

The real story on Canadian well-being

The CIW provides a depth of understanding that can help steer Canada forward and build a society that responds to the global call for greater fairness.

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There are times in history when destabilizing world events turn into defining moments for change and innovation. Canada may be at the forefront of one of those defining moments.

Following the Great Depression and World War II—global events that destabilized entire nations—a consensus emerged. The world needed a good dose of peace and prosperity. Governments set out to pursue those objectives, and to determine ways of measuring progress. Gross Domestic Product (GDP) became the standard way to assess economic prosperity. Since then nations have come to rely on GDP as a primary indicator of how a

country is prospering, but as robust a tool as it is, GDP only tells us about the state of the economy. It provides no understanding of the health of a population, the vibrancy of a democracy, the growing inequality within and between countries, or the quality of life for a country's people.

Today, we again find ourselves in uncertain times. The 2008 global recession and the years of economic and social turmoil that have ensued, have brought us to the point where average people are joining demonstrations around the world, occupying Wall Street, Bay Street and banking districts around the world. Their common cry: What about the rest

of us? They bring into sharp relief GDP's limitations as a measure of well-being. A new consensus is emerging—we want a fairer world. Again we find ourselves in need of a new way to measure how our country is faring and now we have the way to do it.

A decade ago, some of Canada's leading thinkers answered the call to create a composite index that could do what GDP was never designed to do. The result is the launch of the Canadian Index of Well-being (CIW). Recognized as a global leader by the Organisation for Economic Co-operation and Development (OECD), the CIW puts Canada at the forefront of an international movement to measure the progress of societies by the quality of our lives as well as by the health of our economies. The governments of France and the U.K. are actively involved in designing initiatives to measure their quality of life, as are many other countries.

Drawing from a deep well of data the CIW uses 64 separate headline indicators within eight interconnected domains central to the lives of Canadians: Community Vitality, Democratic Engagement, Education, Environment, Healthy Populations, Leisure and Culture, Living Standards, and Time Use. As a result of this pioneering work we can now use these indicators to monitor each domain over time, starting with the base year of 1994.

Since 1994, we now know Canada's well-being has seen an overall improvement of 11 per cent, which pales in comparison to the 31 per cent growth in our country's GDP over the same time frame. The CIW shows us what GDP cannot, it shows us what the average citizen has understood intuitively: our country is not reaping all of the benefits of our economic growth. Our quality of life has actually gone down in areas such as the environment, leisure and culture, and time use, with only modest gains in health. And even in areas where growth has been strong, our research shows that it was the top 20 per cent of Canadians that received the lion's share of rising income and wealth during the boom years, while the gap down to the bottom 20 per cent grew even larger. That's the Canadian reality.

Unlike GDP, designed only to measure the output of countries goods and services, the CIW allows us to dig deeper, providing a more complete picture of which aspects of our well-being improved and which got worse. By providing an accurate snapshot of how our country is faring over time, the CIW gives our governments the tools needed to better understand the impact of their policy and program decisions, and gives us as citizens, what we need to hold our governments accountable — to ensure our quality of life grows along with GDP.

We find ourselves in uncertain times. Governments around the world face push back from citizens who say they're

no longer willing to bear the brunt of actions and decisions they perceive to be taken by the elite few.

Fortunately, in Canada we have choices about how we want the future to look. The CIW provides a depth of understanding that can help steer Canada forward and build a society that responds to the global call for greater fairness.

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