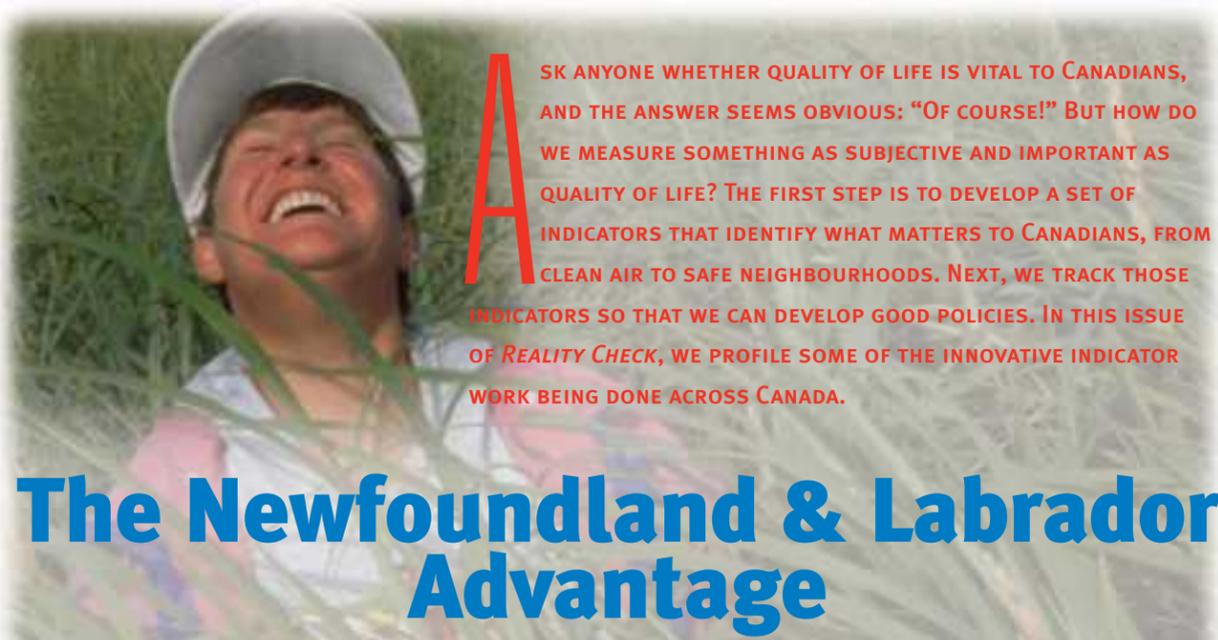




**IN THIS ISSUE OF REALITY CHECK:**

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**THE CANADIAN REVIEW OF WELLBEING**



**A**SK ANYONE WHETHER QUALITY OF LIFE IS VITAL TO CANADIANS, AND THE ANSWER SEEMS OBVIOUS: "OF COURSE!" BUT HOW DO WE MEASURE SOMETHING AS SUBJECTIVE AND IMPORTANT AS QUALITY OF LIFE? THE FIRST STEP IS TO DEVELOP A SET OF INDICATORS THAT IDENTIFY WHAT MATTERS TO CANADIANS, FROM CLEAN AIR TO SAFE NEIGHBOURHOODS. NEXT, WE TRACK THOSE INDICATORS SO THAT WE CAN DEVELOP GOOD POLICIES. IN THIS ISSUE OF REALITY CHECK, WE PROFILE SOME OF THE INNOVATIVE INDICATOR WORK BEING DONE ACROSS CANADA.

**The Newfoundland & Labrador Advantage**

**THE NEWFOUNDLAND & LABRADOR COMMUNITY ACCOUNTS**

IT'S DEMOCRACY IN THE DIGITAL AGE: A WEB SITE THAT LETS PEOPLE PLUG IN THEIR CO-ORDINATES AND READ A STATUS REPORT ABOUT EVERYTHING FROM INCOME AND EDUCATION LEVELS TO HOSPITAL ADMISSIONS IN THEIR COMMUNITIES. THE NEWFOUNDLAND & LABRADOR COMMUNITY ACCOUNTS ARE A CANADIAN FIRST FOR IN-DEPTH INFORMATION ABOUT QUALITY OF LIFE AND WELLBEING AT A COMMUNITY LEVEL.

"It gets away from the idea that the government has the real goods that no one else has," says Alton Hollett, director of the Newfoundland Statistics Agency. "I believe it's democracy at its best."

Five years ago, the government of Newfoundland & Labrador launched a "strategic social plan" to help citizens envision, monitor and improve the quality of life in their communities. The Community Accounts are a tangible result of that plan – a Web-based information system that allows government and citizens to easily see and track indicators of wellbeing at the level of some 400 communities as well as health board regions, school districts and economic zones.

Wellbeing and quality of life are subjective concepts that are often difficult to define. The Community Accounts try to quantify them through indicators that can be measured and monitored, in areas including health, education, social conditions, income, demographics, employment, wealth, production, consumption, and the environment. Within these areas, detailed information can give clues to the wellbeing and health of communities. For example, figures on how many workers are represented by unions can indicate something about job security and work conditions that goes beyond simple quantitative employment numbers.

The Community Accounts are presented in eye-catching and easy-to-interpret tables and bar graphs showing statistics

such as community population, migration and disposable income. Colour-coded sliding scales and maps allow people to compare their communities to others at a glance.

"Most people don't want to dig through mountains of numbers," says Hollett.

The data are from Statistics Canada and the Newfoundland Statistics Agency, as well as Memorial University, Human Resources Development Canada and "a variety of other sources," says Hollett, whose statistics agency also carries out community-level surveys for detailed

information such as how many people build their own homes or repair their own cars.

Even people in small communities such as Burnt Islands, population 800, and Stephenville Crossing, population 2,240, can enter the names of their communities into the site and see information about their towns.

For example, one click of the mouse will show you that 97 per cent of people in Burnt Islands, in the Port aux Basques area, assess their health as good or excellent, compared to a provincial average of 79 per cent. A closer look shows that these people have a low

reliance on social assistance – just 11.7 per cent, compared to the provincial average of about 16 per cent – yet higher rates of heavy drinking and unemployment insurance. Oddly, it also shows that just over half of the residents of Burnt Islands are overweight.

By comparison, just 50 per cent of residents in Stephenville Crossing, located along Newfoundland's western coast, rated their health as good or excellent – the lowest rating in the province. The area has a higher than normal reliance on social assistance – 39 per cent – as well as higher than average drinking rates and lower than average numbers of overweight people.

"It's not going to give you the answers, but it gives you a way to tackle the problems," Hollett says of the sometimes-puzzling statistics. "It begins to give you a structured way of thinking about your problems."

Policy makers can use the information to identify social needs, and tailor government policies to those needs. Next, both

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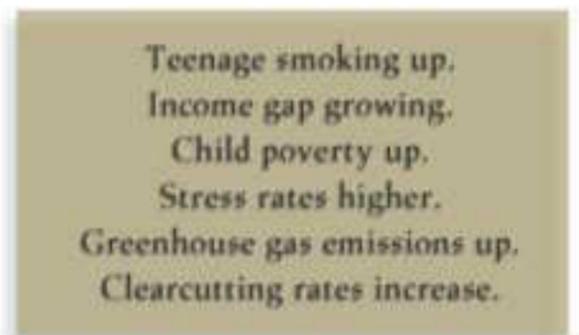


Graph and photo above are from the Community Accounts website "From the Ground Up".

**EDITORIAL**

**Exposing Hidden Truths**

IMAGINE THIS AS AN ELECTION POSTER:



Or imagine a government proudly presenting this record to Canadians at election time:



Sadly, we do not see election posters like these because these indicators are not included in our core measures of progress. Instead we judge how well off we are by a narrow set of economic growth statistics – if the economy is growing, we're told, we are "better off." Vital social and environmental issues remain ignored.

Measurement is not an academic exercise. Indicators are powerful democratic tools that shape policy and allow us to hold our leaders accountable. If we change the way we measure our wellbeing, we change the political agenda.

That's why indicator work cannot be left only to governments that will inevitably have an interest in burying "bad news". By contrast, from the perspective of *Reality Check*, there is no such thing as bad news. Even when dismal statistics are revealed, their exposure provides a spur to action. When we have a clear direction and a clear set of goals, we know how to make genuine progress.

The only "bad news" is when vital facts remain invisible. If we don't keep track of our fish stocks, we will be shocked when they collapse. If we don't monitor the health of our forests, we will lose all our old trees and the birds and animals that depend on them. If we ignore a hidden obesity epidemic (rates have more than doubled in Canada since 1985), we will find ourselves with soaring health care costs for preventable diabetes, hypertension, and heart disease.

If, on the other hand, we regularly track the health of our vital social, economic, and natural assets, we will get early warning signals of impending trouble, and we can respond in a sane and graduated way long before we are overwhelmed by crisis.

But if indicators are so political, how can *Reality Check* avoid being partisan?

Happily, indicators of wellbeing cut across the usual

*Continued on page 2*

# Cities Track Policy Consequences

SAY THE WORDS “PUBLIC POLICY,” AND PEOPLE’S EYES TEND TO GLAZE OVER. YET PUBLIC POLICIES – FROM THE MANAGEMENT OF WATERWORKS AND POWER TO WORK-PLACE SAFETY PROCEDURES – DRAMATICALLY AFFECT PEOPLE’S LIVES. THINK OF WALKERTON. THINK OF WESTRAY.

With its Quality of Life Reporting System, The Federation of Canadian Municipalities (FCM) is charting the real-life consequences of public policies that, unless disaster strikes, usually escape long-term scrutiny.

“It allows people to say ‘Ah-ha! Look at this! Look at the way this is changing, look at the trends,’” says John Burrett, manager of economic and social policy with the FCM.

Eighteen municipalities from Halifax to Vancouver help to gather local statistics in eight areas that provide indicators of a community’s welfare:

- Community affordability, which compares income levels with costs of living;
- Quality of employment, from gender equity to unemployment;
- Quality of housing, including rental and vacancy rates;
- Community safety, from crime rates to injuries;
- Community stress, including incidence of bankruptcies, suicides and poverty;
- Community health, from low birth-weight babies to illness and premature death;
- Population resources, such as education and cultural diversity;
- Community participation, including voter turnout and charitable giving.

Two additional measures are under development: “Social infrastructure” will track indicators such as availability of child care, or spending on parks and libraries. And a quality of environment measure will track indicators such as numbers of smog days, levels of municipal waste, or percentages of households with access to treated water.

When the federal and provincial governments changed the way they funded social programs in the late 1990s, the FCM suspected the repercussions would be felt in municipalities across Canada. In response, it set up the quality of life reporting system. It will release its third, comprehensive report this fall.

“We’re seeing the things we expected to see, unfortunately,” says Burrett. For example, the first FCM quality of life report showed that poverty and income inequality were “becoming more concentrated in large urban communities.” In the second report, the trend continues. Even though incomes of poor families increased in most of the communities since the first FCM report – with the exceptions of Burnaby and Vancouver – these increases did not compensate for the growing poverty and drops in income experienced during the early 1990s.

The incidence of low income in economic families in 1996 was greatest in Toronto, Vancouver-Burnaby, and Winnipeg, at around 18 per cent. Kitchener and Windsor had the lowest incidence of low income, at around 12 per cent.

The report also contains good news, such as improved

wages and employment rates, reflecting the upturn in the economy during the late 1990s. And it flags potential problems such as rapid population growth associated with a growing economy. The Canadian population grows by about one per cent each year, while communities such as Calgary, York, Peel, and Waterloo have been expanding by up to four times that rate.

Gathering these statistics is useful because it allows the FCM to identify and document problems for presentation to policy makers, says Burrett, who adds that because the indicators are standardized, municipalities can use their collective clout to try to influence public policies. In the past, he says, municipal governments knew full well what some government policies were doing to their communities – but they had no credible studies to back them up.

The detailed quality of life reports attempt to measure policy outcomes in “people terms.”

Take housing, for example.

In the mid-1980s, the federal government began reducing housing programs after two decades of significant support under the National Housing Act. By 1993, Ottawa had completely withdrawn funding for affordable housing. Left on their own, most provinces stopped building public housing altogether.

The FCM measures the effects of housing policies on cities and the poor. In most of its 18 reporting municipalities, nearly half of renters in 1996 (data from the 2001 census will be available this month) spent more than 30 per cent of their gross income on housing. Statistics Canada estimates that when this threshold is crossed, “inadequate funds will be available for other necessities such as food, clothing, and transportation.” The proportion of people over the 30 per cent mark increased by more than 25 per cent between 1991 and 1996.

A recent FCM analysis shows that the “affordability gap” – the difference between the average market rent and the rent that the working poor can afford to pay – ranges from a low of \$85 in Montreal to a high of \$378 in Toronto.

In its 2003 budget, the federal government allocated \$405 million over three years to reduce homelessness, and \$320 million over five years to supplement existing affordable housing agreements with the provinces. This money comes on top of its December 2001 pledge of \$680 million over five years toward building new affordable rental housing.

Burrett credits advocacy work and grim, hard-to-ignore housing facts – such as the data in the FCM’s quality of life reports – with rekindling some federal interest in social housing.

“It always helps to have that quantitative evidence, especially from a respected source,” says Burrett. “Only about four years ago, the prime minister himself said the federal government was completely out of social housing and would never be back. We and others have argued strongly to the contrary, and lo and behold they are back.”

## Newfoundland continued from page 1

government and the public can monitor the effectiveness of certain policies by checking in on the wellbeing accounts for communities across the province. In addition, the province plans to publish a social audit, which includes a recently-released report on social and economic indicators. It’s a way to show that government is accountable, says Hollett. And it’s a way for the public to better understand the likelihood of success for certain programs, or the reasons for failure.

“A lot of thinking is quite often done on an anecdotal level,” says Hollett. The Community Accounts give people the evidence they need to back up or question their anecdotes, and to recognize the connections between various social, physical or economic conditions.

“For the most part, we’re not a data-using culture,” says Hollett.

Government and academics often make the mistake of analyzing data separately from the diverse, complicated and very real people or conditions the numbers represent. The Community Accounts, with their detailed information on everything from the sex of babies born, the ages of new mothers, and citizens’ education levels, make that less likely to happen.

In addition, since the project is about quality of life, it focuses on the links between education levels, employment, income, and health and wellbeing. A quality of life approach to measuring progress and wellbeing quickly shows that



Alton Hollett,  
director of the  
Newfoundland  
Statistics Agency

standard economic measures such as Gross Domestic Product miss some key points.

For example, despite higher unemployment and lower incomes than most Canadians, data from Health Canada and Statistics Canada show that Newfoundlanders report the highest levels of health status and psychological wellbeing in the country, and the lowest rates of new cancer cases, asthma, allergies, back pain, sexually transmitted diseases, stress, and suicide. According to Statistics Canada, Newfoundlanders are 30 per cent more likely than other Canadians to report a high level of mental health. One reason may be Newfoundland’s strong family and social networks – a strength that gets partly measured in the Community Accounts under volunteerism.

The Community Accounts can also point to areas for improvement. For example, the rate of breast cancer in Newfoundland is 10 per cent lower than the Canadian average, yet death rates from breast cancer are similar to Canadian death rates. Health Canada’s 2000/01 Canadian Community Health Survey shows that Newfoundland has the lowest mammogram screening levels in Canada, with

## Exposing Hidden Truths

*continued from page 1*

left-right ideological divide. If we ask Canadians simply “what kind of Canada do we want to leave our children?” we will find a remarkable consensus that transcends all ideology. All Canadians want a reasonable degree of livelihood security, good health and education, clean air and water, healthy resources, safe and strong communities.

These are consensus values. No political party of left or right openly favours higher crime, more child poverty, polluted water, or trashing our natural resources. If we remain grounded in these basic Canadian values, we can indeed use indicators of wellbeing to provoke policy change while avoiding partisanship.

We are completely capable of creating the Canada we want, but we will not do so as long as we do not clearly articulate our shared goals, identify our measuring sticks, and track our progress towards those goals.

That’s why *Reality Check* will report on Canadian wellbeing as we see it, and as the numbers tell it. And we rely on our readers to take an active part in a lively debate on how we can leave a better world for our children. ✓

## Quality of Life in Saskatoon

### INCOME GAP CONTINUES TO GROW

THE MOST GLARING THING AFFECTING QUALITY OF LIFE IN SASKATOON IS THE GROWING INCOME GAP BETWEEN THE RICH AND THE POOR, ACCORDING TO A STUDY BY THE UNIVERSITY OF SASKATCHEWAN’S QUALITY OF LIFE RESEARCH TEAM, WHICH WORKS WITH ACADEMICS, COMMUNITY GROUPS, MUNICIPAL GOVERNMENT AND THE MEDIA.

“There seems to be a clear disintegration of quality of life within those low socio-economic neighbourhoods, which basically speaks to the deepening and broadening of poverty within Canadian cities,” says researcher Dr. Allison Williams, a social-health geographer at the University of Saskatchewan.

The study, conducted between 1999 and 2000, looked at quality of life in three clusters of neighbourhoods with varying income levels. A telephone survey in which 968 households responded showed that 67 to 71 per cent of residents in medium to high-income neighbourhoods rated their quality of life as very good or excellent, compared with barely 49 per cent of residents in low-income neighbourhoods. Furthermore, nearly one quarter of low-income residents – compared with just eight per cent of medium and high-income residents – felt that over the past three years, their neighbourhood quality of life had dropped.

“The one issue which proved to be a real concern was the lack of supermarkets, access to basic food,” said Williams, whose group is now working on the next phase of its research: to try to create changes.

Some suggestions include a coalition of academics, business, health agencies and community groups to lobby government for a higher minimum wage or better social welfare programs. Williams said they are also looking at addressing the needs of the homeless by working with the city to find excess public land on which to build.

For more information visit the CUISR Web site at <http://www.usask.ca/cuisr/> ✓

just 41.7 per cent of Newfoundland women aged 50-69 who have had a mammogram in the past two years, compared to 51.8 per cent nationally.

Could Newfoundland’s death rate from breast cancer drop with a better provincial mammogram program? It’s questions like these that people can take away from the Community Accounts, so that “solutions can be based on needs,” says Hollett. “It begins to tell you what you’re dealing with. Out of those kinds of observations begin falling problems and potential problems, and policies and potential policies.”

For more information, visit [www.communityaccounts.ca](http://www.communityaccounts.ca) or [www.gov.nf.ca/ssp/](http://www.gov.nf.ca/ssp/) ✓

# A New Map to Progress: The Index of Economic Well-being

“ARE YOU BETTER OFF THAN YOU WERE FOUR YEARS AGO?” RONALD REAGAN ASKED AMERICANS DURING THE 1980 ELECTION THAT MADE HIM PRESIDENT. THE ANSWER WAS AN OVERWHELMING “NO,” DESPITE AN APPARENTLY HEALTHY ECONOMY AND A STEADILY GROWING GROSS DOMESTIC PRODUCT (GDP).

It was an important moment for Dalhousie University economics professor Lars Osberg, who set to work on a more reliable measure of economic wellbeing.

“It was kind of crystallized for me. It seemed like there was something missing here in the national income accounting,” says Osberg, who along with economist Andrew Sharpe, founder of the Centre for the Study of Living Standards, created the *Index of Economic Well-being*.

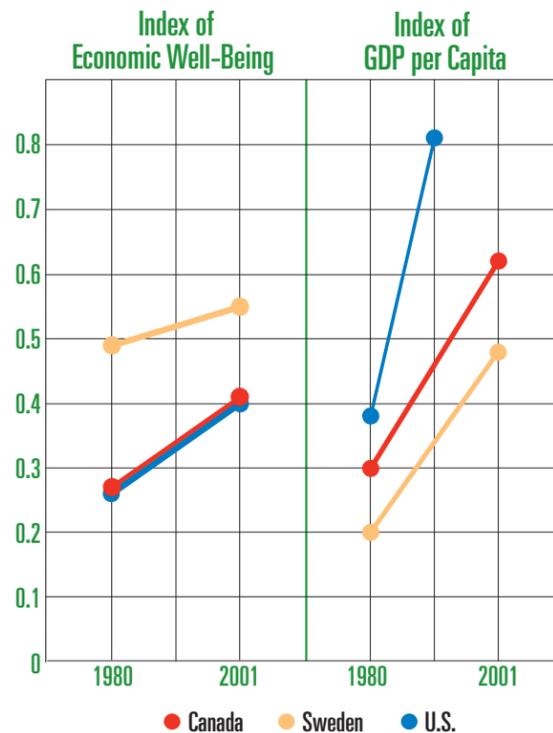
Conventional measures of economic wellbeing, such as GDP, fall short when it comes to gauging distribution of wealth, people’s savings, economic security, and changes in lifespan or leisure time. The *Index of Economic Well-being* attempts to provide a more comprehensive picture of a nation’s economic state.

The Index divides economic wellbeing into four measurable components: consumption (which includes private and public spending as well as changes in life span and leisure time); wealth (which includes natural resources, personal savings, foreign debt, and housing); income distribution; and economic security, (which is gauged by factors such as job-loss, illness, family breakup, and poverty in old age).

Osberg and Sharpe used the Index – which includes data for Canada and selected OECD countries – to chart the trends in wellbeing within OECD countries between 1980 and 2001. In every case, GDP growth outpaced growth in economic wellbeing. For example, U.S. GDP growth was over three times greater than its growth in economic wellbeing. In general, trends in the GDP per capita do not reflect trends in the *Index of Economic Well-being*. In the U.K., the GDP grew dramatically in the late 1980s, while economic wellbeing actually dropped.

The Index underscores the gap between the GDP and

the quality of our lives, and highlights two important issues that Osberg says have been “swept under the carpet” in current political debate: income distribution and economic security. Recent changes in social policy, such as tougher



For the past two decades, economic wellbeing has grown far more slowly than GDP per capita. Source: Lars Osberg, Andrew Sharpe, *The Index of Economic Well-being*.

unemployment insurance rules and cuts to social assistance, meaning Canadians are less economically secure than they were. The *Index of Economic Well-being* measures that insecurity, letting citizens and governments know there are harmful consequences to some economic policies.

“Apparently for that reason a number of people in

Ottawa don’t like it, because that’s bad news; they don’t like to see it,” says Osberg.

Any useful index should be meaningful and easy to interpret, he says. The *Index of Economic Well-being* is divided into four components so that users can more easily identify specific areas for improvement. For example, Sweden’s poor performance in the early 1990s is mainly because of setbacks in areas measured by two of the Index’s four indicators: economic equality and insecurity. The Index measures rates of change within each country, as well as different countries’ levels of wellbeing. Hence Sweden – a country renowned for its high standard of living – performed poorly in terms of growth on the Index because poverty and economic inequality were growing – but because Sweden started from such a high initial level of equality and security, it remains above Canada and the United States in level of wellbeing, as measured by the index. The Index can therefore act as a warning for Sweden: even though it is still far more egalitarian than the U.S., Sweden’s equitable society is beginning to erode.

Similarly, the Index shows a markedly growing gap between the rich and poor in the U.S. and U.K., where almost all the gains from growth went to the affluent. It also shows that higher incomes in the U.S. come with a cost: more work hours, which the Index recognizes by putting a value on the decline in leisure time.

The Index applies equal weight to each of its four indicators. However, these values are adjustable, allowing users to vary the weights – and therefore the importance – of different indicators. If somebody thinks consumption is a more important indicator than economic security or wealth, they can apply a heavier weight to that indicator within the Index.

“It makes people be up front about their values,” says Osberg, who points out that all measurements have built-in biases – his and Sharpe’s are just more explicit about it. The United Nations Human Development Index, for example, gives equal weight to education, income and life expectancy. “Where did that come from?” asks Osberg.

*Continued on page 4*

## Measuring the Merits of a New Index

### THE EXPERTS WEIGH IN ON THE INDEX OF ECONOMIC WELLBEING

“WHEN YOU CAN MEASURE WHAT YOU ARE SPEAKING ABOUT, AND EXPRESS IT IN NUMBERS, YOU KNOW SOMETHING ABOUT IT; BUT WHEN YOU CANNOT MEASURE IT, WHEN YOU CANNOT EXPRESS IT IN NUMBERS, YOUR KNOWLEDGE IS OF A MEAGRE AND UNSATISFACTORY KIND.”

— LORD KELVIN, IN A SPEECH ON ELECTRICAL UNITS OF MEASUREMENT, DELIVERED MAY 3, 1883

Today, the words of Lord Kelvin – who introduced the “Kelvin” temperature scale – sound narrow-minded. Yet the western bias toward quantitative measures, and the tendency to value only what we can measure, is well-entrenched.

In Canada, we generally measure our prosperity using the Gross Domestic Product (GDP), which tracks the dollar value of goods and services that are bought and sold. The GDP is a limited measure. It does not count – and was never meant to count – things such as income distribution, the degree of poverty, the costs of illness, crime, unemployment or environmental degradation, or the value of voluntary work. Yet we routinely use the GDP to assess the nation’s overall economic wellbeing.

Economists Lars Osberg and Andrew Sharpe recognize that a truer measure of economic wellbeing needs to count more than just production and consumption. Their *Index of Economic Well-being*, profiled above, measures progress in terms of how the economy actually affects people.

To assess the *Index of Economic Well-being*, *Reality Check* talked to the experts:

Mike McCracken is one of Canada’s leading economists and chief executive officer of Informetrica Ltd., an economic research company. Walter Ross is a retired partner with Ernst & Young Chartered Accountants, past president of the Laidlaw Foundation, and a founding director of the Temagami Community Foundation. Marilyn Waring, Ph.D., served three terms as a member of New Zealand’s parliament, and is an economist, farmer, and author of *If Women Counted*. She is senior lecturer at New

Zealand’s Massey University and a pioneer in measuring the value of unpaid work. We also contacted award-winning journalist Linda McQuaig, who gave us her thoughts on the practical uses of the Index. McQuaig is the best-selling author of six books. Her most recent, *All You Can Eat*, argues that instead of shaping our society to fit the economy, we must shape the economy to fit the society we want.

The first question the public is likely to ask about any measurement of wellbeing is “what good is it?”

“As a journalist, I have found the *Index of Economic Well-being* extremely useful, since it provides a more meaningful measure of economic progress than the traditional GDP measure, with its narrow focus on the sheer amount of economic activity,” says Linda McQuaig. “The inclusion of economic insecurity, for instance, is a real breakthrough. If the overall economic pie is growing, but people have less financial security, most people would not consider this progress in any meaningful sense.”

In the short term, says Walter Ross, the index isn’t likely to help too many people. However, it shows important, useful connections between wealth creation and a healthy society, he says. “If we want to sustain economic wellbeing, we need to understand these connections and maintain a healthy balance between the two,” says Ross.

“The Index will only help people if it causes some action on the part of policy-makers or voters,” says Mike McCracken, who adds the “statistically challenged” media would have a hard time conveying the nuances of the Index to the public. “At this point in time, the best that can be expected is that researchers toiling away on improved policy can take some comfort that they are working on the right problems and that things indeed are not getting better as rapidly as the normal indicators suggest,” says McCracken.

Nevertheless, all our experts are optimistic about the Index, saying it’s a broader, more adaptable measure than the GDP or disposable income.

“The Index has a number of strengths compared with

other systems,” says Marilyn Waring, who praises it for being up front about its measures and assumptions, so that users can easily see what its calculations are based on. “I admire the transparency in the model, and the understanding that it’s better to capture an imprecise measure in the index, rather than exclude an important variable.” The GDP, she says, is “full of crude imprecision, it’s just that no one admits it.”

However, Waring cautions that the Index is likely too academic for most people – including politicians. “It is certainly too sophisticated for the majority of elected representatives that I have ever known.”

Mike McCracken praises the Index’s adjustable weightings system, in which users can vary the value – and thus the importance – of the Index’s four indicators: consumption, wealth, equality and security.

Many people would intuitively agree that these four components are indeed the elements that make up our collective wellbeing, says Walter Ross, who stresses the importance of carefully-selected indicators. “For me, this index is a balanced attempt to combine and measure these attributes over time.”

The Index has been receiving a fair amount of attention in Europe, and was recently featured at a colloquium in France. Other countries, such as Russia and Turkey, have also expressed interest in this index. Yet in Canada, many policy-makers and opinion-leaders have never heard of it. Mike McCracken has already placed some blame on the “statistically challenged” media. And Linda McQuaig agrees that the Index likely remains largely unknown because the business-oriented media have been slow to pick up on it.

“Bureaucrats and politicians like good news. The indicator business thrives on doom and gloom,” adds McCracken. “It’s not surprising that the ‘good news’ boys are not interested in them.”

And why the French enthusiasm for the Index, while in

*Continued on page 4*

# What Really Matters to Canadians?

## THE CANADIAN POLICY RESEARCH NETWORKS' QUALITY OF LIFE INDICATORS PROJECT

CANADA'S FIRST NATIONAL QUALITY OF LIFE REPORT CARD – DESIGNED AND GRADED BY CITIZENS – SHOWS MIXED RESULTS OVER THE LAST DECADE. CANADIANS ARE LIVING LONGER, SMOKING LESS AND STAYING IN SCHOOL LONGER. HOWEVER, AFFORDABLE RENTAL HOUSING IS SCARCER, AIR QUALITY IS DECLINING, AND FEWER PEOPLE ARE VOTING IN FEDERAL ELECTIONS.

These are just a few of the findings from the first "Citizens' Report Card," which evaluates changes in 40 indicators that Canadians determine are important to their quality of life. The Report Card compares the indicators between 1990 and 2000, assigning them ratings of "better," "mixed or no change," and "worse." Canadian Policy Research Networks (CPRN) released the Report Card in September 2002, based on dialogues held with citizens in October 2000.

Usually, Canadians see progress reported in economic

terms such as changes to the GDP, unemployment rate or stock market. But citizens in 40 dialogue groups in 21 towns and cities across the country revealed that Canadians value democracy, health, education, the environment, and social equity ahead of the economy as measures of quality of life. "Rich, poor, young, old, rural, urban, there was a common expression of what was important," says Sandra Zagon, manager of the CPRN's Quality of Life Indicators Project. The Report Card groups its indicators into nine key areas: democratic rights and participation; health; education; the environment; social programs and social conditions; community; personal wellbeing; economy and employment; and government.

The report also says:

- A growing number of Canadians feel racism is a problem. In 1980, just over half of Canadians thought that some racial or cultural groups in their communities were discriminated against. By 1995, that proportion jumped

to more than two-thirds.

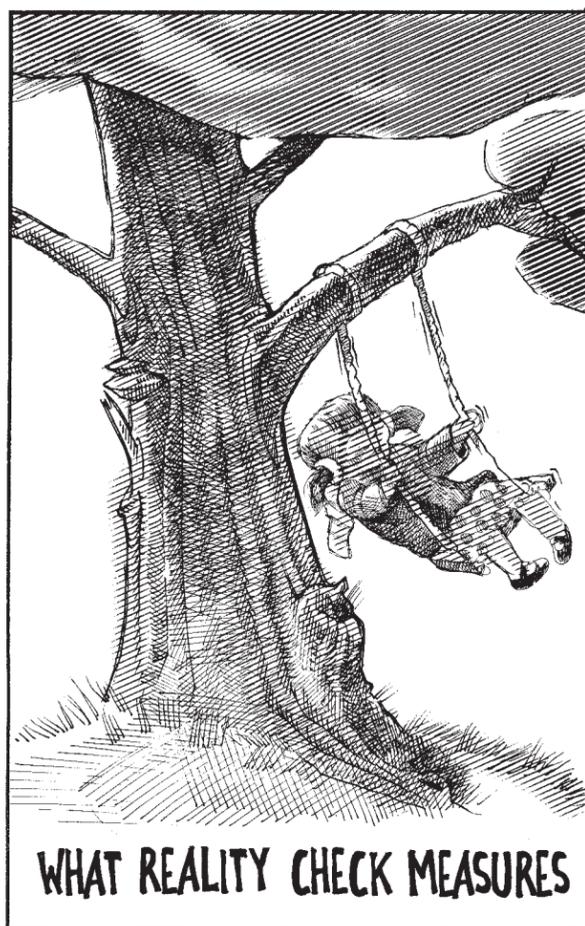
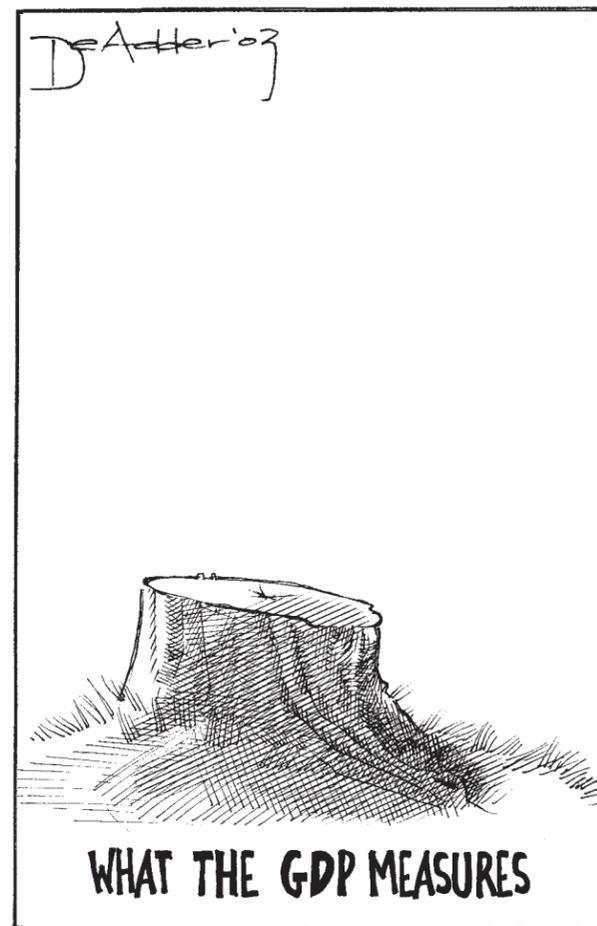
- Voter turnout declined to 62 per cent in 2000 from 75 per cent in 1988 and 70 per cent in 1993.
- Nearly half of Canadians assigned a "B" letter-grade to the overall quality of the health care system, while 21 per cent gave it an "A," and 26 per cent a "C." Just nine per cent assigned it an "F."
- High school graduation rates among 25 to 29-year-olds rose to 87 per cent from 80 between 1990 and 1998. University enrolment among 18 to 24-year-olds rose to 20 per cent from 15 between 1988 and 1998. However, post-secondary tuition also rose, prompting Canadians to rate "access to lifelong education" as worse.
- Air quality is "worse" at the end of the 1990s compared to the beginning of those years, with 75 per cent of Canadians who responded to a COMPAS poll in 2001 saying they were "extremely concerned" or "very concerned" about the air they breathe. The Report Card cites Environment Canada's Index of the Quality of Air, which shows that air quality began improving during the beginning of the 1990s, but declined in the late 1990s.
- Fewer Canadians are volunteering, but they are donating more time. Between 1997 and 2000 the proportion of volunteers dropped to 26.7 per cent of the population from 31.4 per cent.
- Increasing numbers of Canadians feel stress from the "time crunch," with one in five people over age 15 classified as "extremely time stressed" according to Statistics Canada designations – an increase of roughly one-third from 1992.
- Canadians feel their neighbourhoods are safe, with nine out of 10 saying they feel "very safe" or "reasonably safe" walking alone after dark, according to a 1999 survey. However, only 82 per cent of women felt safe walking alone at night, compared to 94 per cent of men.

"The data is providing the 'what.' It's not providing the 'why,'" says Zagon, who says advocates and policy-makers can use the information from the report card to help identify and tailor social policies that matter to people. The report also identified several "data gaps," including:

- "A national snapshot of waiting lists for health services"
- "A measure of the quality of public education"
- "An assessment of the quality of governance and trust in government"
- "An indicator of trends in water quality."

CPRN would like to see a repeat of the citizens' report card in another five years. The cost for the full project was over \$600,000.

For more information visit [www.cprn.org](http://www.cprn.org), or contact Sandra Zagon: [szagon@cprn.org](mailto:szagon@cprn.org) ✓



MICHAEL DEADDER

## A New Map to Progress

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Furthermore, all of its measurements are averages, meaning that gains made by the rich can cancel out losses by the poor, and result in "growth" on the UN index.

By contrast, the *Index of Economic Well-being* gives a picture that is easier to interpret, since its weightings allow users to compare areas such as economic inequality with overall societal wealth – something missing from our current economic measures. Next, citizens and policy-makers can determine which policies need improvement or change.

Osberg cautions that although the index measures many aspects of economic well-being, it makes no attempt to measure other important quality of life indicators such as literacy, education, privacy, and political freedom.

"We don't try to sweep everything into the same bundle and give a single number to all these dimensions of wellbeing," he says.

Ultimately, he says, the index is designed to deepen democratic debate and create change. "It's not like measuring the speed of light or the height of Mount Everest – those are things we can't affect. We're interested in measuring economic well-being because we want to improve it."

For more information on the Index of Economic Well-being, visit the Centre for the Study of Living Standards online at [www.csls.ca](http://www.csls.ca) or Lars Osberg's homepage at <http://is.dal.ca/~osberg/home.html> ✓

## Measuring the Merits of a New Index

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Canada it languishes in relative obscurity?

"In North America we're obsessed with consumption, productivity and efficiency. A quick lunch and two or three weeks vacation seems to be acceptable to most," says Walter Ross. "Try to sell two weeks holidays to French workers!"

*Reality Check* also asked the experts how they would assess the methodology behind the Index.

"The documentation on methodology is clear, and the general approach is sound," says Mike McCracken.

"People will differ over the relative importance of each of the four main components in the Index," says Walter Ross. "But I think everyone would agree that the components are all relevant when thinking about economic wellbeing, and further, that they are interrelated."

"For instance, the production and consumption measures are clearly related to wealth and natural capital measures. Clear-cutting a forest may well enhance production in the short term, but natural capital is reduced, potentially impairing future productive capacity," says Ross, who commends the Index for making such vital connections. ✓

For more information and Internet links to quality-of-life projects across Canada visit our Web site at: <http://www.gpiatlantic.org/realitycheck/partners/index.html>



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