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New index pinpoints inequalities in Canadians' quality of life

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University of Waterloo-based guide uses 64 indicators in eight domains such as to paint a comprehensive picture of national well-being

Canada's economy has boomed for much of the past two decades, yet that expansion has not sparked equally robust improvements in Canadians' quality of life.

(Mobile users: Click here [http://live.theglobeandmail.com/event/canadas_economic_growth_v_our_quality_of_life] to join us for a live discussion on the new Canadian Index of Wellbeing Thursday at noon ET.)

That is the key finding of the Canadian Index of Wellbeing, a composite guide launching Thursday that claims to be one of the first of its kind in the world. It seeks to provide a fuller picture of the country's economic health than the widely used gross domestic product.

The University of Waterloo-based index, which tracks 64 indicators in eight domains such as health, education and living standards, is the culmination of seven years of research and input from dozens of Canadian and international academics. The release of this index puts Canada ahead of other countries, such as the United Kingdom and France, which are developing similar measures.

Since 1994, the starting point for the new measure, Canada's well-being has improved 11 per cent compared with 31-per-cent growth in the country's GDP.

Its release is timely, given the growing dissatisfaction with economic progress and government policies around the world as mirrored by Occupy Wall Street and its offshoot protests.

"This is a two-sided coin - the one side is fiscal and economic policies that governments set, and the other side is what it means to ordinary Canadians," said Roy Romanow, chair of the index's advisory board and former premier of Saskatchewan. "This is a seminal report, because it puts out for the first time some measuring stick as to actual impact of government policies. "

GDP has its limitations, he said. While a robust tool, it is confined to tracking the value of goods and services traded in a month. Thus it rises when spending increases on war, oil spills or natural disasters. And it fails to capture many activities such as caring for a sick relative or volunteer work.

The new index is meant to be more comprehensive, looking at housing affordability, voter turnout, life expectancy, crime, air quality and income inequality. It aims to help governments and communities design public policy and track progress.

It does, however, have its drawbacks. Its tracking stretches from 1994 to 2008 - meaning it doesn't capture the full impact of the recession and uneven recovery. The three-year lag stems from relying on Statscan data that takes time to produce.

The index aspires to be easy to understand, reliable and politically unbiased. Its funders include the Atkinson Charitable Foundation, RBC Foundation, and the University of Waterloo.

Its advisory board includes Charlie Coffey, former executive vice-president at RBC, professor emeritus Monique Bégin and Enrico Giovannini, former chief statistician at the OECD.

The findings paint a mixed picture. Canadians' quality of life has diminished in areas such as the environment, leisure and culture, and time use. Health-care advancements have been only modest. And it finds that the top 20 per cent received the lion's share of rising income and wealth during the boom years while the gap with the bottom 20 per cent grew ever larger.

"What troubles me the most is that, at a time of good economic growth, there are notable disparities, and secondly, that they seem to be widening," Mr. Romanow said.

Canadians are facing a bigger time crunch, depression rates are up, voter turnout is ebbing, greenhouse gases are growing and job quality has deteriorated.

Matewes Tadesse is among those struggling to make ends meet. The multilingual immigrant from Ethiopia has qualifications as an electrical engineer and technician. Instead, he's driving a taxi and says high gas prices and a glut of cab drivers in Toronto mean he's earning less than minimum wage.

"I went to school to get a better job, but when I graduated no one wanted to hire me," he says.

The index also shows progress. Crime rates are going down and more Canadians feel a strong attachment to their community. High-school graduation rates are increasing and life expectancy is climbing.

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