelona, in recent years, is mainly due to the arrival of foreigners. This can be seen in the number of foreigners in Social Security registers, which has grown much faster than amongst nationals. Immigrants have a higher activity rate than nationals. In 2005 was 75% while that of Spaniards was 60%. The activity rate of foreigners increased between 2007 and 2009, not increasing the employment rate but raising the unemployment level. The unemployment rate grew amongst foreigners between these two dates (over 150%), with a lower increase for women. The permanent contracts in 2007 were the 15.3% and the temporary contracts the 84.7%.

It's hard to ascertain the number of foreigners living in Spain without residence permit. In Spain anybody who lives in a municipality has the duty to register in the Padrón Municipal<sup>5</sup>, a register of neighbours. Municipalities must register whoever can prove to be living in their territory, whether they do legally or not. Comparing municipal register data with figures on residence permits from the Ministry of the Interior, Solé offers some estimates of the irregular immigrant population (Solé 2010). In January 2010 Spain had 4,791,232 foreigners with residence permits and 5,708,940 registered in municipalities. This gives us an estimate of 917,708 illegal immigrants in the country for that year. Taking this estimation, the proportion of illegal immigrants could be near 19.15% of total foreign population.

Although data don't show an increase in immigrant irregularity after the outbreak of the economic crisis, there seem to be changes in the reasons of irregularity. Irregularity is not explained by the entry of new immigrants without a permit, but rather by people who are losing their residence and/or work permits. It's likely that irregular employment has increased among foreign workers (Sole 2010). In Spain immigrants cannot work regularly (as employed or self-employed) if they don't have a work and residence permit and many of such permits are temporary. The permit must be renewed periodically to continue living and working legally in the country. On the other hand, renewal is contingent upon having a regular job but a residence permit is no guarantee of having a regular job. Immigrants often are forced to work illegally in black economy, despite of having a residence permit.

## Illegal migrants

According different sources, we can estimate the illegal migrants living in Spain. The number could be between 750,000 and 1,000,000 of people in 2007 according SOS Rascisme. The number of asylum seekers or protection at Spain level was 2,744 in 2010 according data from Ministry of Labour and Immigration. At Community Autonomous of Catalonia level, according CITE (Information Centre Foreign Workers) of the trade union CC.OO (CITE 2010), the number of illegal migrants could be about 200,000 people, the 17.39% of immigrant population. We have not information at Barcelona level, but we could take this information as an approximation to the situation in the city.

Most of women migrants in irregular situations work in domestic or care services, in private homes. Despite of economic crisis, in recent years the arrival of women to work in this area has grown significantly. The aging Spanish population requires new care services. Changes in family structure and in the role of women have created a new space for working informally within households and have changed the features of domestic work.

<sup>&</sup>lt;sup>5</sup> The *Padrón de Habitantes* is the local register of the cities.



#### Wage structure

The *Encuesta Anual de Estructura Salarial* [Wage Structure Survey] conducted by the INE, shows annual average income per worker for Spain and for regions, but not for municipalities. The *Ajuntament de Barcelona* [Barcelona City Council] has its own data. Using these different sources, and considering that different levels might not be comparable, the following table shows the evolution of wage structure from 2004 to 2009.

	National	Contra	ct Type	Natio	nality	Age	S	ex	Catalonia (NUTS2)	Barcelon a
	wage average	Permanent	Temporary	National	Foreign	18/30 years	Man	Women	Wage Average	Wage Average
2004	18,310	21,107	13,701	18,497	14,773	12,646	20,548	14,889	19,750	18,241
2005	18,676	21,501	14,124	18,905	14,969	13,250	21,093	15,294	20,067	18,578
2006	19,680	21,690	14,624	20,123	15,497	12,866	22,051	16,245	21,210	19,385
2007	20,390	21,949	15,053	20,876	14,350	13,135	22,780	16,943	21,998	21,011
2008	21,883	23,544	16,204	22,485	14,806	13,562	24,203	18,910	23,375	22,181
2009	22,511	23,979	16,700	23,018	15,030	13,313	25,001	19,502	23,851	

Sources: National: Wage Structure Survey, 2004-2007 and 2008-2009 series. National Statistics Institute (INE). Barcelona City: Statistics Department, Barcelona City Council.

#### Young population

With the available data we can't know precisely the size of the young precariousunemployed target group of our research. The Economically Active Population Survey (EPA) offers data for the national and regional level, with data for 5-year age groups (16 to 20, 20 to 24 and 25 to 29). In other statistical sources for the regional or local level, there is a distinction between young from 18 to 25 years and population over this age. It hasn't been identify the target group (crossing age, education level, relationship to the labour market and on housing). In many cases data are available for users of a particular program, but not for all young population.

In order to have information about conditions of young people in the labour market, the *Generalitat de Catalunya* [Government of Catalonia] carries out a quarterly report about youth and labour market. The results can be taken as approximate references to know the situation of the labour market of young people at the city level. See the average data in 2010 in table 6.

Table 6 - Youth and the labour market at Catalonia (	(NUTS2) in 2010
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Population aged 16 to 29 years	15.9%		
Activity Rate	68.5%		
Employment Rate	48.8%		
Unemployment Rate	28.8%		
Source: Economically Active I	Population Survey (EPA),		

National Statistics Institute (INE).

During the last 10 years in Catalonia, the share of young people in labour force has shrinking. Their participation in labour market has declined steadily since 2005, with a biggest decrease since crisis period. The worst results are from the fourth quarter of 2009 with a decline of 9.3% (more significant among males than females). In 2010 youth participation continues downward in employment rates. Currently they represent 20.2% of labour force and 17.4% of the employment population in Catalonia. Last year the decline in



young men activity was -5.3%, while women reduced their activity rate in -2.6%. Of total unemployed population in Catalonia, one in three is under 30 years.

This report also shows the transition between employment and unemployment in population between 16 and 29. This group is the one with the lower probabilities of continuance in employment (below 90%). Therefore, they are the most affected by the loss of the employment reaching nearly the double of average population. In the last quarter of 2010 12.68% of young people have lost their jobs (6.99% by unemployment and 5.69% by inactivity).

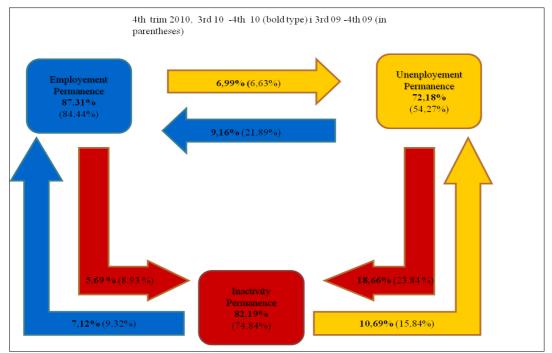


Figure 1 - Changes in Activity status of young people aged 16 to 29 in Catalonia (NUT 2)

Source: Youth and Labour Market in Catalonia (2010)

The following table lists the main characteristics of employed young people between 16 and 29 years, in comparison with total employed population aged over 16 years in Catalonia. Employees with higher education represent 36.1% of young employees, while those with low educational level represent 9.6%. About 19% of young employees have part-time jobs, a rate higher than the average of the employed population (12.4%). The greatest difference between all employees and the young ones happens in the rate of temporality. In young people represents 37.4 % of employment contracts, while average of all population is just 18.8%. Finally about 75.8% of young workers are working in services and 24.3% are foreigners.

	Peopl	e aged fro	om 16 to 29	years	People aged over 16 years					
		Annual	variation			Annual	variation			
	Total	%	Absolute	Relative	Total	%	Absolute	Relative		
Sex										
Men	266.9	48.9%	-26.3	-9.0%	1,677.4	53.5%	-24.7	-1.5%		
Women	278.4	51.1%	-4.1	-1.5%	1,456.2	46.5%	21.9	1.5%		
Educational status										
Illiterate and primary										
education	52.3	9.6%	0.1	0.2%	493.2	15.7%	-32.9%	-6.3%		
Secondary education 1st.		<b>•</b> • <b>•</b>		<b>2 - </b>	- 10 -		== 00/	<b>e</b> 464		
Stage	144.7	26.7%	11.3	8.5%	748.5	23.9%	55.8%	8.1%		
Secondary education	454.2	27 70/	24 5		740.0	22.0%	47.00/	2.2%		
2nd.stage	151.3	27.7%	-26.5	-15.0%	749.8	23.9%	-17.0%	-2.2%		
Higher Education	197.1	36.1%	-14.9	-7.0%	1142	36.4%	-8.8%	-0.8%		
Professional status Employees	512.5	94.0%	-19.9	-3.7%	2,639.2	84.2%	11.7%	0.4%		
* With temporal contract	191.7	94.0% 35.2%	-19.9	-3.7%	2,639.2 495.6	84.2% 15.8%	43.0%	0.4% 9.5%		
* With indefinite contract	320.8	58.8%	-30.9	-8.8%	2,143.6	68.4%	-31.3%	-1.4%		
Temporal rate	37.4%	50.0%	3.5p	-0.0%	18.80%		-51.5% 1.6p	-1.4/0		
Not employee	32.8	6.0%	-10.6	-24.4%	494.3	15.8%	-14.6%	-2.9%		
Type of working day	52.0	0.0/0	10.0	<b>_</b> 1. 1/0	17 11.5	10.0/0	11.0/0	2.770		
Full Time	441.5	81.0%	-23.1	-5.0%	2,743.4	87.6%	-14.3%	-0.5%		
Part-time	103.8	19.0%	-7.3	-6.6%	390.1	12.4%	11.4%	3.0%		
Partial rate	19.0%	-	-0.3p	-	12.4%	-	0.4p	-		
Type of employment							-			
1/2: Managers and business										
administration, technical and										
professional. Scientists and										
intellectuals	78.5	14.4%	-4.6	-5.5%	693.8	22.1%	-38.5%	-5.3%		
3:Technical and professional										
support	69.9	12.8%	-0.2	-0.3%	354.1	11.3%	33.9%	10.6%		
4: Administrative Employees	80.5	14.8%	-9.1	-10.2%	449.7	14.4%	-10.8%	-2.3%		
5: Restaurant, personal and	120 (	2 4 00/	40.0	0.0%	405.0	45.00/	4 00/	1 000		
trade services	130.6	24.0%	-12.8	-8.9%	495.3	15.8%	4.8%	1.0%		
6/7 : Agricultural, fisheries, manufacturing and										
construction skilled workers.	64.0	11.7%	-2.6	-3.9%	433.3	13.8%	-24.0%	-5.2%		
8: Installation operators.	04.0	11.1/0	-2.0	-3.7/0	455.5	13.0%	-24.0%	-J.Z/0		
Machinery and equipment	48.5	8.9%	4.4	10.0%	322.4	10.3%	11.7%	3.8%		
9: Unskilled workers	72.8	13.4%	-3.0	-4.0%	3,84.3	12.3%	22.6%	6.2%		
0: Armed Forces	0.6	0.1%	-2.5	-80.6%	0.6	0.0%	-2.5%	-80.6%		
Economic Sector	0.0	3.170	2.5	00.0/0	0.0	0.0/0	2.3/0	30.0/0		
Agriculture	7.7	1.4%	-0.9	-10.5%	65.8	2.1%	7.4%	12.7%		
Industry	77.1	14.1%	-14.8	-16.1%	606.2	19.3%	-5.4%	-0.9%		
Construction	47.1	8.6%	0.6	1.3%	257.8	8.2%	-41.7%	-13.9%		
Services	413.4	75.8%	-15.3	-3.6%	2,203.8	70.3%	37.0%	1.7%		
Nationality										
Foreign	132.3	24.3%	-1.9	-1.4%	507.6	16.2%	8.7%	1.7%		
Nationality	412.9	75.7%	-28.6	-6.5%	2,625.9	83.8%	-11.6%	-0.4%		
Total	545.3	100.0%	-30.4	-5.3%	3,133.5	100.0%	-2.9%	-0.1%		

# Table 7 - Employed Population Profile in Catalonia (NUTS 2)

Source: Youth and labour market in Catalonia (2010)



## 1.2. Public regulation

Since the reform of labour market services in 2003, public employment services are organised as follows (see Aguilar *et al.* 2011):

The central government runs the *Servicio Público de Empleo Estatal- SPEE* [*State* Public Service for Employment]. It is responsible for unemployment benefits (both contributory and means-tested), for the general coordination of employment policies carried out by regional employment services, and for keeping statistics for the whole system.

Regional governments, called *Comunidades Autónomas (CC.AA)* [Autonomous Communities] run their own public employment services that are responsible for active labour market policies, especially training, labour market intermediation, helping jobseekers and promoting entrepreneurship.

Many municipalities have voluntarily set up their own employment services, usually expanding the offer of training courses and support services by regional services. In many cases they act as local development agencies, promoting economic activity.

During last decade, there has been no change in the distribution of responsibilities between different government levels. Even though, some new organisms and institutes have been created at regional level (Catalonia) and, also, at local level (Barcelona City).

At regional level due the economic crisis an *Observatori del Treball* [Observatory of the Labour Market] was created in November 2008. It aims at gathering data and information on the labour market and at bringing together various social actors around these issues. The Observatory is composed by representatives of the Department of Labour, of different areas of government –cooperative economy, equal opportunities, labour relations and education– and representatives of civil society –business organizations, unions and representatives of the *Ajuntament de Barcelona* [Barcelona City Counci]-.

At city level, the entity "Barcelona Activa" has a significant role. Created in 1986, this municipal company was born as a business incubator with 16 projects installed. Currently, Barcelona Activa has become local and international reference about issues as support for entrepreneurs, innovation, professional improvement and creation of employment.

Barcelona Activa offers support for people looking for labour market orientation (itineraries for professional insertion), training (vocational and tailor-made training in sectors with high demand for professionals), inclusion programmes (the Programme for Social and Labour Inclusion, the programme for New Opportunities of Access to Work for women, the Youth Plan Training-Employment), and work experience programmes that combine training and work experience ("Workshop Schools", "Trade Skills Houses", "Employment Workshops", "Employment Plans"). Barcelona Activa designs programmes to give adequate and innovative responses to jobseekers, taking into account their needs and those of companies as well. The principle is that only by observing the business reality is it possible to ensure the effectiveness of actions in terms of insertion in the labour market.

By request of Barcelona City Council, the regional government, the local government, business representatives and trade union organizations signed an "Agreement for Quality Employment in Barcelona" in May 2008. Amongst other things it deals with challenges to youth labour integration. The programme 'Youth with Future', geared towards unemployed people under 25 who have dropped studies or have a low level of training was set up in this context. It's an orientation and training programme that offers a job placement with a



training contract for 6 months in an enterprise. Businesses are responsible for the training in this programme.

The following table shows data on unemployment benefits. They are available for Barcelona only in 2009. These benefits are managed by central government who offers information for the national and regional level.

		ovince ΓS 3)		alonia JTS 2)	S	PN	BCN City
	Total	Percentage	Total	Percentage	Total	Percentage	Total
2001	104,520	100.0	136,319	100.0	1,099,576	100.0	
Contributory level Assistant level (non	72,659	69.5	92,935	68.2	501,257	45.6	
contributory)	31,596	30.2	43,079	31.6	590,567	53.7	
Active insertion income	265	0.3	305	0.2	7,752	0.7	
2005	139,515	100.0	181,340	100.0	1,295,201	100.0	
Contributory level Assistant level (non	103,469	74.2	133,043	73.4	687,034	53.0	
contributory)	34,536	24.8	46,427	25.6	558,501	43.1	
Active insertion income	1,510	1.1	1,870	1.0	49,666	3.8	
2007	151,036	100.0	199,762	100.0	1,421,480	100.0	
Contributory level Assistant level (non	111,941	74.1	147,194	73.7	780,205	54.9	
contributory)	37,245	24.7	50,244	25.2	575,675	40.5	
Active insertion income	1,850	1.2	2,324	1.2	65,600	4.6	
2009	307,682	100.0	416,987	100.0	2,681,223	100.0	83,702
Contributory level Assistant level (non	223,202	72.5	299,141	71.7	1,624,792	60.6	56,000
contributory)	80,855	26.3	113,054	27.1	960,888	35.8	27,702
Active insertion income	3,625	1.2	4,792	1.1	95,543	3.6	

Table 8 - Unemployment benefit's beneficiaries by territorial level and type of benefit

Sources: National and Regional: Statistics yearbook of labour and social affairs, Ministry of Labour and Immigration (2010). Barcelona City: Statistics Department, Barcelona City Council.

# 2. DEMOGRAPHIC CHANGES AND FAMILY

## 2.1. Socio-economic trends

Advanced societies have undergone profound demographic changes since the mid-sixties. One of the features of modern population change in Spain is that took place a little bit later and much faster than in other countries. In the case of Barcelona, these changes have occurred with great intensity since the 1980s.

The population of Barcelona has been losing population between 1981 and 2000 (except for 1992 due to the Olympics). Since 2000 growth has been due to migration. The population has fallen from 1,906,998 inhabitants in 1980 to 1,619,337 in 2010, with a historical minimum of about 1,500,000 habitants in the late nineties.

The evolution of the population of Barcelona has been closely linked to natural growth of population since 1986 (difference between births and deaths) and to migration processes (both national and international). The natural growth trend has been negative due to low



fertility and to aging. On the other hand, the population has grown slightly during last decade mainly because of foreign immigration.

One of the most important demographic phenomena that has affected Barcelona city in recent years has been intra-metropolitan residential migration (change of residence between municipalities in the same region). Although Barcelona has remained a focus of attraction, especially for foreigners, this caused an important population drain towards smaller municipalities. The main reason of this migration has been the high housing prices (both for purchase and rent) for the average family in large city and the rise of construction in the metropolitan area.

	Years	Growth Rate
	2000-2001	0.61
	2001-2002	1.45
	2002-2003	3.64
	2003-2004	-0.26
	2004-2005	0.92
	2005-2006	0.79
	2006-2007	-0,65
	2007-2008	1,3
	2008-2009	0.35
_	2009-2010	-0.14

Table 9 - Barcelona population growth rate

Source: Self elaboration. Municipal Register and Statistical Institute of Catalonia (IDESCAT)

The following tables show the key demographic trends in Barcelona City. As table 10 shows, birth and marriage rates in Barcelona are a little bit lower that in national and regional level.

	Cruc	le Marriage Ra	ite	C	rude Birth Ra	ate	Cru	Crude Mortality Rate			
	SPN	Catalonia (NUTS 2)	BCN City	SPN	Catalonia (NUTS 2)	BCN City	SPN	Catalonia (NUTS 2)	BCN City		
2000	5,38	5.51	4.2	9,88	10.22	8.3	8,95	8.91	10.3		
2005	4.82	4.49	3,5	10.75	11.57	8,9	8.93	8.89	10,1		
2007	4,47	4.18	4.2	10,95	11.68	8.8	8,57	8.28	9.7		
2008	4,23	4.16	3.3	11,38	12.2	9.1	8,47	8.15	9.3		
2009	3.83	3.73.	3,2	10.73	11.5	8,7	8.35	8.08	9,04		

Table 10 - Marriage, birth and mortality rates by territorial level

Source: National and Regional: National Statistics Institute (INE). Barcelona City: Statistics Department, Barcelona City Council

The first demographic transformation in Barcelona has to do with births. The birth rate was relatively high in the city in the seventies (around 17 %) and it fell to one of the lowest in Europe in 2009 (less than 9%) The number of births has been halved, from 30,000 to just over 14,000 in 2009. Total fertility rate has fallen as well, from over 2 children per woman to 1.15. Despite changes in fertility patterns, during the last decades there was a little rise in birth rates (which was less of 8 % in early nineties and grew slightly to 9 % after 2000) due to and increasing population of childbearing age. The arrival of young foreigners in childbearing age fuelled this increase. The postponement of motherhood



among baby boomers has meant that full generations have delayed childbearing until well beyond their thirties.

Fertility patterns have been affected by the increasing age at motherhood as well. It rose from 31.7 years in 2001 to 32.21 in 2009. There is also an increase in births of unmarried mothers, reaching 38.32% in 2009 (during the second half of the eighties was just 10%). Finally, having fewer and later births is related with aging population and the reduction in household's size average.

The second demographic transformation has to do with marriage, formation and rupture of couples. Marriage is still one of the main forms of emancipation, although it has lost exclusivity. Rates around 7 marriages per thousand inhabitants in the seventies have shrunk to rates around 3.50 ‰ in 2009. In Barcelona, marriage is in decline and the average age of women at marriage has risen. For women, for example, it's around 33 years of age. Likewise, other forms of union have become more important. A weak and late marriage has to do with a diversification on emancipation forms and on household formation. Meanwhile, a late emancipation involves a larger permanence of sons and daughters in their parents' home.

	SP	'N	Catal (NUT		BCN City		
	2000	200	2000	2009	200 0	2009	
Total fertility rate	1.2	1.4	1.3	1.5	1.1	1.1	
Mean age first child	30.72	31.04	30.93	30.9 5	31.6 0	32.21	
Proportion of births outside marriage	17.69	34.48	30.34	38.5 6	31.8 3	38.32	
Total female marriage rate	0.66	0.50	0.66	0.51	0.52	0.44	
Mean Age of women at marriage	28.90	32.06	29.20	33.0 8	31.2 8	34.20	

Table 11 - Fertility and marriage by territorial levels

Source: National Statistics Institute (INE)

The emancipation rate of the population of Barcelona between 18 and 24 years of age has been lowering in the last two decades, going from 12.4% in 1985 to 7.7% in 2000<sup>6</sup>. The main cause of this delay in the age of emancipation is possibly the extension of schooling and the delay in joining the labour market. In the group from 25 to 34 years of age, the emancipation rate has also dropped from 74.1% in 1985 to 51% in 2000. In this case, the reduction of the emancipation rate is not related with joining the labour market or the difficulty for finding job (In 2000, 92% was active with only 8.7% unemployed). Probably others aspects related to the precariousness of employment and the growing difficulty to have access to housing are the most probable causes.

The third transformation refers to increases in life expectancy and aging population. Higher life expectancy, added to drain of young people from the city and the low fertility, have changed age structure in Barcelona. In 1981 the proportion of population over age 65 was 13.65% but in 2001 had almost doubled to 21.66%. By 2010 population over 65 years old had reduced slightly to 20.57%, for immigration has rejuvenated the population. In 2010 the city had 170.6 inhabitants over 65 years for every 100 children. During the last decades, life expectancy and longevity of population increased very quickly. In 1986 Barcelona city had a life expectancy of 76.64 years and it has risen to 82.1 years in 2008.

<sup>&</sup>lt;sup>6</sup> Llibre Blanc de l'habitatge a Barcelona (2007) [Housing Barcelona White Book].



	1990	2000	2009
Population structure:			
< 16 years	16.10	12.42	13.38
16 - 64 years	66.53	65.61	66.32
> 65 years	17.89	17.4	20.30
Aging index	119	190	161
Dependency global index <sup>7</sup> (senile and youth)	47	50	49

Table 12 - Evolution of population structure at Barcelona City (1990-2009)

Source: Statistics Department, Barcelona City Council.

The modernisation of the city and the demographic changes associated to it (aging, new family forms and declining birth rates) has had a significant impact on household structure. Trends show a reduction of couples with children and extended families and an increase of single person households. Data available are for the last census 2001, so they don't reflect the detail of latest changes.

						Annual growth rate % 1991-					
		1991			2001		Annual gi	2001	0 1991-		
	Cataloni a (NUTS2)	BCN Prov (NUTS3)	BCN City	Catalonia (NUTS2)	BCN Prov (NUTS3)	BCN City	Catalonia (NUTS2)	BCN Prov (NUTS3)	BCN City		
Lone- parent household	13.59	18.1	13 .53	20.93	26.15	20 .32	6.31	4.06	5.89		
Households with no family nucleus.	2.63	4.23	2.79	3.99	5.54	4.1	6.15	3.04	5.67		
Nuclear households	72.46	67.57	73 .21	64.6	59.09	65 .81	0.66	-1.04	0.59		
Couples without children	18.9	18.93	18 .43	19.91	19.43	20 .22	2.35	0.56	2.62		
Couples with children	46.53	40.04	47.4	36.93	30.52	37 .58	-0.5	-2.39	-0.66		
Female lone-parent	5.85	7.31	6.19	6.36	7.65	6.63	2.67	0.75	2.37		
Male lone- parent	1.18	1.29	1.19	1.41	1.49	1.39	3.68	1.79	3.27		
Extensive households	8.71	10.11	8.3	8.24	7.67	7.8	1.26	-2.43	1.04		
Couples without children with others	1.98	2.12	1.9	2.51	2.53	2.37	4.24	2.1	3.96		
Couples with children with others	5.58	4.72	5.18	4.02	3.19	3.69	-1.45	-3.57	-1.73		
Female lone-parent with others	0.94	1.27	1	1.29	1.56	1.34	5.15	2.38	4.66		
Male lone- parent with others	0.21	0.25	0.22	0.42	0.39	0.4	8.99	4.9	8.06		
Multiple households	2.61	1.75	2.16	2.25	1.56	1.96	0.32	-0.85	0.68		
Total	100	100	100	100	100	100	1.82	0.3	1.67		

Table 13 - Type of households, population distribution and growth rate	e of households by
territorial levels (1991 - 2001)	

Source: Cristina López (2008).

Women head 82.4% of single parent households. This type of households has changed. Until the nineties they were mainly result of the death of one partner (usually the man) so

 $<sup>^{7}</sup>$  The dependency global index shows the weight of non-active population (0-15 years, and >65) respect the potentially active population.



elderly widows headed them. Over 27% of these households are headed by widow women over 65 years, but households headed by separated, divorced and unmarried women are becoming increasingly important (reaching 36%).

Housing tenure in Barcelona city differs significantly from Spain. As we have seen the total rental housing at national level is 11.5%, but in Barcelona city is three times higher and reaches 36.5% of total housing. Ownership housing percentage is about 60.5%, according to the latest data available from *Enquesta Demogràfica* [Demographic Survey] of 2007 conducted by Catalonian Government (Table 14).

	Total	Percentage
Property by purchase, fully paid Property by purchase, with outstanding payments	282,900	42.2
(mortgages)	122,300	18.3
Property by inheritance or donation	-	-
Rent	244,200	36.5
Other	20,200	3.0
TOTAL	669,600	100

Table 14 -	Tenure	status	Barcelona	city.	2007
				/ /	

Source: Demographic Survey, Statistical Institute of Catalonia (IDESCAT)

Housing purchase prices have doubled between 2000 and 2010. The average price per square metre in Barcelona city was 2,165€ in 2000 and rose to 5,242€ in 2010. The burst of the real estate bubble has caused a decrease in prices since 2008 (5,918€), but average price in 2010 is still high. The increase of the average price of rent was even higher due to relative shortage of this market. Average rent price in Barcelona city was 7.21€/m<sup>2</sup> in 2000 and 12.93€ in 2010. The next table shows the prices by different districts of the city (table 15 prices selling and table 16 prices renting).

Table 15 - Average prices selling new housing and by Districts (€/m2)

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
1. Ciutat Vella	1,739	2,301	3,006	3,844	4,200	4,483	5,826	6,864	6,801	6,854	6,147
2. Eixample	2,432	2,998	3,742	4,182	5,276	6,007	7,439	7,005	7,089	6,470	5,837
3. Sants-Montjuïc	1,884	2,185	2,339	3,038	3,827	4,379	5,270	5,195	4,492	4,158	4,410
4. Les Corts	2,713	2,628	4,140	3,656	4,393	6,625	6,303	8,877	10,517	10,358	9,208
5. Sarrià-Sant Gervasi	2,950	3,910	4,873	4,203	7,856	7,902	8,350	9,301	8,589	7,817	8,493
6. Gràcia	2,261	2,399	3,314	3,608	4,335	5,119	5,749	5,598	5,747	4,900	5,029
7. Horta-Guinardó	2,376	2,738	2,729	3,290	3,430	4,479	4,872	4,759	5,040	4,310	4,222
8. Nou Barris	1,701	2,145	2,319	2,852	3,350	4,077	4,309	4,436	4,311	3,660	3,846
9. Sant Andreu	1,904	2,215	2,545	2,999	3,581	4,120	4,734	4,774	4,786	4,413	4,459
10. Sant Martí	1,840	2,223	2,437	3,260	3,636	4,494	5,107	5,215	5,463	4,729	4,865

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
1. Ciutat Vella	6.73	7.99	9.95	10.84	13.03	14.06	15.08	16.45	17.26	15.35	14.85
2. Eixample	6.63	8.21	8.95	9.53	10.66	11.69	12.66	14.21	14.85	13.25	13.03
3. Sants-Montjuïc	6.22	7.67	8.35	8.96	10.37	11.03	11.71	12.93	13.94	12.54	12.14
4. Les Corts	9.01	9.27	10.66	10.48	11.01	12.08	13.25	14.26	14.84	13.51	13.19
5. Sarrià-Sant Gervasi	8.52	9.41	10.18	10.29	11.06	12.44	13.24	14.81	15.86	14.26	14.13
6. Gràcia	6.34	7.93	8.99	9.58	10.85	11.79	12.55	14.08	14.53	13.53	13.1
7. Horta-Guinardó	5.83	7.25	7.9	8.65	9.38	10.24	11.28	12.27	12.72	11.55	11.16
8. Nou Barris	5.62	6.32	7.04	8.26	8.74	9.57	10.55	11.88	12.51	11.57	10.86
9. Sant Andreu	5.57	6.57	7.4	8.28	8.92	9.91	10.82	12.3	12.59	11.67	11.16
10. Sant Martí	6.44	8.45	9.39	9.86	10.56	11.16	12.23	13.72	14.06	12.84	12.42
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Table 16 - Rental monthly prices of homes by month and districts (average €/m2)

Source: Statistics Department. Barcelona City Council.

Finally, the evolution of protected public housing is shown in following table:

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
SPN	52.318	53.413	37.544	40.994	54.630	62.850	60.878	67.514	68.587	67.904	58.311
BCN Province (NUTS 3)	3.071	3.278	2.464	3.005	3.966	3.317	2.419	3.055	4.566	4.252	4.798
BCN City	675	642	868	582	1.546	724	681	733	1.815	499	926

Table 17 - Public official protected housing by territorial levels

Source: National: National Statistics Institute (INE) - Province and Barcelona City- Statistical Institute of Catalonia (IDESCAT)

## 2.2. Public regulation

Childcare in Spain belongs to two public service fields: educational services and services that enable reconciliation between work and family. Educational services are responsibility of the state and the regional governments; the latter are part of the services provided by city councils. Different parts of the education system have different degrees of decentralisation. The care and education for children younger than 3 years of age is the most decentralized part, and the local authorities are also responsible for its registration and funding.

In practice early education and care for children under 3 works as a concurrent competence between the state, the autonomous communities (regions) and municipalities. The state provides the very basic regulatory framework; autonomous communities, i.e. Catalonia has specific laws developing the basic state regulation and is responsible for supervision, funding or co-funding; and in the case of 0-3 public childcare facilities municipalities are also providers and co-funders. Non profit childcare services are basically funded and supervised by the regional government, in the case of Barcelona by means of the Consorci d'Educació, where the municipality of Barcelona also participates. The specific Catalan education law (LEC) universalised in 2009 the entitlement to early education from 3 years onwards.

At national level, the Spanish education system has undergone a lot of changes in recent times. Since 2003 has been changed 3 times (Dec 2003, 2004 and May 2006), so recent data is affected by 3 different regulations. Between 1991 and 2003, the first educational stage was defined as infant education for children between 0 and 6 (divided in two cycles -0-2 and 3-5) and thus those services were subject to educational authorities and inspection



(but with a period for private providers to adapt, which was progressively extended until the law was changed again). The 2003 Conservative reform ensured public funding for the 3-5 stage, while the 0-3 stage was removed from education altogether and was deregulated (with the aim of allowing private provision to grow but without high monetary costs for public administration). In 2004 the new Socialist government repealed this part of the law, but a new regulation was not passed until May 2006 (the current LOE –Education Act). So care for children younger than 3 was first a part of the educational system, then it was changed into social childcare, and then brought back into education, where it sits now. Currently there are basic national guidelines, but most of the detailed regulation is in the hands of autonomous communities<sup>8</sup>.

#### Educational services

From the perspective of out-of-school services (for children from 3 to 12) which are important for the reconciliation of work and family life, it is worth to mention that there is a very important offer of complementary school services and leisure activities managed and provided by parents boards and organisations (associations of parents of pupils AMPA) which receive annual public funding in the case of Barcelona, by means of the Consorci d'Educació. We have not found data or estimation of the volume of this activity, but it would be interesting to explore this welfare mix provision in the following WILCO research stages.

The Education Department of Barcelona City Council provides services for early childhood (0-3 years) as well. In fact the local and regional governments run such services in Barcelona jointly by means of a consortium.

For the current school year (2011/2012) there are 7,286 school places available for children aged 0 to 3 years. The number of places has increased significantly over the previous year (5,287 seats). The growth starts in 2002, after the signing of an agreement between the Barcelona City Council and the Government of Catalonia. The Spanish Ministry of Education has contributed as well to this growth through "Educa3" programme.

Despite this significant increase, public provision in the city is still low. Services (available for 2011/2012) cover just 52% of the demand (calculated from the pre-registration). If we look at the whole population under 3 (43,037), figures from previous year (2009-2010) show that public provision (in public and subsidized private schools) covers only 18%. Places available in private schools (not publicly subsidised) are 8,828 and cover 20.5% of total population aged 0 to 3 (table 18). Access criteria to public centres include: personal income, type of family (single-parent or large families), if there are income supports (PIRMI –the regional minimum income programme), if there are brothers or sisters at the same centre, the proximity of familiar address from the centre or children with special needs.

<sup>&</sup>lt;sup>8</sup> For more information see Aguilar *et al.* (2011).



	Number	% over total 0-3
	of places	years population
Public centres	5,287	12.3
Subsidized Private centres	2,268	5.3
Private centres	8,828	20.5
Total Places (public and private )	16,383	38.0

Table 18 - Places in educational centres for child 0-3 in Barcelona city

Source: L'escolarització a la ciutat de Barcelona. Curs 2010/2011. Recull estadístic abril 2011.

Demand of these services has decreased significantly in the last few years, probably as an effect of the crisis. Demand seems to be reduced, either because of the cost it represents or because unemployment allows people to care for children themselves. In Barcelona city, the average cost of a place in public services is 7,720 €. Local government pays for 49% of this cost, the regional government 27% and families pay the rest. Final price is 261.40 €/month (including meals) or 152 € / month (not including meals). Families with low income, large families, single parent families and/or families supported by social services may get reductions (from 30 to 90% of the price depending of the case). Anyway, there are no estimates on unmet needs for places or financial support and it could only be inferred from data of the requests done to the service. The price spectrum is very wide on the private sector and mainly depends on the timing and complementary services you may include. On average we could easily talk of an average of 400-500 Euros/month for a standard educational childcare place from 9 to 17h, meals included. Taking into account that the minimum wage in Spain, this is a high cost for low to average wages, which explains why a more informal offer is developing outside educational regulation, but with very different standards of quality and supervision problems.

On other hand, publicly-funded education (in public or private schools) for children over 3 is de facto compulsory. In Catalonia the law LEC-2009 requires public authorities to ensure enough school places (but there are no penalties if the child remains at home). The coverage was 97.2% of the pre-registrations received in 2010.

# Reconciling work and family

Local government provides programmes to meet family needs in out-of-school hours and early childhood services (0-3 years). Barcelona City Council runs three of such programmes: child houses or playgrounds, family spaces and collaborative family service. The most important is the first one, offering leisure services for children and teenagers while parents work. People have found other solutions to their childcare needs, such as sharing work between families or hiring somebody in the underground economy to care for children at home.

## a) "Casals" [Leisure Clubs] and "Ludoteques" [Play Centres]

The gap between supply and demand for care for young children has brought about several services to help reconcile work and family life. Not regulated enough, some of these new services have developed in the black economy.

The City Council of Barcelona set the basic outline of its policy on *Casals* and *Ludoteques* in an official document in 2009-2010. According to city council data 15% of the population under 16 years live in single parent households. On the other hand, 45% of mothers and



69% of fathers who work out of home come back home after 6 pm, i.e. after the schoolending hour (4.30 or 5 pm).

Casals and Ludoteques are public municipal proximity services for children. Although their focus is on leisure and play, they are also considered as educational spaces. Ludoteques are municipal centres that work daily, where a team of educators guides children to play age-appropriate games. A Casal on the other hand is a stable meeting place, where children have the opportunity to share leisure time with peers of the same age. The Ludoteques are more oriented towards individual activities and children clubs towards group activities. Some play centres also have supplementary services, such as the "Ludoteques for Small Children" (focused in children from 0 to 3 years) or the "Project 12-16" (focused on teens).

Law states a minimum of stay for the use of those spaces, so there aren't resources that can be used for specific situations. The minimum stay is 3 hours per day in the afternoon (after school time), with a total of 15 hours per week Law also regulates the qualifications required for professionals in charge of the services.

These services are nominally open to all children, but the decree that regulates them sets some priority criteria for access. Currently waiting lists are managed with these criteria and a rotation system. Priority criteria include: that a child has not had a chance to be at the centre during the past two years; work and family life reconciliation needs of parents; having brothers or sisters at the centre; and the distance between the centre and the parents' home or workplace.

Ludoteques are aimed at children aged 4 to 12, and "Ludoteques for Small Children" were created as a supplementary service for families with children aged 0 to 3. They're not thought to reconcile work and family life, since a responsible adult must accompany children. It is a programme that provides guidance and support during early years, and promotes mutual help exchanges among families.

When the Barcelona City Council's guideline document was published (in 2010), there were 51 of such centres operating for a population of 101,612 children between 4 and 12 years of age.

## b) "Espais Familiars" [Family Spaces]

These are services aimed at helping families with children under 3 in their parental and educational functions, addressing both the children and their caregiver.

c) "Servei de Families Col·laboradores" [Partners Family Service]

The third kind of service that the City Council offers is designed for families that cannot meet temporarily the needs of their children, for various reasons. It offers a sort of part time foster family for (1) hours or days; (2) weekends or during vacations; or (3) for a longer period of time. The local government runs it through a non-profit organization, which is in charge of linking the partner families with those who need help. Currently there is a pool of 26 collaborative families.



# 3. IMMIGRATION

# 3.1. Socio-economic trends

In recent years immigration into Barcelona has been strong. The most recent figures available shows that in 2011 foreigners were close to 17% of the total population of the City (table 19).

Table 19 - Percentage	foreign over total	population in	Barcelona city
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Foreign Population	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Total foreign	113,809	163,046	202,489	230,942	260,058	250,789	280,817	294,918	284,632	278,320
% over total population	7.6	10.7	12.8	14.2	15.9	15.6	17.3	18.1	17.6	17.6

Source: Department of Statistics. Barcelona City Council in Foreign Population at Barcelona January 2011

The table 20 details the composition of foreign population in Barcelona City in 2011. Latin Americans immigrants represent the largest continental group of foreign population. They make up 41% of the foreign population, followed by Europeans (29.9%) and Asians (21.4%). Africans represent only 7.4% of total foreign population. By countries, the largest group are the Pakistanis, followed by Italians.

Each group of foreigners has distinctive features. While immigration from Africa and Asia is basically male, amongst Central Americans there's a larger share of women. Three out of four immigrants from Europe, Middle East Asia and Japan have higher education.



Continent	Country	Foreig popula	·	Sex (%)		Ag	ge (%)		Ed Without	ucationa	l Status (%)	1
		N°	%	Male	Female	0-14	15-64	>65	studies	Primary	Secondary	College
	TOTAL	278,320	100.0	52.5	47.5	11.0	86.9	2.1	2.4	26.4	40.2	31
Europe	EU (27th)	69.561	25.0	51.6	48.4	8.1	88.7	3.2	0.8	8.4	36.5	54.2
	Central and Oriental Europe Europe's	12.365	4.4	43.2	56.8	11.5	87.0	1.5	1.7	26.2	37.2	34.8
	remaining countries	1,480	0.5	48.2	51.8	6.7	84.2	9.1	0.7	4.1	36	59.2
Asia	Middle East	2,064	0.7	61.4	38.6	9.6	87.2	3.3	2.4	15.3	31.5	50.8
	Central Asia	47,556	17.1	72.2	27.8	15.1	84.2	0.7	6.0	60.4	26.5	7.1
	Southeast Asia	8,765	3.1	44.7	55.3	14.0	83.4	2.6	2.0	33.9	43.8	20.3
	Japan	1,435	0.5	44.2	55.8	11.9	85.9	2.2	0.2	3.1	27.8	68.9
Africa	North Africa and Magrhib	15,959	5.7	60.8	39.2	17.9	79.9	2.2	9.0	49.5	31.3	10.1
	Sub-Saharan Africa	4,072	1.5	71.6	28.4	11.6	87.5	0.9	5.7	50.9	36.4	7
	Central and Southern Africa	610	0.2	56.7	43.3	13.1	85.7	1.2	1.5	27.7	45.1	25.8
America	North America	3,813	1.4	49.1	50.9	8.7	86.7	4.5	0.4	2.2	22.2	75.2
	Central America	19,949	7.2	41.1	58.9	10.3	88.1	1.6	1.1	23.3	41.2	34.4
	South America	90,306	32.4	45.0		10.0	87.9	2.1	1.1	21	52.7	25.1
Oceania	Oceania Stateless and	328	0.1	54.0	46.0	6.1	91.7	2.2	0.0	2.3	31.2	66.6
Others	countries without diplomatic relations	57	0.0	80.7	19.3	12.4	87.6	0.0	0.0	16	40	44

# Table 20 - Profile foreign population in Barcelona cityby geographic areas. January 2011

Source: Department of Statistics, Barcelona City Council

1. Population 16 years old and over

Ethnic minorities may be found in all city neighbourhoods, in very different proportions. The most concentrated group are the Pakistanis in the district of Ciutat Vella (the old centre of town), where they make up almost 30% of the population. The distribution of the five largest ethnic minorities in the 10 districts of the city is as follows:

#### Table 21 - Distribution of the first 5 groups of foreign population in Barcelona city by districts of residence

			Districts of Residence										
Country of Origin	Total	Ciutat Vella	Eixample	Sants- Montjui c	Les Corts	Sarrià - Sant Gervasi	Gràcia	Horta - Guinardó	Nou Barris	Sant Andreu	Sant Martí	No informatio n	
Pakistan	22,342	29.6	3.8	13.2	0.4	0.4	1.3	3.1	8	6.4	13.7	20	
Italy	22,002	16.2	24.3	9.2	3.8	8.6	11	6.4	2.9	3.7	12.9	0.9	
Ecuador	17,966	5.7	10.3	14.9	2	1.8	3.8	11.6	24.3	11.9	13.4	0.4	
China	15,001	5.9	29.3	14.7	2.6	3.3	4.5	5.6	7.7	9.1	17.3	0.2	
Bolivia	14,867	6.8	12.6	13.8	2.8	4.7	5.3	11.6	18.1	9.4	11.5	3.4	

Source: Department of Statistics, Barcelona City Council.



On the other hand, in Barcelona there's no district with more than half of its population made up of foreigners. The district with higher concentration of immigrant population is Ciutat Vella, where foreigners are 40.5% of the total population. Even in neighbourhoods (a smaller unit) there's no case of more than 50%. The Raval (part of Ciutat Vella) has the highest share of foreigners at 47.9% (see table 22).

	January	2011
Districts	% of total foreign	% of total district
Ciutat Vella	14.7	40.5
Eixample	16.4	17.4
Sants-Monjuic	12.5	19.2
Les Corts	3.2	11.1
Sarrià-Sant Gervasi	5.5	10.8
Gràcia	6.4	14.9
Horta-Guinardó	7.6	12.6
Nou Barris	9.7	16.3
Sant Andreu	6.8	12.9
Sant Martí	12.5	15.2
No data	4.6	-
Sources Departme	nt of Statistics	Barcolona

Table 22 - Distribution foreign population in Barcelona city by districts

Source: Department of Statistics, Barcelona City Council.

Table 23 shows the evolution of the largest national groups of foreigners between 2007 and 2011. In 2002 foreigners were 7.6% of city's population. The share of foreigners peaked in 2009 at 18.1% and it has decreased slightly since. Data show how during the economic crisis some groups have continued to grow and others have declined. Thus, between 2010 and 2011 the Pakistani population (the largest group) has grown by 18.8%. The Chinese grew 4% and Philippines grew 1.8%. Conversely the number of Latin Americans has declined significantly since 2008



Nationality	2007	2008	2009	2010	2011	Total growth 2007-2011	Growth rate 2011-2010
Pakistani	13,093	15,966	17,735	18,150	22,342	9,249	18.8
Italian	17,556	20,843	22,684	22,946	22,002	4,446	-4.3
Ecuadorian	25,351	22,943	22,210	20,459	17,966	-7,385	-13.9
China	11,095	12,938	14,076	14,398	15,001	3,906	4
Bolivian	16,352	18,759	17,672	15,541	14,867	-1,485	-4.5
Peruvian	14,439	15,240	15,613	14,717	13,847	-592	-6.3
Moroccan	13,348	13,998	14,402	13,916	13,659	311	-1.9
Colombian	12,436	13,032	13,521	12,962	12,612	176	-2.8
French	10,720	12,557	13,454	13,238	11,524	804	-14.9
Argentinean	10,074	9,922	9,763	8,855	8,107	-1,967	-9.2
Philippine	6,188	7,023	7,631	7,752	7,891	1,703	1.8
Brazilian	6,985	9,006	9,662	8,070	7,178	193	-12.4

Table 23 - Evolution foreign population in Barcelona city by countries

Source: Department of Statistics, Barcelona City Council.

# Immigrant's cultural and religious practices

A report published in 2008 (Samper and Moreno 2009), describes the participation in organizations and associations of immigrants. They have a low level of membership in associations. It is highest in cultural organizations with 10% of their total participation, followed by 8% in religious associations and 7.5% in sports associations. Participation in organizations from their country of origin and attendance to events organized by their country's institutions is low (9% and 21% respectively).

On other hand, the Office of Religious Affairs of the Department of Civil Rights of the Barcelona City Council offers data on the number of houses of worship in the city. The following table gives an approximate view of the various religious practices shared by nationals and foreigners in Barcelona:



Worship centres	2007
Catholic Christianity (parishes) <sup>1</sup>	141
Catholic Christianity (Non parish churches) <sup>1</sup>	102
Evangelical Christianity (churches)	133
Orthodox Christianity (communities)	8
Seventh-day Adventist Church (churches)	5
Christian Jehovah's Witnesses (halls of kingdom)	18
Church of Jesus Christ Latter-days (chapels)	2
Atheism and agnosticism (entities)	1
Buddhism (centres)	23
Hinduism (centres)	3
Baha'ism (centres)	1
Islam (oratories)	16
Judaism (synagogues)	5
Sikhism (temples)	1
Taoism (centres)	5
Total	464

Table 24 -	Worship	centres
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Source: Religious Issues Office

1.- www.arqbcn.org/Guia\_de\_l'Arquebistat

## Immigration and labour market

The latest available data about labour market participation of foreigners in Barcelona are for 2010 and tell us about registered unemployed and registered contracts. In 2010 (annual average) 77.6% of the unemployed were Spaniards and 22.4% were foreigners. As table 23 shows, between 2006 and 2010 the share of foreigners amongst the unemployed has almost triplicate. The share of Spanish nationals has fallen from 87.1% to 77.6%. So the most recent contracts seem to have favoured national population.

Of the new contracts signed by foreigners in 2010, 12.7% were permanent and 87.3% temporary. By economic sectors, 87.8% of the contracts were signed in services, 10.2% in construction, 1.8% in industry and 0.1% in agriculture.

#### Table 25 - Percentage immigrant unemployment on total unemployment and registered foreigners contracts 2006 -2010

Years		foreigner oyment.	Register foreigner contracts				
	N° registers	% over total	N° contracts	% over total			
2006	7,061	12.9	236,378	25.9			
2007	6,644	12.8	262,411	28.7			
2008	10,867	17.4	256,918	28.9			
2009	19,637	21.4	213,503	28.2			
2010	23,160	22.4	211,894	27.2			

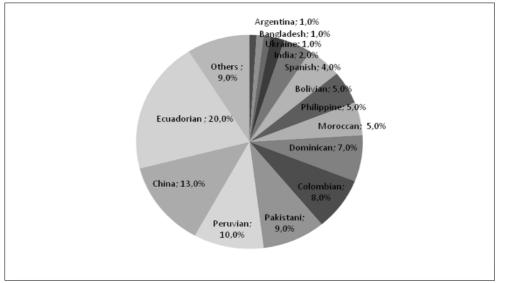
Source: Department of Statistics, Barcelona City Council.



# Family regrouping

Family regrouping has been the most important route of immigration in recent years. The immigration law of 2005 regulated this process for all Spain. One of the requirements is a certification of housing availability issued by local governments. This makes some information available on family regrouping requests.

The number of family regrouping requests received by Barcelona immigration services has increased from 1,367 in 2005, to 3,345 in 2006 and 4,839 in 2007. In 2007, out of 6.938 applications received, 20% were from Ecuadorians, 13% from Chinese, 10% from Peruvians and 9% from Pakistanis (see figure 2)





Source: Barcelona City Council

According this report, most Ecuadorians, Bolivians and Argentines apply to regroup with their children. Among Moroccans, Dominicans and Filipinos the most frequent kind of regrouping is with spouses without children. Regrouping with the spouse and children is the most frequent amongst masculinised nationalities like East Asians, Pakistanis, Indians, Bengalis and Chinese.



Nationality	200	)6	20	007	20	008	200	)9	201	10
Nationality	Total	%								
Ecuadorian	1449	25.1	1309	18.9	819	13.1	416	9.0	306	7.4
Pakistani	470	8.2	639	9.2	636	10.2	502	10.9	627	15.1
Peruvian	633	11.0	703	10.1	631	10.1	471	10.2	374	9.0
China	488	8.5	885	12.7	616	9.9	440	9.6	320	7.7
Bolivian	183	3.2	313	4.5	484	7.8	436	9.5	426	10.3
Colombian	545	9.5	573	8.3	454	7.3	317	6.9	244	5.9
Spaniard	107	1.9	257	3.7	450	7.2	312	6.8	236	5.7
Dominican	357	6.2	461	6.6	420	6.7	250	5.4	214	5.1
Moroccan	286	5.0	380	5.5	366	5.9	228	5.0	201	4.8
Philippine	316	5.5	372	5.4	300	4.8	283	6.1	267	6.4
India	65	1.1	142	2.0	165	2.6	171	3.7	167	4.0
Bangladesh	92	1.6	94	1.4	114	1.8	96	2.1	119	2.9
Others	773	13.4	815	11.7	779	12.5	681	14.8	655	15.8
Total	5,764	100	6,943	100	6,234	100	4,603	100	4,156	100

Table 26 - Development of applications for family regroupingby nationality 2006-2010 (Barcelona)

Source: Immigration Directorate. Barcelona City Council

## Immigration and housing

The Barcelona Demographic Survey 2007 offers data on housing tenure. These data show that 16.2% of immigrants live in an owned house and 80.2% rent their home. Conversely, among Spaniards in Barcelona city 72.6% are owners and 25.3% tenants.

Single-parent households headed by women make up 4% of total of foreign households, and 9.5% of Spanish households in Barcelona.

#### 3.2. Public regulation

The central government is responsible for the regulation of the situation of foreigners in Spain. The regulation of immigration, of the conditions to stay in Spain, and of access to residence and/or work permits and to nationality is fully in the hands of the central authorities.

Regional and local authorities are not explicitly responsible for the "integration" of immigrants, but such "integration" is considered a result of educational, health, employment and social services policies, a large part of which are in the hands of regions and local authorities. Most regions have established regional social integration plans that specify measures in this field, and the central government has established a mechanism to fund social integration actions at the local and regional levels. Barcelona is a dynamic city for immigrant inclusion.

Third sector organizations have an important role, especially in offering social support to migrants. During the first years of the immigration process and since most newcomers were in irregular situations, public social services were reluctant to offer direct support. Public authorities started to support these efforts as an indirect way of offering services to migrants. This model is now well established and stable agreements exist between regional authorities and third sector organisations. At the same time, public services have become



more open, at least in the fields of education and health care, since access to these services is open to any resident foreigner, regardless of his or her legal situation.

Major programs, services and policies targeting immigrant population in Barcelona are as follows.

# Servei d'Atenció als inmigrants Estrangers i Refugiats (SAIER) [Refugee Immigration Services]

SAIER is a local government service for immigrants that offers information and advice on immigration and asylum. Barcelona City Council shares the management of this free public and specialized service with various expert bodies in the field: ACSAR (Catalan Association for Solidarity and Assistance to Refugees), AMIC (Immigrant Mutual Assistance Association of Catalonia), CITE (Information Centre for Foreign Workers), CPLN (Consortium for Linguistic Normalization), Red Cross Barcelona and ICAB (Lawyer's Association of Barcelona). It brings together all different types of services into a single point and offers a complete service to address the needs of newcomers. The organizations that form part of the SAIER, have joined forces with the common goal of provide a public, free and high-quality service.

#### Xarxa d'Acollida [Shelter Network]

The Xarxa d'acollida is a group of 85 third sector organizations that provide information and/or advice to newcomers in the fields such as administrative procedures, legal advice, education and/or labour integration, language classes, cultural knowledge, health, social services, psychological services and informal education

#### Working Plan on Immigration (2008-2001)

The Barcelona City Council set up a commission on Immigration Policy in 2001. Chaired by the Mayor and formed by the leaders of all the political parties in the City Council and the people responsible for immigration policies. The aim of this commission is to agree upon and monitor the city's immigration policies. The Commission approved in 2002 the *Plan Municipal de Inmigración (PMI)* [Municipal Immigration Plan]. The main objective of the Plan is to achieve the "genuine integration of immigrants at every level of civic life in Barcelona and in Catalan society" (Barcelona City Council 2008: 101).

As the Working Plan points out: "immigration policies are transversal and therefore go above and beyond the specific policies that relate to immigration legislation, immigrant reception and the Municipal Immigration Council; immigration policies concern every single department in the City Council. The departments of education, healthcare, security, social services and economic promotion, amongst others, must all take on board and adapt to the new social realities of the city in order to address our new challenges and needs" (Barcelona City Council 2008: 104).

## Plan Barcelona Interculturalidad [Barcelona Intercultural Plan] (2009)

Barcelona City Council decided to set up a Municipal Plan for Interculturality in 2009. The drafting of this program, was a mandate of the Immigration Working Plan 2008-201. It was approved by the consensus of all the political parties of the City Council in 2008. This plan is result of a large preparatory work carried out between late 2008 and early 2010, which involved a large number of people and agencies, both from local authorities and the civil society. The Barcelona Intercultural Plan was created through the Barcelona City Council's desire, as well as that of all of the political parties, as expressed in the Immigration Work



Plan 2008-2010, to adopt an intercultural view as the source for the approach to the challenge of diversity.

The innovative aspect of the Barcelona Intercultural Plan is that it is conceived as a global city strategy for promoting interaction as the best way of guaranteeing normalized socialization of diversity in all the spaces and areas of the city. The Plan specifies the strategic areas that are necessary to facilitate interaction between citizens in this context of greater cultural diversity.

The Barcelona Intercultural Plan involves associations and foundations; professional associations, education centres and institutes; councils representing specific sectors or geographical areas, as well as different individual participants.

On the other hand, in Barcelona there's no specific housing plan for immigrant population. The focus has been to give equal treatment either Spanish or foreign persons, with the aim of preventing spatial segregation in the city. For more information about this public regulation area see next chapter (Trends in Housing Field).

# 4. HOUSING FIELD

#### 4.1. Socio-economic trends

During recent years, the local housing market in Barcelona (as in all the country) has become quite hard or people trying to find a home. Construction in Spain was at the centre of its strong economic growth during the 2000s, and that brought about an important rise of housing prices. Between 1997 and 2007 housing prices increased in a 300% while wages grew only 30%.

The economic crisis has affected housing market in two ways. On the one hand, it has made access to housing harder due to the difficulties to get credits. On the other, by causing a huge unemployment as construction activity decreased. Then, in a vicious circle, unemployment is making harder for many families to pay their mortgages. So currently the problem in Spain (and also in Barcelona) is not just access to housing but the risk of losing homes as well.

As shown in the table below, average housing prices in Barcelona city are higher in Spain as a whole. Prices peaked in 2008 and then started falling slowly.

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
SPN BCN Province	-	-	-	-	-	1.761,0	1.944,3	2.056,4	2.071,1	1.917,0	1.843,0
(NUTS 3)	-	-	-	-	-	2.271,2	2.549,3	2.697,3	2.770,5	2.591,0	2.510,9
BCN City	2.165	2.500	2.931	3.476	4.193	5.082	5.791	5.919	5.918	5.442	5.242

<u>Table 27 - Evolution of average housing prices (for sale)</u> <u>at province and city levels (Euros per m<sup>2</sup>)</u>

Source: National and Province level: INE and Ministry of Public Works - Barcelona City: Statistics Barcelona City Council.



Prices in Barcelona are above the average, not only because its importance as a metropolis but also because of the lack of building land. The sea, the mountains and two rivers that limit new developments make land more expensive. According to the 2007 Demographic Survey, the housing stock in Barcelona is around 669,600 dwellings for a total population of 1,595,110 inhabitants (according to the municipal register for that year)<sup>9</sup>. Housing tenure for that year is shown in table 14 (in chapter 2). See also tables 15 and 16 in this document.

Prices of rental housing have also grown significantly. While the average monthly rent was quite similar in 2000 for both the region (Catalonia) and the city, in 2010 the prices in the city were 20% higher. Limited supply in this market has meant that, even during the crisis, rental prices have risen in 2008. A soft decline of prices has started in 2009.

Table 28 - Monthly average of rental prices in Catalonia and Barcelona City

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Catalonia (NUTS2)	421.9	476.2	541.4	597.6	649.8	728.2	817.9	898.7	908.5	850.3
BCN City	467.9	548.8	619.3	678.5	723.2	807.4	929.8	1,041.4	1,081.3	1,040.4

Source: Secretariat of Housing, Catalonia Government

Economic turbulences in recent years have increased the demand for rented apartments. The most affected groups have been those with lower incomes and job instability. In this situation, the Barcelona Council defines young people, elderly people and people at risk of social exclusion as the groups with the greatest housing needs deserving special attention.

Since the democratic period (between 1981 and 2010) the number of Social Housing finished (both renting and selling) are 25,711 which represent the 3.2% of total housing in 2010, and a rate of 15.9 for 1,000 populations. We can see the evolution in the last years in Table 29.

	2008	2009	2010
Oficially protected dweellings finished	1,915	739	926
Number of people registered in the 'Register of Aplicants for Oficially Protected Housing'	-	19,049	25,496
Protected dwellings assigned	652	720	939
Aids for rent requested	18,133	22,844	13,589
Aids for rent assigned	14,783	19,156	22,681

Table 29 - Demand and supply of protected housing in Barcelona City

Source: Housing Figures. Barcelona Housing Plan Indicators. -Barcelona Municipal Housing Board -Barcelona City Council

<sup>&</sup>lt;sup>9</sup> The last information from the Cadastral dwellings shows that in 2010 the total dwellings registered as a main housing are 812,044 housing.



# Housing problems

The main problems in the housing market are: mobbing against tenants, vacant apartments, overcrowding or substandard housing.

Since 2001, there's a downward path in the number of non-subsidized houses at Barcelona City. At the national level the evolution is rather different. The number increased over 100,000 between 2000 and 2007 (table 30). Since 2008 this trend begins to reverse in Spain and starts an important decrease in the number of non-subsidized. In Barcelona the most important decline happens during 2010.

Table 30 - Number of free dwellings finished at national, province and local levels

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
SPN	487,810	452,252	480,729	462,730	509,293	528,754	597,632	579,665	563,631	356,555	218,572
BCN Province (NUTS3)	47,154	47,358	44,622	36,943	48,500	41,811	42,602	41,159	44,160	23,126	13,573
BCN City	4,072	4,148	4,042	3,609	3,095	3,317	2,994	2,663	2,589	2,655	746

Source: National and Province level: INE and Ministry of Public Works - Barcelona City: IDESCAT

The Enquesta de Condicions de Vida i Hàbits de la Població de Catalunya [Living Conditions and Habits Survey for Catalonia] provides information about housing problems for 2006. According to this source, lack of sufficient space is the main problem for 16.3% of the population in Barcelona. About 6.3% of the population lives in houses with less than 15 m<sup>2</sup> per person (Diputació de Barcelona 2009). About 1.5% of population was living in substandard homes, in terms of basic facilities (hot water, toilet, shower, etc.).

Although it's difficult to know for sure how many people live in each dwelling, the municipal register showed by the end of 2008 that Barcelona had a total of 159 dwellings with more than 15 people registered. This would mean, in 159 dwellings were living 3,156 people. This figure may be somewhat exaggerated, for sometimes people don't cancel their registration. Accessibility is other problem in many cases. The 28.6% of people at Barcelona lives in buildings without a lift, an important problem for 23.9% of people over 65.

Mobbing against tenants may not be very widespread, but it is socially important. This problem affects elderly people with old rental contracts, homeowners in buildings where a real estate developer owns most of the building and tenants in buildings where a change of use or other dealings might be profitable. The Municipal Office of Consumer Information (Consell de l'Habitatge Social 2009) received 509 complaints for mobbing between 2004 and 2007 (table 31).



Main problems	2004	2005	2006	2007	Total
Maintenance	63	40	42	47	192
Refusal to collect rent	36	8	15	30	89
Property Mobbing	38	9	19	28	94
Supply	13	1	4	8	26
Hygiene	23	20	19	9	71
Others	103	41	32	50	226
Eviction				14	14
Excessive rent increase				16	16
Property sale				6	6
Threats				12	12

Table 31 - Main housing mobbing problems at Barcelona City (2004-2007)

Source: Notebook N°2 of Barcelona's Social Housing Council (2009)

Since the construction crisis in Spain, there are an important number of evictions in the City. Since 2007 there were a total of 28,419 foreclosures and between 2008 and 2010, there were 12,657 evictions (in 2010 the rate was of the 15.59 evictions per day in Barcelona City).

The last estimate on the number of homeless people in Barcelona is based on detailed street search carried out during the night of March 12, 2008. Between 1,812 and 1,836 homeless were either found in the street or sleeping in shelters that night. This is about 0.11% of total city population.

## 4.2. Public regulations

Responsibility for housing policy is shared by the central state and the autonomous regions. Although formally housing is fully in the hands of regions, the central government may set a general framework due to its responsibility for setting the basis and the overall planning of the economic activity. The Constitutional Court has ruled that the central government has the power to provide general guidelines for housing policy.

There are national Housing Plans, and between 2004 and 2010 there was even a Ministry of Housing. On the other hand, regions may legislate in housing matters within their respective statutes but respecting these general guidelines. The municipalities also have their competences, set by regional housing laws, so they vary from region to region. This means that housing policy may be very local in its implementation but also has supra local effects, so regions tend to establish mechanisms for joint action<sup>10</sup>.

#### Institutions

Institutions involved in housing policy in Barcelona are the (a) *Consorci de l'Habitatge de Barcelona* [Barcelona Housing Consortium] (a joint organisation created by the regional government and the local council), (b) the *Consell de l'Habitatge Social de Barcelona* [Barcelona Social Housing Council] and (c) the *Patronat Municipal de l'Habitatge* [Barcelona Municipal Housing Board].

<sup>&</sup>lt;sup>10</sup> For more information see Aguilar *et al.* (2011)



# (a) Consorci de l'Habitatge de Barcelona [Barcelona Housing Consortium]

Its aim is to develop activities and services in the field of affordable housing in the city of Barcelona. Specifically, the Consortium is the responsible for planning, programming and managing public housing policies, for both for sale and for rent. Its main activities have to do with planning and promoting rehabilitation of neighbourhoods, managing application systems (such as the Register of Applicants for Government-subsidized Housing) and designing policies for citizen's attention in this matter. The Consortium has no human resources of its own so other specialized agencies carry them out.

# (b) Consell de l'Habitatge Sociao de Barcelona (CHSB) [Barcelona Social Housing Council]

The Barcelona Social Housing Council is part of the Barcelona Housing Consortium and was established in 2007 as a consultation and participation organ on the city housing policy. It was conceived as a tool for sharing analysis, opinions and proposals in this field.

# (c) Patronat Municipal de l'Habitatge (PMHB) [Barcelona Municipal Housing Board]

The Barcelona Municipal Housing Board is a local government agency founded in 1927 to promote affordable housing and meet social needs of this field in Barcelona. In recent years it has increased significantly its role and has become the major municipal instrument to promote government-subsidized housing. It also manages the city's public housing.

## The main policies

The Barcelona Municipal Housing Board aims to increase the production of housing, for rent and surface rights<sup>11</sup>. Another one is to increase actions to relocate affected people from urban actions.

Social housing promoted by the Board respond to quite diverse social needs, such as: the general demand for government-subsidized housing, the needs of people affected by urban development and redevelopment, and the needs of some specific social groups, such as the young and the elderly. The Board has built housing adapted for people over 65, with community spaces and services and personal support facilities. Finally, there are apartments targeted for young people under 35 to facilitate emancipation from their parents.

Furthermore the new building flats the Board manages an important number of public housing for rent—around 5,300 flats. These houses are allocated to people who meet specific requirements. One of the aims of this organization is to strengthen the social role of government-subsidized housing looking for new mechanisms of administration and management, for recovery and to facilitate the rotation within the rental housing public stock.

## (a) Affordable housing policies

What does affordable housing mean? Given the current situation of housing, certain groups are having difficulty to access. Public administration is promoting new types of public housing development. They are aimed at the most disadvantaged and, unlike private

<sup>&</sup>lt;sup>11</sup> Housing in surface rights is a type of government-subsidized housing that transfer the property of the flats but not the land where they are built. City Council transferred the property for a specified time.



housing, which has no restrictions regarding access, use or sale, affordable dwellings set a maximum price that is below the market price. Law regulates access conditions. Buyers can get subsidised financing or public assistance funds and homes may be for sale, to rent or to rent with a purchase option.

There are six types of government-subsidized housing in the city: (1) for sale, (2) housing in surface right (3) for rent (during 10 or 25 years) (4) for rent with purchase option, (5) for elderly and (6) for young.

#### (b) Borsa d'Habitatge de Lloguer [Rental Housing Register]

Since 2009, the Board runs the Rental Housing Register. It is managed by the Xarxa d'Oficines de l'Habitatge [Housing Office Network], the Direcció Ajuts al Lloguer [Direction of Rental Aids] and the Borsa d'Habitatge de Lloguer [Rental's Housing Register].

It provides mediation services between owners of empty flats and potential tenants. It aims at increasing the offer of homes to rent at affordable prices, facilitate access to coexistence units for people in between 18 and 35 years that are eligible for access to rental aid.

#### (c) Aids for rent

There are two programmes to help the most vulnerable groups in paying their rent. Both consist in individual non-refundable benefits for rent payment. One is an emancipation basic benefit and the other a permanent aid to pay the rent. The first aims to help financially young people aged 22 to 30 to emancipate and the latter to help paying for a permanent housing.

For those emancipated young people that have a rental agreement, the amount of the benefit is about  $210 \in$  a month during four years (until age 30). Those who intend to leave their parents' home but haven't signed yet an agreement, may apply for a 600 $\in$  loan without interest for the bond and  $120 \in$  for costs of processing a guarantee.

## (d) Other aids

There are also grants for house rehabilitation, information offices for the access to protected and social housing, information, advice and mediation on housing issues (especially on mobbing, overcrowding and substandard housing)

With the crash of the building industry, rehabilitation and rental have increased their relevance in the housing business. In 2010, with a total investment of 113 million Euros, grants for rehabilitation were awarded for 33,084 dwellings and about 5,000 to build lifts. 22,681 people received rent benefits in Barcelona.

Some specific city areas have comprehensive action plans to deal with urban problems, and to stop or reverse social decay. The Barcelona City Council has received grants from Catalonian Government and from European Union programs as FEDER or URBAN to carry out these programmes. They have affected about 89,000 houses and 200,000 people between 2004 and 2010.

The *Pla de Barris* [Neighbourhoods Plan] has included 12 projects in 17 neighbourhoods in 6 districts. The annex of the document *"Integral Intervention Projects in Neighbourhoods"* shows 373 global actions (each of them several actions and 112 of them are aimed at social problems. A total of 183 million Euros were invested in the plan between 2004 and 2010.



An urban regeneration project has been carried out by means of social, economic and environmental actions in one neighbourhood, Trinitat Nova, with support from the URBAN initiative. The total investment has been 16 million Euros (2007-2013).

#### The Housing Plan 2008-2016

The latest protected housing plan foresees a combined action between the public and private sectors. This means the social involvement of the all the city stakeholders to implement the Housing Plan. Stakeholders are classified into public and non-profit operators (which previously have collaborated on protected housing projects).

The main non-profit operators are the cooperatives (which may be linked to trade unions, neighbourhoods groups and social organisations and savings bank social foundations).



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# THE WILCO PROJECT

Full title: Welfare innovations at the local level in favour of cohesion Acronym: WILCO Duration: 36 months (2010-2013) Project's website: http://www.wilcoproject.eu

#### Project's objective and mission:

WILCO aims to examine, through cross-national comparative research, how local welfare systems affect social inequalities and how they favour social cohesion, with a special focus on the missing link between innovations at the local level and their successful transfer to and implementation in other settings. The results will be directly connected to the needs of practitioners, through strong interaction with stakeholders and urban policy recommendations. In doing so, we will connect issues of immediate practical relevance with state-of-the-art academic research on how approaches and instruments in local welfare function in practice.

#### Brief description:

The effort to strengthen social cohesion and lower social inequalities is among Europe's main policy challenges. Local welfare systems are at the forefront of the struggle to address this challenge - and they are far from winning. While the statistics show some positive signs, the overall picture still shows sharp and sometimes rising inequalities, a loss of social cohesion and failing policies of integration.

But, contrary to what is sometimes thought, a lack of bottom-up innovation is not the issue in itself. European cities are teeming with new ideas, initiated by citizens, professionals and policymakers. The problem is, rather, that innovations taking place in the city are not effectively disseminated because they are not sufficiently understood. Many innovations are not picked up, because their relevance is not recognised; others fail after they have been reproduced elsewhere, because they were not suitable to the different conditions, in another city, in another country.

In the framework of WILCO, innovation in cities is explored, not as a disconnected phenomenon, but as an element in a tradition of welfare that is part of particular socio-economic models and the result of specific national and local cultures. Contextualising innovations in local welfare will allow a more effective understanding of how they could work in other cities, for the benefit of other citizens.

