May 2022

Canadian Happiness Report

Well-being Inequality

Population
Well-being Lab

UNIVERSITY OF
TORONTO

EXECUTIVE SUMMARY

The finding that Canadians' subjective well-being (SWB) has been declining over time warranted a closer look at potential existing well-being inequity within Canada. Using the Department of Finance's Quality of Life (QoL) framework as a basis, we also looked at the distribution of key factors determining QoL using Canadian's opinion poll surveys from 2006 onwards.

INTRODUCTION

In the first Canadian Happiness Report, we took a glimpse into Canadians' well-being since the mid-2000s. Overall, we found that even though Canada has consistently ranked in the top 20 countries by happiness, Canadians' subjective well-being (SWB) has been decreasing since the late 2000s. Life satisfaction dropped by 0.78 points on a scale of 10 in the last decade, placing Canada from the 6th happiest country in the world in 2010 to 14th place in 2021. Positive affect, described by daily feelings of positive emotions, dropped 6.1% from 2005 to 2021. Negative affect, described by daily feelings of negative emotions, increased 6.6% in the same period. On a global scale, Canada ranked 15th in the world in absolute life satisfaction in 2022 (World Happiness Report, 2022). However, when taking a closer look at the change in life satisfaction, Canada ranked 107th (out of 128 countries).

HAPPINESS INEQUALITY

Inequality is unfortunately ubiquitous. Economic inequality was once used almost exclusively as an indicator for well-being inequality, but measures also exists for inequality in other domains, such as health and education. A shortcoming of these indicators is that each focuses on a specific life domain, but how do inequality across domains jointly shape happiness (Goff, Helliwell, & Mayraz, 2018)? Happiness inequality - the disparity in overall life satisfaction among individuals in a society - provides a complementary and more inclusive lens for us to understand the experience of different pockets of the Canadian population. In this report, we look at how life satisfaction among Canadians differ across age groups, urban/rural residence, income levels, and immigration status. The goal is to identify groups that may be experiencing particularly steep decline in well-being.

OUR AIM

The trend of decreasing well-being in Canada prompts us to look at the population's subjective well-being trends in more detail. In this report, we aim to address two questions:

1   **Whose well-being is declining?** Specifically, we want to uncover whether certain demographics are experiencing a more acute SWB decline than others.

2   **Where do Canadians stand on key indicators of the Department of Finance's Quality of Life (QoL) framework?** We can use this information to identify domains needing improvement like health, community and good governance.

DATA

To address our questions, we identified several high caliber Canadian surveys that have asked questions pertaining to both demographic variables and determinants of well-being. To measure happiness inequality, we relied on the Gallup World Poll. To measure domains identified in the Department of Finance's QoL framework, we used the data from the following surveys: the Canadian Community Health surveys, the Households and Environment surveys, the Environics Focus Canada surveys and the Provincial Diversity Project survey.

WELL-BEING TRENDS ACROSS DEMOGRAPHICS

Figure 1. Age

Figure 1 shows life satisfaction for various age groups over time. Younger adults experienced a steeper drop in their life satisfaction over time compared to middle-aged and older adults.
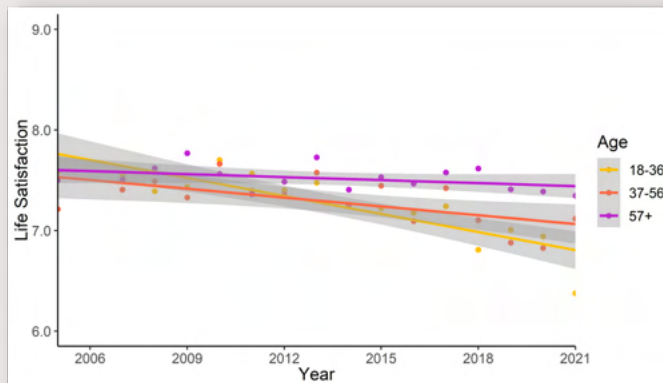

Figure 2. Urbanicity

Figure 2 shows life satisfaction based on urban-rural residency. Those living in both rural and urban setting saw similar drops in their life satisfaction over time and were similar in their overall levels of life satisfaction.
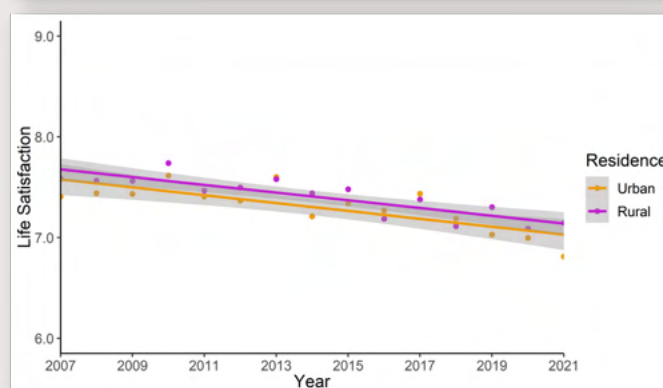

Figure 3. Household Income

Figure 3 shows life satisfaction by household income quintiles. Those with the lowest relative household incomes (e.g., the 1st and 2nd income quintiles) have experienced steep drops in their life satisfaction over time. Additionally, across all years those with higher household incomes generally experience higher life satisfaction. Overall, there is growing disparity in well-being across income levels.
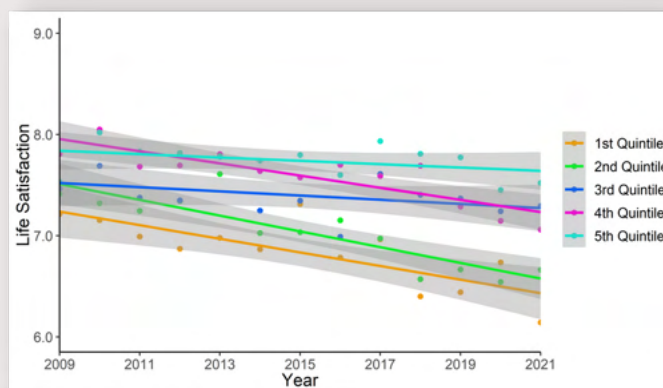

Figure 4. Immigration Status

Figure 4 shows life satisfaction by immigrant status. Overall, those born in Canada tend to have higher life satisfaction than immigrants, but this difference has disappeared over the years. Unfortunately, this appears to be due to a drop in life satisfaction for those born in Canada as opposed to immigrant life satisfaction increasing.
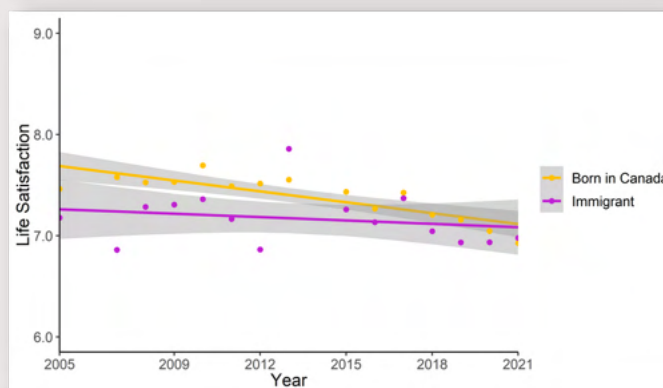
WHERE CANADIANS STAND ON QUALITY OF LIFE INDICATORS

Purpose

The Department of Finance's QoL framework identifies five domains which serve as key inputs for determining Canadians' quality of life. These domains are Prosperity, Health, Environment, Society, and Good Governance. Each domain includes headline indicators that are used to assess the quality of life. For example, self-rated mental health is an indicator in the Health domain while access to clean drinking water is an indicator in the Environment domain. The goal of this framework is to guide policy and intervention developments in a direction that improves the quality of life.

To reverse the trend of declining well-being, we recommended that surveying Canadians more often will be a necessary first step to determining which factors lead to improved well-being.

The QoL framework provides guidance on which domains of Canadians' lives should future surveys be focused on. Given yearly surveys like the Canadian Community Health and the Environics Surveys, we can already spot which quality of life indicators Canadians differ on (Figures 5-9). In the future, this will promote better-targeted and effective interventions. However, many surveys available today are only conducted once a year and lack a method that allows for causal inference —when we can say that change in one indicator (e.g. increased sense of belonging) causes change in another indicator (e.g. subjective well-being). It is critical that future surveys are either done more frequently or incorporate a methodology that allows for causal analysis like experimental or quasi-experimental methods on a population scale.

Figure 5. Prosperity

Prosperity is defined as the condition of being successful or thriving. It includes, but is not limited to, the accumulation of material wealth. The Gallup World Poll asked Canadians (*N* = 14,778) what they thought about the economic conditions in the city or area where they lived. The responses show that overall, Canadians are more optimistic than not. Furthermore, perceptions of the economic situation follow cycles, similar to economic cycles.
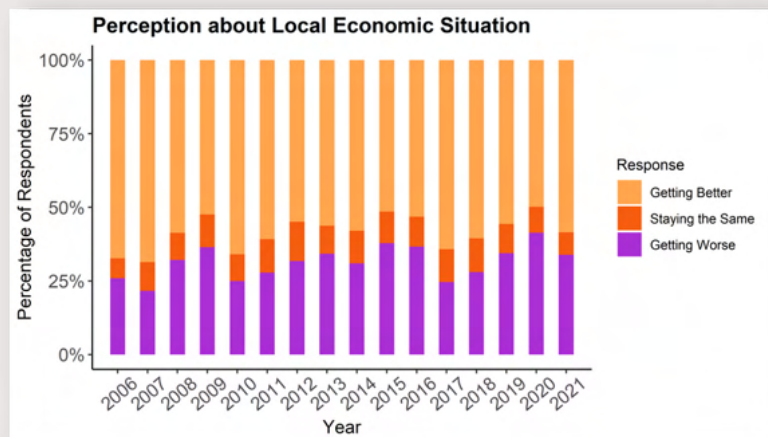

Figure 6. Health

Health enables us to live life to the fullest, absent from physical and emotional pain. This domain is made up of subjective health indicators as well as objective metrics like access to healthcare. From 2009-2018, the Canadian Community Health Survey asked participants (*N* = 535,451) to rate their health from "Poor" to "Excellent". Some of these participants (*N* = 518,597) also rated their satisfaction with their life on a 10 point scale. The results show that poor health and low life satisfaction frequently co-occur, but that there is a lot of variability as well.

TRENDS OF FACTORS CONTRIBUTING TO WELL-BEING

Figure 7. Environment

The Environment domain includes both necessities to livelihood including access to clean drinking water and functional comforts such as access to public transit, green spaces and walkable communities. Canada is known for its' natural beauty but not everyone has the opportunity to enjoy it to the same degree. In 2015, the Households and Environment Survey asked Canadians (N = 14,665) whether they had a park of public greenspace close to their home. Most responded in the affirmative, but some provinces differed by more than 10% of respondents.

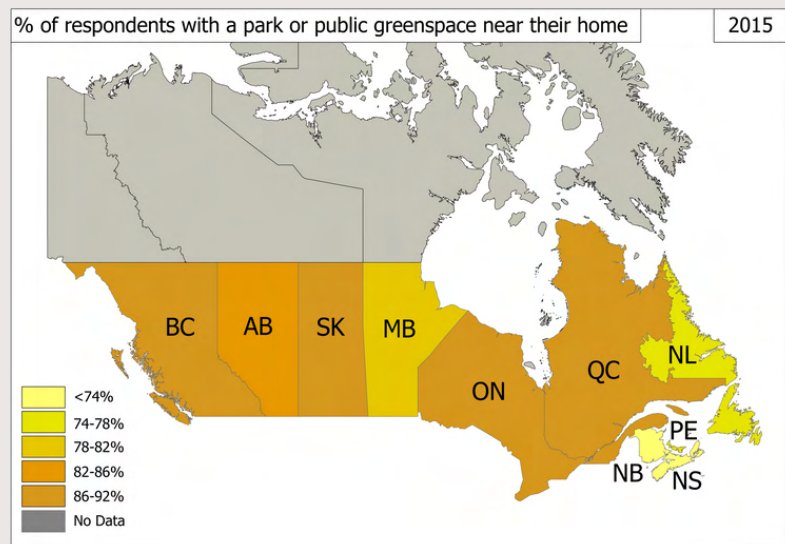% of respondents with a park or public greenspace near their home — 2015

Figure 8. Society

The Society domain includes values such as social cohesion, community vitality and cultural expression. These high-level values are expressed in indicators such as belongingness and time-use. From 2009-2018, the Canadian Community Health Survey asked participants (N = 515,875) to rate their sense of belonging to their community from "Very Weak" to "Very Strong". Some of these participants (N = 518,597) also rated their satisfaction with their life on a 10 point scale. The results show that a weaker connection to one's community does co-occur more frequently with a lower life satisfaction.

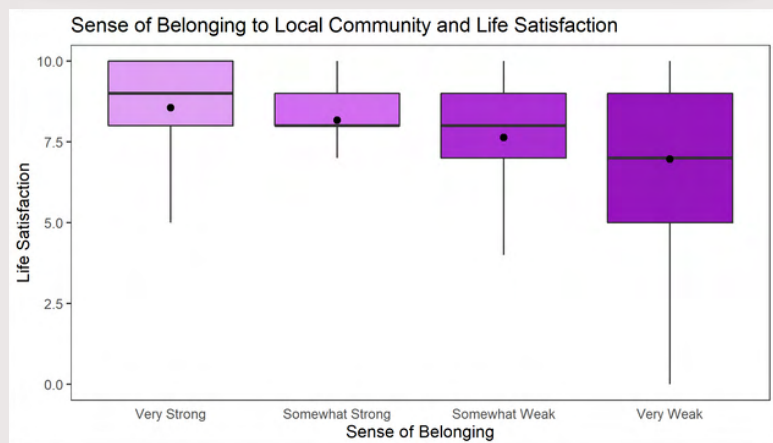Sense of Belonging to Local Community and Life Satisfaction

Figure 9. Good Governance

Good governance in Canada is an amalgamation of a well-functioning democracy, effective public institutions and the upholding of fundamental human rights. The Provincial Diversity Project asked the following question in 2014: On a scale from 0 to 10, where 0 means a very small impact and 10 means a very big impact, how much influence do the policies of the federal government have on your well-being? Most respondents (N = 9,351) said that the government's policy decisions had a substantial impact on their well-being.

2014: Impact of the Federal Government's Policies on Well-being
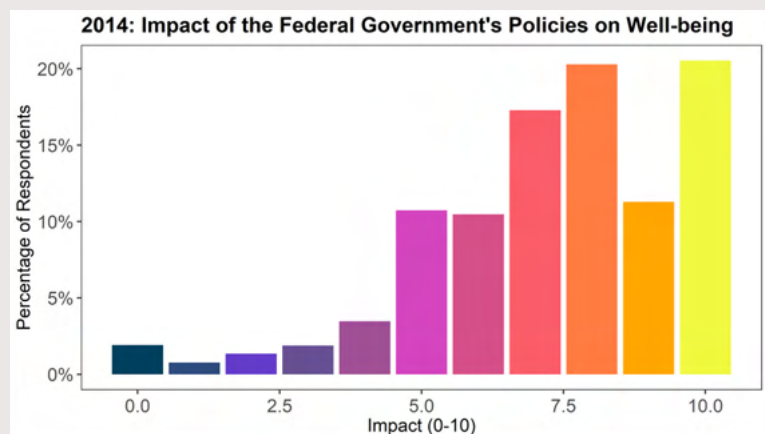
SUMMARY

Overall, our analysis found that young Canadians, as well as those in lower income groups are experiencing a greater well-being decline compared to other demographics. This shows that well-being inequality, or the amount of disparity between self-reported happiness among individuals or groups in a society, exists in Canada. We also found that some of the Department of Finance's QoL indicators, specifically those related to Health and Society are validated by our analyses. That is, having poorer physical health and a weaker sense of belonginess to one's community frequently co-occurred with lower life satisfaction.

Given our findings, we think solutions to well-being decline should address well-being disparities, especially in populations who have experienced a greater well-being decline over time. We also suggest monitoring SWB alongside QoL indicators in population surveys in order to gain a better understanding of which factors (e.g. good governance, prosperity) lead to greater well-being.

To this end we conclude with three main recommendations:

1   **Addressing well-being inequality.**
Reversing the downward trend in well-being should start with identifying and providing solutions to those experiencing a greater decline in well-being.

2   **Tracking our outcomes.**
To determine which Department of Finance's QoL framework factors lead to greater well-being, each survey should, at minimum, ask one survey item related to SWB.

3   **Quantity and quality.**
The amount and quality of data is a limiting factor to confronting well-being inequality. More frequent and intentional surveys should be undertaken to improve Canadians' SWB outcomes.

NEXT STEPS

The Canadian Happiness Report series is dedicated to communicating empirical findings on Canadians' well-being to the public. Our goal is to aid in developing a rigorous and effective QoL framework for Canada using the latest data and methods. In the first report, we found that Canadian well-being has been on a downturn since the late 2000s. In this report, we document well-being inequalities across demographics and capture the current variation in some key indicators that make up the Department of Finance's QoL framework. Our next report will feature an in-depth review of community and population-scale QoL interventions which could be used in Canada to reverse the decline in well-being.

ABOUT US

The Canadian Happiness Report was developed by members of the Population Well-being Lab at the University of Toronto. The lab focuses on research, teaching, and advocacy related to the determinants, consequences, and policy relevance of a satisfying, purposeful, and engaging life. The lab takes an interdisciplinary perspective and uses diverse methodological and statistical techniques to examine population well-being in relation to pressing global issues (e.g. sociopolitical unrest, economic justice, and major population events). Find out more on our lab website: https://cheung.artsci.utoronto.ca/

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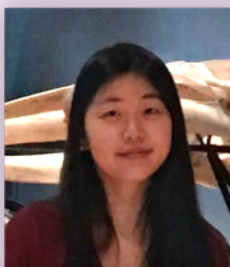Independent Study Student

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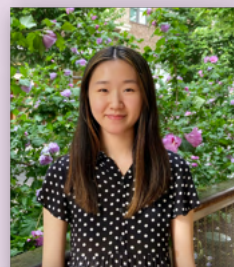Lab Manager/Data Analyst

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ACKNOWLEDGMENTS

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