Housing statistics in Helsinki from the perspective of social cohesion

The concept of social cohesion is multidimensional and covers many kinds of social phenomena. Some approaches have emphasized democratic and political aspects, others material conditions to social cohesion, some have emphasized values of civil society, equality and social order. (Forrest-Kearns 2001, Eurostat 2010, Henning & Renblad (eds) 2009)

Feantsa (the European Federation of National Organisations Working with the Homeless), which is loosely connected with The European Commission has gone about the concept from the perspective of housing and especially from the perspective of social housing emphasizing equal opportunities and shared values."Social cohesion is the process of developing a community of shared values, shared challenges and equal opportunities.” According to this premise the concept of social cohesion could be tied up to five different dimensions: "One may consider that there are five dimensions of social cohesion. These have been defined as belonging, inclusion, participation, recognition, and legitimacy. “ (Feantsa: 2 2005)

According to Feantsa from the perspective of equal opportunities and inclusion especially meaningful is social housing. (Feantsa:, 3 2005)

In our presentation “Housing statistics in Helsinki from the perspective of social cohesion” we are not considering these dimensions of social cohesion because of vagueness and multidimensionality of the concept, but are approaching our topic from the perspective of equal opportunities.

Equal opportunities of housing in Helsinki

The dwelling stock in Helsinki was in the end of 2011 in all 331 000 apartments and housing population was 572 000 or 1.7 person per apartment. These facts don’t describe equal opportunities, but picture about housing markets in Helsinki becomes a little bit clearer, when we explore time series about dwelling stock and population in Helsinki from the year 1900 until today.
Source: City of Helsinki Urban Facts

According to this time series there have been some periods in Helsinki, when in Helsinki there was not even quantitative prerequisites to equal opportunities especially during 1950’s, but also in the beginning of 20.th century, when proportion between population and dwelling stock was heavily imbalanced.

When deficit of dwellings is great, becomes the meaning of access to housing and also measures of society for securing access to housing for low-income and socially vulnerable people especially emphasised. During years in 1940’s and 1950’s the system of social housing in Helsinki started to ensure better access to housing for socially vulnerable people - because of shortage of dwellings Finnish system of social housing had a quite strong controlling character, but included also economical and labour force connections.(Ruonavaara, 2006)

Structure of dwelling stock from the perspective of equal opportunities

From the perspective of equal opportunities is essential, what kind of dwellings are available - what is the structure of dwelling stock. Especially meaningful is the tenure status of dwellings, number of rooms of dwellings and also housing conditions.

Nowadays in Helsinki we have as many owner occupied dwellings as rented dwellings and it is possible to say that in this proportion housing markets are functional.
The great portion of rented dwellings in Helsinki is a resource - it helps access of low and middle income people to housing markets. In Helsinki half of the dwellings are rented dwellings and 52 % of these are free market dwellings and the rest 48 % are social rented dwellings. What is meaningful from the perspective of equal opportunities, is that we have this great proportion of social rented dwellings but also that the average level of rents is clearly lower in social rented sector as in the free market. The rent level of social rented dwellings is, depending on number of rooms, about 25-50 % lower than the level of rents of free market rented dwellings. (City of Helsinki Urban facts)

On the other hand, clearly quicker development of prices and rents of dwellings in Helsinki, than in other Finnish cities, indicates that the demand of dwellings is outstripping the supply and low income and middle income people have difficulties to find the dwelling in Helsinki.

Dwelling stock according to the type of room

Characteristic for the structure of housing stock in Helsinki is great amount and great proportion of small dwellings. The proportion of one room and two room dwellings about dwelling stock is 60 % and respectively the proportion of five room dwellings is only 4 % and the proportion of six rooms and bigger is less than 2 %. This structure of dwelling stock directs also the population’s demand of dwellings - demand of dwellings of families with children turns outside from Helsinki to areas in Helsinki region and the dwellings in Helsinki gather one person households or young couples. (Helsingin väestöennuste 2011–2050, 2010:31) The structure of types of rooms, which consists more family dwellings would produce, in proportion to equal opportunities, and also in proportion to the population structure, a more balanced result.

Source: City of Helsinki Urban Facts
The costs of housing

The demand in housing markets in Helsinki is outstripping the supply and as a result of this, the level of dwelling prices is clearly higher in Helsinki than in Helsinki region or in other cities in Finland. For example average price of dwellings (3 768 €/m2) sold in the first quarter year 2012 was 18-48 % higher than in neighbouring cities near Helsinki and 77 % higher than in the cities a little further away from Helsinki.

Source: City of Helsinki Urban Facts

The development of dwelling prices in Helsinki has been during the last three decades, except for the recession years 1990’s, quicker than the development of salaries, which has undermined the purchasing power of wages and salaries on the housing market. Characteristic to the housing market in Helsinki,
especially during 2000’s, is that dwelling prices are growing quicker than salaries and wages, though after the year 2008 recession, this development has slowed down for a while.

Also the level of dwelling rents in Helsinki is higher than in the neighbouring cities or in Greater Helsinki. In the year 2011 the level of rents of free market dwellings in Helsinki was 12-20 % higher than in the neighbouring cities and 37 % higher than in Greater Helsinki. The willingness of the families with children to move from Helsinki to Greater Helsinki has been quite high not only because there are more alternatives for housing, but also in these areas the level of prices and rents of dwellings is lower than in Helsinki.

One essential feature of the housing market in Helsinki is, that in Helsinki the prices of dwellings in the centre of the city have been growing since the beginning of 1990’s much quicker than and in other areas in Helsinki. The difference of average price level between the areas of the highest dwelling prices and smallest dwelling prices is now about threefold. The development of dwelling prices was relatively constant until to the middle of 1990’s, but after that especially the dwelling prices in Helsinki centre have been growing considerably quicker than in other areas in Helsinki. (Urban Facts, 2012)

Source: City of Helsinki Urban Facts

The role and meaning of social housing in Helsinki

The prices and the rents of dwellings in Helsinki are so high, that the meaning of social housing non profit organisations offering for low income people access to reasonable priced dwellings is very important, and among these organisations the most important is Helsinki city. Helsinki city owns nearly 70 % of the whole stock of social rented dwellings in the city. These dwellings are directed to all city dwellers and in addition Helsinki city owns special dwellings for those who need special support in housing. In all Helsinki city owns about 52 000 social rented dwellings, but yearly only about 3 000 - 3
500 municipal dwellings become free. Therefore there are much more applicants than dwellings, and this is why the selection process of applicants is important in many respects. If the selection process would favour strongly some social or ethnical groups, it would end to socially or ethnically distorted areas. In the light of the latest researches, signs of this could be seen as in Helsinki as also in the neighbouring cities of Helsinki. (Vilkama, 2011) On the other hand, municipal houses are very important and ensure equal opportunities to housing for low and middle income people and therefore some concentration cannot be avoided.

Research about municipal houses and their inhabitants

Helsinki City Urban Facts published in 2010 a research about municipal houses and the inhabitants in municipal dwellings in Helsinki. The data concerning municipal dwellings and the inhabitants of municipal houses was gathered from the building and apartment and population city register. Data composed variables concerning dwellings and population - the size of dwelling households, birth dates, nationality and mother language of inhabitants.

In the research it was discovered, that municipal rented dwellings in Helsinki offer more often than other housing forms, access to housing to the families with children. 23 % of children under the 18 years of age in Helsinki lived in the municipal dwellings and there were some areas, where the portion of children in municipal houses was more than a half of all children in the area. 15 % of all inhabitants in Helsinki are living in city municipal houses. Also for lone parents and their children municipal dwellings offer access to housing, because about all families with children living in municipal dwellings the proportion of lone parent families was 41 % - in whole city the proportion of single families is 29 %.

According to the research, 72 % of inhabitants in city municipal dwellings were members of dwelling households speaking as a mother tongue one of our official languages (Finnish, Swedish or Lappish). There were 17 % of those dwelling households where all members of the households had foreign language as a mother tongue and 11% of those dwelling households where members of the households had both foreign language and some of our official languages as mother language was 11 %. Especially meaningful are the dwellings of social rented sector from the perspective of equal opportunities, because about 12 % of Finnish, Swedish or Lappish speaking people are living in municipal dwellings, as the proportion of foreign people was nearly 40 %. Proportion of foreign language children living in municipal dwellings was 55 % - the proportion of Finnish, Swedish or Lappish speaking children was 17 %.

In consequence of this emphasis in selection process, can develop socially and ethnically segregated areas and according to this research signs of this can be seen. For example in the eastern and north-eastern neighbourhoods are clearly more foreign dwelling households than in average in other areas. In some areas there are 90 % or even more Finnish, Swedish or Lappish speaking people and in some areas their proportion is under 50 %, the rest in these areas living in municipal dwellings are foreign language speakers. It could be seen that emphasis of equal opportunities with social emphasis may end perhaps in
not favourable result in proportion to other dimensions of social cohesion (belonging, participation, recognition, legitimacy). On the other hand it could be seen that as Bolt etc. remind, that the process of assimilation into the housing market is highly complex and differs between and within ethnic groups, and how the integration process contrives depends not only on the migrants, but also on the on the reactions of the institutions and the population of the receiving society. (Bolt, Özuêkren, Phillips, 2010 169 – 186)

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