

## SPAIN Country Summary

### Introduction and Overview

Spain is one of the poorer southern tier of European countries, late in its modern economic development, yet in the last several years-especially since joining the European Union in 1986-making remarkable progress. One expert says (as is said of many countries) that Spain does not have explicit family policy but that many of its taxation and social policy measures have direct family impact. He attributes much of the development of the past two decades to the legacy of the Franco era (and related influence of the Catholic Church): concerned with population growth, the regime "protected" the family but did little for it. Contraception was prohibited. Women were maintained in traditional roles as spouses and mothers and large families were honored (Cordon, 1998 & 1994).

The current "quasi-absence of family policy" thus is explained "in terms both of the rejection of family measures enacted during the Franco regime" (to 1975) and the consensus politics of the post-Franco years which made it difficult to change much initially. (The first major reform was in 1985). For example, inadequate family allowances were not increased and they continued to erode with inflation. To this very date, the "correctives" or full "recovery" have been limited in Spain (as elsewhere on Europe's southern rim) despite gradual family transformations, because of economic limitations. Indeed the authoritarian tradition and economic constraints have left these family-centered societies limited in family policy measures and expenditures. Spain began in the 1980s with an insurance-based income transfer system (occupation based) and a commitment to universal health services, on the British model. The most vulnerable, low in the occupational scale, are poorly protected. Nonetheless, with the economic fluctuations of the 1980s and in recent years with the recovery of the late 1990s, significant progress has been made (Lewis & Valiente, 1997).

The correctives began in the 1980s with: the fundamentals of a social protection system (social security, assistance, health services, social services); a movement towards gender equality; decentralization through a regional structure, especially of social services; and the implementation of the social protection machinery. In 1990 Spain ratified the UN Convention on the Rights of the Child and by subsequent action it became a component of internal legislation of the State in 1991. In late 1999, Spain inaugurated a series of measures to improve the reconciliation of work and family life, as encouraged by the programs of the European Union. This is part of an integrated, very broad, national plan for family policy (2001) being gradually phased in, but without specific funding or quantitative commitments.

Comparatively, children and families as yet receive little financial support from the state. What exists is (comparatively) more family- than individual- oriented (*Spain*, Preliminary Draft, forthcoming). The considerable rights of the regions also are cited in explaining constrained developments. Since most family policy financing is through the tax system, comprehensive data are difficult to summarize or compare.

In early 2003, the government introduced a National Family Policy, the first such framework since the 1977 democratic transition. The "Policy" is a three-year initiative to coordinate family policy measures in different ministries and regional administrations and to enhance their

coherence. The "Policy" refers to tax and housing policies, family law, social and cultural participation, and policies relating to balancing work and family life. The rationale given was that perhaps the EU's lowest total fertility rate (1.2) is at least partly to be attributed to a lack of a coherent family policy, including the EU's lowest level of social protection benefits and rapid entry into employment of young women. It is said that people mention economic factors and lack of child care services as affecting having children (Bertelsmann, 2003).

## **Government Agencies**

As the Socialist Coalition lost power in the 1996 election and the governing conservative coalition developed a policy of government downsizing and economy, as well as further devolution to the 17 "autonomous regions," the Ministry of Social Affairs (having gradually over 10 years been given responsibility for many of the components of family policy) was replaced by a Secretary General within a new Ministry of Labor, Social Security, and Social Affairs, now Labor and Social Affairs. Child and family policy matters were downgraded. However, in a parliamentary statement late in 1996, the Secretary General of Social Affairs in charge of family policies took a broad perspective on the need for government support of the family, said that the new government was preparing a general family plan and would draw on the work of a parliamentary committee that began work in 1994 and on a newly created interministerial committee. Moreover, drawing on regional representatives and other experts, the government would create "observatories" on family, children, and women. Spain had assigned considerable responsibility to the 17 regions earlier, but expanded and augmented it in its 1992 agreement. Several regions had adopted child/family policy plans that would now help guide the national effort and there is progress at the national level.

The financing of contributory social security policy is now centralized in a Social Security revenue office which also finances the health care services (Ministry of Health and Consumer Affairs), maternity/disability/old age/ dependents/family benefits-as well as unemployment insurance, worker compensation, and social services (Ministry of Labor and Social Affairs), and various regional activities, especially social assistance ("Minimum Wage for Integration"). Early childhood care and education programs are in the province of the Education Ministry, which has a "two cycle" infant education program, 0-2 and 3-5.

Delivery of social services, defined to include social assistance, is decentralized to the autonomous regions and municipalities, as well as to the private, for-profit and non-profit sectors. Major coordination and implementation problems and information gaps result.

## **Demographic and Other Social Trends**

The dominant demographic fact about Spain is its extraordinarily low total fertility, a 20 percent fall over one decade that gave it one of the lowest rates in the world (1.1 in 2002 according to the World Health Organization, the lowest in Western Europe). (Italy, another southern rim country, is second lowest, 1.2 in 2002.) While fertility explanations are always controversial, Spain's family experts refer to several interacting factors: high unemployment, especially for youth under 30, the tendency for unemployed youth here (as in Italy) to continue to reside with their parents, a cultural pattern, and the related low cohabitation rates (comparatively), as well as

much lower rates of non-marital child bearing than among European neighbors, low teen fertility, and late ages at marriage. In fact, according to Cordon (2003), the proportion of young people who live with their parents has been growing since the beginning of the 1980s, reaching over 70 percent for men aged 25-29. The under-15 population had fallen to 15.9 percent of the total by 2002 and the over-65's (by then 17.2 percent) was growing. If present trends continue, Spain will begin to experience a population drop in 2010.

Eurostat reported in 2001 that despite the largest unemployment drop in the EU, Spain still had the highest rates (Eurostat, 2001; OECD, 2002).

Women constitute 37.5 percent of Spain's workforce (2000). Female labor force participation rates were extraordinarily low as late as the mid-1980s and remained well below EU and OECD averages in 2000, in a class with Italy, Greece, Hungary, and Mexico. Yet, over 70 percent of single women aged 25-49 with a child under age 5 were in the work force in the late 1990s, only 10 percent less than single women without children and 20 percent above the rate for married women with children of the same age. Female unemployment also is high (20.6 percent) now-as women in large numbers enter a high-unemployment labor force. However, unemployment of household heads (the family supports) is moderate. Youth unemployment is high. Part-time employment is low overall in Spain.

Despite all of this, an explicit pro-natalist policy has been regarded as politically-historically unacceptable and probably ineffectual. Throughout the 90s efforts were made to improve the legal and social status of cohabitants and their children but Spain's complex political configurations have left the matter unresolved. Along with the abortion issue it is constantly discussed and "civil law" handicaps persist. Abortion was legalized after Franco on restrictive terms, but efforts at liberalization are blocked. In both of these matters, public opinion is ahead of legislation.

Various indicators reflect the mixed picture of a Spain modernizing and following the Europe model, meeting the criteria for joining the Euro Area, but still handicapped economically, with high unemployment, and governed by coalitions (shifting from the socialist to the conservative) with little space for political maneuver.

Early in 2000, Spain had 5.9 million children under 15, constituting over 15 of the population, a little low by the European Union (EU) norm and quite low for the OECD average. Its percentage of over-65s also is typical for EU, if high for OECD. Of children under 16, 93 percent (1991) were in two-parent families, 6 percent with a lone mother, and 1 percent with a lone father. The out-of-wedlock birth rate is low by European norms. Infant mortality statistics are good and inoculation rates are high.

## **Social Protection**

Spain's public sector expenditures, revenue, and taxes resemble those of U.K. (proportionate to GDP), but are below those for the Nordic and more prosperous continental European countries with more benefits and services. In per capita GDP Spain leads Portugal and Greece but is poorer than the rest of Europe.

Spain became modern in its social policy programs only in the 1980's. When Spain began to appear in European Union statistical tables from 1985, it ranked last, even below Portugal, in its expenditures on family benefits as a percent of GDP and as a percent of social protection. It trailed as well in per child spending on education. Only in family tax concessions was Spain "high average" (Bradshaw, et al, 1993; Bradshaw & Finch, 2002). By the end of the nineties, Spain was in the "league tables." The total benefit package for unemployed families was very low-along with the other southern tier countries-but its ranks improved (7-9-10-11) for some family types with one or two employed parents (Bradshaw, et al, 1993; Bradshaw & Finch, 2002). Nonetheless, the total "package" was ranked by Bradshaw, et al. (1993) as 12.4, 11.4, or 13.3 or last of 15. All of this early in the 1990s when experts reported regularly that there is no explicit family policy but that numerous measures under taxation and social policy are of "direct family impact." In a more recent Bradshaw study, Spain's child benefit package was least generous or among the least generous for various family types or specific program groups (Cordon, 1994, p.105).

By the end of the 1990s, European Union reports (EU) still showed (given its economic constraints) that Spain commits somewhat less of its GDP to social protection than most of the EU (20 percent compared to 27.6). On a per capita GDP basis, Spain is behind all of the EU, and in the light of earlier discussion, it also follows that Spanish family benefits command a very small proportion of all social benefits (Abramovici, 2002, Figure 2). However, ongoing debates about abortion, cohabitation, jobs for youth, and how to get more housing so that young couples will start households, and various taxation and family allowance proposals, suggest that family issues remain visible and will be addressed further as opportunity permits.

According to recent reports some 12.3 percent of households with children are in poverty (in households with less than half the median income), a rate above rates for the prosperous EU countries. Among 19 OECD countries, and using the U.S. poverty line standard, however, Spain's child poverty rate (42.8 percent) is exceeded only by the Czech Republic, Hungary, and Poland-results consistent with the fact that its per capita GDP ranks 16 among the 19. Only 2.3 percent of all Spanish children are in lone parent families, the lowest OECD rate except for Turkey, but of these 31.6 percent are in poverty (below 50% of the median); in other families the rate is 11.8 percent (UNICEF, 2000, Figures 1,2,3). There has been little progress against poverty in recent decades, a fact attributed to large families, unemployment, and the high risk in single-parent families (despite their limited number) (Canto-Sanchez & Mercader-Prats, 1998).

From Franco's time, Spanish family policy stressed pro-natalism and horizontal redistribution. Since 1985 there has been an anti-poverty policy, focused on families. For lack of any universal family benefits or a national system of social assistance, (some regions have programs), the focus is on tax reliefs, maternity and parental leave, and child-care services, all in need of further development (*Spain*, Preliminary Draft, forthcoming).

## **Child, Youth and Family Policies**

### Maternity, Paternity, Parental, and Family Leaves

For mothers meeting social insurance contributions rules (about 1/3 of women giving birth), Spain has a 16-week maternity leave (six weeks mandated after child birth) with full wage

replacement (since 1989) to the statutory limit and (by transfer of mother's time) a 10-week paternity leave (since 1999). The father also has the right to two days at childbirth (at the employer's expense). Until 1994, maternity leave was paid as sick leave, as it is in many places, but now is a "risk" with its own regulations for those covered by social security. There is a right (since 1994) to a parental leave, without wage replacement, until a child is age 3. (A contemplated tax reform will allow mothers a 3-year leave benefit.) The leave may also be taken on a part-time basis. Either parent could reduce working hours on a part-time basis, with reduced pay, until the child is 6 years old-or longer if the child is disabled. A mother is entitled to an hour of absence during the workday for nine months after childbirth. Two days may be taken by a parent (at the employer's expense) to care for a sick child or meet other family emergencies. New adoptive and foster parents of children under age 6 gained the same leave entitlements as biological parents in 2000.

#### Early Childhood Education and Care (ECEC)

In the mid-90s, following persistent reports of "insufficient child care facilities," Spain decided to assign to education authorities responsibility for the under-3s, as they already had for the 3-5s. It was described as an attempt to help working mothers keep their jobs, not as an educational initiative. By late 1999, the Spanish expert reported to the European observatory that "the number of child care facilities is insufficient....Though the government supports workplace nurseries, the demand by far exceeds the supply"(Spain, Preliminary Draft, forthcoming). Much of the initiative is now in the regions. The programs for the 3-6s are universal and free; parents pay income-related fees, up to 20 percent of costs, for the under-3s and there is a modest tax benefit for those with sufficient income above the tax threshold. In 1998 a significant increase in childcare tax deductions for the under-3s was enacted. Coverage is very limited for the under-3s, but over 80 percent of the 3-6 group is in some type of program.

#### Family and Child Allowances

Employees pay a small social security contribution as do employers, at a higher level, and are then eligible for child allowances 291 Euros per child per year). Those not covered by social security are eligible for non-contributory benefits. These allowances are means-tested at a very low threshold. Children are eligible to age 18. There is neither an income nor an age ceiling for the handicapped (whose benefit levels are increased, depending on the degree of handicap).

The child allowance amount has been minimal. It was frozen from 1971 to 1990 when a substantial cost of living increase failed to compensate for interim inflation. By 1995 the allowance has lost another 25 percent of its value. Subsequent adjustments have not in fact raised the allowance and it continues to be defined as for those below the income tax threshold. A new effort, retroactive to January 1999, raises the allowances by 34 percent, but the picture changes little.

The only other general allowances are help for large families: reduced transportation fare; reduced university fees; some scholarships; and a public housing priority. Until 1995, "large" was defined as "4 or more" children, now it is "3 or more." In January 2000 a new benefit came into effect providing a one-time means-tested benefit upon birth of a third child, and upon multiple births (coverage only for contributors to benefit system).

Recently, with financing support from the social security fund, some of the autonomous regions, including the largest, have adopted minimum integration income programs, along the lines of the French 1988 RMI (social assistance integrated with employment and training programs, stressing entry or re-entry to the work force).

#### Child and Family Tax Benefits

For the first time in 1995, the amount of the child tax deduction was differentiated by the birth order, rising with the third child, in an effort to compensate for a VAT increase. Commentators pointed out that third children were becoming rare. There are various family tax reliefs, including a significant deduction for childcare costs for children under age 3, which was increased in 1999. A 1999 reform instituted a non-taxable personal/family minimum income calculated on the basis of family composition.

#### Child Support

Despite some advocacy efforts, a program of advanced maintenance has not been enacted.

#### Other Child Conditioned Income Transfers

Comparatively, Spanish social security is more family- than individual- oriented. See above re: help for large families and "minimum integration income". In addition there are child survivor benefits in the "old age, disability, deaths" and work-injury programs and unemployment insurance supplements for dependent children.

#### Child and Adolescent Health

Much influenced by the British health care system (as are a number of other South Europe countries), the Spanish system is publicly financed, universal, quite decentralized, and to a considerable extent contracted out. In Catalonia, for example, non-profit hospitals predominate. The system expanded and was decentralized and its components consolidated following the seating of the second Socialist government in 1987. A major operational influence is the U.S.-developed (Alan Enthoven) "managed competition" conception: finance, purchase, and delivery are split up (Rico, 1997). Given the decentralization and the public-private (non-profit mostly) mix it is difficult to generalize about the actual child-adolescent health delivery system, but Spain compares well with its European counterparts on relevant health indicators -having started far behind and almost caught up in the late 90's (WHO, 1998).

#### Youth

With a long way yet to go, Spain (along with Portugal) has been showing the most EU improvement in educational attainment. However, it still has high rates of school dropouts, led only by Portugal in the EU. Also, female enrollment in upper secondary education or more is equal to or exceeds that of males. Click here to view in PDF format a table on the ages at which children and youth are legally entitled to carry out a series of acts in EU countries.

Spain was one of the fourteen countries participating in the OECD thematic review, [From Initial Education to Working Life—Making Transitions Work](#). For more detail on the transition to working life in Spain, see [OECD's background report on Spain](#).

### Reconciliation of Work and Family Life

Writing in 1996, Spain's Family Observatory expert described progress in and limitations of leave policies under this heading and the lack of sufficient childcare. Cultural factors ranging from siestas and store hours to men's unwillingness to share domestic tasks were cited. Nonetheless, politicians were aware and beginning to act (Cordon, 1998). There was concern with low fertility and women's lagging in the labor market. The November 1994, legislation improved family leaves and promoted increased child care for the under-3s as essential to "reconciliation." Results are not yet reported.

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