



This document contains answers to frequently asked questions about the data used in the Rental Housing Index. If you have a question and you cannot find the answer here, please contact James Roy, BCNPHA Senior Policy Analyst, at james@bcnpha.ca or 604-291-2600 Ext. 230.

**Q: For the affordability indicator, the percent of income spent on rent and utilities in the first quartile sometimes exceeds 100%. How is it possible to spend more than all of your income on rent?**

- A. The primary reason for this is that the NHS (National Household Survey) asks households to report their 2010 income and their 2011 monthly rent. The time lag between these years explains why we see such high rent-to-income ratios in the first income quarter.

Here is an example: A student in 2010 has a very low income but then graduates at the end of that year. In 2011 she finds full-time employment and moves into a new apartment. Her reported income in 2010 is very low but her reported rent for 2011 is high, creating a high rent-to-income ratio.

**Q: Why are average rents in the Rental Housing Index different from Canada Mortgage and Housing Corporation's (CMHC) numbers?**

- A. CMHC reports primarily on rents for purpose-built rental units, while the data we use from the National Household Survey includes data from all types of rental units, such as secondary suites and shared homes. Secondary suites have come to constitute a bigger proportion of the rental stock over the last 20 years in Canada and these units typically rent at lower rates than the purpose-built stock. Given that the National Household Survey includes these units, average rents in the RHI are frequently lower than those reported by the CMHC. In addition, rent data for the National Household Survey is collected with the census every five years and thus does not take inflation into account.

It is important to note that the CMHC does survey rents in secondary accommodation and condominium units, but that these surveys are limited to large urban centres, where the Rental Housing Index includes data from these types of units in all communities. More information can be found on CMHC's website: [https://www.cmhc-schl.gc.ca/en/hoficlincl/homain/stda/data/data\\_004.cfm](https://www.cmhc-schl.gc.ca/en/hoficlincl/homain/stda/data/data_004.cfm)

**Q: Why don't the numbers add up in some of the data tables?**

- A. There are three reasons why the numbers don't seem to add up:

**Rounding:** Statistics Canada uses "random rounding" to protect the confidentiality of respondents. This means they round all figures, including totals, either up or down to a multiple of five. They do this randomly. This means that the numbers may not always add up but they are very close.



**Data Suppression:** Statistics Canada deletes information for communities with populations below a certain size. This means that some cells in a table might report a ‘--’ but the suppressed numbers are still expressed in the total. Again, the numbers may not always add up but they are very close.

**Exclusion of 5+ bedrooms:** The tables include breakdown data for studio, 1-, 2-, 3- and 4-bedroom units. The total column shows data for all units in a community including 5+ bedroom units. Therefore, the total column might be slightly higher because it includes units that do not appear in the table.

**Q: Why does the Overall Index Score change when I select between “Province/Territory” and “Canada”?**

- A. Each community in the Rental Housing Index has two Overall Index scores – one that illustrates how it compares to other communities in the same province, and another that illustrates how it compares to all communities in Canada. By selecting between the “Province/Territory” and “Canada” button on the bottom right of the screen, the user selects between these two options. The exception to this is when the map is being viewed as “Provinces/Territories”. As each province as a whole can only be compared against other provinces, they only have one Overall Index score and it can only be seen in the “Canada” mode.

**Q: Why are the Territories compared against one another when the “Provinces/Territories” button is selected?**

- A. We grouped the Territories together because there are so few communities within them. For example, the entire Yukon Territory is one community in the RHI and it would not make sense to rank it against itself. As such, it was necessary to compare it against the other Territories.

**Q: When I click between the ‘Regions’ and ‘Municipalities’ my community changes colour. Why is this?**

- A. For roughly 15 communities in the Canadian Rental Housing Index, they count both as Regions and Municipalities. This includes some bigger communities like Toronto and Halifax. We included these communities in the Index calculation as both municipalities and regions. Therefore, you can see how Halifax compares to other regions and municipalities both in Canada *and* in Nova Scotia.



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**Q: In the fourth income quartile, there are more overcrowded households than I would expect at that income range. Why is this?**

- A. We suspect that the main reason we see a lot of overcrowding in the fourth income quarter is that they are sharing accommodation to bring down their individual rent burden. So while a lot of people living together in a house may have a relatively high household income overall, that comes at a cost of living in overcrowded conditions.

Here is an example: A group of five singles are each working at a full-time minimum wage job and are sharing a four bedroom house. Overall, they would have a fairly high *household* income but would have a one bedroom shortfall (i.e.: need an extra room to house everyone suitably).

**Q: How do you determine whether a household is overcrowded?**

- A. We use the National Occupancy Standard developed by the Canada Mortgage and Housing Corporation. The Standard determines the number of bedrooms a household requires given its size and composition. Statistics Canada provided us with data that told us how many units in each community had a one, two or three bedroom shortfall.

What might be considered unsuitable housing by the National Occupancy Standard, may not be considered overcrowding to the people who live there. This is particularly true for households that choose to live intergenerationally.

More information on the National Occupancy Standard can be found here:  
[http://cmhc.beyond2020.com/HiCODefinitions\\_EN.html#\\_Suitable\\_dwelling](http://cmhc.beyond2020.com/HiCODefinitions_EN.html#_Suitable_dwelling)

**Q. The “total number of renter households” in official Statistics Canada documents and the numbers presented in the RHI do not match exactly. Why is this?**

- A. Roughly 15,000 renter households in Canada have negative incomes, which represents less than 0.01% of all renter households in the country. According to Statistics Canada, negative income “generally applies to net self-employment income, net rental income and net limited partnership income. Negative income would indicate that expenses exceeded gross income.” We factored out these households because they would artificially inflate the affordability and income gap indicators.

**Q: What is a Global Non-Response Rate?**

- A. A Global Non-Response Rate (GNR) refers to the share of households in a community that received a National Household Survey and did not return it, or returned an incomplete survey. Statistics



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Canada uses the GNR as an indication of data quality, with higher GNRs indicating poorer-quality data. Communities with a GNR of 50% or more are not included in the Rental Housing Index.

**Q: Why isn't my community in the Rental Housing Index?**

- A.** One of our primary drivers for developing the Rental Housing Index was the need for rental data in small- and mid-sized communities. Based on data availability and data quality, we had to make some tough decisions on which communities to include. The Rental Housing Index provides data for all communities in Canada that have more than 4000 people, more than 500 renter households, and a Global Non-Response Rate of less than 50%.

