

Toward a **Quality of Life** Strategy for Canada

April 19, 2021

Department of Finance Canada

Table of Contents

Introduction.....	3
A Quality of Life Approach to Government Decision-making.....	5
Looking ‘Beyond GDP’	5
Quality of Life and Inclusive Growth	6
International Experience Applying Quality of Life Measures to Decision-making	6
International Engagement	7
Canadian Experience with a Quality of Life Approach	8
Applying a Quality of Life Approach in Canada	10
Basic Architecture of a Quality of Life Framework for Canada	11
Key Considerations for the Design of a Quality of Life Framework for Canada.....	12
Defining and Measuring What Matters to Canadians	12
The Role of Subjective Well-being.....	13
Composite Indices of Overall Quality of Life.....	14
Inclusiveness and Sustainability Considerations	15
Role of the Federal Government	15
Data and Analytical Limitations.....	17
Performance Objectives and Targets	17
What We’ve Heard so Far	17
Introducing Canada’s Quality of Life Framework	19
The Quality of Life Framework	19
Treatment of Determinants of Well-being	20
Ongoing Development	20
Alignment with Other Federal Initiatives	21
Broader Elements of a Quality of Life Strategy	21
The Way Ahead	24
Whole of Society Challenge	24
Next Steps	24
Annexes	25
Annex 1 – Framework Indicators.....	25
Annex 2 – Criteria for Selecting Indicators	27
Annex 3 – Examples of International and Domestic Frameworks.....	28
Annex 4 – Broad-based and Cross-cutting Frameworks relevant to a Quality of Life Strategy	32

Introduction

“Lead work within the Department of Finance, with the support of the Minister of Families, Children and Social Development and the Minister of Innovation, Science and Industry as the Minister responsible for Statistics Canada, to better incorporate quality of life measurements into government decision-making and budgeting, drawing on lessons from other jurisdictions such as New Zealand and Scotland.”

- *Minister of Middle Class Prosperity and Associate Minister of Finance Mandate Letter*

The global COVID-19 pandemic has provoked reflection about what matters most to people, and the impact of government actions and investments on citizens' health, income security and quality of life.

The crisis has demonstrated that what matters most to Canadians is not always easily measured or described in economic or financial terms. In addition to the health and safety of Canadians, the crisis has drawn attention to a range of quality of life issues such as mental health, family violence, access to green space, social connections, job security, access to childcare and the quality of long-term care. It has also highlighted longstanding inequalities, low-paid essential work, gender imbalances in caregiving responsibilities, and gaps in Canada's social safety net.

This report was created for consultations on the development of a Quality of Life Framework and to seek input into a new approach the government is developing to define and measure success and make better use of data and evidence to improve its decision-making.

Similarly, protests last summer against systemic racism sparked by incidents of excessive use of force by police have raised important questions about racial inequality, justice and how to properly respond to and assist individuals experiencing mental health crises.

This focus on quality of life issues isn't new. Over the last decade, several developments have amplified long-standing concerns that standard economic statistics, such as Gross Domestic Product (GDP), do not provide a full picture of societal progress. This has prompted governments around the world to pay increased attention to other dimensions that matter to peoples' quality of life, including greater equality and environmental protection, alongside traditional measures of economic performance.

The Government of Canada has also been taking these factors into account in its decision-making, including in its COVID-19 Economic Response Plan, whose measures all reflect careful consideration of impacts on Canadians from a variety of angles and a strong focus on the prosperity and quality of life of all Canadians.

Before the pandemic, the Prime Minister mandated the Honourable Mona Fortier, the Minister of Middle Class Prosperity and Associate Minister of Finance, to lead work across government to better incorporate quality of life measurements into government decision-making and budgeting. Monitoring and reporting on a broader set of measurements, rather than just on standard economic ones, aims to better ensure that government actions are coordinated and that decisions are evidence-based, with investments focussed on areas that have the greatest impact on Canadians' quality of life. It would also improve policy coherence, transparency and accountability with respect to government priorities, objectives and results.

Quality of life data and evidence are powerful tools that can help achieve this goal in a coherent way. That is why the government is working on a Quality of Life Framework that would put a more holistic and comprehensive evidence base at the centre of government decision-making, both now and over the longer term.

Canada can benefit from the innovative work done by jurisdictions such as New Zealand and Scotland in this space. But there is also deep expertise in Canada, and Canadians have made a substantial contribution to the international dialogue about quality of life measurement. A truly useful Canadian framework to guide government actions and investments must reflect objective evidence on universal factors that affect well-being as well as factors of special importance in Canada such as our geographic

dispersion, connection to the land, bilingualism, diversity, and Indigenous culture and languages. That's why the government has worked over the past year to ensure that quality of life (or 'well-being') is defined and measured in a way that accurately reflects the diverse views and lived experiences of Canadians, as well as expert advice on the drivers of well-being, and will continue to seek input to ensure the framework remains meaningful.

Towards a Quality of Life Strategy for Canada lays the foundation for a dialogue on how to move forward with this approach. This report:

- outlines the rationale for adopting a quality of life approach to government decision-making;
- describes international experiences and best practice;
- discusses key considerations in the design of a quality of life framework;
- summarizes what we have learned from consultations with experts and Canadians thus far;
- presents a first iteration of a Quality of Life Framework for Canada; and,
- lays out next steps for its ongoing implementation.

"One in two Canadians (53%) feel that stronger growth in Canada's GDP is important to their day-to-day life. However, far more (82%) feel that measures beyond economic growth such as health and safety, access to education, access to clean water, time for extracurricular and leisure activities, life satisfaction, social connections, and equality of access to public services are important to their day-to-day life. In fact, nearly three quarters (71%) of respondents feel it is important that the government move past solely considering traditional economic measurements like levels of economic growth, and also consider other factors like health, safety, and the environment when it makes decisions."

Public Opinion Research by the Department of Finance Canada, August 2020

A Quality of Life Approach to Government Decision-making

Recent events have drawn increased attention to a wide range of long-standing challenges and inequalities affecting the quality of life of Canadians. However, an international movement to consider a broader set of quality of life evidence and data has been gaining momentum since long before the COVID-19 pandemic began.

Looking 'Beyond GDP'

Since World War II, the most prominent indicator used by policymakers to assess national performance has been Gross Domestic Product (GDP), which measures the total value of all goods and services produced in an economy. GDP serves as a reliable, timely and internationally comparable indicator of economic activity. It is highly relevant to public finances, and plays an important role in helping to guide fiscal and monetary policy. Increasing Canada's GDP through productivity growth, labour market participation, and investment is crucial for raising Canada's national standard of living and maintaining fiscal sustainability. For example, trends in GDP are highly correlated with trends in income and employment.

While GDP remains an important metric, there is growing recognition of the shortcomings of GDP and other traditional economic indicators as stand-alone measures of the overall well-being of societies. These headline economic indicators fail to capture the full breadth of economic and non-economic aspects of quality of life, they gloss over inequalities in the distribution of resources and opportunities, they neglect the value of uncompensated economic activities such as caregiving and home production, and they fail to consider natural assets or environmental harms.

In general, the frequency and availability of non-economic indicators (e.g. social, cultural, health-related, environmental, time-use, etc.) tends to be weaker than that of economic indicators. While GDP is calculated monthly, many social and environmental indicators are tied to census or household survey collection cycles, which usually stretch over years, even though the non-economic factors may in many cases may be of greater importance to Canadians. Timely data creates the potential for feedback loops that drive policy action, monitoring and course correction to achieve desired results. Gaps in consistent, timely and transparent measurement of these non-economic factors limit governments' visibility into emerging trends, delaying policy responses. Similarly, blind spots in terms of how different groups of people are faring or the environmental impacts of human activity can indirectly influence policy and investment choices and work against efforts to foster inclusive and sustainable growth. A lack of regular public reporting of these measures can also constrain the public's ability to hold governments and other actors to account for the outcomes of their actions in many important dimensions of life.

These shortcomings have resulted in calls for governments around the world to expand the set of indicators used to assess economic and social progress. Although governments have always considered a range of data and evidence to set priorities and assess policy, they are now taking steps to more formally and consistently complement traditional economic measures with broader social and environmental measures to deliver better policy and outcomes.

Figure 1: Looking 'Beyond GDP' means taking a broader perspective by taking into consideration....



Quality of Life and Inclusive Growth

A number of international organizations have responded by developing frameworks for conceptualizing and measuring quality of life (or 'well-being') and by encouraging their membership to apply these frameworks to foster more comprehensive evidence-based policy-making. Generally, these frameworks define a set of outcomes or broad objectives related to quality of life and track progress publicly based on a dashboard of indicators.

Since the government of France commissioned the Sen-Stiglitz-Fitoussi report in 2009, holistic thinking about economies has accelerated around the world. Most significantly, the report discouraged over-reliance on uni-dimensional measures like GDP, in favour of 'dashboard' approaches that speak to a variety of aspects of economic growth and social progress. Subsequently, frameworks of this nature advocated by the Organization for Economic Co-operation and Development (OECD) and the United Nations (UN) have been especially influential.

In 2011, the [OECD Better Life Initiative](#) introduced a well-being framework and a dashboard of globally-comparable indicators for monitoring and benchmarking the performance of countries. The OECD has since incorporated this thinking throughout its work, including in its biennial *How's Life* report and in its regular country reviews and advice. The most recent version of the *How's Life* report included an updated set of over 80 indicators, covering current well-being outcomes, inequalities, and resources for future well-being.

Similarly, as part of its Inclusive Growth Initiative, the OECD launched its [Framework for Policy Action on Inclusive Growth](#) in 2018 to help governments sustain and more equitably share the gains of economic growth. The framework includes a dashboard of 24 core inclusive growth indicators.

Canada generally performs well on many of the indicators included in these international frameworks. For example, Canada compared favourably to other OECD countries on many indicators included in the OECD's [How's Life? 2020](#) report, ranking particularly high in the domains of knowledge and skills, health, self-assessed life satisfaction and environmental quality. However, Canada's generally strong showing often reflects the average results for all Canadians and may not reflect the reality for many individuals or groups. Notably, there are substantial gaps in socio-economic outcomes between Indigenous and non-Indigenous Canadians arising from historical and contemporary inequities. Historically, Canada has also performed relatively weakly compared to OECD countries in some areas (e.g. greenhouse gas emissions) and is taking strong policy action to address these challenges.

International Experience Applying Quality of Life Measures to Decision-making

In recent years, many countries have formally embraced a quality of life (or 'well-being') approach to evidence-based decision making. In most cases, governments have focused on establishing a national quality of life measurement framework as a means of articulating their overall policy objectives and tracking their progress over time. Roughly half of OECD countries have now developed frameworks with a set of indicators that are publicly reported.

Box 1: Terminology

Several closely related terms are often used when discussing how public policy can be used to improve quality of life, some of them interchangeably:

Living Standards: The wealth and comfort of individuals based on material factors that are important to people's lives.

Prosperity: The condition of being successful or thriving – commonly understood as the accumulation of material wealth, but sometimes interpreted more broadly.

Inclusive Growth: Economic growth that is distributed fairly across society and creates opportunities for all.

Sustainable Development: Progress that meets today's needs without compromising the ability of future generations to meet their own needs.

Quality of Life (or well-being): The wealth and comfort of individuals based on both material and non-material factors that are important to people's lives, such as health, social connections and material comfort.

Of these terms, quality of life is the broadest: prosperity, a high standard of living, inclusive growth, and sustainable development are all important contributors to a good quality of life for all.

All national quality of life measurement frameworks include a series of ‘domains’ – or factors that matter most for quality of life in their country – and a set of indicators to track and report on performance within each domain. For example, many frameworks recognize ‘health’ as an important domain, which may be measured by indicators such as life expectancy, levels of physical activity, or rates of depression and anxiety. Measurement frameworks can also serve to articulate the government’s strategic objectives and priorities to the public, sometimes by expressing domains in terms of a goal or objective (e.g. “To have a healthy and active population”).

Although specific frameworks vary from country to country, most include a broadly similar set of indicators, reflecting a broad scientific consensus on the key determinants of quality of life. This consistency also reflects the influence of the OECD’s Well-Being framework as a tool for benchmarking progress globally and the decision of many countries to use metrics that allow for international comparison and capture progress towards meeting the United Nations’ 17 Sustainable Development Goals (SDGs), an ambitious plan to tackle major global challenges spanning all dimensions of well-being.

There is far more variation across countries in how quality of life frameworks are applied to decision-making. Many countries only use their frameworks to track progress and inform public policy debates, without a formal mechanism to integrate quality of life indicators into the policy process.

But some countries have gone a step further by building formal mechanisms to embed their measurement frameworks into government decision-making and budgeting processes. The most notable example is New Zealand’s first “Well-being Budget” in 2019, which represented a new way of developing and communicating the country’s budget. However, other countries have also used their frameworks to set priorities and targets, to align strategic objectives across government, to monitor performance, and to inform policy decisions. Many countries, for example, have used these approaches to help shape their responses to the COVID-19 crisis.

International Engagement

Minister Fortier and officials from the Department of Finance have begun engaging international leaders in quality of life measurement from Scotland, New Zealand, Iceland, the United Kingdom, Wales and the OECD in order to learn from their experiences in applying quality of life measurement to decision-making. Building on

the G7’s Charlevoix Commitment on Equality and Economic Growth in 2018, Canada is committed to working with like-minded countries to advance inclusive growth on the world stage including through

Box 2: Case Study – New Zealand’s Well-Being Budget

In 2019, New Zealand unveiled its first Well-being Budget.

This approach was built around the New Zealand Treasury’s **Living Standards Framework (LSF)**, a national measurement framework used for considering the intergenerational well-being impacts of policies and proposals. In 2018, an online LSF Dashboard providing a range of quality of life indicators was released.

Five priorities for the Well-being Budget were selected by combining data from the LSF Dashboard with expert advice to identify outcomes where New Zealand could do better. Cabinet Committees worked together closely to develop packages of measures within each priority area. All budget proposals were assessed on the difference they would make across a range of economic, social, environmental, and cultural considerations.

In addition to the traditional economic and fiscal outlook, the Well-being Budget included a well-being outlook outlining the rationale for Budget decisions.

Box 3: Well-Being Economy Governments (WEGo)

WEGo is a network of national and regional governments aiming to facilitate the sharing of experience and expertise to embed well-being objectives and indicators in policy. Its five members, which include Scotland, New Zealand, Iceland, Finland and Wales, have committed to:

- **Collaborate** in pursuit of innovative policy approaches aimed at enhancing well-being through a broader understanding of the role of economics – sharing what works and what doesn’t to inform policymaking.
- **Progress** toward the UN SDGs, in line with Goal 17, fostering partnership and cooperation to identify approaches to delivering well-being.
- **Address** the pressing economic, social and environmental challenges of our time.

Although Canada is not a formal member, it has been invited to participate in meetings and events organized by WEGo. Senior officials from the Department of Finance began participating in WEGo Policy Labs in the summer of 2020.

international institutions such as the OECD as well as through the G20, the G7, the Asia-Pacific Economic Cooperation (APEC), and the Well-Being Economy Governments (WEGo – see *Box 3*).

Canadian Experience with a Quality of Life Approach

Canadian governments, academics and civil society have made important contributions to quality of life measurement, data collection, and application of a broader scope of data and evidence to government decision-making. Work in this area over decades has had a significant influence on thought both here in Canada and abroad.

As a national statistical organization, Statistics Canada has a unique role in the measurement of quality of life in Canada. It has an established reputation of independence and political neutrality, and is the entity entrusted with the development of Canada's System of National Accounts, which produces and reports on key economic statistics like GDP. It is a major contributor of data to organizations like the OECD, the UN, and other levels of government who manage their own quality of life policy or reporting initiatives, all of which use these data in their own assessments of Canada's performance. Well-established as a global leader in measurement, Statistics Canada was a relatively early adopter of measures of subjective well-being, like life satisfaction, which has created comparable data spanning a relatively long period of time that is useful for both research and policy purposes.

The Government of Canada has already advanced elements of a quality of life approach through a number of existing thematic or cross-cutting government initiatives. *Annex 4* describes some of the government's existing initiatives in greater detail, but they broadly fall into two categories:

- 1) **Thematic strategies, frameworks, targets and indicators** designed to address specific dimensions of quality of life (e.g., poverty, housing, health, sustainable development) or the quality of life of specific groups (e.g., Indigenous peoples, women, youth, veterans, LGBTQ2 community) or regions (e.g., the Arctic Policy Framework, the Atlantic Growth Strategy). The broadest existing framework is Canada's 2030 Agenda National Strategy, released in February 2021, to achieve the SDGs.
- 2) **Cross-cutting tools and processes** used to ensure government decision-making and budgeting take into account a broader range of data and evidence. For example, in 2018, the *Gender Budgeting Act* enshrined the government's commitment to budget decision-making that considers the impacts of policy on all Canadians, including differences by gender, age, income distribution, ethnicity, mental or physical ability, region, sector and other relevant human factors. Strategic Environmental Assessments (SEAs) that link to Federal and Departmental Sustainable Development Strategies (FSDS and DSDSs) are also well-incorporated into government budgeting and decision-making. The government is also advancing an approach strengthening assessment of how policy proposals contribute to reducing greenhouse gas emissions and achieving net zero emissions by 2050. The Government of Canada has made considerable effort in recent years to strengthen a culture of measuring results that are meaningful to Canadians and publicly reporting on progress against these measures, including through online data portals such as Canada's Official Poverty Dashboard, and the publication of Gender Based Analysis Plus (GBA+) for all budget measures.

Several jurisdictions across Canada have advanced their own well-being or quality of life measurement exercises that are consistent in principle with the objectives of the federal approach. A number of provincial, territorial and regional governments have partnered with the University of Waterloo's Canadian Index of Wellbeing (described below) to bring a holistic perspective to their quality of life measurement within their jurisdictions, and fill key gaps in their data infrastructure where they exist. Notably, the Yukon and Nova Scotia (along with its not-for-profit partner, Engage Nova Scotia) have current partnerships of this nature. The 2020 Yukon Community Wellbeing Survey is a territory-wide snapshot of Yukoner's wellbeing. Nova Scotia's recent (2021) [Speech from the Throne](#) drew explicit attention to its tradition of quality of life measurement, and committed its government to a 'recovery review' that will aim to ensure existing government programs meet a central objective of improving quality of life in that province. A number of municipal and Indigenous governments also use well-being or quality of life frameworks.

Outside of government, Canadian academics and civil society have a long history of demonstrating leadership in quality of life and well-being measurement. One of many examples is the University of Waterloo's [Canadian Index of Wellbeing](#) (CIW), a citizen-led initiative to develop an alternative measure of societal progress to the GDP. The index combines 64 indicators covering a full breadth of outcomes important to quality of life into a single metric, which is compared against changes in GDP. It is used by a number of jurisdictions and stakeholder groups in Canada to track overall trends in well-being. Another is the International Institute for Sustainable Development (IISD) which leads the [Comprehensive Wealth](#) project as its own vision for moving beyond GDP to look at a range of 'capitals' (produced, natural, human, financial and social) as the foundation of good quality of life, from which flow a series of benefits that produce well-being. IISD has also helped jurisdictions such as Winnipeg use these measures of well-being to support reporting and decision-making. The 'Genuine Progress Indicator' emerged in the late 1990s as an alternative to GDP that takes more explicit account of natural capital and a range of social variables (like unpaid work), and this has been advocated in Canada by organizations like GPI Atlantic. And Indigenomics is another Canadian organization that takes a holistic perspective to economic thinking, specifically through the lens of traditional Indigenous knowledge.

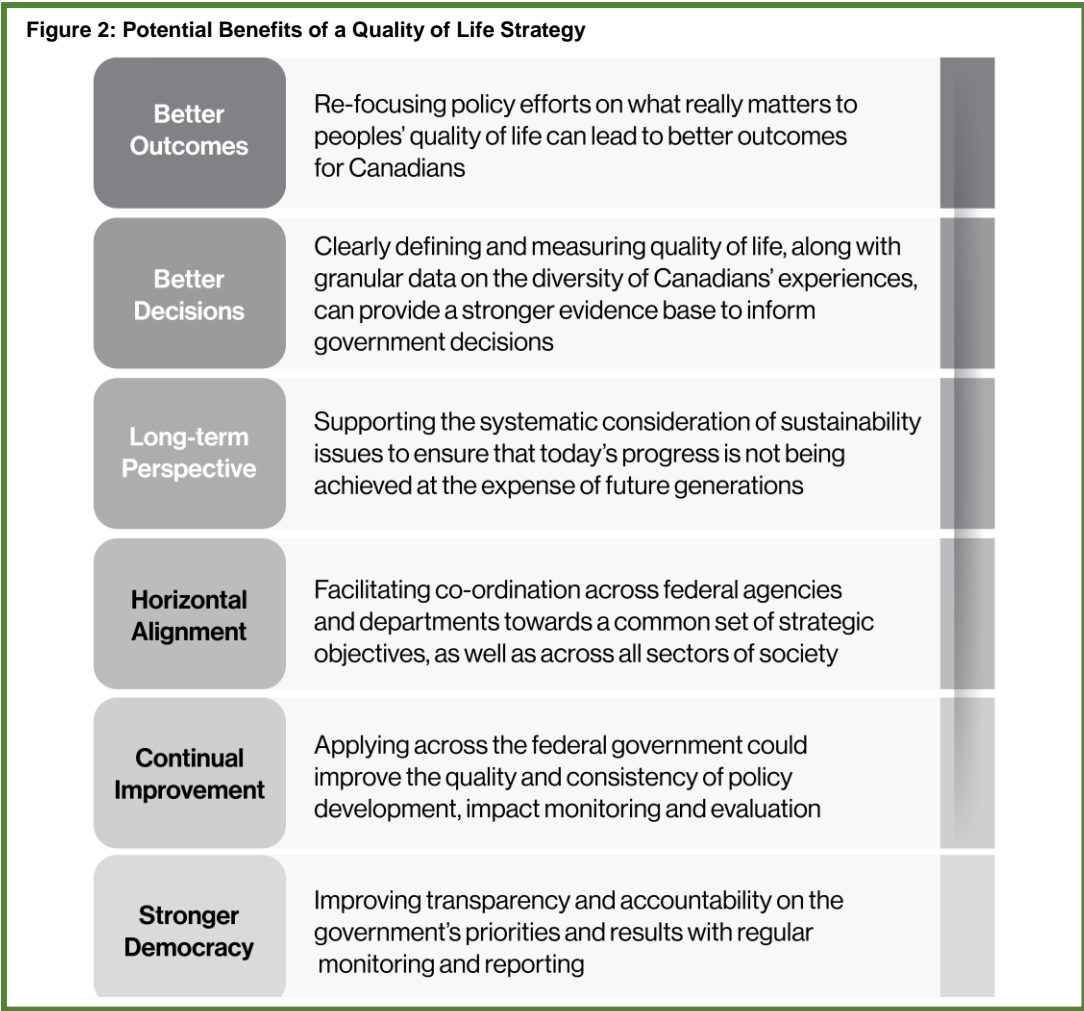
Canadian universities, academics and stakeholders have also made a substantial contribution to the global dialogue on subjective well-being. While many aspects of quality of life can be measured by objective indicators like income and education, other aspects are intrinsically subjective or difficult to observe and measure objectively (e.g., perception of mental health or job satisfaction). For example, Canadian researchers like Dr. John Helliwell (University of British Columbia) and Dr. Christopher Barrington-Leigh (McGill University) have been influential in building the evidence around subjective well-being measurement, and understanding its various determinants.

Applying a Quality of Life Approach in Canada

In the near term, like citizens in other countries, Canadians have been focused on containing COVID-19 and safely re-opening and rebuilding their economy – which is critical to Canadians’ quality of life.

At the same time, the COVID-19 crisis is shifting the public conversation around what matters most to Canadians and the role of government – and the private sector and civil society – in delivering it. Public opinion polling commissioned by the Department of Finance in August 2020 revealed that 82% of Canadians agree that beyond GDP measures are important in their own daily lives, and a majority further agree that it is very important that government consider factors like health, safety and the environment when it makes decisions.

The government’s efforts – and efforts by every sector of Canadian society – to restart and rebuild the economy provide an opportunity to think long term and consider evidence about the drivers of quality of life to identify measures to support a stronger and more resilient recovery. A well-being approach to recovery can underpin a focus on sustainability and preparedness for future public health emergencies, but also draw attention to distribution, helping prevent further widening of gaps in health, social, and economic outcomes. It can also help track progress in building back better, identify future priorities and continue to improve evidence-based decision-making at the federal level.



This recognition of the importance of factors beyond GDP does not imply a reduced focus on investing in a strong economy or prudent fiscal management; in fact these are critical to achieving and sustaining quality of life. Rather, it reflects the imperative of ensuring policy decisions incorporate the best evidence about how Canadians are doing and which investments could lead to the greatest improvement in quality of life.

Basic Architecture of a Quality of Life Framework for Canada

International experience has demonstrated that the first step to applying quality of life measurement to decision-making is to identify what matters to Canadians (i.e., the domains) and determine how to go about measuring it (i.e., the indicators). Although there continue to be debates in the expert and academic communities about the influence of various determinants of quality of life, there is a fairly broad consensus on the main factors that influence people's well-being, which serve as strong candidates for the domains of the quality of life framework:

- **Prosperity:** The opportunities provided by a productive and innovative economy lay the foundation for Canadians' material standard of living. Affordability of basic goods and services like food, housing and utilities is essential for quality of life, as is confidence in one's financial security in the face of unforeseen events and in retirement. Publicly-funded services reduce the cost of living and the risks shouldered by families. The ability to apply education and skills to meaningful work matters not only for the higher standard of living it affords, but also for creating a sense of purpose and pride.
- **Health:** Health is more than the absence of disease. It is a critical enabler of one's ability to live life to the fullest, and is shaped by the conditions we grow, live, learn, work and age in. Research on well-being highlights that promoting positive mental health and relieving chronic challenges such as anxiety and depression are among the greatest opportunities to improve quality of life. Emotional well-being and a positive outlook on life are key indicators of how Canadians perceive and experience quality of life. Reliable access to timely and appropriate health care provides peace of mind and promotes positive health outcomes.
- **Environment:** The natural environment is the foundation of human existence. Clean water, fresh air and healthy food are necessities for life, and adverse weather events create risk to livelihoods as well as well-being. Access to pristine green and blue spaces is a source of recreation and enjoyment, an important part of Canadian identity and central to Indigenous cultures. The environment can also be interpreted broadly to include more than just nature. Access to parks and public transit, walkable communities, lower levels of noise pollution and pleasing aesthetics in one's local environment all contribute to a higher quality of life. Canadians have a shared responsibility to ensure natural resource use is sustainable and to conserve nature's splendour for future generations.
- **Society:** Human experience is shaped by how individuals interact with one another on a day-to-day basis. Having the time and opportunity to foster personal relationships with friends, family and colleagues is central to one's sense of identity, belonging and security. At the same time, broader social cohesion, community vitality and opportunities for cultural expression are important for personal enrichment and individual fulfilment, and for ensuring that Canadians feel included and respected.
- **Good Governance:** To have a well-functioning democracy, it is important that all Canadians feel their fundamental rights and freedoms are respected, are able to participate in civil society and know that their voices are being heard. Having public institutions that are trusted to function effectively and treat all people impartially is critical to ensure all Canadians feel safe and have access to the public services they need. Canada's actions internationally should reflect values of compassion, generosity and multilateralism and instill Canadians with a sense of national pride.

Besides these five domains, measures of inequality and sustainability are also critical to understanding quality of life for different groups and over time. For example, a framework focused on distribution would consider not only average income of the entire population, but also how income differs across regions

and vulnerable groups, how much the top 10 per cent earn compared to the bottom 10 per cent, and the percentage of the population with lower income. Similarly, a framework with an adequate focus on sustainability and resilience might look at factors like greenhouse gas emissions and public debt-to-GDP to assess environmental and fiscal sustainability of economic prosperity.

There are many alternative ways to organize these aspects of quality of life, as evidenced by the variety of frameworks developed internationally. There is no 'right' way to do this. Many important issues have to be considered in developing the framework: What should the domains and indicators be? How can the government ensure that the framework reflects the diversity of Canadian views and experiences? How is the framework to be used and by whom? The remainder of this section is dedicated to discussing these questions and other key considerations and explaining the rationale for many of the design choices for the proposed quality of life framework.

Key Considerations for the Design of a Quality of Life Framework for Canada

Defining and Measuring What Matters to Canadians

A truly national quality of life framework must have its foundations in the evidence, while reflecting the concerns, priorities and experiences of all Canadians. It must cover outcomes that matter to peoples' day-to-day lives and measure Canada's progress along a range of social, economic and environmental dimensions. It must incorporate the broad diversity of experiences of people living in Canada.

In designing a Quality of Life Framework, the choice of domains and indicators is important: it characterizes the government's ultimate policy objectives, draws the country's collective attention toward certain outcomes and goals, and influences priority-setting by creating an incentive to pursue improvements in selected outcomes over others. Put simply, what gets measured gets done.

International research and experiences provide a strong starting point for considering which domains of quality of life may be relevant for Canadians. For example, the OECD's Well-being Framework identifies the following domains: income and wealth; work and job quality; housing; health; knowledge and skills; environment quality; life satisfaction; safety; work-life balance; social connections; and civil engagement. Further examples of sets of domains from other frameworks are provided in *Annex 3*. While international frameworks are helpful for identifying universally relevant domains, the framework should also reflect the issues that are of special importance in Canada such as our connection to the land, bilingualism, diversity, and Indigenous culture and languages.

Given the broad set of considerations at play, all federal departments were engaged in the development of the framework and its indicators, with Statistics Canada playing a leading role in guiding interdepartmental work on data and indicator selection.

The five prospective domains of the framework described in the previous section were chosen to encompass all of the domains in the OECD's Well-being Framework as well as the Canada-specific issues noted above. These broad domains are consistent with findings from the extensive

Box 4: Consulting with Canadians

In developing the framework, the Department of Finance has ensured that it remains rooted in the established evidence of what makes for good quality of life, while resonating with the values of Canadians themselves.

To inform the design of the framework, the Department of Finance has so far:

- Commissioned a survey of 2001 Canadians aged 18+ conducted between August 4th and 9th, 2020.
- Commissioned 3 focus groups conducted on July 22, 2020. Participants lived in Montreal, Toronto, Calgary and Northern Canada.
- Held consultations with more than eighty domestic and international experts on a wide variety of topics related to well-being measurement.
- Engaged colleagues from across the federal government through an interdepartmental Assistant Deputy Ministers Committee on Well-being Budgeting, including a sub-committee on Data and Indicators, co-chaired by Statistics Canada.
- Consulted with provincial and territorial officials regarding similar Canadian efforts, and to understand how the framework can be useful to our federal system of government.
- Initiated engagement with National Indigenous Organizations to bring distinctions-based perspectives to framework development.

transdisciplinary literature on the determinants of life satisfaction, which has found evidence of the importance of social connections, income and employment, mental and physical health, the environment, and trust in public institutions for overall well-being.

Public opinion research commissioned by the Department last summer confirmed that these five domains are well-aligned with the views of most Canadians. Respondents were asked to choose the top 3 most important determinants of quality of life from a list. The six most popular choices were: (1) physical health (56%); (2) financial security (42%); (3) mental health (38%); (4) personal safety and security (27%); (5) personal relationships (24%); and (6) a healthy environment (21%).¹ That Canadians value a mix of economic and non-economic determinants of quality of life supports the general design of the framework. The vast majority of experts consulted by the Department of Finance were also broadly supportive of the five proposed domains.

Number of Domains and Indicators

An important challenge is to find a balance between completeness and simplicity. Too many dimensions could make it difficult to unpack Canada's performance and to identify priority areas for policy, especially in contexts where trade-offs are required. Conversely, too few dimensions could mean the framework does not capture issues important to quality of life. Finding the right balance will not happen overnight. Any framework will require ongoing public engagement and will need to evolve over time to incorporate important issues as they emerge. For this reason, Canada's indicator set will remain evergreen.

Generally speaking, New Zealand, Scotland and many other jurisdictions that have developed frameworks have adopted a large number of indicators. However, other jurisdictions have opted for a relatively narrow indicator set, such as France (10 indicators) and Sweden (15 indicators). Despite such wide variation in the number of measures, most jurisdictions have taken a broad approach encompassing a range of economic, social and environmental indicators that matter to individual well-being.

To ensure a high standard of scientific rigour, Statistics Canada has been leading development of the indicator set and technical definitions.

The Role of Subjective Well-being

Subjective measures of well-being (SWB) capture respondents' perceptions about their own quality of life, drawing on whatever criteria are relevant in that assessment. The existing evidence for the validity and reliability of SWB is extensive. Key policy documents, including the 2009 Stiglitz-Sen-Fitoussi report foundational to the Beyond GDP movement and guidance from the UK Treasury and the OECD, explicitly endorse using SWB to inform policy.

Self-reported life satisfaction is a measure of SWB that directly gauges overall, experienced quality of life, providing information that cannot be gathered in any other way. Life satisfaction has been the primary measure of SWB in the literature, understood as an evaluative and overarching assessment of the state of one's own life.

Proponents of the use of SWB, including those the Department has consulted with so far, outline several ways that life satisfaction in particular can fit into a quality of life initiative:

- It can serve as a headline indicator of well-being, communicating that the government cares about the subjective experiences of its citizens as a central goal;
- Some proponents believe it is a useful proxy for well-being and a global measure of policy success that can provide important information on the relative contribution of various

¹ The other options were: work-life balance (18%); democratic system of government (17%); housing (16%); job opportunities (11%); equality of opportunity (7%); a sense of identity/belonging (6%); and access to a good education (6%).

determinants to well being, based on their association with life satisfaction. These findings can inform priority setting or budget allocation decisions;

- It can support cost-benefit analysis, by providing an additional measure of benefit to be considered against program costs.

Given the prominence that life satisfaction is given in the broader SWB literature, it could be included in the framework as a complementary summary measure of overall experienced quality of life. Life satisfaction reflects performance in all domains, so it would not be associated with a specific domain of the framework. Instead, it would be included as an overarching indicator to complement several key domain-specific indicators in providing a high-level assessment of overall quality of life in Canada.

Most experts consulted on the framework recommended that additional 'domain-specific' measures of subjective well-being, such as economic insecurity, sense of safety, and self-reported mental health also be included to acknowledge the importance of these subjective assessments and Canadians' lived experience. Other experts recommended the inclusion of 'sense of meaning and purpose', a second global measure of SWB that complements the evaluative nature of life satisfaction and which the UK has chosen to include in its statistical measurement of its citizens' quality of life.

Composite Indices of Overall Quality of Life

Some quality of life frameworks, such as the CIW, South Korea's General Index of Life Quality, and the Luxembourg Index of Well-being aggregate performance across indicators to produce a single summary measure of overall well-being.

While a single summary measure would be convenient for assessing overall performance across all indicators, determining a valid aggregation methodology and set of weights would likely be difficult, controversial and challenging to explain to the general public. Moreover, even an accurate summary index would be of little use for guiding priorities because a summary index does not point towards specific policies or challenges – only its underlying components do – and may obscure important challenges to underlying sub-populations. Finally, a perfectly accurate summary index may still not correspond well with the overall lived experience of Canadians because it would be limited to only the set of indicators included in the framework.

The proposed approach for Canada's framework would be to follow the standard practice of most international well-being frameworks by considering a dashboard of indicators and not constructing a composite index. Evidence on the determinants of life satisfaction has informed the selection of indicators, and the headline indicators would collectively provide a high level, overall assessment of the quality of life of Canadians. This approach was favoured by many of the experts consulted to date.

Box 5: The Academic Literature on Subjective Well-being

Because quality of life is a function of lived experience, many experts argue that it is best assessed using 'subjective' measures. A large body of academic research suggests that standard measures of self-reported happiness are informative of well-being and comparable across groups and over time.

Measures of subjective well-being fall into three categories:

- **Evaluative measures** which are regarded as an individual's rational, overarching assessment of the quality of their own life.
- **Eudaimonic measures** which speak to the extent to which an individual experiences meaning and purpose.
- **Positive or negative affective measures** which are concerned with the frequency of positive and negative emotions such as happiness and anxiety.

Evaluative measures have been established as the most relevant measures for policymaking.

While policymaking is traditionally focussed on the avoidance of social 'bads' (e.g., pollution, poverty), the evidence for the determinants of life satisfaction reveal that social 'goods' are themselves important drivers of quality-of-life, as it is experienced by citizens themselves.

In this way, life satisfaction can reveal a set of quality-of-life policy priorities in key domains that might not otherwise be obvious.

Inclusiveness and Sustainability Considerations

On balance, given a relatively strong public consensus that exists in Canada on the importance of both equity and environmental and fiscal sustainability, it is proposed that distributional issues and sustainability be treated as cross-cutting considerations or lenses for evaluating performance on all of the domains and indicators.

This would align with progress to date on Gender Based Analysis Plus and gender budgeting which put a focus on impacts of government decisions on individuals of different income, age, gender, ethnicity and other characteristics, as well as work that is underway to apply a similarly comprehensive approach to sustainability considerations. At the same time, it also creates a more coherent and simplified structure for the framework. For example, if *Fairness and Inclusion* were instead treated as a distinct domain, it would likely require repetition of many of the same indicators already in the other domains, but for specific groups. It may be simpler and more comprehensive to systematically consider inequality in all indicators of quality of life, where feasible. Similarly, if *Sustainability and Resilience* were a domain, it might not be clear whether indicators of economic sustainability that are also relevant for current well-being, such as educational attainment, should be categorized under *Prosperity* or under *Sustainability and Resilience*.

This cross-cutting approach using disaggregated data is also consistent with how many international models address cross-cutting considerations. For example, the OECD Well-being Framework and New Zealand's Living Standards Framework consider inequalities across all indicators (when data are available), while Scotland's National Performance Framework's interactive dashboard allows users to examine indicators by age, gender identity, ethnicity, disability status, religion, socio-economic status, and sexual orientation. Similarly, in Canada, the Public Health Agency of Canada's Health Inequalities Data Tool allows users to take a disaggregated look at absolute and relative measures of inequalities for a wide range of indicators of health outcomes, health-related behaviours and social determinants of health in Canada.

Role of the Federal Government

One key difference between Canada and many of the leading countries in the areas of quality of life and well-being measurement, such as New Zealand, France and Iceland, is Canada's highly-decentralized, federal system. Canada is the most decentralized country in the OECD, with the highest percentage of public spending that takes place at the sub-national level.

Provincial, territorial, municipal and Indigenous governments control or administer many of the policies, programs and regulations with the largest direct impact on Canadians' day-to-day lives. These include health care, K-12 education, community services (e.g., policing, housing, public spaces), labour standards and many environmental levers (e.g., power generation, waste management). The role of the federal government is primarily in matters of national scope such as security (criminal law, national defence), national economic performance (e.g. financial system, intellectual property, international and internal trade) and income redistribution. However, the federal government also significantly influences other aspects of quality of life, such as the environment, health and sense of community and safety, and many other domains through transfer agreements and collaboration with the provinces and territories.

While this degree of decentralization presents a unique consideration for Canada, it need not imply that a Quality of Life Framework should not reflect dimensions of well-being that fall outside of federal jurisdiction. Instead, it simply reinforces the need for strong coordination with provincial, territorial, municipal and Indigenous partners and indeed other sectors of Canadian society to improve the quality of life of all Canadians. The extent of federal ability to influence an outcome would be an important consideration informing federal priority-setting based on opportunities to invest for the greatest return to Canadians well-being, but it need not constrain the conception of the framework itself.

Similarly, there are many aspects of quality of life that are critical to a satisfying life but are not traditionally seen as within the purview of any order of government, such as the quality of personal relationships, individuals' sense of belonging to their local community, or their spiritual fulfillment. Despite the weaker links of these factors to federal policy levers, the inclusion of some of these elements in a measurement framework supports the objective of understanding and tracking Canadians' quality of life.

Most of the experts we consulted with advised that the framework should aim to include all dimensions of well-being regardless of whether or not they fall under federal jurisdiction. Discussions with officials at the provincial and territorial level revealed early support for the exercise, particularly its potential to act as a catalyst to fill longstanding data gaps, and improve disaggregation of data for rural, remote and Indigenous communities.

While a comprehensive Quality of Life Framework will play an important role in guiding federal policy and understanding the successes and struggles of Canadians in all facets of life, it should not be misunderstood as a commitment to expand the scope of federal policy into each and every domain.

Moving forward, Statistics Canada will continue to play a leadership role in the measurement aspects of the Quality of Life Framework and to ensure complementarity with existing measurement exercises such as the census and key household surveys. Furthermore, many jurisdictions in Canada are reliant on Statistics Canada held data to inform their own policy-making. Because the framework takes a holistic perspective on what makes for good quality of life in Canada regardless of jurisdiction, it may have cascading benefits for other levels of government. With the evidence-based nature of the framework itself combined with the independence of Statistics Canada measurement expertise, the framework is more likely to be seen as credible and useful at other levels of government, and by civil society.

Reflecting Indigenous Perspectives

A national framework should reflect the views and lived experiences of people living in Canada and importantly those of Indigenous peoples. Consistent with the philosophy of 'nothing about us without us,' the Government of Canada has begun dialogue with National Indigenous Organizations as a starting point to invite Indigenous peoples to contribute to shaping the Canadian framework. It will be important to consider how the framework could be applied to support reconciliation, advance collective rights, increase self-determination, and close socio-economic gaps. The framework is evergreen, allowing space to evolve over time to reflect this engagement.

Many of the factors relevant for quality of life are shared universally by all people (e.g. income security, housing, air quality). For these universal indicators, differential outcomes for First Nations living on-reserve, First Nations living off-reserve, Inuit, and Métis would systematically be considered as part of the *Fairness and Inclusion* lens – to the extent that data are available – in order to highlight important gaps relative to non-Indigenous communities, including intergenerational harms caused by colonial practices such as residential schools, that could lead to differences in well-being outcomes and priorities.

Key Indigenous-specific dimensions of quality of life could be captured through the inclusion of additional indicators in the domains of the framework. There could also be opportunities for interested parties, including Indigenous governments and National Indigenous Organizations, to develop complementary indicators to supplement the core framework indicators.

Identifying appropriate indicators to assess the quality of life of Indigenous peoples will require close cooperation with Indigenous partners. Consideration should be given – through engagement – to the best approach to data collection, stewardship, and interpretation to build on and strengthen Indigenous peoples' capability to define, measure, and improve their own quality of life in culturally-relevant terms.

The Government of Canada is already partnering with Indigenous peoples on related initiatives, notably to develop a National Outcomes Framework as part of the New Fiscal Relationship, and to develop distinctions-based definitions of poverty and well-being as part of Canada's Poverty Reduction Strategy. These existing processes serve as a natural starting point for engagement on how to bring Indigenous perspectives to shaping the Quality of Life framework.

Data and Analytical Limitations

The government will confront important data and analytical limitations in implementing a new quality of life approach. In many cases, the preferred data and indicators may not be sufficiently timely for tracking progress and identifying the impact of specific measures, may not be available for all groups of interest (e.g., genders, regions, age groups, ethnicity), or simply may not exist at present. Expert consultations and preliminary engagement with National Indigenous Organizations have made it clear that data on the quality of life of Indigenous Canadians represents one of the most significant data gaps which can only be filled in a way that respects Indigenous data sovereignty.

More fundamentally, most indicators are slow-moving and influenced by a range of factors aside from federal policy, which could make it difficult to establish links with federal policy levers and to set priorities. For some slow-moving or infrequently reported indicators, consideration may be given to tracking additional leading indicators or underlying determinants to anticipate challenges and track progress of forward-looking policy actions.

No framework of indicators is perfect. Choosing indicators requires considering a number of trade-offs. For example, while an indicator may perform well along one dimension (e.g., timeliness), it may perform poorly along another (e.g., ability to disaggregate). That is why the government has applied a rigorous, consistent set of criteria for evaluating and selecting indicators for the framework and will continue to use this approach to guide the evolution of its indicators (*Annex 2*).

Performance Objectives and Targets

A Quality of Life Framework could serve a number of purposes – from monitoring trends and expanding the evidence base, to tracking performance against a set of national objectives or targets, to guiding priority setting and budget decision-making. For example, many jurisdictions, such as New Zealand, have used their measurement frameworks to identify and monitor aspects of well-being and inform the decision-making process. Some jurisdictions, such as Scotland and Wales, have even expressed their initiatives as national performance or development frameworks focused on specifying national objectives, indicators and targets for measuring the government's progress.

It is not proposed that the Canadian framework include specific goals or objectives associated with each domain or indicator at this stage. However, it can be used by the government to inform the setting of future priorities, potentially including specific targets if appropriate. This approach is intended to allow the framework to support emerging priorities over time, reflecting circumstances, and preserving the neutrality and objectivity of the framework as a tool for government officials, researchers and Canadians.

What We've Heard so Far

The Department's aim has been to develop a framework that articulates a holistic vision of what makes for good quality of life, rooted in the evidence, while resonating with the values of Canadians themselves. As such, the framework has been developed in consultation with a wide range of Canadian and global experts on quality of life, and informed by public opinion research conducted with Canadians themselves. Engagement with officials at the provincial/territorial level and Indigenous-led organizations has also begun and will continue as the framework is further refined.

Box 6: Measuring What Matters

Importantly, the framework indicator set is not limited to what is currently being measured. Where gaps exist, the government is working to improve capacity to measure what matters.

Budget 2021 makes a series of investments in federal data to fill key gaps and help to realize the holistic nature of the Quality of Life Framework:

- Resources for Statistics Canada to fill key gaps in its quality of life measurement, shedding light on how non-economic, societal, and environmental factors are contributing to Canadians' quality of life.
- Resources for Statistics Canada to improve the disaggregation of key data sets, including household surveys so as to provide better information on socio-economic outcomes for racialized groups, Indigenous, and LGBTQ2 individuals.
- Resources for Indigenous Services Canada for the development of distinctions-based First Nations, Inuit and Métis data strategies.
- Resources for Statistics Canada and Environment and Climate Change Canada for the development of a 'Census of the Environment'.

In general, there has been broad support for the exercise and its ambition to move ‘beyond GDP’ by putting greater emphasis on social and environmental measures alongside traditional economic measures. Public opinion research has established that the public support for this exercise exists and that the ideas represented by the framework are generally consistent with the values of Canadians themselves.

Among experts, this initiative has been viewed as a welcome development. Economists tended to see the framework’s value as complementing rather than replacing GDP and other standardized economic measures. Other experts appreciated the opportunity for the framework to bring more nuanced, disaggregated and long-term perspectives to decision-making. Well-being measurement experts were supportive of the framework’s deliberate mix of objective and subjective indicators, and saw the framework as a catalyst for addressing longstanding data gaps.

Many features of the framework’s proposed design received broad support throughout the Department’s consultation process to date:

- The choice of five domains was well-received, with many acknowledging that this approach strikes a useful balance between the need to be comprehensive about quality of life, but simple enough to be of practical use in policy settings.
- Most agreed the framework should be holistic about what is important to quality of life and agnostic about jurisdictional issues that may arise in Canada’s uniquely decentralized federal system. This view is largely driven by a perspective that a ‘partial’ framework would be compromised in its ability to bring greater visibility to the trade-offs involved in policy-making.
- There was consensus that a broad concept of ‘quality of life’ or ‘well-being’ warranted a central position in the framework to avoid elevating any particular domain above the others and to preserve the ethos of the framework that quality of life has many determinants – both economic and non-economic.
- Most agreed that quality of life should be assessed using a ‘dashboard’ rather than a single composite indicator. In general, it was felt that composite indicators introduce arbitrary weighting to their constituent parts and that this can either complicate or over-simplify interpretation of important trends.
- There was consensus that the framework should include a mix of subjective and objective indicators, but there were different views about how prominently overarching subjective indicators like life satisfaction should be treated vis-à-vis the domain-specific indicators.

While feedback was generally very positive, those consulted highlighted several aspects of the framework that needed further work, most notably the elaboration of the cross-cutting approach to inclusiveness and sustainability, incorporating Indigenous perspectives and producing the necessary data. This ongoing work is discussed further in the next section.

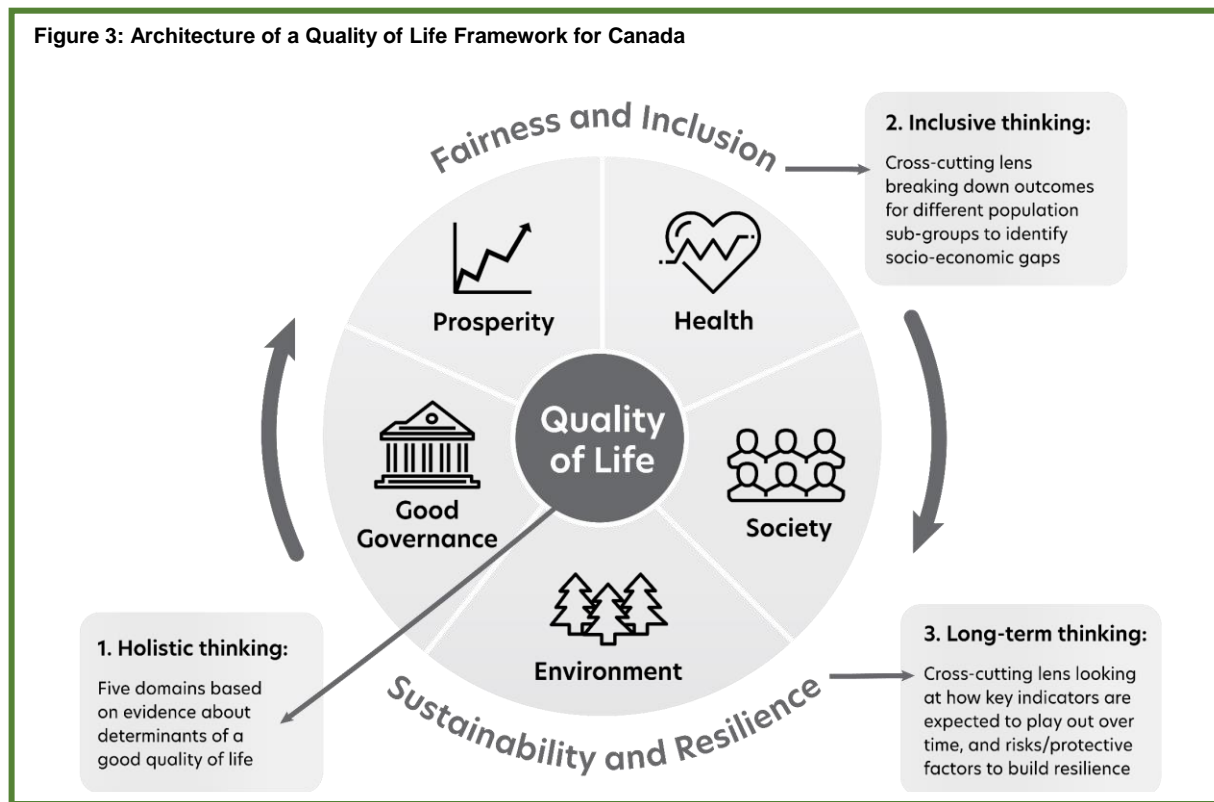
Introducing Canada's Quality of Life Framework

Drawing upon international best practice and evidence, and feedback received from consultations and collaboration to date, the government has refined an initial concept for the current design of the Quality of Life Framework. This framework represents a first important step on the journey towards better integrating quality of life considerations into the government of Canada's decision-making processes. This section describes the framework's design, how it relates to other existing federal initiatives and how it might be incorporated into a broader quality of life strategy in the future.

The Quality of Life Framework

Figure 3 summarizes the core design features of the Quality of Life Framework.

The framework includes the five broad domains of quality of life described earlier in this paper which are well-aligned with evidence and the views of Canadians: *Prosperity, Health, Environment, Society, and Good Governance*. The purpose of these domains is to promote holistic thinking about all the different determinants of quality of life.



To provide greater structure for detailed assessments of quality of life, each domain is further organized into two to four sub-domains associated with several indicators to measure how Canadians are doing in specific. This hierarchical structure helps to organize reporting and ease communication, and is consistent with the approach taken by some prominent frameworks such as the Canadian Index of Well-being. In particular, the sub-domains are as follows:

- **Prosperity:** *Income and Growth; Employment and Job Quality; Skills and Opportunity; Economic Security and Deprivation*
- **Health:** *Healthy People; Healthy Care Systems*
- **Environment:** *Environment and People; Ecological Integrity and Environmental Stewardship*
- **Society:** *Culture and Identity; Social Cohesion and Connections; Time Use*
- **Good Governance:** *Safety and Security; Democracy and Institutions; Justice and Human Rights*

In order to provide flexibility for various applications of the framework requiring different levels of detail, the indicators are also organized into three distinct tiers: ‘headline’, ‘core’ and ‘additional’ indicators. The headline indicators are intended to provide a high-level assessment of overall quality of life in Canada and are listed in *Box 7*. A complete list of the current indicator set is provided in *Annex 1*, prepared in close consultation with Statistics Canada. The indicator set is intended to be evergreen, and will evolve with data availability, as data gaps are addressed and as societal circumstances necessitate.

The framework also applies two cross-cutting lenses of *Fairness and Inclusion* and *Sustainability and Resilience* to each of its five domains. The *Fairness and Inclusion* lens is intended to promote greater equity and equality by assessing the distribution of all outcomes across different sub-populations. The *Sustainability and Resilience* lens promotes long-term thinking by considering the trajectory of key indicators associated with each domain in order to identify risks and ensure policy choices today are contributing to a higher quality of life in the future.

The central positioning of the words *Quality of Life* is intended to emphasize that all these elements contribute to the ultimate objective of raising the quality of life of Canadians.

Treatment of Determinants of Well-being

In selecting indicators, it can be useful to distinguish between indicators which measure outcomes that directly contribute to quality of life (e.g. income) and indicators which measure determinants of those outcomes (e.g. investment in research and development). A pure quality of life measurement framework might only include outcomes, but determinants are often more directly linked to public policy. Consequently, there is a strong argument to be made to measure both quality of life outcomes and some of their key determinants, especially when these determinants are also important quality of life outcomes. (In practice, the line between outcomes and determinants can be blurry. For example, many of the social determinants of health, such as employment, access to clean water, and adequate housing, are themselves important outcomes for quality of life.)

The Canadian framework primarily focuses on quality of life outcomes but also selectively includes some key determinants, with no distinction made between the two. While the framework is intended to assist policymakers in considering the complex interlinkages between policy levers, determinants and outcomes, the framework does not attempt to explicitly explain these relationships in order to maintain simplicity. Consideration could be given in the future to incorporating the idea that all domains of quality of life are interconnected into the visual design of the framework. The framework could also form the basis for the development of future policy development tools which could include a more sophisticated intervention logic; however, given the complex inter-relationships between the various factors influencing quality of life, it is probably not feasible or desirable to attempt to map these relationships into a framework.

Ongoing Development

Some design features of the framework are still under development, and the indicator set in particular is intended to remain evergreen to stay relevant:

- The *Sustainability and Resilience* lens requires further definition. Questions were raised in expert consultations as to how it should be distinguished from the framework’s *Environment* domain.

Box 7: Headline Quality of Life Indicators

Prosperity		<ul style="list-style-type: none"> ▪ Household incomes ▪ Employment ▪ Youth Not in Education, Employment or Training (NEETs) ▪ Acceptable housing ▪ Poverty
Health		<ul style="list-style-type: none"> ▪ Health-Adjusted Life Expectancy ▪ Self-rated mental health
Environment		<ul style="list-style-type: none"> ▪ Air quality ▪ Clean drinking water ▪ Conservation areas ▪ Greenhouse gas emissions
Society		<ul style="list-style-type: none"> ▪ Sense of belonging to local community ▪ Someone to count on ▪ Satisfaction with time use
Good Governance		<ul style="list-style-type: none"> ▪ Victimization rate ▪ Confidence in public institutions ▪ Discrimination and unfair treatment
Overall / Additional		<ul style="list-style-type: none"> ▪ Life satisfaction ▪ Sense of meaning and purpose

While the lens is intended to bring a long-term perspective to all dimensions of the framework, it will focus on a sub-set of relevant dimensions such as human capital, social capital, fiscal sustainability and intergenerational equity, as well as environmental and resilience considerations, such as preparedness for future health risks. It will take time to develop the analytical and measurement approaches to support these dimensions. Work underway concurrently in the government to develop an approach to measuring climate impacts of government policy ('climate lens') will be an important element of progress on this lens.

- Work to reflect Indigenous perspectives is also at an early stage. The framework should serve to advance self-determination, and help to close the socio-economic gap that exists between Indigenous and non-Indigenous peoples. Data gaps for Indigenous communities limit visibility of both gaps and progress; and work to address them must respect Indigenous data sovereignty.
- There is also a need to strengthen the quality and availability of data. In particular, the frequency and level of disaggregation of many social and environmental indicators lag that of many economic ones. Better disaggregation of data for rural, remote, Northern, and Indigenous communities was identified as a key area of need by federal partners, other levels of government, and Indigenous-led organizations.
- There is also further work to do to progress implementation of the framework and deepen its integration into various aspects of policy development.

Alignment with Other Federal Initiatives

The new Quality of Life Framework also needs to be coordinated with existing federal strategies and frameworks that have their own indicators, targets and reporting schedules (*Annex 4*). The framework has been developed in collaboration with other federal departments to ensure that it aligns well with existing initiatives across government.

The Quality of Life Framework is intended as an overarching framework that encompasses existing initiatives – but also takes an objective perspective on what matters most to Canadian's quality of life. The existing frameworks will continue to play an important role in their own policy spheres by focussing on indicators and goals relevant to specific domains and sub-populations.

To avoid inconsistencies in the specific choice of data and indicators used across existing frameworks, the new framework aims to use indicators that are consistent with other initiatives. For example, it would be confusing if the Quality of Life Framework measured poverty in a different way than the Poverty Reduction Strategy, which confirmed Canada's Official Poverty Line and set targets to reduce poverty by 20 per cent by 2020 and 50 per cent by 2030 (from a 2015 base). Key indicators from existing frameworks and strategies, such as core housing need from the National Housing Strategy and Canada's Official Poverty Line from the Poverty Reduction Strategy are thus included.

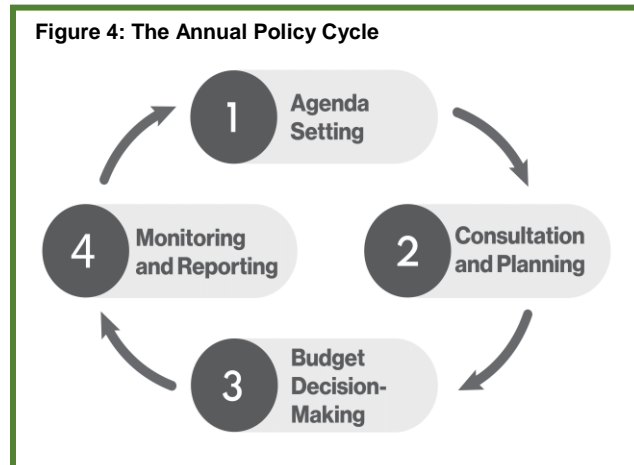
Many countries have used their national quality of life frameworks as their strategies to meet the SDGs. In Scotland, for example, the National Performance Framework is explicitly linked to its SDG indicators. To help advance Canada's 2030 Agenda, the Quality of Life Framework will provide a mechanism to link SDGs to federal budget priority-setting, and strengthen assessment of environmental, social, and economic factors in budgeting and policy development to improve policy coherence.

Broader Elements of a Quality of Life Strategy

To optimize its effectiveness, the Quality of Life Framework needs to be accompanied by a broader implementation approach to ensure the expanded evidence base is applied to government decision-making. At a minimum, this would include reporting to regularly update Canadians on the country's performance on quality of life outcomes. This reporting could take the form of an annual diagnostic publication on quality of life in Canada.

The framework could potentially influence various stages in the policy cycle (Figure 4), such as:

- *Priority setting* at the outset of the budget and policy process. The framework could help guide broad policy planning and policy development by helping the government identify priority areas (based on how Canada is performing on the various indicators and an assessment of where additional investments could yield the greatest impact) and presenting the latest data and analysis on Canada’s performance in these areas.
- *Development of policy proposals and their assessment* against their expected contributions to quality of life could help ensure that the impacts of policy proposals are considered across a broad range of dimensions.
- *Reporting, monitoring, evaluation and auditing* based on programs’ impacts on quality of life priorities could support the goal of allocating additional funding to areas that are most cost effective and impactful and allow for course correction if measures are not having their intended impact on quality of life.



This thinking is already beginning to inform decisions. Consideration of how each Budget 2021 proposal affects the various dimensions and indicators of this framework helped achieve the right mix of measures with an appropriate focus on building a strong, inclusive and sustainable recovery. Moving forward, the framework will continue to underpin how we monitor progress in ‘building back better’ to improve all Canadians’ quality of life now and into the future.

Figure 5: Illustration of How a Quality of Life Strategy for Canada could be Applied to Policy

		Quality of Life Domains	Fairness and Inclusion Lens	Sustainability and Resilience Lens
“Top down” policy shaping	Monitoring and Reporting	National performance, international comparisons where appropriate	Performance and disparities between groups	Performance over time, sustainability, in some cases forecasts / projections
	Priority Setting	Identifying emerging challenges Selecting the best opportunities to improve the quality of life of Canadians	Identifying gaps, vulnerable groups to develop targeted responses, and areas where investments could carry the highest impact	Identifying sustainability challenges and opportunities to make progress (e.g. net zero commitment, fiscal sustainability) Identifying vulnerabilities to shocks
“Bottom up” policy setting”	Assessment of Policy Proposals	Holistically assessing of how proposals may advance quality of life domains Promoting horizontal policy coherence	Assessment of expected impacts of proposals on people (GBA+) Includes regional, income distributional and intergenerational equity issues	Climate Lens Strategic Environmental Assessment Long-term cost benefit analysis Modelling expected outcome trajectories
	Other Potential Applications	Monitoring actual performance against expected, Public reporting, Audit and evaluation, Departmental reporting, Parliamentary accountability, Small-scale experimentation in areas of low performance		

Successful integration throughout the policy cycle will not be achieved overnight. While applying the Quality of Life Framework for monitoring and priority-setting is feasible in the short term, building the capacity to apply a more rigorous, evidence-based approach to policy development, assessment, evaluation and auditing would take time and would require ongoing investments in data, cutting-edge research and public sector capacity.

Another important feature is to put in place mechanisms to help ensure that these approaches are non-partisan and can support a variety of policy priorities. Ongoing engagement with stakeholders, experts and the public would support this goal by promoting consideration of quality of life factors and ensuring the framework reflects the broad priorities and concerns of Canadians.

The Way Ahead

Whole of Society Challenge

Canadians are fortunate to have a quality of life that is envied around the world. However, Canada's national progress has not been felt evenly across all aspects of quality of life and across all segments of society. Despite decades of economic growth and technological changes, many Canadians feel worse off than the previous generation, longstanding inequalities faced by historically marginalized groups have persisted and environmental pressures continue to build up.

A Quality of Life Framework can play a role in monitoring the extent to which all Canadians are able to participate in, contribute to and benefit from economic, environmental, and social progress, regardless of their race, religion, sex, gender, sexual orientation, age, abilities, or where they live. Better measurement of distributional differences in quality of life outcomes should complement direct engagement with historically marginalized groups, including women, Indigenous peoples, newcomers, persons with disabilities, racialized communities, people experiencing homelessness and poverty, and members of the LGBTQ2+ community, in order to understand their unique circumstances and provide the support they need to flourish.

Equally, governments need to bring a long-term perspective to its decision-making and ensure today's prosperity and quality of life is not achieved at the expense of future generations, whether through environmental degradation, unsustainable debt levels, or under-investment in the productive capacity of the economy.

While the federal government has an important role to play, improving the quality of life of all Canadians will require leadership at all levels, including the provinces and territories, municipalities, national Indigenous organizations, and Indigenous governments. It also requires participation and buy-in from civil society, business, academia and an ongoing dialogue with Canadians.

A Quality of Life Strategy has the potential to co-ordinate the actions of diverse stakeholders in pursuit of a shared vision. But for this to succeed, the government will need to put in place the machinery to monitor progress, report on it to Canadians, measure how much impact government policies are having, and ensure that public policy adjusts to continually improve that impact and optimize the return on investments of public funds.

Next Steps

The first step towards integrating quality of life measurements into policy making is to complete the development of the Quality of Life Framework for Canada that will define and measure success and help the government stay on track by monitoring progress and reporting on it to Canadians. The Government of Canada welcomes comments on the framework presented in this document and will continue seeking input through engagement with stakeholders, experts on quality of life measurement, and Canadians. At the same time, the government will continue engaging with Indigenous peoples, provincial and territorial governments and international partners to better reflect Indigenous and regional perspectives, to learn from other jurisdictions' experiences, and to advance well-being and inclusive growth on the global stage.

As this project develops, the government will also consider ways to better incorporate the framework – and quality of life data and evidence more broadly – into government decision-making.


Questions? Comments?

The Government of Canada invites electronic submissions to fin.qualityoflife-qualitedevie.fin@canada.ca with 'Quality of Life Framework Submission' as the subject line.

Annexes


Annex 1 – Framework Indicators

The framework includes 83 indicators, which will be split into three tiers (headline, core, and additional indicators). There are currently 19 headline indicators (in bold), including self-reported **life satisfaction** and **sense of meaning and purpose** which are not associated with a specific domain. It should be noted that this indicator set is intended to remain evergreen. While some indicators are well-established, others remain to be further specified. In a few cases there are data gaps that will need to be addressed to fully implement the framework.



Prosperity

Income and Growth <ul style="list-style-type: none">• Household incomes• GDP per capita• Productivity• Access to broadband• Household wealth• Investment in R&D• Federal debt-to-GDP ratio• Firm growth	Employment and Job Quality <ul style="list-style-type: none">• Employment• Labour underutilization• Wages• Precarious or gig work• Job satisfaction	Skills and Opportunity <ul style="list-style-type: none">• Youth not in education, employment or training (NEET)• Access to early learning and child care• Child, student and adult skills• Post-secondary attainment• Future outlook	Economic Security and Deprivation <ul style="list-style-type: none">• Acceptable Housing• Poverty• Protection from income shocks• Financial well-being• Homelessness• Food security
--	---	---	---



Health

Healthy People <ul style="list-style-type: none">• Health-adjusted life expectancy• Self-rated mental health• Self-rated health• Physical activity• Functional health status• Children vulnerable in early development• Fruit and vegetable consumption/ healthy eating environments	Healthy Care Systems <ul style="list-style-type: none">• Timely access to primary care provider• Unmet health care needs• Unmet needs for mental health care• Long-term care (access and quality)• Access to supplementary health insurance• Home care needs met• Cost-related non-adherence to prescription medication
---	--



Environment

Environment and People <ul style="list-style-type: none">• Air quality• Clean drinking water• Natural disasters and emergencies• Satisfaction with local environment• Walkability index• Access to public transit	Ecological Integrity and Environmental Stewardship <ul style="list-style-type: none">• Greenhouse gas emissions• Conservation areas• Canadian Species Index• Water quality in Canadian rivers• Natural capital• Waste management• Coastal and marine protection
---	--



Society

Culture and Identity

- Sense of pride/belonging to Canada
- Positive perceptions of diversity
- Indigenous language retention
- Knowledge of official languages
- Participation in cultural or religious practices, recreation, or sport

Social Cohesion and Connections

- **Sense of belonging to local community**
- **Someone to count on**
- Trust in others
- Volunteering
- Satisfaction with personal relationships (family and friends)
- Loneliness
- Accessible environments

Time Use

- **Time use**
- Satisfaction with time use



Good Governance

Safety and Security

- **Victimization rate**
- Crime Severity Index
- Perceptions of neighbourhood safety after dark
- Childhood maltreatment
- Household emergency preparedness

Democracy and Institutions

- **Confidence in public institutions**
- Voter turnout
- Representation in senior leadership positions
- Canada's place in the world
- Misinformation / trust in media
- Indigenous self-determination

Justice and Human Rights

- **Discrimination and unfair treatment**
- Cyber-bullying
- Access to fair and equal justice (civil and criminal)
- Resolution of serious legal problems
- Representation in corrections custodial population

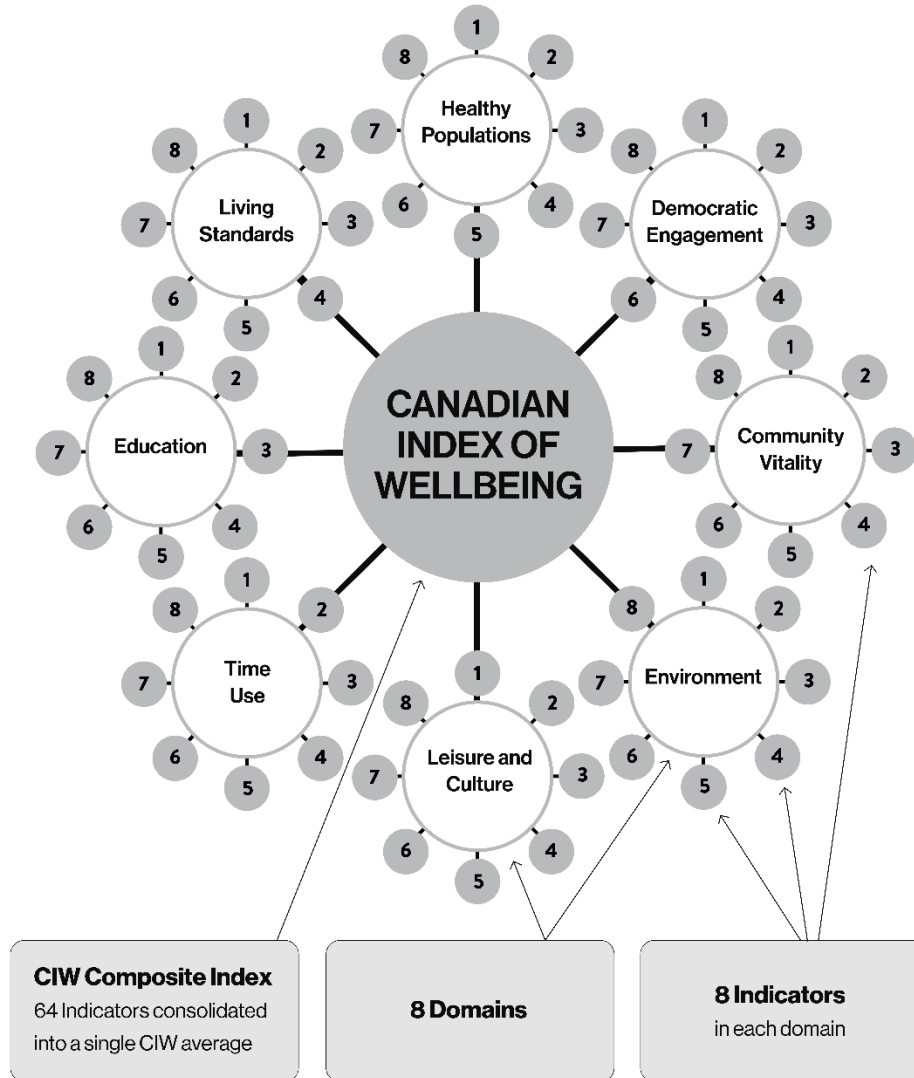
Annex 2 – Criteria for Selecting Indicators

Creating a framework of indicators requires considering a number of trade-offs. Some indicators may perform well on certain criteria (e.g., strongly linked to quality of life) but poorly on others (e.g., unable to disaggregate for different groups of Canadians). Based on international experiences, the Government of Canada has identified a wide range of criteria that could be considered when selecting indicators. Broadly speaking, these criteria consider three sets of questions about an indicator:

- 1) Is it meaningful, in that it is informative about quality of life in Canada?
 - **Relevance:** How strongly is it associated with people’s quality of life and sense of well-being?
 - **Comprehensiveness:** Does it capture a wide range of factors associated with quality of life?
 - **Complementarity:** Does it complement or duplicate other indicators in the framework?
 - **Clarity:** Is it easy to understand, interpret and communicate?
- 2) Can it be measured?
 - **Availability:** Does the data already exist or would it need to be collected?
 - **Accuracy:** How reliable and noisy are the data?
 - **Granularity:** Is it available for different groups (e.g., gender, age, income, province and territory, Indigenous Canadians)?
 - **Timeliness:** How frequently are the data updated?
 - **Comparability:** Are the data comparable across countries and over time?
- 3) Is it moveable, and can it be effectively applied to policy-making?
 - **Responsiveness:** Is it sensitive to changes in federal policy?
 - **Attribution:** Is it easy to identify the impact of federal policy changes on the indicator?
 - **Consistency:** Is it being used in other frameworks, both internationally (e.g., Sustainable Development Goals) and domestically (e.g., Poverty Reduction Strategy)?

Annex 3 – Examples of International and Domestic Frameworks

The Canadian Index of Wellbeing



The Canadian Index of Well-being (CIW) is perhaps the most well-known domestic well-being framework.

In the 2000s, the Atkinson Foundation convened a group of experts and researchers to develop the CIW in consultation with Canadians. The framework is currently managed by a team at the University of Waterloo.

The CIW is comprised of 64 indicators clustered within 8 domains. The indicators are consolidated into a single index that is tracked over time, with equal weight given to each indicator.

Some jurisdictions in Canada are currently using the CIW in practice as a tool to assess well-being.

For more information, see the CIW website: <https://uwaterloo.ca/canadian-index-wellbeing/>

New Zealand's Living Standards Framework

New Zealand's Living Standards Framework (LSF) features twelve domains of current wellbeing and four capital stocks (human capital, natural capital, social capital, and financial & physical capital) which form the basis of future wellbeing. The LSF includes 43 indicators for the 12 domains of current well-being and 22 indicators for the four capitals

The LSF also considers the distribution of stocks and flows across people, places, and generations and their resilience in the face of change.

The LSF is very similar to the OECD's Well-being Framework, using the same four capital stocks and all 11 of the OECD's domains of well-being. New Zealand has added a 12th domain of Cultural Identity.

For more information on the LSF, see the LSF Dashboard:

<https://lsfdashboard.treasury.govt.nz/wellbeing/>

Scotland's National Performance Framework

Scotland's National Performance Framework (NPF) includes a statement of purpose, three values, and 11 national outcomes (domains) measured by 81 national indicators.

The 11 national outcomes describe the kind of Scotland the framework aims to create. They include:

- **Children and Young People:** We grow up loved, safe and respected so that we realise our full potential
- **Communities:** We live in communities that are inclusive, empowered, resilient and safe
- **Culture:** We are creative and our vibrant and diverse cultures are expressed and enjoyed widely
- **Economy:** We have a globally competitive, entrepreneurial, inclusive and sustainable economy
- **Education:** We are well educated, skilled and able to contribute to society
- **Environment:** We value, enjoy, protect and enhance our environment
- **Fair Work and Business:** We have thriving and innovative businesses, with quality jobs and fair work for everyone
- **Health:** We are healthy and active
- **Human Rights:** We respect, protect and fulfil human rights and live free from discrimination
- **International:** We are open, connected and make a positive contribution internationally
- **Poverty:** We tackle poverty by sharing opportunities, wealth and power more equally

Each national outcome is linked to one or more of the Sustainable Development Goals.

Detailed information is available via an online dashboard, including breakdowns of many of these indicators for various subpopulations.

For more information, please see the NPF website: <https://nationalperformance.gov.scot/>

Well-being in Germany – What Matters to Us

Germany's national well-being framework is comprised of three broad domains of well-being (our life, our surroundings, and our country) with 12 associated dimensions and 46 indicators. All dimensions and indicators under the framework have equal weight/importance.

The government sees its framework as an early warning system that can reveal changes in Germans' well-being over time, and as a tool for objectively measuring the effectiveness of the government's actions and for identifying areas for future policy action.

The indicators are presented online and updated on a regular basis.

For more information, see the official website: <http://www.gut-leben-in-deutschland.de/en/>

Well-being of Wales

In 2015, the Welsh parliament passed the *Well-being of Future Generations Act* ("the Act"). This law requires public bodies in Wales to consider the long-term impact of their decisions; to work better with people, communities, and each other; and to prevent persistent problems such as poverty, health inequalities and climate change.

The Act introduced four pillars of well-being (environmental, social, cultural, and economic) and seven cross-cutting well-being goals (globally responsible, prosperous, resilient, vibrant culture and thriving Welsh language, healthier, more equal, and cohesive communities). Ministers have identified 46 indicators to measure progress against these goals.

Updated data for each of these indicators is published at regular intervals, culminating in an annual report entitled "Well-being of Wales."

For more information, see the Well-being of Wales website: <https://gov.wales/well-being-wales>

Equitable and Sustainable Well-Being in Italy

The Italian National Institute of Statistics (ISTAT) annually publishes a report on well-being indicators entitled "Equitable and Sustainable Well-Being in Italy." The most recent edition of the report contains 130 indicators, spread across the following twelve domains:

- | | |
|------------------------------|--|
| 1) Health | 7) Safety |
| 2) Education and training | 8) Subjective well-being |
| 3) Work and life balance | 9) Landscape and cultural heritage |
| 4) Economic well-being | 10) Environment |
| 5) Social relationships | 11) Innovation, research, and creativity |
| 6) Politics and institutions | 12) Quality of services |

The full report provides data on all 130 indicators, presented nationally, regionally, and broken down by gender, age, and education level.

Italy's Budget Law now requires the annual Economic and Financial Document (a three-year horizon planning document that sets the framework for the budget) to contain analysis of 12 of the indicators in the "Equitable and Sustainable Well-Being in Italy" report:

- | | |
|--|---|
| 1) Per capita adjusted disposable income | 7) Early leavers from education and training |
| 2) Disposable income inequality | 8) Labour force non-participation rate |
| 3) People living in absolute poverty | 9) Predatory crime rates (robberies, burglaries and pick pocketing) |
| 4) Healthy life expectancy at birth | 10) Efficiency of civil justice |
| 5) Overweight and obesity rates | 11) Emissions of CO ₂ and other greenhouse gasses |
| 6) Employment rates for women 25-49 years with children under compulsory school age vs. employment rates of women 25-49 years without children | 12) Illegal building rate |

The Budget Law also requires the Minister of Economy and Finance to report back to parliament later in the year with updated forecasts for each of the above indicators, taking into account the new measures contained in that year's budget.

For more information, see ISTAT's website: <https://www.istat.it/en/well-being-and-sustainability/the-measurement-of-well-being>

Iceland's Indicators for Measuring Well-being

Iceland recently developed a set of 39 indicators to measure prosperity and quality of life. Iceland's indicators are organized into 3 categories: Society, Environment, and Economy. The indicators are further divided into 13 different sub-categories:

Society: Health, Education, Social Capital, Security, Work-life Balance

Environment: Air Quality and Climate, Land Use, Energy, Waste and Recycling

Economy: Economic Conditions, Employment, Housing, Income

The choice of indicators was informed by a survey of the general public which identified the factors the people of Iceland consider most important to their quality of life.

Iceland has also developed a detailed mapping between its well-being indicators and the SDGs.

For more information on Iceland's Indicators for Measuring Well-being, refer to the summary report prepared by the Prime Minister's Committee on Indicators for measuring Well-being in September 2019: <https://www.government.is/lisalib/getfile.aspx?itemid=fc981010-da09-11e9-944d-005056bc4d74>

Annex 4 – Broad-based and Cross-cutting Frameworks relevant to a Quality of Life Strategy

Canada's 2030 Agenda National Strategy

- Canada is a signatory to the [UN 2030 Agenda for Sustainable Development](#) and its 17 overarching Sustainable Development Goals (SDGs) that broadly relate to well-being. The SDGs that aim to address the most pressing global challenges improving quality of life and meeting people's needs and priorities. A dedicated SDG Unit has been created within Employment and Social Development Canada (ESDC) to help coordinate Canadian implementation of the 2030 Agenda. Work to date has included consultations in early 2019 to inform the development of a National Strategy, the release of an interim report to Canadians that included the preliminary version of a Canadian Indicator Framework (CIF) to complement the Global Indicator Framework (GIF). In February 2021, Canada's 2030 Agenda National Strategy was released and an updated version of the CIF is expected to be launched in June 2021 which will support SDG progress measurement in the Canadian context. Statistics Canada has created an SDG data hub to publicly track Canada's progress against these frameworks.
- The Quality of Life framework will provide a mechanism to link SDGs to federal budget priority-setting, and strengthen assessment of environmental, social, and economic factors in budgeting and policy development to improve policy coherence. In developing a proposed Quality of Life Framework for Canada, consideration has been given to alignment with indicators in the GIF and CIF, where appropriate. Initial analysis of the indicators in the preliminary CIF to those proposed for the Quality of Life Framework (below) shows that there is strong alignment between these two frameworks. For example:
 - Goal #1 No Poverty: [Canada's First Poverty Reduction Strategy](#) (PRS) set targets to reduce poverty by 20 per cent in 2020 and 50 per cent in 2030 from a 2015 base, in line with the 2030 agenda. Poverty is an example of a lagging indicator and while the target year has already passed, data on 2020 incomes and poverty will not be available until 2022. The Strategy established Canada's Official Poverty Line, [reports annually on progress](#), and is aligned to CIF indicators such as a reduction in proportion of the population in low income and the effect of combined government transfer programs on low-income rates. The Strategy is multi-faceted and goes beyond poverty rates to track multiple [dimensions of poverty](#). The PRS, combined with redistributive tax and transfer policy changes since 2015, also supports Goal #10 Reduced Inequalities. The poverty rate is recommended as a headline measure in the Quality of Life Framework, accompanied by other measures of financial well-being including sense of economic insecurity.
 - Goal # 3 Good Health and Wellbeing: The CIF tracks a range of health and mental health indicators. Health is an area of shared jurisdiction, and in recent years the federal government has leveraged its spending power to influence a shift in priorities, e.g., a greater focus on mental health and home care. Substantial new challenges have emerged during the COVID-19 pandemic that will cause continued reflection on how governments measure and support health and mental health outcomes. The Public Health Agency of Canada (PHAC) [Positive Mental Health Surveillance Indicator Framework](#) provides information on positive mental health outcomes and their associated risk and protective factors. This indicator framework is a useful tool in additional indicators relevant to understanding well-being and may be used to help inform the development of the quality of life framework.
 - Goal #11 Sustainable Communities and Cities: [Investing in Canada: Canada's Long-term Infrastructure Plan](#) has made substantial investments of more than \$180 billion over 12 years to create long-term economic growth, support a low carbon, green economy, and build inclusive communities. Infrastructure Canada is leading comprehensive government-wide reporting on results, including jobs created by investments in infrastructure. The federal government has also re-engaged in the housing sector through the \$55+ billion, 10-year [National Housing Strategy](#), which sets targets to reduce housing

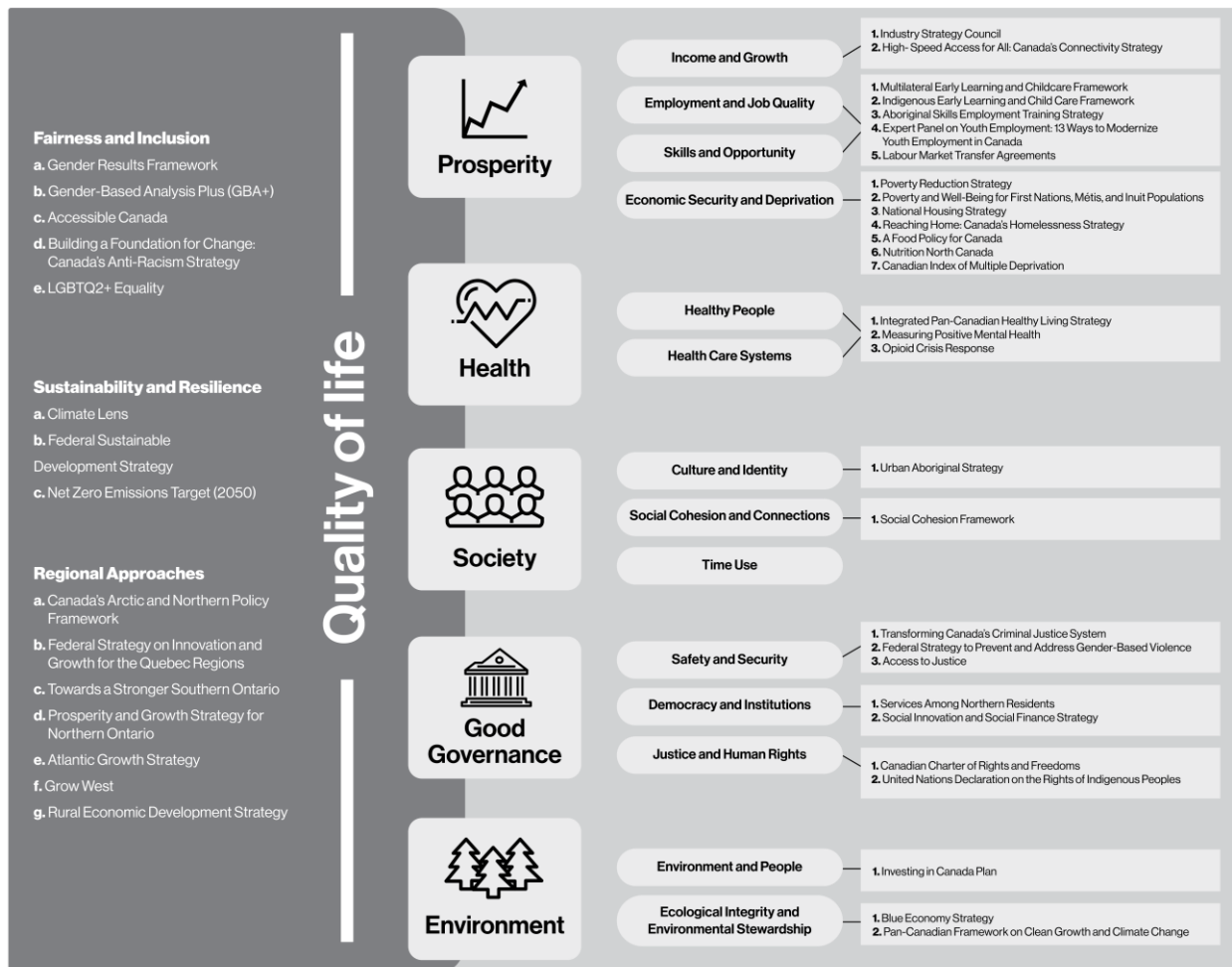
need for 530,000 households and [reduce chronic homelessness](#) by 50 per cent by 2027/28.

In developing a proposed Quality of Life Framework for Canada, consideration has been given to alignment with indicators in the CIF, where appropriate.

Mapping between Quality of Life Framework and Existing Frameworks

- Most domains included in the proposed Quality of Life Framework loosely correspond with existing federal frameworks. The most notable exception is Time Use which, for the most part, falls outside of traditional areas of government activity.
- The figure below attempts to map existing federal frameworks into the domains and lenses they are most closely related to. This is not always clean because many of these frameworks consider multiple domains. Nevertheless, this exercise can provide greater clarity as to how existing frameworks broadly align with the proposed approach.

Mapping between Quality of Life Framework and select Federal Government Initiatives



Many existing federal frameworks are well-aligned with one or more of the domains proposed for the Quality of Life Framework. The Quality of Life Framework will offer a way to strengthen integration and coordination between these frameworks.

Fairness and Inclusion

Gender-based Analysis Plus (GBA+) has been used in the development of policies and programs in Canada for over two decades, but has been reinvigorated in recent years.

- Since 2016, there have been a series of progressive moves to systematize an inclusion lens in budget decision-making:
 - In the 2016 *Fall Economic Statement*, the government committed to gender-based analysis of budgetary measures—in Budget 2017 and all future budgets.
 - Budget 2017 included Canada's first ever [Gender Statement](#).
 - Budget 2018 introduced the [Gender Results Framework \(GRF\)](#), the government's vision for gender equality and a tool for priority setting, decision making and performance monitoring. Many of the [priorities, objectives, goals and indicators](#) in the GRF are reflective of a well-being framework.
 - The Budget 2019 process incorporated GBA+ into policy development. This enabled a [summary of GBA+ impacts](#) of Budget 2019 as a whole, and an annex with a comprehensive GBA+ analysis by measure, as well as reporting on equality indicators and government actions towards improving disparities.
 - Budget 2021 incorporates quality of life considerations into the summary of impacts analysis by evaluating which domains of quality of life would be positively or negatively impacted by each budget measure.
- The Department for Women and Gender Equality (WAGE) was created in 2018 to advance equality for all Canadians across many dimensions such as sex, sexual orientation, gender identity or expression, race, national and ethnic origin, Indigenous origin or identity, age, socio-economic condition, place of residence and disability. WAGE's mandate includes guidance, best practices and expertise in using GBA+.
- Importantly, GBA+ and an inclusion lens goes beyond gender. The government has set priorities to address socio-economic disparities and promote inclusion on a number of fronts:
 - [Building a Foundation for Change: Canada's Anti-Racism Strategy 2019-2022](#)
 - An [LGBTQ2 Secretariat](#) and community investments
 - A [disability inclusion agenda](#), including *Accessible Canada* legislation.

The Public Health Agency of Canada (PHAC) is presently leading a Pan-Canadian Health Inequalities Reporting (HIR) Initiative that may serve as a useful example of how information on inequalities on a wide range of indicators can be presented and reported.

- The HIR Initiative aims to strengthen the measurement, monitoring and reporting of health inequalities in Canada through improved access to data and the development of resources to improve our knowledge of health inequalities.
- The [Health Inequalities Data Tool](#) includes both absolute and relative measures of inequalities for over 100 indicators of health outcomes, health behaviours, and social determinants of health. Where data are available, these results are presented by socioeconomic status (income, education, occupation, employment status), ethnicity/racialization, Indigenous identity, urban/rural residence, age, immigrant status, sexual orientation, and disability status. Both national and provincial results are reported where data are available.
- The narrative [Key Health Inequalities in Canada](#) report focuses on 22 key indicators of health inequalities selected from the larger set of indicators available in the Data Tool. Report chapters examine inequalities in health outcomes (such as life expectancy and mortality, mental illness, disability, oral health), health behaviours, and determinants of health (such as early childhood development and household food insecurity).

Gender Budgeting demonstrates how an inclusion lens can be incorporated into the budget decision-making process and into the budget itself, and will be a cross-cutting component of a Quality of Life Framework. The Government of Canada is working toward making disaggregated data publicly available that breaks down key indicators for different population sub-groups where possible and appropriate (e.g., given privacy and data quality considerations).

Regional Perspectives

- In July 2016, the Government of Canada and the Atlantic provincial governments launched the [Atlantic Growth Strategy](#) to create well-paying middle class jobs, strengthen local communities and grow innovative companies in the region. There is [annual reporting](#) from an Atlantic perspective on priorities areas such as jobs created, export value, tourism, investment in clean technologies, innovation, and attraction of tourists and international students.
- Regional strategies have subsequently developed across the country:
 - [Prosperity and Growth Strategy for Northern Ontario](#)
 - [Federal Strategy on Innovation and Growth for the Quebec Regions](#)
 - [Grow West: Western Canada Growth Strategy](#)
 - [Towards a Pan-Territorial Growth Strategy](#)
- [Canada's Arctic and Northern Policy Framework](#) establishes a vision of strong, self-reliant people and communities working together for a vibrant, prosperous and sustainable Arctic and northern region at home and abroad, while expressing Canada's enduring Arctic sovereignty.
- In June 2019, the Government of Canada released the [Rural Opportunities, National Prosperity: An Economic Development Strategy for Rural Canada](#), which puts people, places, and partnerships at the centre of rural economic development. Launched concurrently, [High-Speed Access for All: Canada's Connectivity Strategy](#) is the government's plan to ensure that over time all Canadians have access to affordable, high-speed internet, no matter where they live. It also commits to improving cellular access where Canadians live and work, and along major highways and roads.

While regions will continue to set different priorities to respond to their unique circumstances, a Quality of Life Framework will provide visibility of regional differences against a series of shared national indicators. The Government of Canada will strive to consistently provide data at the lowest possible level of disaggregation – e.g., to the community or even postal code level where possible and appropriate (e.g., given privacy and data quality considerations).

Sustainability and Resilience

- The 2008 *Federal Sustainable Development Act (the Act)* requires developing, and reporting on, a FSDS that makes environmental decision-making more transparent and accountable to Parliament. The Act requires the Minister of Environment and Climate Change to table a strategy at least once every three years following a 120-day public consultation period.
- Since 2008, Environment and Climate Change Canada (ECCC) has developed, with input from participating federal organizations, four FSDSs (2010-2013; 2013-2016; 2016-2019; and 2019-2022). The current 2019-2022 FSDS was tabled on June 19, 2019. It highlights the federal government's vision and plan for a more sustainable Canada by setting out environmentally focused federal goals, targets, and supporting actions for meeting each target.

-
- The FSDS Progress Report, required under the FSDA at least once every three years, is expected to be released later this year and will show where there is progress toward the FSDS goals and targets as well as where more work is required.
 - *An Act to amend the Federal Sustainable Development Act* came into force December 1, 2020. The Amendments shift the purpose of the 2008 Act to make decision-making related to sustainable development more transparent and subject to accountability to Parliament. It includes the consideration of new principles, including an emphasis on considering all aspects of sustainable development (as opposed to only 'environment') with specific reference to improving the quality of life of Canadians and promotes coordinated action across the federal government. It expands the number of mandated federal organizations from 27 to more than 90, further supporting a whole-of-government approach to reporting on sustainable development.
 - The [Canadian Environmental Sustainability Indicators](#) (CESI) program of ECCC provides data and information to track Canada's performance on issues including climate change, air quality, water quality and availability, land, habitat and biodiversity. The Canadian Environmental Sustainability Indicators is the prime instrument to measure progress of the Federal Sustainable Development Strategy and to report to Canadians on the state of the environment.

Environment and Climate Change Canada is working closely with the Department of Finance and Statistics Canada to align these related initiatives and ensure that well-being today does not come at the expense of future generations.'

As with the inclusion lens, reporting on environmental sustainability, including progress towards Paris targets and net zero greenhouse gas emissions by 2050 will be a cross-cutting component of a Quality of Life Framework. This component of the framework design should incorporate a long-term view that is not limited to environmental considerations, but considers all elements of the framework – for example, fiscal sustainability, investments in human capital over the life course, and infrastructure lifecycle management.