

How are we (really) doing? National index to tell us; Satisfaction gauge may be used to shape government policy

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A new Canadian index will gauge how people are faring overall, not just how much they're spending.

The Canadian Index of Wellbeing will be far more accurate than its economic cousin, the gross domestic product, says Roy Romanow, who was in Toronto last week to present it at the United Way of Canada conference.

"(The GDP) tells us how much total income we are producing, but tells us nothing about how that income is distributed," said Romanow, the former Saskatchewan premier who chaired the 2002 commission into medicare.

The index has been five years in the making, and some of its first quarterly figures are due to be published in the fall.

"When the single most influential national lens that we use to measure our progress and wellbeing as a country is confined to a narrow set of economic indicators, it sends inaccurate and even dangerous signals to policy makers."

The gross domestic product is driven skyward when bad things happen and money is spent to fix the problems, Romanow said. Problems like the Quebec ice storm, traffic accidents, street crime, deforestation.

But the Canadian Index of Wellbeing is driven down by negative things like crime, poor health and unaffordable tuition.

The index takes its cue from countries like the Himalayan kingdom of Bhutan, where the government measures the level of satisfaction among its populace and attempts to shape public policy to better those levels. In Canada, a national working group of about 20 organizations was convened with funding from the Atkinson Charitable Foundation. "We, along with others, had been doing this work in a very scattered way," said Ron Colman, executive director of Genuine Progress Index Atlantic, a non-profit organization that had been developing a wellbeing index for Nova Scotia. "What the Atkinson foundation did is bring everybody together."

Measuring the level of life satisfaction among the people of a country is certainly not confined to Bhutan, although it was there that the king declared in 1972 that "the Gross National Happiness is more important than Gross National Product."

New Zealand also produces national reports on the wellbeing of its citizens, which are often taken into account by the government in making decisions.

Colman says the Canadian group is learning from the models of New Zealand and Bhutan how to best ensure the government, which has no real connection to the wellbeing index, acts on what the data indicate Canadians are experiencing.

"We're learning how to push this further along on the public policy agenda," he said. "But they are also learning from us that there is strength in having data come from an independent source."

Researchers across the globe have been attempting for decades to find a formula that objectively measures how satisfied people are with their lives, without much concrete success.

Dutch professor Ruut Veenhoven, a highly regarded researcher in positive psychology – the study of what makes us happy and why – has for 20 years been working on the World Database of Happiness. He has found that, although the most prosperous nations tend to score higher than the poorest ones, there are exceptions. El Salvador, for instance, ranks 7.2 out of 10, the same as Great Britain.

Veenhoven's research was largely based on people's own judgments of how satisfied they are with their lives. The Canadian Index of Wellbeing will be calculated based on data gathered by about 20 researchers, from Statistics Canada, Environment Canada and researchers from several universities.

While it's unavoidable some self-reported data will be used, researchers are planning to take into account harder numbers, such as the costs of education and of everyday essentials.

"This is not a feel-good type of self-survey," said Charles Pascal, executive director of the Atkinson foundation. "This is using data to measure, in a very tangible way, the things that matter to Canadians."

The working group will measure areas such as living standards, health and welfare and levels of political engagement.

Said Dr. Robert McMurtry, a London physician who also serves on the Health Council of Canada: "I can remember the days when you didn't have so many people who couldn't afford higher education, when you felt a lot safer walking the streets at night and when pollution wasn't such a problem. I'd like to see us have a standard by which we can measure whether these things – which are so important to us – are going upwards or downwards."