

# Understanding Canadian Households' Self-Reported Sense of Social Inclusion: The Social Inclusion Index (SII)

The new Canadian Housing Survey (CHS)<sup>1</sup> provides a look into how Canadians live their lives from their perspectives. This survey includes data on households' perceptions of their homes, their neighbourhoods and their interactions with the world around them. The CHS enabled CMHC to design a social inclusion index (SII), which was constructed by Statistics Canada using data from the 2018 CHS. This Research Insight provides a brief look into some key results of the research report, *Construction and Assessment of a Social Inclusion Index for the Canada Mortgage and Housing Corporation: Technical Report*.

## Project Overview

There is no unique standard definition of social inclusion. After several internal and external consultations with various experts and housing organizations held between 2016 and 2018, CMHC identified five dimensions of inclusion relevant

to housing policies: dwelling satisfaction, neighbourhood satisfaction, satisfaction with feeling part of the community, sense of safety and economic hardship. This research led to the construction of a composite index, the SII, calculated as a weighted average of the five dimensions of inclusion retained.

<sup>1</sup> <https://www23.statcan.gc.ca/imdb/p2SV.pl?Function=getSurvey&SDDS=5269>

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These insights:

- identify a housing research issue, gap or need
- provide an overview of the research project undertaken to address it
- present major findings of the research

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## Findings

- The research findings support a SII constructed from the five identified dimensions of inclusion.
- Households in core housing need<sup>2</sup> have a lower SII score, on average, than households not in core housing need.
- Households living in larger dwellings and less populated areas tend to have, on average, higher SII scores.
- Higher income and better mental health outcomes are positively associated with a higher SII score.

## Why develop the Social Inclusion Index?

The federal government has committed to a renewed and re-engaged role in affordable housing through the National Housing Strategy (NHS), which was launched in November 2017. One of the central tenets of the new strategy is the promotion of socially inclusive housing and neighbourhoods. To help inform on the self-reported sense of satisfaction with regard to opportunities and resources in relation to Canadians' housing and community, CMHC has initiated and funded the development of the Social Inclusion Index (SII).

The SII does not cover all the potential elements of social inclusion as identified in the literature, as the intended focus is to include items relating to CMHC's sphere of influence, that is, primarily to housing, neighbourhood and community. However, other works with Statistics Canada have led to the development of a proximity measures database,<sup>3</sup> and the Income Divergence Index (D-index).<sup>4</sup> These two groups of indicators cover other important dimensions of social inclusion.

## How to get access to the data

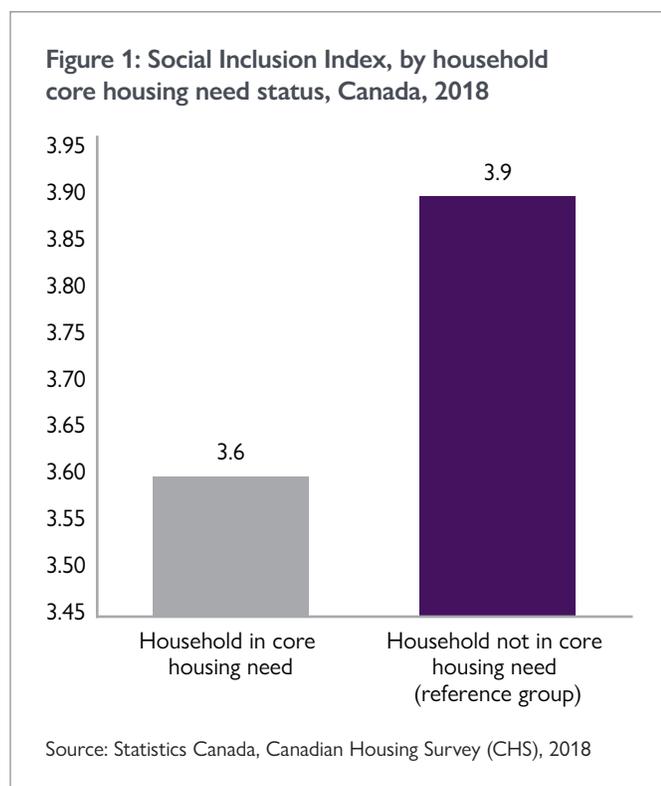
In October 2020, the SII was released appended to microdata from the 2018 Canadian Housing Survey. Data are available through Statistics Canada's Research Data Centres.

<sup>2</sup> Understanding Core Housing Need  
<https://www.cmhc-schl.gc.ca/en/data-and-research/core-housing-need/core-housing-need-data-by-the-numbers>

<sup>3</sup> Proximity Measures Database  
<https://www.cmhc-schl.gc.ca/en/housing-observer-online/2020-housing-observer/proximity-measures-database>

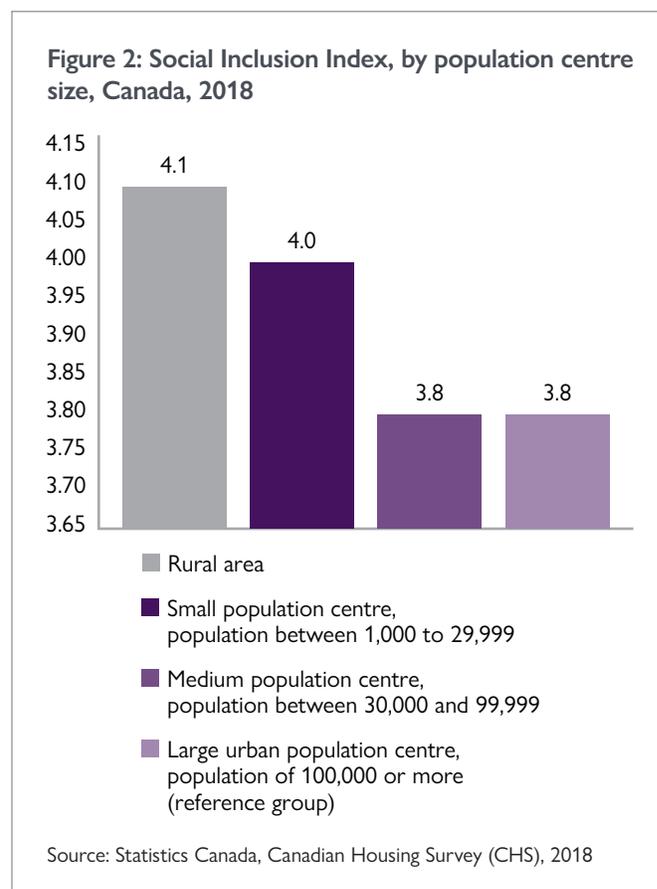
<sup>4</sup> Income Divergence Index (D-index)  
<https://www150.statcan.gc.ca/n1/daily-quotidien/200622/dq200622e-eng.htm>

On average, households in core housing need have a lower SII score than households not in core housing need. This is consistent with what is known about core housing need. Living in an unaffordable dwelling is by far the most important issue faced by households in core housing need.<sup>5,6</sup> This implies they are more likely to be in economic hardship than households not in core housing need.



The SII tends to decline with the density of population. For example, households living in rural areas and smaller population centres have a slightly higher score, on average, than their more urban counterparts. This is coherent

with previous research using data from the 2018 CHS, which found that neighbourhood satisfaction and dwelling satisfaction are higher in less dense areas than in more populated ones.<sup>7</sup>



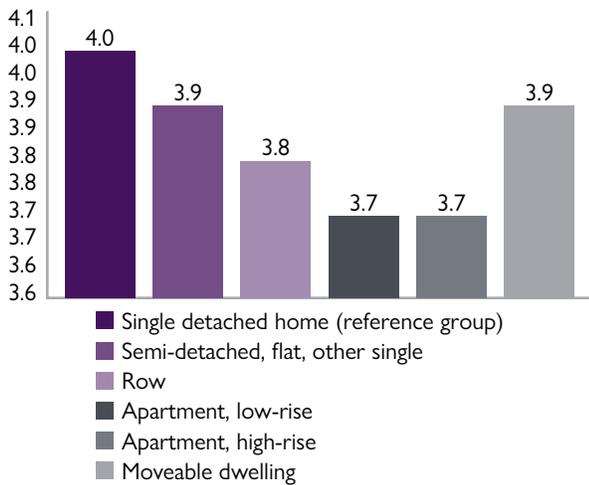
A higher SII score seems to be associated with larger sized dwellings. For example, on average, the SII is higher for households living in single-detached, semi-detached and row houses than for those living in apartments. Likewise, households living in the first group of dwelling types have, on average, higher dwelling and neighbourhood satisfaction.<sup>7</sup>

<sup>5</sup> Dimensions of core housing need, by tenure including first-time homebuyer and social and affordable housing status <https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=4610003701>

<sup>6</sup> Core Housing Need Data — By the Numbers <https://www.cmhc-schl.gc.ca/en/data-and-research/core-housing-need/core-housing-need-data-by-the-numbers>

<sup>7</sup> Satisfaction of Canadian households with their neighbourhood: Highlights from the 2018 Canadian Housing Survey <https://www150.statcan.gc.ca/n1/pub/75f0002m/75f0002m2019012-eng.htm> and; Canadians' satisfaction with their housing: Highlights from the 2018 Canadian Housing Survey <https://www150.statcan.gc.ca/n1/pub/75f0002m/75f0002m2019011-eng.htm>.

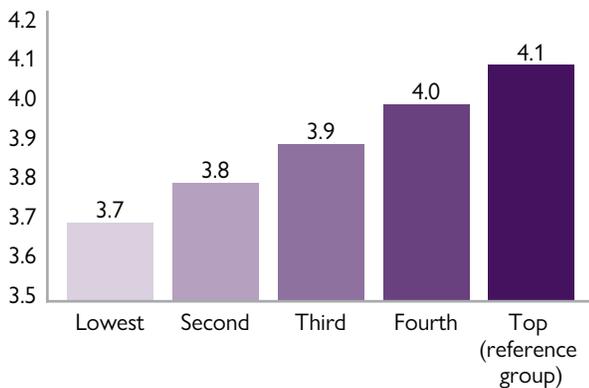
**Figure 3: Social Inclusion Index, by dwelling type, Canada, 2018**



Source: Statistics Canada, Canadian Housing Survey (CHS), 2018

The SII displays a clear positive correlation with household income. For example, households in the lowest income quintile have on average a SII score of 3.7, while those in the top quintile have a score of 4.1.

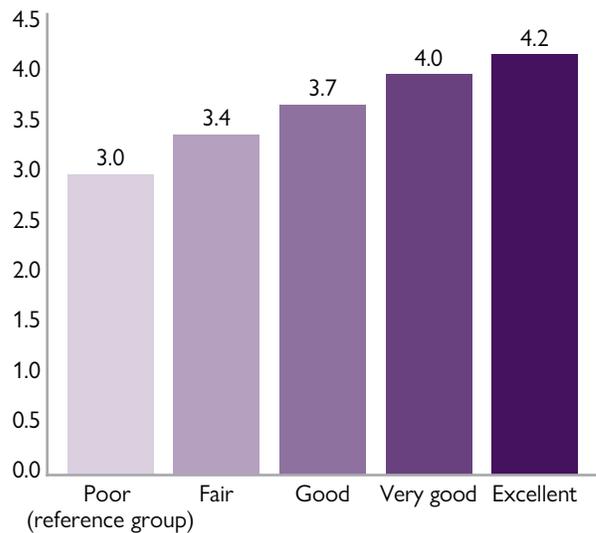
**Figure 4: Social Inclusion Index, by household income quintile, Canada, 2018**



Source: Statistics Canada, Canadian Housing Survey (CHS), 2018

Good self-reported mental health is associated with a better sense of social inclusion. To illustrate, reference persons who reported that their mental health was “Excellent” during the survey also had the highest SII score on average. On the contrary, their counterparts who reported that their mental health was “Poor,” had the lowest score (3.0 compared to 4.2).

**Figure 5: Social Inclusion Index, by household reference person’s general mental health, Canada, 2018**



Source: Statistics Canada, Canadian Housing Survey (CHS), 2018

## Implications for the Housing Industry

With the Social Inclusion Index, it is now possible to identify communities and neighbourhoods where developing affordable housing might help achieve the highest impact in terms of household sense of inclusion. It is also possible to assess the impacts of various housing policies on Canadians' well-being as measured by the SII.

## Further Reading

*Construction and Assessment of a Social Inclusion Index for the Canada Mortgage and Housing Corporation: Technical Report*

<https://www150.statcan.gc.ca/n1/pub/11-633-x/11-633-x2021001-eng.htm>

## Project Managers

George Ngoundjou Nkwinkem  
Senior Specialist, Housing Research  
Canada Mortgage and Housing Corporation

Mike Edwards  
Senior Analyst, Housing Research  
Canada Mortgage and Housing Corporation

## Consultant

Statistics Canada

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## Alternative text and data for figures

**Figure 1: Social Inclusion Index, by household core housing need status, Canada, 2018**

Core housing need status	SII average score
Household in core housing need	3.6
Household not in core housing need (reference group)	3.9

Source: Statistics Canada, Canadian Housing Survey (CHS), 2018

**Figure 2: Social Inclusion Index, by population centre size, Canada, 2018**

Population centre sizes	SII average score
Rural area	4.1
Small population centre, population between 1,000 to 29,999	4.0
Medium population centre, population between 30,000 and 99,999	3.8
Large urban population centre, population of 100,000 or more (reference group)	3.8

Source: Statistics Canada, Canadian Housing Survey (CHS), 2018

**Figure 3: Social Inclusion Index, by dwelling type, Canada, 2018**

Dwelling type	SII average score
Single detached home (reference group)	4.0
Semi-detached, flat, other single	3.9
Row	3.8
Apartment, low-rise	3.7
Apartment, high-rise	3.7
Moveable dwelling	3.9

Source: Statistics Canada, Canadian Housing Survey (CHS), 2018

**Figure 4: Social Inclusion Index, by household income quintile, Canada, 2018**

Household income quintiles	SII average score
Lowest	3.7
Second	3.8
Third	3.9
Fourth	4.0
Top (reference group)	4.1

Source: Statistics Canada, Canadian Housing Survey (CHS), 2018

**Figure 5: Social Inclusion Index, by household reference person's general mental health, Canada, 2018**

Household income quintiles	SII average score
Poor (reference group)	3.0
Fair	3.4
Good	3.7
Very good	4.0
Excellent	4.2

Source: Statistics Canada, Canadian Housing Survey (CHS), 2018