Social Exclusion: An In-depth Study for the Conference of European Statisticians

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Background

• April 2017 Statistics Canada volunteered to do an “In-depth Review” on social exclusion for the February 2018 Conference of European Statisticians (CES)
• The goal of the review is to study how different National Statistical Organizations (NSOs) measure social exclusion
• This paper and presentation is Statistics Canada’s first step towards reaching out to other countries for this “In-depth Review”
• Paper also features significant input from National Institute of Statistics and Geography (INEGI)
• Any feedback would be much appreciated
Introduction

• Social exclusion - anything limiting a person’s ability to fully participate in society and a non-monetary measurement of poverty

• Examples include:
  - Poor health
  - Physical characteristics
  - Limited access to material and/or social resources
  - Generational inequalities
  - Denial of rights
Social Inclusion
Focuses on the non-psychological benefits of being a participatory member of society

Social Cohesion
Focuses on personal satisfaction from feeling like a person belongs in society

Social Exclusion
People who are or feel excluded from their community and fall into one of the following groupings
- face some type of non-monetary deprivation
- do not actively participate economically, socially, politically, or culturally
- have a poor quality of life

Commonly Used Measurement Techniques

- Material Deprivation Indices – Indices that measure the portion of the population who cannot afford good that are seen as necessities for functioning in society by a large majority of the population.

- Low Work Intensity – Percentage of people who are unemployed or underemployed and then might be missing social networks that would allow them to be more included in society.

- Others country specific indicators possible.
Comprehensive Poverty Measure

Possible Index

- Low Work Intensity
- Material Deprivation Index
- Other Measures
Resources Utilized for Research to Date

- Web searches of publically available documents from NSOs on how they measure social exclusion
- Literature review
- Feedback retrieved from experts
Australia

- Australia Social Inclusion Board
- Goal: measuring social exclusion based on characteristics such as marital status, race, gender and employment status
- Calculates social inclusion through different indicators like:
  - *People in Households with Low Economic Resources and High Financial Stress*
  - *Proportion of People 18 to 65 Experiencing Three or More Disadvantages*

Latin America

- According to Economic Commission for Latin America and the Caribbean (ECLAC), people who suffer from a low work intensity are at risk of poverty/social exclusion/social cohesion because they have no savings, and a smaller social network from not being employed.
- ECLAC uses ILO indicators to measure social exclusion such as:
  - Income Quintile Ratio
  - Infant Mortality
  - Adult Literacy Rates
  - Percentage of Population in a State of Under-Nutrition,
  - Unemployed and Underemployed

Ireland

• Ireland’s *consistent poverty* measure can be described as a measure of social exclusion because it combines a material deprivation index along with a low income line.

Eurostat

- Previously used Laeken indicators
- However, has transitioned to EU-SILC questions
- At Risk Of Poverty or Exclusion (AROPE) is the larger indicator which includes At Risk Of Poverty (AROP), an anchored in time low income line, and a 9 item material deprivation index
- Also targets different smaller indicators of social exclusion that are country specific like quality of housing, education rates, etc.

Mexican Experience with Social Exclusion

• National Council for the Evaluation of Social Development Policy’s (CONEVAL – Spanish Acronym) “La Línea de Bienestar” and the “Línea de Bienestar Mínimo” are two wellbeing lines that measure social exclusion in Mexico

• They measures nine indicators mandated in the LGDS using INEGI data

• Defines people to be in one of four categories: Multidimensionally poor, vulnerable due to social deprivation, vulnerable due to insufficient income, not multidimensionally poor and not vulnerable

Canadian Experience with Social Exclusion

- Canada also has experiences with material deprivation and dashboard indicators
- Current policy focuses on
  - Aboriginals
  - Homeless
  - Mental Illness
  - Recent Immigrants

Sources: HUMA (2017). Breaking the cycle: Study on poverty reduction, A.
Conclusion

• Social exclusion is a non-monetary multidimensional view of a person’s wellbeing
• Many statistical agencies now focusing on material deprivation indexes
Questions/Comments

• Potential feedback could include
  • Possible errors or omissions
  • Areas of improvement
  • Additional sources
  • Questionnaire to follow
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