

# Intelligence MEMOS



From: Don Drummond

To: Finance Minister Chrystia Freeland

Date: June 9, 2021

Re: **BREATHING LIFE INTO THE LIBERAL GOVERNMENT'S QUALITY OF LIFE INDEX**

Following the lead of a number of other countries, the Department of Finance and Statistics Canada are [engaged](#) in an investigation of and consultations on how to inform policymaking better with information on Canadians' quality of life.

The objective is to create a QoL Index to complement long-standard economic measures like gross domestic product (GDP) in the formulation of budgets and government policies with the goal of making them increasingly effective in enhancing the quality of Canadians' lives. The metrics at this still early stage are conceived to encompass five domains – prosperity, health, societal interactions, environment, and governance, all considered from the perspectives of inclusion, fairness, sustainability, and resilience.

While the concept is admirable and well worth pursuing vigorously, quality of life considerations remain far from an active ingredient in government policy formulation. To embed them in the process will require addressing a number of significant matters. Four in particular stand out:

- The internal processes of policy development by Canadian governments are organized in departmental and programmatic silos that are inimical to integration into decision-making of the several and diverse domain metrics of a QoL Index. That would require a 'whole-of-government' approach to policy formulation.
- Given Canada's constitutional distribution of powers, the provinces and territories will need to be centrally involved. Indigenous policy-makers would also be involved as, in many cases, would municipal governments. To succeed, the federal initiative must rapidly build into a joint endeavour.
- A fundamental culture change on life's perspectives would be essential, putting outcomes in the spotlight in place of the current obsession with measuring only costs and other inputs. Essential also would be a focus on inclusion of how and to whom characteristics of life are distributed, replacing the current preoccupation with their sum totals or averages. In general, a new form of holistic thinking will be required on the part of policymakers throughout Canada's governing system.
- Employing QoL metrics to truly inform policymaking will require a big and very serious commitment from all parties and will affect almost every aspect of policymaking, budgeting, and communicating the results to a better-informed public. Although the federal government is to be applauded for launching the initiative, there is no point to proceeding without its firm advance commitment and of those with whom it must partner.

Lessons can certainly be learned from other jurisdictions, but much discussion is needed to identify the most appropriate metrics to assess the quality of each of the domains in the proposed QoL Index. Even more contentious would be decisions on the weights to be assigned to each domain to arrive at a composite single-measure index of life's quality throughout Canada. A preferable approach, especially at this early stage, would be to consider QoL as a framework where attention is paid to the approach, the individual domains, and in a more general way than through specific weights, how they come together.

Finally, attention must be paid to the amount and nature of political involvement in the development and application of a QoL framework. Obviously, there will have to be political commitment to the concept and accountability for its application to policymaking, but it is probably not a good idea for the governance to rest with a government department. Consideration should be given to the establishment of a responsible institute or agency governed by a board made up mostly of directors independent of governments to decide on such matters as the metrics and their weights, consultations, and especially communication with the public, including publication of objective annual or semi-annual reports. Finance Canada could co-ordinate a government response and actions taken in response could be evaluated by the Parliamentary Budget Office and the Office of the Auditor General of Canada. The avoidance of political fingerprints will be a key consideration in making the QoL Framework a trusted measure comparable to the GDP and other economic indicators currently used to illuminate governments' budgeting and other policymaking.

Development of a Quality of Life Framework will involve far more than work on its design, its metrics, and ways and means of collecting the relevant data, especially those derived from people's self-assessments of what they consider to be the quality of their health, happiness, and of their lives generally. Before QoL measures hit prime time, substantial and fundamental changes from current deeply rooted government practices, cultures, and protocols are required. Work must begin on those changes now. Otherwise, a QoL Framework, however well designed and developed, will remain on a dusty shelf or as an afterthought appendix, never to be applied.

*Don Drummond is the Stauffer-Dunning Fellow in Global Public Policy and Adjunct Professor at the School of Policy Studies at Queen's University and a Fellow-in-Residence at the C.D. Howe Institute.*

*To send a comment or leave feedback, email us at [blog@cdhowe.org](mailto:blog@cdhowe.org).*

*The views expressed here are those of the author. The C.D. Howe Institute does not take corporate positions on policy matters.*