

Canada's Performance Report 2005

Annex 3

Indicators and Additional Information

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1. Sustainable Economy

Government of Canada outcome: Sustainable economic growth

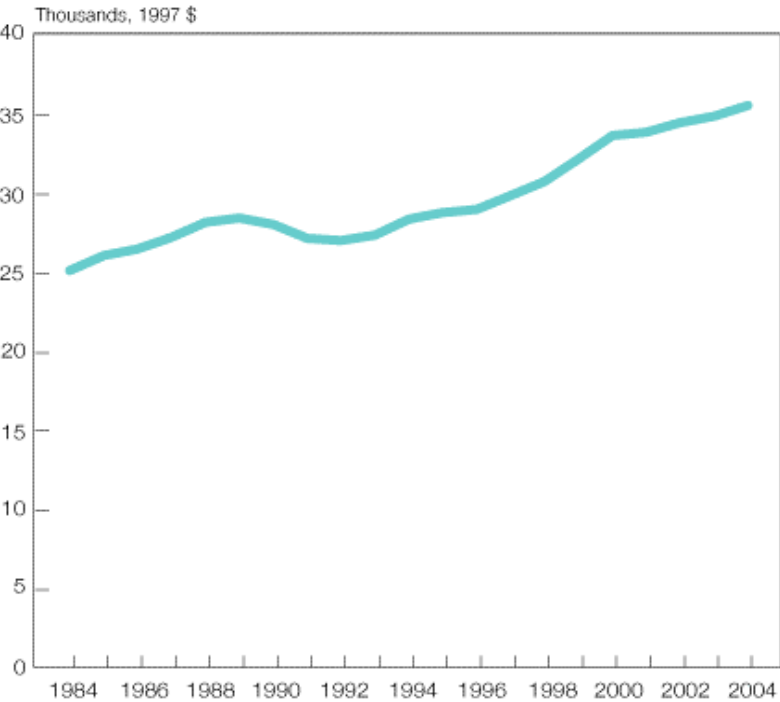
- ▶ Real gross domestic product (GDP)
- ▶ Cost-competitiveness
- ▶ Natural resources sustainability
- ▶ Climate change
- ▶ Green economic practices
- ▶ Forest cover (supplemental indicator)
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Real GDP

Current performance and trends

In 2003 Canada experienced an economic slowdown, reflecting a series of economic shocks, including an unprecedented appreciation of the Canadian dollar. Rebounding in 2004, real GDP rose 2.9 per cent, surpassing the 2.0 per cent recorded in 2003. The [Organisation for Economic Co-operation and Development \(OECD\)](#) predicted growth of 2.8 per cent in 2005 for Canada's economy, the second highest growth among G-7 members behind the U.S., whose predicted growth for 2005 stands at 3.6 per cent (OECD, *Economic Outlook No.77*, May 2005). Canada led the G-7 in terms of

Real GDP Per Capita, Canada, 1984–2004



Source: Statistics Canada, 2005

growth over the period of 2000–03 and is expected to remain a top performer, second only to the U.S., for 2004–06.

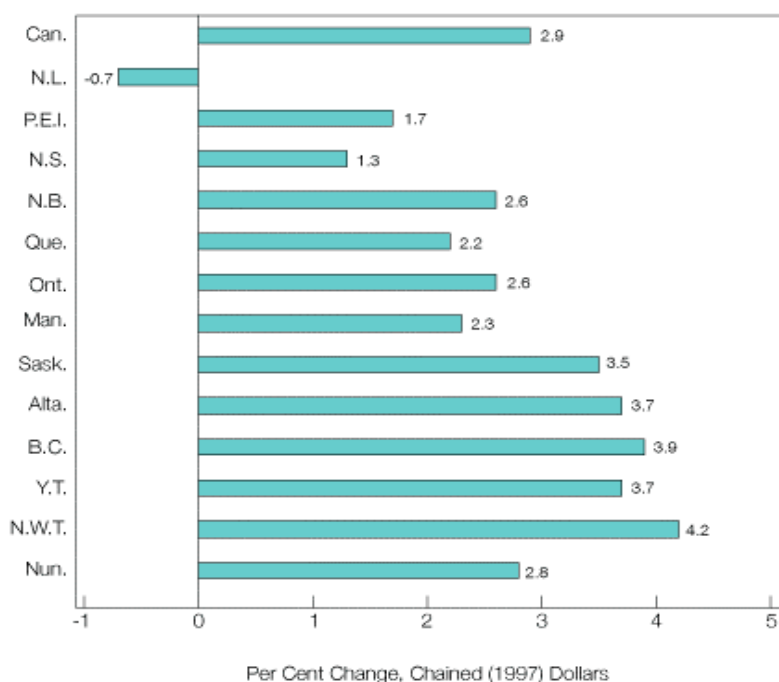
On a per capita basis, real GDP growth strengthened to 2.0 per cent in 2004 from 1.1 per cent in 2003. Within the G-7, Canada had the second fastest growth in real GDP per capita between 2000 and 2004, second to the United Kingdom. Among Canadian provinces and territories, real GDP per capita growth in 2004 was strongest in Saskatchewan, followed by British Columbia, the Northwest Territories, and New Brunswick.

In 2004, five provinces and territories recorded economic growth that was above the national average, most of them in western Canada. Newfoundland and Labrador was the only province with a decline in real GDP, primarily due to production problems on the Terra Nova oil platform and strikes in the public service and mining industries.

Additional information:
Regional economic growth
Atlantic provinces

In 2004 New Brunswick's economic growth of 2.6 per cent was influenced by the manufacturing sector's 3.6 per cent recovery, which was led by increasing shipments of primary metal products. Although Newfoundland and Labrador saw an overall decline of 0.7 per cent, the province experienced strong growth in residential construction, with a 12.0-per-cent increase, largely due to the greatest number of housing starts since the early 1990s. Prince Edward Island's economic growth of 1.7 per cent equalled their achievement in 2003. Factors contributing to the rise included an increase in manufacturing, such as production of frozen food products, and a strong housing market. Home building, the manufacture of rail cars and high tech equipment, and strong retail trade spurred the expansion of the Nova Scotia economy by 1.3 per cent.

Growth in Real GDP, by Province and Territory, Canada, 2004



Source: Statistics Canada, 2005

Ontario and Quebec

Economic growth in Ontario for 2004 stood at 2.6 per cent, slightly below the national average. Transportation equipment manufacturing and wholesale trade and finance contributed significantly to growth of economy, whereas gains in personal consumption and business investment were below national average. Quebec's economic growth was also below the national average, at 2.2 per cent. There was strong investment, however, in housing, with a 15.0-per-cent increase in 2004, which, in turn, stimulated sales of furniture, appliances, and building materials. Aerospace production fell 9.2 per cent as a result of a weak demand for new aircraft.

Western Canada

Saskatchewan experienced strong growth with a rise of 3.5 per cent, supported by a significant increase in the manufacturing sector (11.5 per cent) related to providing machinery for a strong petroleum industry. In addition, meat processors increased production to deal with surplus cattle due to closure of the U.S. border to Canadian beef.

Alberta's overall growth of 3.7 per cent was spurred by the same factors as that of Saskatchewan, as well as increased activity in the oil patch. An increase in consumer spending of 4.7 per cent and low unemployment at 4.6 per cent also contributed to Alberta's positive economic picture for 2004. A 4.1-per-cent increase in consumer spending and low unemployment contributed to British Columbia's strong economic performance, as did 15.0-per-cent improvements in forestry and sawmill production and output of coal.

Economic growth of 2.3 per cent for Manitoba was hampered somewhat by a weak agriculture sector. Home building sustained the manufacture and sale of furniture and construction materials, however, and electricity production and exports were spurred by favourable weather conditions in 2004.

The territories

With growth of 3.7 per cent, Yukon's best economic performance in three years was caused by strong growth in all sectors, particularly business and government investment. Led by gold, the mining industry saw an increased output of 70.0 per cent in 2004. The Northwest Territories experienced economic growth of 4.2 per cent in 2004, half of which can be attributed to the diamond mining industry. The year 2004 saw significant improvement for the economy of Nunavut, with 2.8 per cent growth, recovering from a 7.6 per cent decline in 2003. Increases in business investment played a considerable role, as mine closures over the last 10 years have

reduced the mining industry to one tenth of its size in 2000. (Statistics Canada, *Provincial and Territorial Economic Accounts Review—Preliminary Estimates 2004, 2005*)

Cost-competitiveness

Current performance and trends

The comparison of business costs demonstrates the advantages of locating business operations in Canada. Lower costs encourage the investment, expansion, or start of businesses in Canada. Costs related to labour, transportation, communications, and taxes were some of the factors considered in a [2004 international study of cost advantage](#) published by KPMG.

In all of the 17 industries surveyed, Canada ranked first in the G-7 for cost-competitiveness. For example, Canada led the way in cost-competitiveness for the aerospace, telecommunications, and biotechnology industries. Overall Canada's labour costs were among the lowest, as were costs associated with facilities, utilities, and taxes.

Canada has a 9.0-per-cent cost advantage relative to the U.S. (the baseline of the study), down from 14.5 per cent in 2002. According to the study, the decline in the U.S. dollar relative to world currencies was the most important factor affecting international business competitiveness since 2002. Exchange rates for the countries profiled in the study appreciated by between 9.0 and 35.0 per cent relative to the U.S. dollar since 2002.

Additional information: Cost-competitiveness by industrial sector

Manufacturing

In the manufacturing sector—represented by seven operations, including metal machining, electronics assembly, and pharmaceutical products—Canada led the way with a 6.0-per-cent cost advantage. In the aerospace industry, which produces commercial and military aircraft and parts, military weapons, space rockets, and satellites and was represented in the survey by aircraft parts manufacturing, Canada's industry had the highest after-tax profits and the lowest total annual costs—a result repeated in the telecommunications industry. The telecommunications industry includes traditional wireline networks, optical, and wireless access technologies. For the representative operation in this industry, telecom equipment manufacturing, Canada is home to 4 of the 5 top cities for cost-competitiveness ranked among 98 around the world: St. John's, Sherbrooke, Moncton, and Halifax.

Research and development and corporate services

Canada also had the best results in the research and development (R&D) and corporate services sectors, with 21.0-per-cent and 11.7-per-cent cost advantages respectively. The R&D sector includes the biotechnology industry, whose applications include such diverse fields as medical testing, environmental management, and DNA fingerprinting. The biotechnology industry, represented in the survey by biomedical R&D, was modelled on a research facility with no commercial sales and characterized by significant investment in R&D equipment, a workforce of research scientists and technicians, and a significant level of tax-eligible R&D activities. Canada had the second highest after-tax profit and lowest total annual costs.

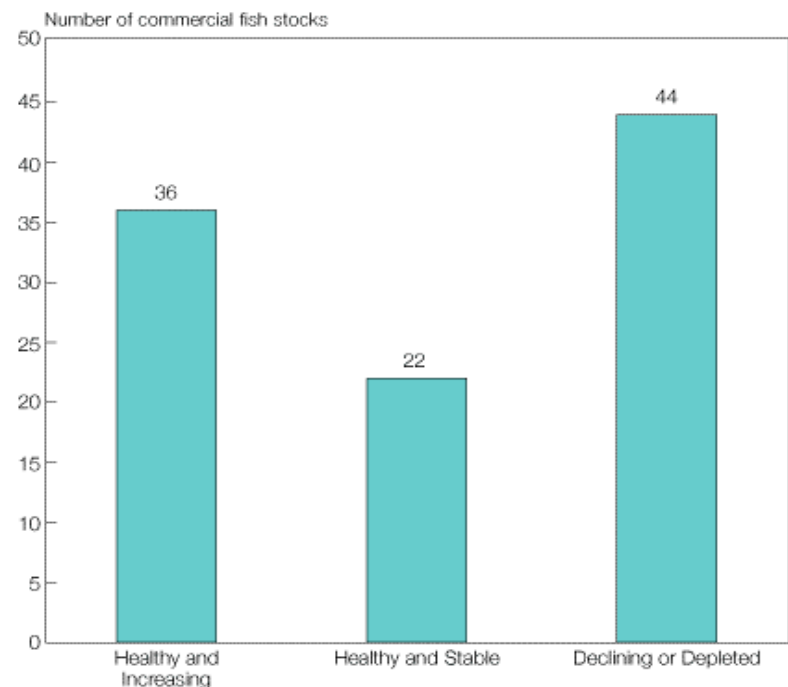
The corporate services sector was represented by the operation of shared services centres, which are those that include centralized accounting, customer call centres, and internal information technology support functions. These centres function to support business operations through telephone and electronic communication and are characterized by a workforce of administrators, clerks, and help desk agents. Canada had the lowest total annual costs for this corporate service sector operation, as well as 4 of the top 5 cities for cost competitiveness ranked among 98 around the world: Sherbrooke, Charlottetown, Halifax, and St. John's.

Natural resources sustainability

Current performance and trends

In 2004 the status of commercial fish stocks did not change significantly. Among the 70 stocks assessed, no notable change occurred as compared with their status from 2001 to 2003. Among 102 commercial fish stocks assessed between 2001 and 2003, 36 stocks were healthy and increasing; 22 were healthy and stable; and 44 were declining or depleted and not yet recovered, as compared with their status in the early 1990s. As a result of their assessment schedules, the North and Pacific salmon stocks are

Canadian Commercial Fish Stocks, Harvested and Assessed, 2001 to 2003



Source: Fisheries and Oceans Canada, Canadian Science Advisory Secretariat, 2004

under-represented and therefore this is not a balanced representation of all Canadian fish stocks. For additional information on the status of fish, invertebrate, and marine mammal stocks, environmental and ecosystem overviews, see the *Canadian Science Advisory Secretariat* Web site at http://www.dfo-mpo.gc.ca/csas/Csas/Home-Accueil_e.htm.

Additional information: Agriculture and the environment

For a list of publications on agriculture and the environment, go to http://www.agr.gc.ca/policy/environment/publications_e.phtml.

Additional information: State of Canada's forests

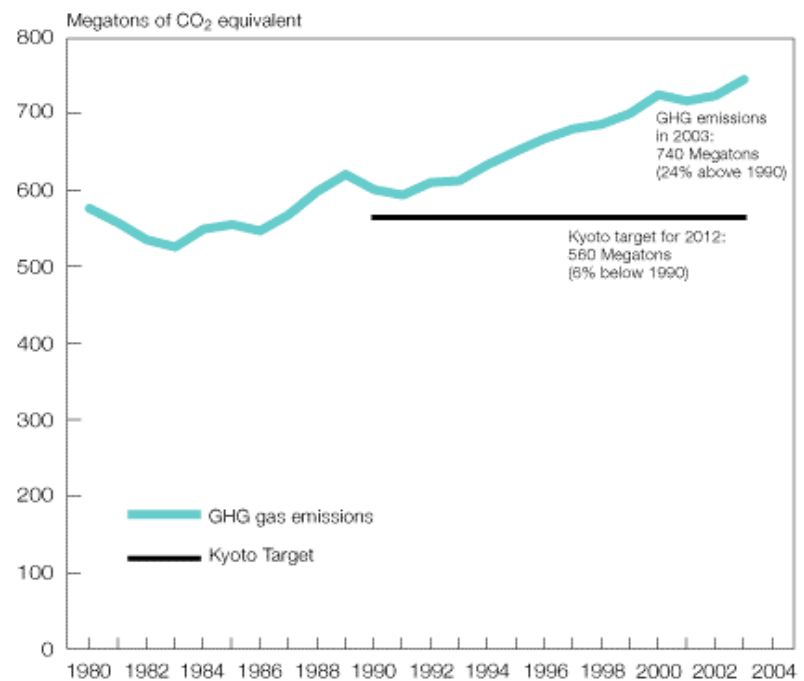
Go to the Canadian Forest Service Web site, <http://www.nrcan-rncan.gc.ca/cfs-scf>, where you will find information on the state of Canada's forests for 2003–04.

Climate change: Greenhouse gas emissions

Current performance and trends

Since 1990, Canadian greenhouse gas (GHG) emissions have risen by 24.0 per cent, steadily increasing the distance from Canada's Kyoto targets. From 2002 to 2003, emissions increased by 3.0 per cent, mainly due to a colder-than-average winter, coupled with increases in electricity production, vehicle transport, and mining activity. In 2003, Canadians contributed approximately 740 megatons of CO₂ equivalent of GHGs into the atmosphere, equating to about 2 per cent of total global GHG emissions. Canada's overall GHG emissions intensity—the amount of GHGs emitted per unit of economic activity—was 1.2 per cent higher in 2003 than in 2002. The long-term trend for Canada's emissions intensity, however, shows a steady decline by an average of 1.0 per cent per year since 1990.

Canadian Greenhouse Gas Emissions, 1980 to 2003



Source: Environment Canada, Greenhouse Gas Division, 2005

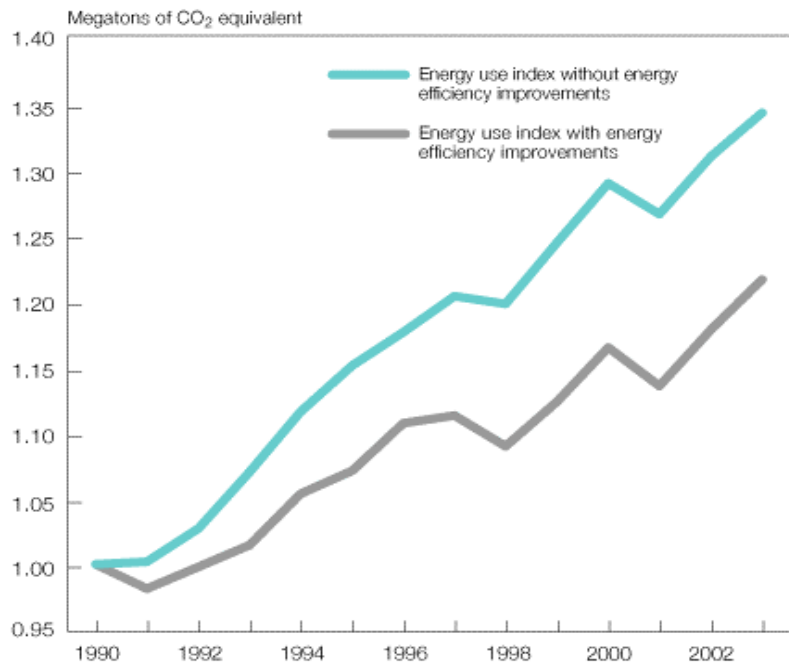
A breakdown of GHG emissions by industry sector has found that in 2003 the energy production and use sector accounted for 80.0 per cent of the total GHG emissions produced. Upon further analysis, this sector has accounted for 90.0 per cent of the overall growth in Canada's emissions between 1990 and 2003.

Climate change: Energy efficiency

Current performance and trends

According to *Energy Efficiency Trends in Canada*, a report by [The Office of Energy Efficiency](#), Canada's secondary energy use increased by 22.0 per cent between 1990 and 2003. This was primarily due to growth in economic activity in each end-use sector. For example, activity in the industrial sector increased by 45.0 per cent during this period. Had it not been for significant ongoing improvements in energy efficiency, the increase would have been another 13.0 per cent, or 883.3 petajoules, higher (1 petajoule is the amount of energy consumed by a town of 3,700 people in one year).

Canadian Secondary Energy Use, With and Without Energy Efficiency Improvements, 1990 to 2003



Source: Natural Resources Canada, Office of Energy Efficiency, *Energy Efficiency Trends in Canada and Energy Use Data Handbook*, 2004

According to a recent International Energy Agency report, Canada's energy efficiency improved at an average annual rate of 1 per cent between 1990 and 1998, similar to the rate recorded by the U.S., and the fourth fastest rate of improvement among the 13 countries included in the report (surpassed only by Finland, Italy, and Norway).

Green economic practices

Current performance and trends

A sustainable economy calls for the integration of environmental considerations into economic decision making and can be measured by the number of firms certified with the environmental

management system ISO 14001. The number of certifications to the international environmental management standard ISO 14001 is often used as an indicator of a country's development in the use of voluntary environmental agreements and is understood as a form of country-level environmental performance indicator. The number of Canadian firms with ISO 14001 certification increased from 100 in 1999 to 1,484 in 2004, moving Canada from 21st to 12th in world rankings.

International comparison

Consideration of the size of a country (measured by population) and its level of economic development (measured by GDP) should be taken into account when using ISO 14001 certification as a measure of green economic practices, as these provide context in which to judge a country's environmental management development.

Canada's international ranking ranges from 33rd in 1999 to 19th in 2001 and 27th in 2003 when taking into account the level of Canada's economic development. When factoring in Canada's size, Canada's 2003 ranking is unchanged from 22nd in 1999, with its highest ranking of 15th occurring in 2001. For both measures in 2003, Canada places second last within the G-7, ahead of only the U.S. Globally, since 1999 Sweden has held the top ranking when economic development and country size are considered, with Switzerland, Denmark, and Finland also consistently in the top five.

Additional information: Environmental management systems

- ▶ Chapter 11 of the 1995 Report of the Auditor General, "Environmental Management Systems: A Principle-based Approach" (<http://www.oag-bvg.gc.ca/domino/reports.nsf/html/9511ce.html>).
- ▶ The International Network for Environmental Management (<http://www.inem.org/iso/speedo.htm>).

Forest cover (supplemental indicator)

Current performance and trends

Forests are sites of wood production, habitat for wildlife, and a source of ecological services, such as clean air and sequestration of carbon. According to the Canadian Forest Service, approximately 1 million hectares of forest are harvested annually, supporting a more than \$80-billion industry. These economic and ecological goods and services provided by forests therefore demand sustainable management practices.

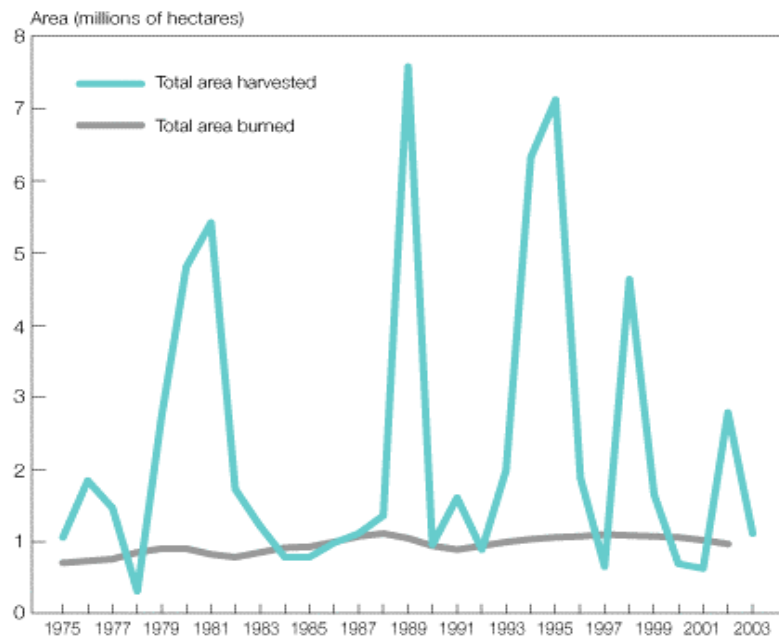
Tracking changes in size of

Canada's forests is one way of evaluating performance, and this can be done by measuring the area of forest with 10.0-per-cent crown closure, a level accepted by the Food and Agriculture Organization of the United Nations as constituting forest. Crown closure is the percentage of the ground surface that would be covered by a downward vertical projection of the foliage in the crowns of trees. Using satellite imagery data for 1998 that show crown closure for each square kilometre (100 hectares), forest cover in Canada is 392.0 million hectares. This does not include forest stands outside the traditional northern forest boundary. It is important to note that while forest cover does not equal forest health, it does give overall view of the extent of forest ecosystems in Canada. Because satellite data are only available for 1998, forest cover will become a more useful indicator once additional data are collected and are compared with field data and it is possible to observe temporal trends. (National Round Table on the Environment and the Economy, 2003)

Temporal trends—The National Forest Inventory

Comparisons over time are of major importance to answering questions on the sustainable development of Canada's forest. Canada's Forest Inventory (CanFI) has been compiled periodically by aggregating provincial management and other source inventories. A new

Annual Total Area of Forest Harvested (1975–2002) and Annual Total Area of Forest Burned (1975–2003) in Canada



Source: Natural Resources Canada, Canadian Forest Service, National Forestry Database Program, data adapted by Environment Canada, National Indicators and Reporting Office, 2005

National Forest Inventory (NATINV) design has been developed and is being implemented in co-operation with the provinces and territories. The new design addresses the need to track changes such as land cover, forest area, and volumes, as well as supporting additional forest resource information. The first report with the new inventory is expected by 2007. Instead of a periodic compilation of existing information from across the country, the approach used in CanFI, NATINV consists of permanent observational units. Through the collection and reporting of information to a set of uniform standards, it allows for consistent reporting across the country on the extent and state of Canada's land base to establish a baseline of where the forest resources are and how they are changing over time. In addition to providing consistent estimates for traditional forest inventory attributes, the NATINV will provide a framework for collecting additional data relevant to the reporting of progress toward sustainable development (e.g. socio-economic indicators), as well as data related to forest health (e.g. insect damage, disease infestation), biodiversity, and forest productivity. (Canadian Forest Service, http://www.nrcan.gc.ca/cfs-scf/index_e.html)

Soil quality (supplemental indicator)

Current performance and trends

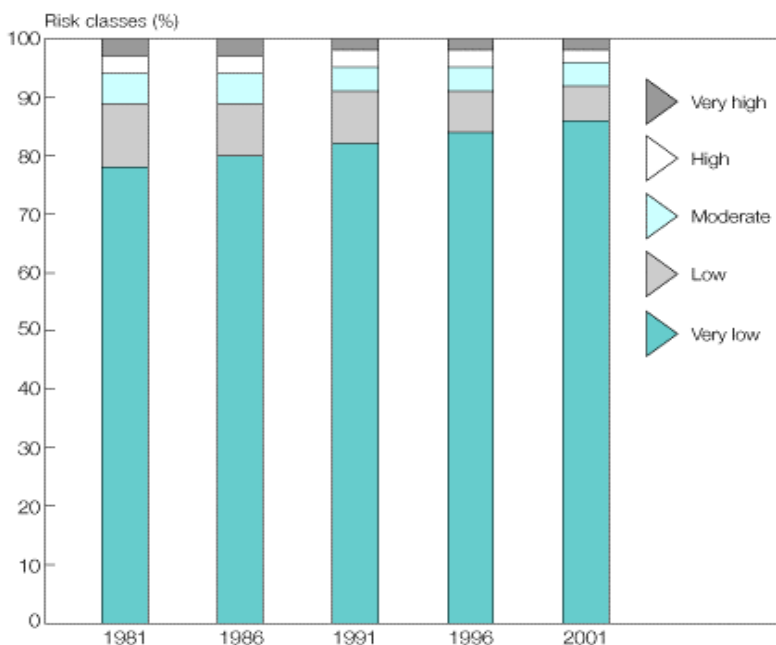
In the context of agriculture, soil quality (or soil health) is the soil's fitness to support crop growth without resulting in soil degradation or otherwise harming the environment. Soil degradation, as might result from erosion or loss of organic matter, can ultimately reduce crop quality and yield and is therefore a concern for all agricultural regions of Canada. Moreover, agricultural soils also benefit society, for example, by providing wildlife habitat, retaining and filtering water, and sequestering carbon, thus helping to mitigate the greenhouse effect.

Agricultural production has the potential to accelerate the soil degradation processes through various land uses and management practices, hastening the symptoms and effects of natural processes such as soil erosion. Other agricultural land uses and management practices (such as conservation tillage methods) can, however, help stabilize or improve soil quality. In recent decades, globalization, market pressures, and technological innovations have spurred Canadian agriculture to increase output and productivity. This has engendered structural changes in the industry, characterized by the adoption of new technologies and a gradual shift toward larger, more intensified operations. This, in turn, has raised concerns about the possible effect of food production on the environment—including soil quality.

Indicators used to assess soil quality include soil erosion by water, wind, and tillage; the rates of change in soil carbon content; and change in soil salinity on the Prairies. Results for all of these indicators show that considerable improvements have occurred between 1981 and 2001, including the indicator that is highlighted here: the risk of water erosion.

Rainfall and surface runoff are the driving forces for water-induced erosion, contributing to large soil losses from farm fields over time, as well as soil degradation. Eroded soil is carried in runoff to agricultural drains, ditches, and other waterways, where it can affect water quality. In addition, crop nutrients, pesticides, and bacteria are often attached to the eroding soil particles and so are also carried into water bodies, adding to the effects on water quality. The risk of water erosion identifies areas at risk of significant water erosion and assesses how this risk is changing over time under prevailing management practices. This risk is expressed as five classes: very low (less than 6 tons of eroded soil per hectare per year), low (6 to 11 tons per hectare per year), moderate (11 to 22 tons per hectare per year), high (22 to 33 tons per hectare per year) and very high (greater than 33 tons per hectare per year). Areas in the very low risk class are considered, under current conditions, able to sustain long-term crop production and maintain agri-environmental health. The other four classes represent the varying risk of unsustainable conditions that would require soil conservation practices to support crop production over the long term as well as to reduce effects on water quality. In 2001, 86.0 per cent of Canadian cropland was in the very low (tolerable) water erosion risk class, up by 8.0 per cent from the 1981 level.

Share of Cropland in Different Water Erosion Risk Classes in Canada, 1981–2001



Source: Agriculture and Agri-Food Canada, *Environmental Sustainability of Canadian Agriculture; Agri-Environmental Indicator Report Series*, 2005, data adapted by Environment Canada, National Indicators and Reporting Office

For further information on the definition and measurement of these indicators, please visit <http://www.agr.gc.ca/env/naharp-pnarsa>.

Contribution of renewables to energy supply (supplemental indicator)

Current performance and trends

Reducing reliance on fossil fuels—a finite source of energy that is a major contributor to acid rain, poor air quality, and climate change—is one course of action for strengthening green economic practices. Viable alternatives include renewable energy sources such as hydro, solar, and wind energy. Renewable energy sources are those that produce electricity or thermal energy without depleting resources. Renewable energy does, however, have negative environmental impacts, such as making large tracts of land unusable for competing uses; the disruption of marine life, bird life, and flora and fauna; and the production of visual and noise pollution. (Natural Resources Canada, 2005; International Energy Agency, *Renewable Energy*, 2002)

Between 1994 and 2003, the contribution of renewables to energy supply (as a percentage of total primary energy supply) in Canada ranged from 15.8 per cent in 2001 to a high of 17.0 per cent in 1996, with the most recent figure of 16.3 per cent in 2003. In contrast, other G-7 countries figures ranged from 1.4 per cent in the United Kingdom to 6.4 per cent in France in 2003. (OECD, *Factbook 2005: Economic, Environmental and Social Statistics*, 2005) For further information on renewable energy in Canada, consult Natural Resource Canada's Canadian Renewable Energy Network at <http://www.canren.gc.ca>.

Energy production and use (supplemental indicator)

Current performance and trends

According to the World Bank publication *World Development Indicators 2004*, high-income countries, with 15.0 per cent of the world's population, use more than five times as much energy as low- and middle-income countries on a per capita basis.

The World Bank defines **total energy production** as “forms of primary energy—petroleum (crude oil, natural gas liquids, and oil from nonconventional sources), natural gas, and solid fuels (coal, lignite, and other derived fuels)—and primary electricity, all converted to oil equivalents.” **Energy use** refers to “apparent consumption, which is equal to indigenous production plus imports and stock changes, minus exports and fuels supplied to ships and aircraft engaged in international transport.”

Energy Production and Use, G-7 1990 and 2001

	Total Energy Production (thousands metric tons of oil equivalent)		Energy Use (thousands metric tons of oil equivalent)		Energy Use per Capita (kg of oil equivalent)	
	1990	2001	1990	2001	1990	2001
Canada	273,680	379,207	209,020	248,184	7,524	7,985
France	111,278	132,709	227,114	265,570	4,003	4,487
Germany	186,157	133,745	356,218	351,092	4,485	4,264
Italy	25,547	26,264	152,552	171,998	2,690	2,981
Japan	73,209	104,006	436,523	520,729	3,534	4,099
UK	207,007	261,939	212,176	253,158	3,686	3,982
U.S.	1,650,408	1,711,814	1,927,572	2,281,414	7,728	7,996

Source: World Bank, *World Development Indicators*, 2004

Examining the differences between energy production and energy use, Canada was the only G-7 country whose production exceeded its use, with the exception of the United Kingdom in 2001. Germany was the sole G-7 country to reduce both production and use of commercial energy between 1990 and 2001. Canada had the second highest commercial energy use per capita, closely following the U.S., consuming approximately more than double the quantities of each of the remaining of the G-7 countries. (World Bank, *World Development Indicators 2004*: 140–43)

According to the *Canadian Economic Observer* (Statistics Canada, April 2005), “energy (has) consolidated its place as Canada’s leading resource export” and “Canada’s surplus in trade in energy is now almost as large as all other resource exports combined.” Moreover, “energy exports have doubled since 1999, driven by higher prices and new sources of supply.”

Government of Canada outcome: An innovative and knowledge-based economy

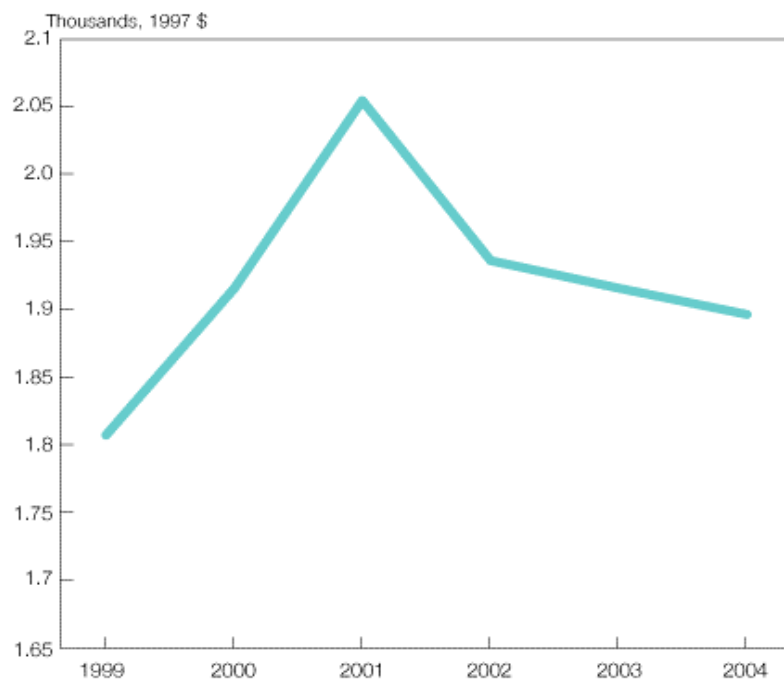
- ▶ Innovation
- ▶ Educational attainment
- ▶ Literacy

Innovation: GERD as a percentage of GDP

Current performance and trends

Canada's Gross Domestic Expenditures on Research and Development (GERD) as a percentage of GDP was 1.89 per cent in 2004, continuing a downward trend from 2.05 per cent in 2001. It is increasingly important for Canada to be competitive with other countries that are aggressively increasing their GERD, such as Finland, Iceland, and Japan, all of which by 2002 exceeded 3 per cent GERD as a percentage of GDP following steady increases since the early 1990s.

Canada's GERD as a Percentage of GDP, 1999–2004



Source: Statistics Canada, Innovation Analysis Bulletin, Volume 7, No. 2, June 2005

Additional information: GERD

After a decrease in 2002, increases in GERD are reported for 2003 and 2004, with a gain of 4.1 per cent in 2003 and estimates of an additional 5.1 per cent in 2004 to reach a total of \$24.5 billion. In 2004, government funded 25.1 per cent of GERD, a figure that represents an overall gain since 1998, when the government share was 21.6 per cent. This is more than an 8.0-per-cent decrease from 1991, however, when government financed 33.8 per cent. In contrast, industry-financed GERD has increased since 1991, growing from 38.2 per cent to 46.2 per cent in 2004.

Performance of GERD

In terms of performance of GERD for 2004, industry performed 51.2 per cent, higher education 38.1 per cent, and government 10.4 per cent. The business enterprise sector's performance share has decreased from 1998 when it was 60.2 per cent, though the 2004 figure represents an increase since 1991 when it was 49.7 per cent. Higher education's performance share of GERD has increased since 1998, from 27.2 per cent in 1998. Government-performed GERD has decreased since 1991, when it was 18.7 per cent. Budget 2005 notes that Canada ranks among the top five nations in terms of publicly performed research (universities, research hospitals, and government laboratories) as a proportion of GDP.

R&D intensity

In 2003, the top three industries for R&D intensity, as measured by R&D spending as a percentage of GDP, were scientific research and development services, communications equipment manufacturing, and health care and social assistance services.

R&D workforce

Between 1991 and 2002, the total number of researchers in Canada increased from 67,080 to 112,630. Per thousand total employment, there were 5.1 researchers in 1991 and 7.2 in 2002. The R&D sector as a whole had a workforce of 177,120 in 2002 or 11.3 personnel per thousand total employment. (Statistics Canada, 2005; OECD, 2004)

For further information on GERD, see the OECD *Factbook 2005: Economic, Environmental and Social Statistics*, which can be accessed on the OECD Web site at <http://www.oecd.org/home>.

Innovation: Triadic patent families

Current performance and trends

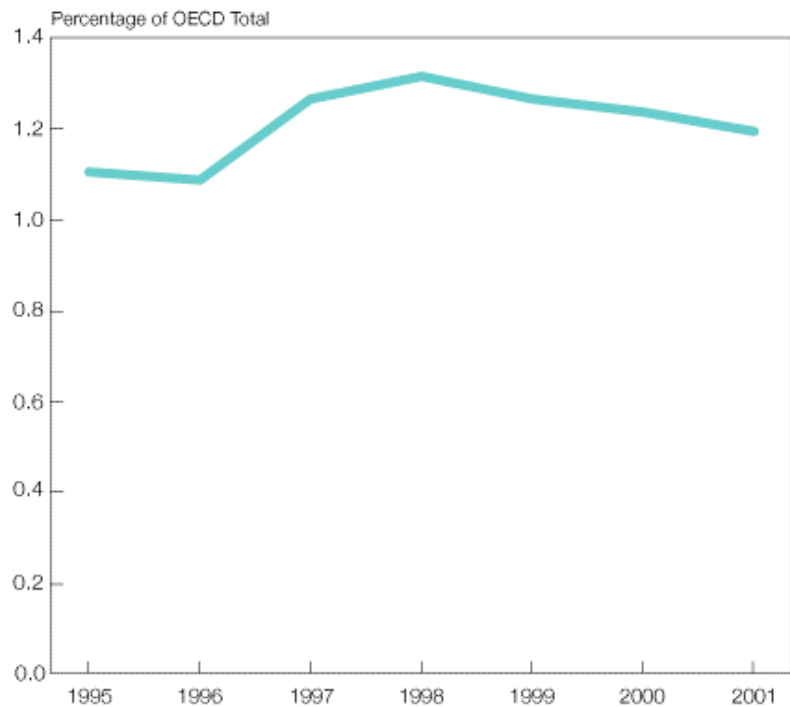
Shares in triadic patent families are used to measure a country's inventive performance, diffusion of knowledge, and innovative activities. Canada's world share in triadic patent families among the OECD countries grew slightly from 1.09 per cent in 1995 to 1.18 per cent in 2001, peaking at 1.30 per cent in 1998. In contrast, the U.S. had the greatest share in 2001 at 35.13 per cent.

Additional information: Triadic patent families

The number of triadic patent families with a Canadian residence of the inventor increased steadily from 1990 to 1998, peaking at 557. Since then, the numbers have decreased to 539 in 1999 and 519 in 2000. Similarly, numbers have decreased overall since 1998 for France, Germany, and the United Kingdom. In contrast, increases are seen for Italy, Japan, and the U.S.

Within the G-7, Canada had the second lowest number of triadic patent families per million population in 2000, with 16.9, greater only than Italy's 13.3. Japan led the way with 92.6. Examining the number of triadic patent families in relation to population size provides some context in terms of capacity to innovate. (OECD, *Main Science and Technology Indicators 2004/2*)

Canada's Share in Triadic Patent Families, 1993–2001



Source: OECD, *Main Science and Technology Indicators 2004/2*

Triadic Patent Families per million population (2000)

Country	Number of Triadic Patent Families per million population (2000)
Canada	16.9
France	35.1
Germany	70.3
Italy	13.3
Japan	92.6
United Kingdom	30.6
U.S.	53.1

(Source: OECD, *Main Science and Technology Indicators 2004/2*)

For further information on triadic patents, see the OECD *Factbook 2005: Economic, Environmental and Social Statistics*, which can be accessed from the OECD Web site at <http://www.oecd.org/home>.

Innovation: Science and engineering article outputs

Current performance and trends

Compared to other OECD countries, Canada's share of science and engineering articles outputs has steadily decreased over the past 15 years. In 2001 output totalled 22,626 articles, down from 23,417 in 1999.

For further information on science and engineering article outputs, see the National Science Foundation report entitled *Science and Engineering Indicators 2004*, Volume 2 (<http://www.nsf.gov/statistics>).

Outputs of Science and Engineering Articles in Canada



Source: National Science Foundation, *Science and Engineering Indicators*, 2004

International comparison

OECD studies suggest that an innovation gap separates Canada from the leading OECD countries. The Canada's Innovation Performance chart shows that in a number of indicators of innovation performance, Canada is considerably behind the U.S. and other G-7 countries.

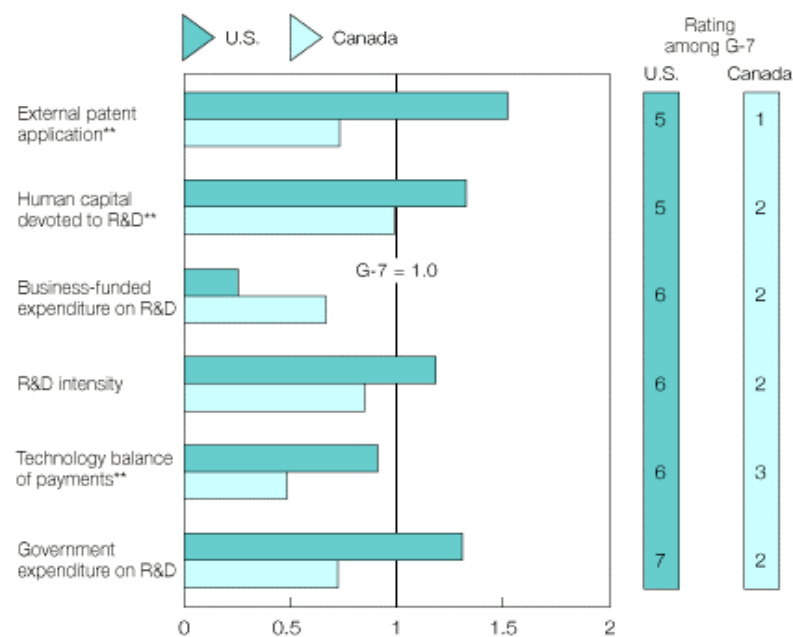
Additional information: The social sciences and humanities

New knowledge takes many forms and is not limited to natural sciences and engineering. Innovative thinking about society and culture, both past and present, contributes to the understanding of the complexity of Canadian society, and insights from research in the social sciences and humanities help to improve the well-being of Canadians. For example, through a better comprehension of relationships, whether between the citizen and the state, within families or across national boundaries, the delivery of health care, education, or immigration services can be improved. In 2004–05, the Social Sciences and Humanities Research Council had a grants, fellowships, and scholarships budget of \$211.0 million to support innovative thinking about real life issues, including the economy, health, the environment, immigration, globalization, security, human rights, law, poverty, literature, addiction, and sexuality. (Social Sciences and Humanities Research Council, 2005)

Additional information on innovation: Commercialization

Building a world-class research environment includes support for the commercialization of research discoveries—transforming ideas into new products, services, and technologies that generate economic and social benefits. Universities and hospitals recorded moderate gains in commercializing inventions between 2001 and 2003, according to preliminary data from the *Survey of Intellectual Property Commercialization in the Higher Education Sector*. The number of inventions beginning the commercialization process rose during the two-year period. The number of invention disclosures was up 7.0 per cent while new patent applications increased 35.0 per cent. During the same period, income from intellectual property commercialization

Canada's Innovation Performance
(Standing Relative to G-7, 2003*)



* or latest year available

**Adjusted by the size of labour force

Source: OECD, *Main Science and Technology Indicators 2004/2*

reached \$51.0 million, up about 7 per cent. However, this rate of growth was not as substantial as the 126.0-per-cent gain between 1999 and 2001. (Statistics Canada, *The Daily*, December 9, 2004)

Educational attainment

Current performance and trends

According to the 2001 Census, 61.0 per cent of Canadians aged 25 to 34 had educational credentials beyond high school—28.0 per cent had a university education, 21.0 per cent held a college diploma, and 12.0 per cent had trade credentials. This is a marked increase over a decade earlier when only 49.0 per cent of people in that age category had credentials past high school.

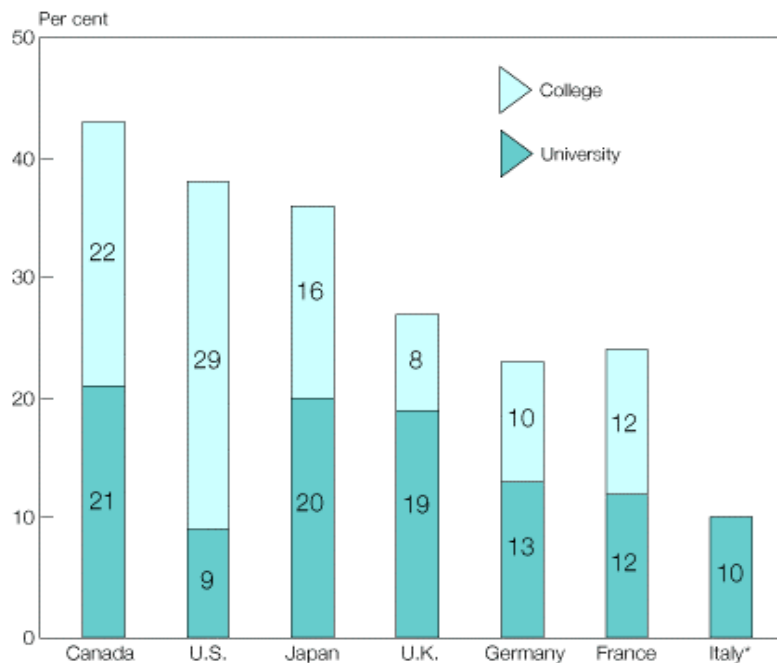
In 2003, full-year, full-time workers with a university degree earned on average \$67,091 compared to \$37,840 for those with only a high school diploma, a difference of \$29,251. (Statistics Canada, 2005)

About two thirds of the new jobs created in Canada will be in management or will require some form of post-secondary education, from trades certificates to advanced degrees. (Human Resources and Skills Development Canada, 2005)

International comparison

According to the OECD, Canada is the world leader in education when considering the combined proportion of university and college graduates. In 2002, 42.6 per cent of Canada's population aged 25 to 64 had completed a college or university education, increasing annually from 29.9 per cent in 1991. Within the rest of the G-7 figures range from the U.S. with 38.1 per cent to 10.4 per cent in Italy.

Population Aged 25–64 with Completed Post-secondary Education, G-7 Countries, 2002



* Only combined university and college data available
Source: OECD, *Education at a Glance*, 2004

Additional information: Educational attainment

According to the OECD, 51.2 per cent of all Canadians aged 25 to 34 had educational credentials beyond high school in comparison with 32.1 per cent of all Canadians aged 55–64. Differences between tertiary attainment of younger and older age groups is a measure of progress in the provision of higher education.

Within the age group of 25–34 year olds, 23.0 per cent of males and 29.0 per cent of females in 2002 attained university and advanced research program levels. Every year since 1998, the proportion of the female population marking this achievement has been higher than the proportion of the male population.

In 2002, 40.0 per cent of Canadian males aged 25–64 attained tertiary level education while 45.0 per cent of females reached the same level. (OECD, *Factbook 2005: Economic, Environmental and Social Statistics*)

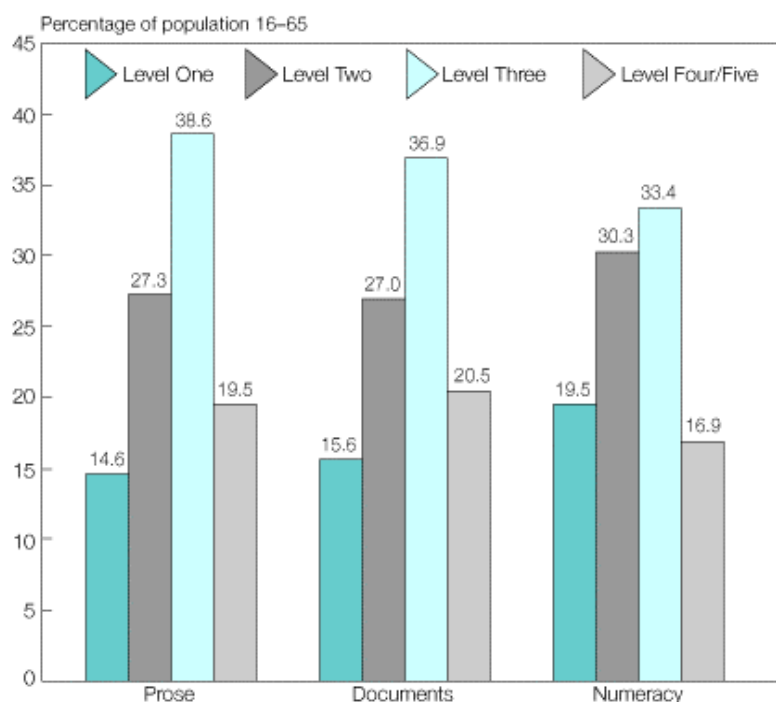
Literacy

Current performance and trends

The 2003 results of the *Adult Literacy and Life Skills Survey* found that the average literacy score for Canadians has not changed significantly since the last major survey in 1994, the *International Adult Literacy Survey*. During this period, there were significant numbers of adult Canadians with low-level literacy skills that constrained their participation in society and in the economy. For example, while 58.0 per cent of Canadian adults aged 16 to 65

placed in the top three literacy levels on the prose scale, 15.0 per cent, or over 3 million Canadians, scored on the lowest level, indicating significant problems with dealing with printed materials. Level 3 is considered the required minimum for successfully functioning within the emerging knowledge society and information economy.

Literacy of Population Aged 16 to 65, Canada, 2003



Source: Statistics Canada, *Adult Literacy and Life Skills Survey, 2003*

International comparison

Among the seven countries that participated in the 2003 survey, Canada ranked roughly in the middle. On the prose scale, residents of Norway and Bermuda performed better than Canada whereas Canadian adults performed slightly better than Americans on all scales.

The 2003 OECD study on the Program for International Student Assessment (PISA) evaluated reading literacy, mathematics literacy, and science literacy of 15-year-old students in 41 countries. In reading, the overall achievement of Canadian students was significantly above the OECD average and only students in Finland outperformed Canadian students. These results are consistent with those of the 2000 PISA study. Canada also performed well in mathematics and science, with two countries and four countries respectively outperforming Canada. Where comparisons of the 2000 and 2003 mathematics results are possible (due to refinements in methodology) similar and improving scores were observed. Lower science performance scores were recorded in 2003 as compared to 2000.

Additional information: Learning a living—*Adult Literacy and Life Skills Survey (2003)*

Literacy is important to the economic success of both individuals and countries, especially in today's highly competitive global economy. Countries are moving quickly to raise the literacy levels of their people. At the individual level, a basic level of literacy is now required to get and keep most jobs and to adjust to changing economic opportunities. At the national level, it enables a country's workforce to compete in a changing world, opening the way for economic growth and enhanced quality of life.

Age

According to the *Adult Literacy and Life Skills Survey*, age and skill level are inversely related, even once results are controlled for educational attainment. In general, young people performed better than older Canadians. Once education was taken into account, however, a decline in literacy scores among 16 to 25 year olds from 1994 to 2003 is observed. The decline was primarily in youths from lower socio-economic backgrounds.

Older age groups demonstrated greater variability in literacy scores. One element of the explanation offered by the *Adult Literacy and Life Skills Survey* is the interaction of an aging effect (effect of age on attention capacity, working memory, spatial ability) and a practice effect (the accumulation of knowledge and experience), together with a range of life experiences. Additional factors to take into account include cohort and period effects: schooling available to an age group during formative years and how recent the schooling was.

Socio-economic background

In the *Adult Literacy and Life Skills Survey*, socio-economic background is the represented level of education and is analyzed using socio-economic gradients that are summarized by education level, slope, and strength of relationship. A review of research literature by the authors of the *Adult Literacy and Life Skills Survey* found that the assertion that parents with higher level of education are advantaged in terms of wealth, prestige, power, and formation of foundation skills is well accepted.

After the U.S., Canada had steepest socio-economic gradient of countries surveyed. Steepness of slope indicates the degree to which parents' education level affects their children's literacy achievements. A steeper slope indicates a greater influence. The Canadian results therefore suggest that youth whose parents have relatively low levels of education tend to have low literacy skills. The opposite is also true: youth with highly educated parents tend to have high literacy skills. It is also important to note, however, that there are a significant number of "resilient" youth in Canada, those with literacy scores at the 4/5 level and parents with lower levels of education.

Gender

Gender-related trends were also observed. Canadian males tended to demonstrate a greater proficiency in numeracy and document literacy skills while females held the advantage in prose literacy, for both the population aged 16 to 65 and the population aged 16 to 65 with completed upper secondary education. The *Adult Literacy and Life Skills Survey* is cautious in their explanations for gender differences, stating that differences are apparent early in life, though choices of training and occupation also carry an impact. From a cross-cultural perspective, Norway, Bermuda, and the U.S. exhibited the same pattern, while Italy, Mexico, and Switzerland did not. In the latter three countries, males demonstrated greater proficiency than females in all areas of literacy with the exception of prose literacy for Italian and Mexican women with completed upper secondary education.

Government of Canada outcome: Income security and employment for Canadians

- ▶ Employment
- ▶ Income security

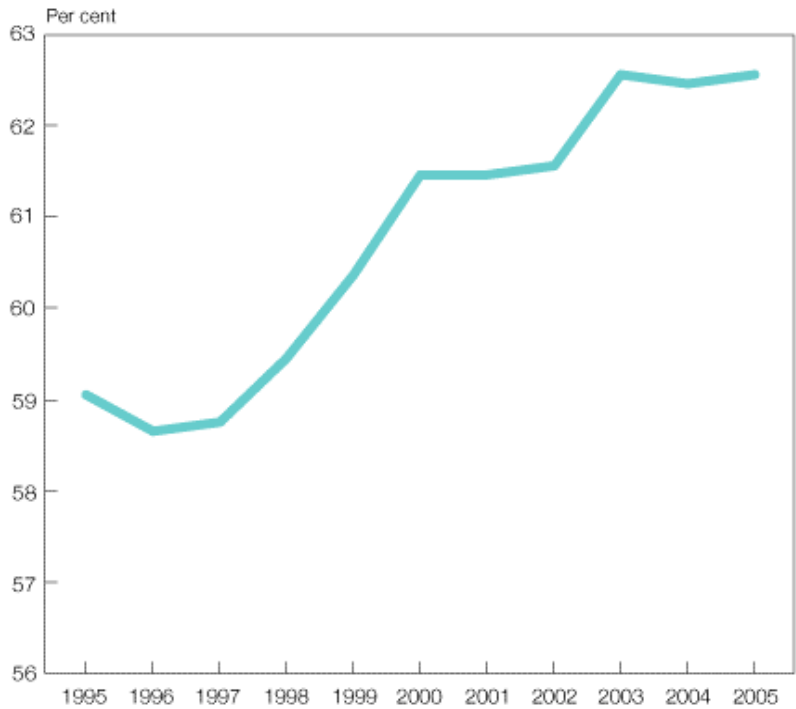
Employment:

Employment growth

Current performance and trends

Canada experienced employment growth in 2004, with a gain of 226,000 jobs between December 2003 and December 2004, continuing an upward trend that began in the mid-1990s. This growth helped to push the number of employed relative to the working-age population (persons 15 and over) to 62.7 per cent for 2004, up from 62.4 per cent in 2003.

Employment in Canada, March 1995 to March 2005



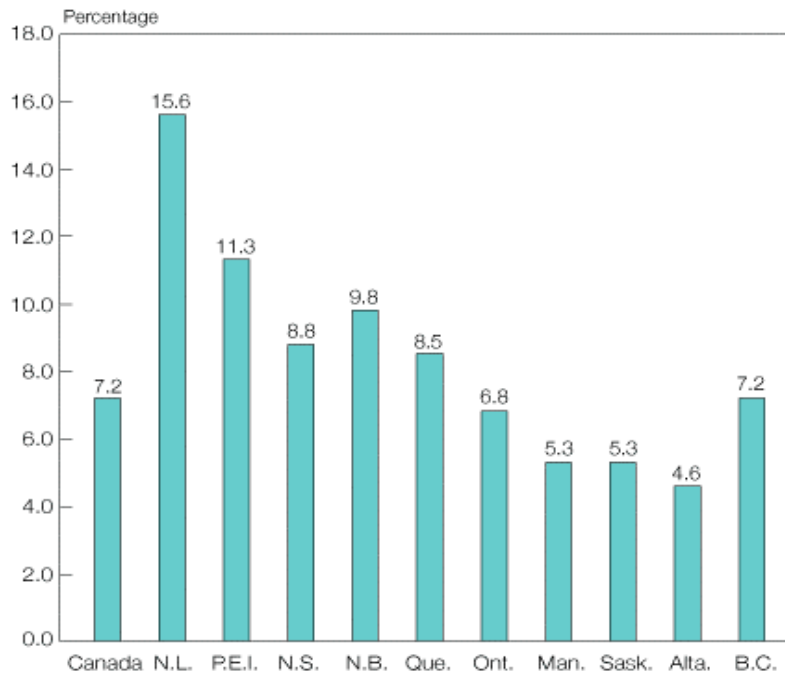
Source: Statistics Canada, 2005

Employment: Provincial differences and unemployment rates

Current performance and trends

The Atlantic provinces and Quebec continue to have higher unemployment rates than the national average. The unemployment rate in British Columbia has surpassed or equalled the national average in each of the last seven years. Ontario, Manitoba, Saskatchewan, and Alberta had unemployment rates below the national average. Comparing the unemployment rate of April 2004 to April 2005, improvements are seen for all provinces.

Annual Average Unemployment Rate by Province, 2004, Canada



Source: Statistics Canada, 2005

International comparison: Employment growth

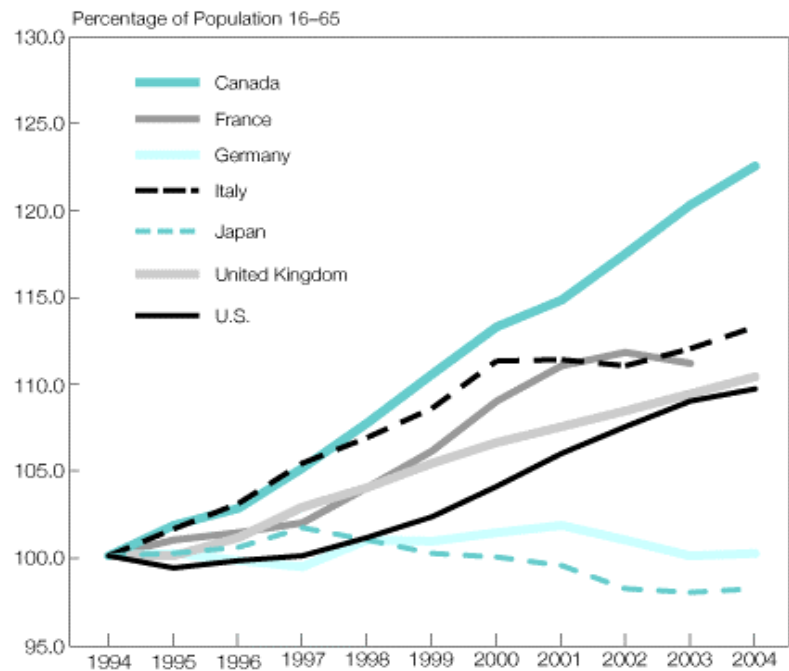
Canada has experienced consistent employment growth since the mid-1990s, in contrast with some G-7 countries, such as Japan and Germany, whose employment growth has been minimal. Between 1997 and 2004, Canada experienced the strongest growth in employment among the G-7 countries, outperforming for example, the U.S. and the United Kingdom.

Income security: RDI per capita

Current performance and trends

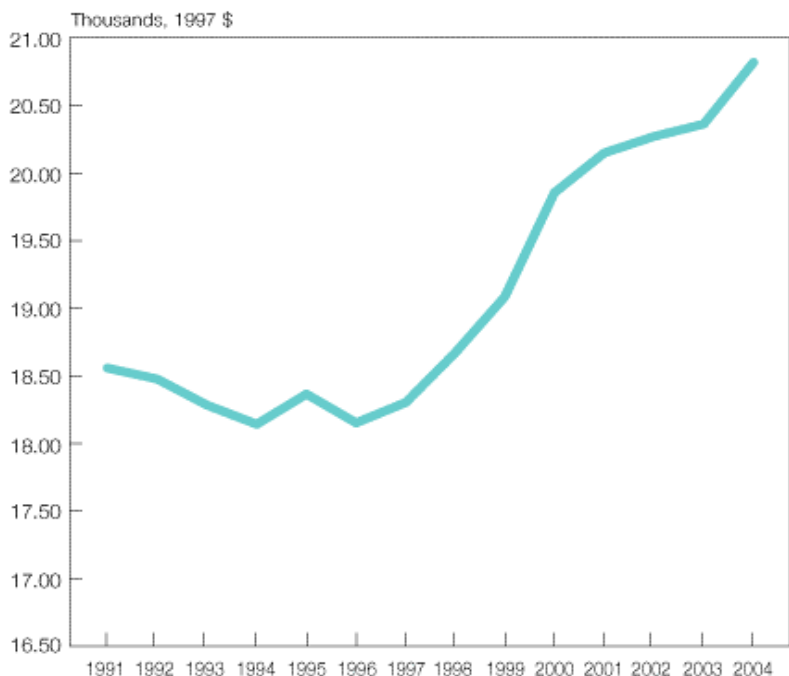
In 2004, RDI per capita rose 1.5 per cent to \$20,780 from \$20,475 in 2003. After declining in the first half of the 1990s, RDI per capita has increased at an average rate of 1.7 per cent per year since 1997, reflecting strong employment growth and cuts in personal taxes. In addition, the 2001 Census indicated increases in overall earnings, defined here as total wages and salaries plus net income from self-employment.

Employment Growth Among G-7 Countries, 1994 to 2004



Source: U.S. Bureau of Labor Statistics, 2005

Real Disposable Income Per Capita, Canada, 1991-2004



Source: Statistics Canada, 2005

Income security: Canada's low-income situation

Current performance and trends

Despite the strong growth in average incomes, some Canadians still experience economic hardships, living on incomes insufficient to meet their daily needs or to allow adequate participation in society. While Canada does not have an official poverty line, low income measures such as Statistic Canada's post-tax low income cutoffs (LICO) are typically used to measure and monitor Canada's low-income situation.

- In 2003, the LICOs varied from \$10,821 for an unattached individual living in a rural area to \$43,381 for a family of seven or more persons living in a large Canadian city.
- The prevalence of Canadians living below the LICOs measure has moved from 13.7 per cent in 1994 to a high of 15.7 per cent in 1996, then down to 11.5 per cent in 2003.
- Low income among seniors has declined significantly, from 21.3 per cent in 1980 to 6.8 per cent in 2003.
- Of the estimated 540,000 single-parent families headed by a woman, 38.4 per cent earned low income in 2003, up from 33.8 per cent in 2001. Their low-income rate peaked at 52.7 per cent in 1996.
- An estimated 11.5 per cent of children, or 843,000 Canadians under the age of 18, were living in low-income families in 2003. This represents a decline from a peak of 18.6 per cent in 1996.

(Statistics Canada, *The Daily*, "Survey of Labour and Income Dynamics," 2005)

Government of Canada outcome: A fair and secure marketplace

► Barriers to entrepreneurship

Barriers to entrepreneurship

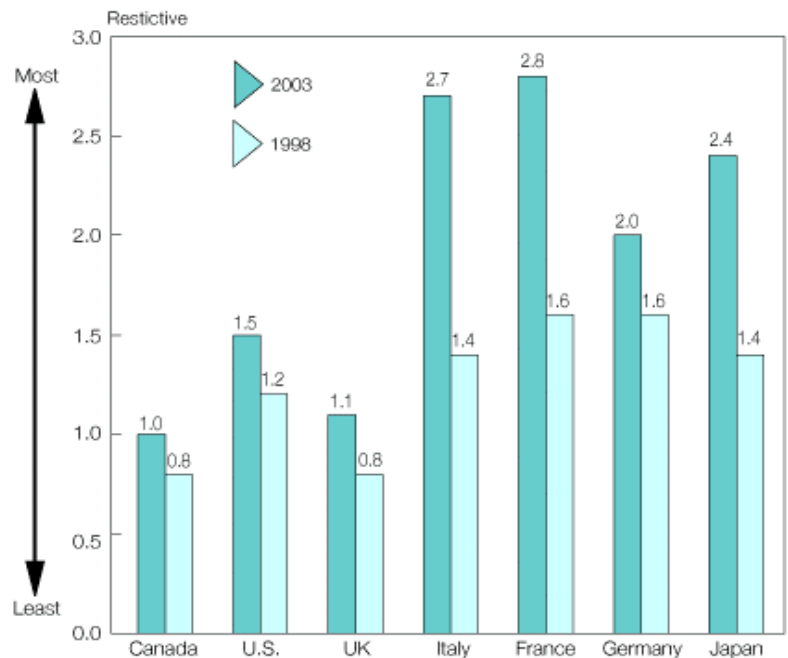
Current performance and trends

According to the OECD, Canada has developed a strong regulatory capacity that has greatly contributed to Canada's economic growth.

Three areas for measuring the regulatory climate and producing an overall score for barriers to entrepreneurship are as follows:

- administrative burden on start-ups;
- regulatory and administrative opacity; and
- barriers to competition.

Barriers to Entrepreneurship Among G-7 Countries, 1998 and 2003



Source: OECD, *Product Market Regulation in OECD Countries, 1998–2003*; OECD, *Economics Working Paper, No. 419, 2005*

In 2003, Canada had the lowest level of regulatory barriers to entrepreneurship among G-7 countries, sharing the top position with the United Kingdom. Canada's overall score has improved from 1998. These low barriers contribute to an innovative economy and provide an advantage for Canadian entrepreneurs in the global marketplace. According to the OECD, however, a key priority for Canada should be to reduce barriers to foreign ownership because restrictions are holding back competition and innovation. (OECD, *Product Market Regulation in OECD Countries, 1998 to 2003*; Ibid, *Economics Working Paper No. 419, 2005*; Ibid, *Economic Policy Reforms—Going for Growth, 2005*)

Government of Canada outcome: A clean and healthy environment

- ▶ Air quality
- ▶ Water use
- ▶ Biodiversity

Air quality: Average concentrations of air pollutants

Current performance and trends

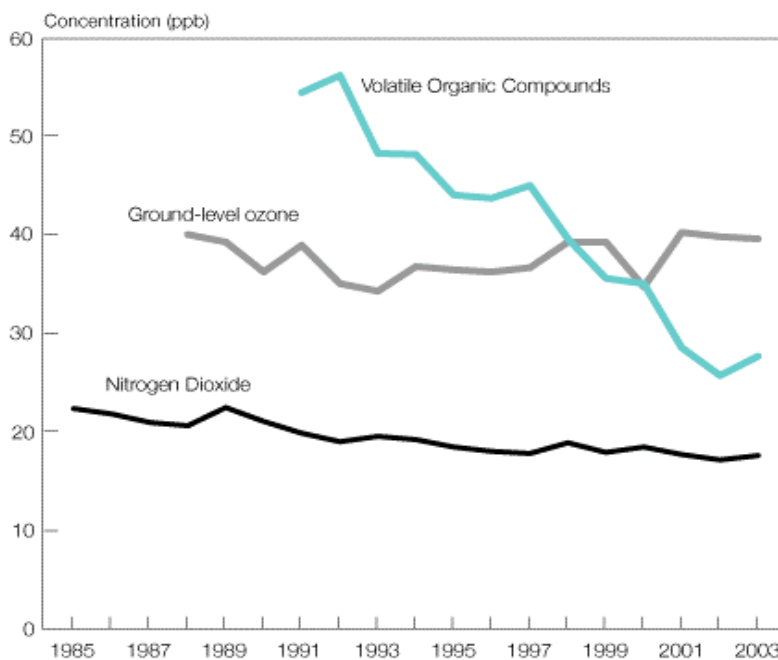
The yearly average concentrations in urban air across Canada of sulphur dioxide (SO₂) and nitrogen oxides (NO_x), volatile organic compounds (VOC), and fine particulate matter (PM_{2.5}) have all decreased overall since the mid- to late 1980s. PM_{2.5} concentrations have shown incremental increases since 2000. Ground-level ozone, which had shown increases since the mid-1990s, remained relatively stable between 2001 and 2003.

Air quality: Peak levels of ground-level ozone

Current performance and trends

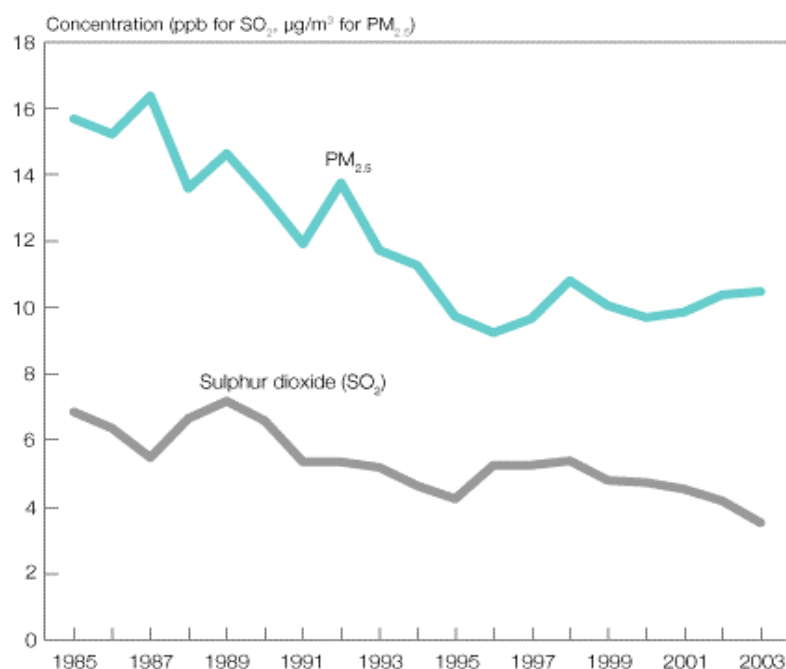
Levels of ground-level ozone can vary considerably on an hourly, daily, and monthly basis, depending on the prevailing meteorological conditions

Annual Average Concentrations of Air Pollutants in Canada, 1990–2003



Source: National Air Pollution Surveillance Network, data adapted by Environment Canada, 2005

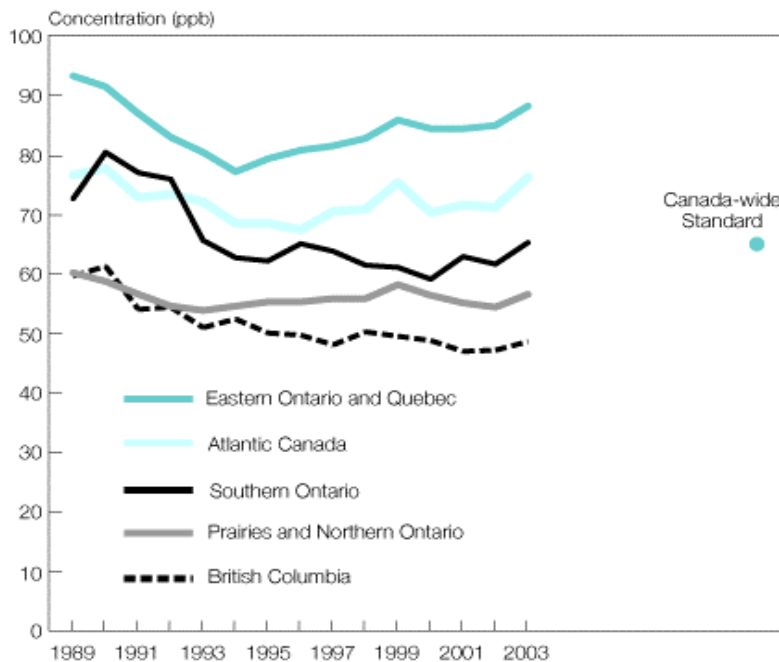
Annual Average Concentrations of Air Pollutants in Canada, 1990–2003



Source: National Air Pollution Surveillance Network, data adapted by Environment Canada, 2005

(especially temperature and air stability), the origin of air masses, and emissions. Since the late 1980s, despite the reductions observed in ambient concentrations of NO_x and VOC, the peak levels of ground-level ozone, averaged across all sites in Canada, have remained relatively stable, though persistently high. These levels vary across the country. Levels tend to be higher east of the Manitoba-Ontario border, especially along the Windsor-Quebec City corridor.

Trends in Peak Levels of Ground-level Ozone in Canada, 1990–2003



Source: National Air Pollution Surveillance Network, data adapted by Environment Canada, 2005

For more information, consult the Environmental Technology Centre Web site, which contains information on measurement and clean air at <http://www.etc-cte.ec.gc.ca/index.html>.

Water use

Current performance and trends

In 2001, average residential water use per person was 335.0 litres per day. Water use involves taking water from the environment as well as returning water to the environment, and as a result a variety of pressures are placed on Canada's water resources. The quantity of water used is a concern, which includes concern over the capability of aquatic ecosystems to meet demand during dry periods. Water quality is a related issue of water use due to the increased use of water treatment chemicals that are subsequently discharged with wastewater.

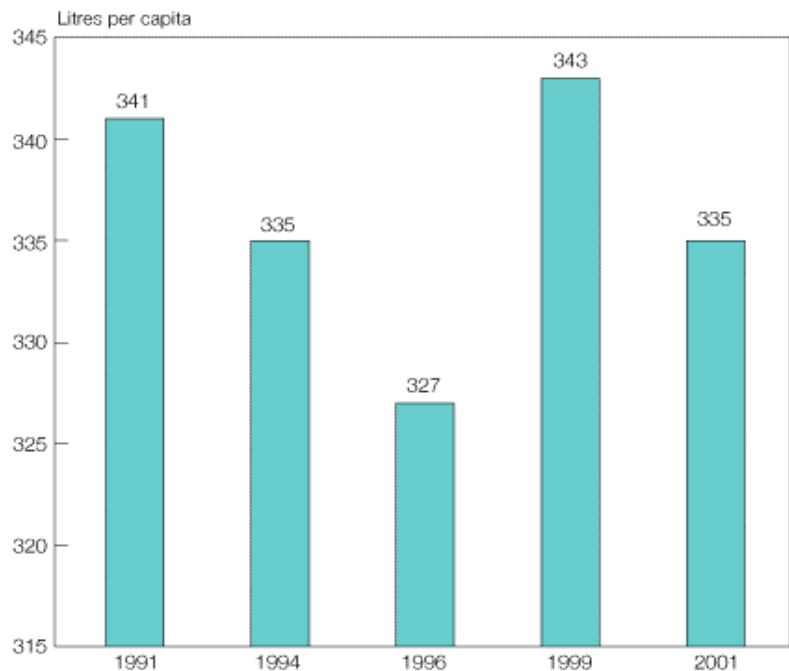
Non-residential water use

In Canada water use is dominated by agriculture and industry—for example, 64.0 per cent of water use in Canada is attributed to the flow of water into and out of thermal power plants.

Additional information: Water quality indices

In 2003, a general picture of the overall quality of Canada's freshwater was developed using water quality index ratings from federal and provincial studies across Canada. Beginning in the late fall of 2005, both the water quality indicator and the coverage of major Canadian watersheds will be enhanced to support comprehensive annual reporting of water quality in Canada, under the Competitiveness and Environmental Sustainability Indicators Initiative. While the first report will focus on protection of aquatic life, other major uses of water such as drinking water, recreation, agriculture and industry will be built in over time to provide a more complete picture of water quality in Canada and its links to Canada's society and economy.

Average Daily Water Use, Residential Sector, 1991–2001



Source: Environment Canada, *Municipal Water Use, 2001 Statistics*, 2005

Water quality is monitored in lakes and rivers across Canada by federal, provincial, and territorial agencies. Annual reporting on water quality under the competitiveness and environmental sustainability indicators initiative will begin in the fall of 2005. The first report will describe a national picture of water quality as it relates to the protection of aquatic life. Future reports will assess water quality as it relates to other major water uses, namely source water for drinking, water for recreation, water for agriculture, and water for industrial use.

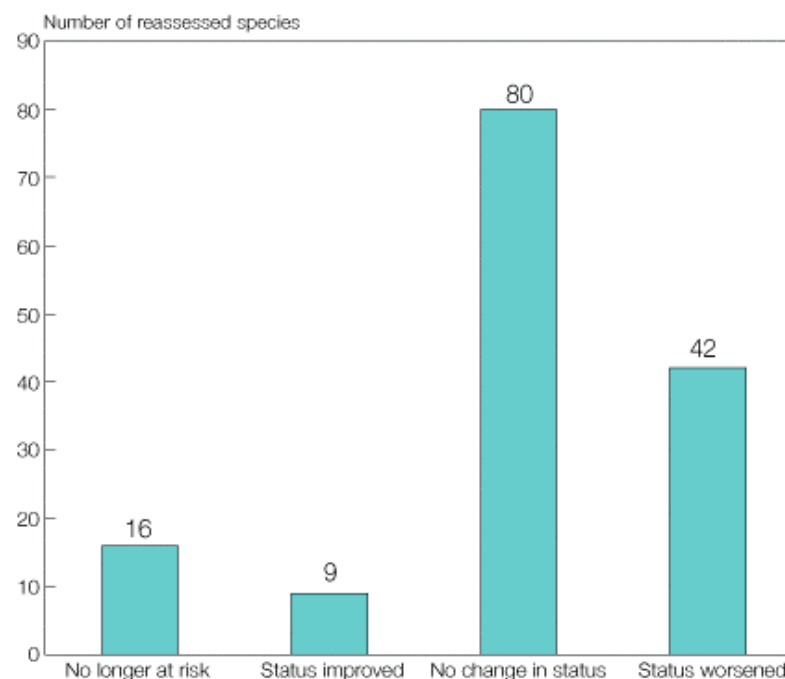
Biodiversity: Species at risk

Current performance and trends

Since 1978, the Committee on the Status of Endangered Wildlife in Canada (COSEWIC) has been assessing and reassessing the status of Canadian wild species suspected of being at risk.¹ By May 2005, COSEWIC had assessed 687 species, 487 of which were determined to be at risk (extirpated, endangered, threatened, or of special concern). In addition, the total number of extinct species has risen from 12 to 13 between May 2004 and May 2005. A

total of 147 species have been reassessed by COSEWIC more than once. Of these, the status of 42 species worsened (28.6 per cent) whereas 25 species (17.0 per cent) improved, i.e. were determined to be no longer at risk or placed in a lower risk category. This would seem to illustrate that, despite some successes, the state of biodiversity overall has deteriorated. As an indicator, however, COSEWIC reassessments offer only a glimpse of the overall status of biodiversity in Canada. Other indicators are currently under development for Canada.

Change in Status of Reassessed Species at Risk, Canada, 1985–2005



Source: COSEWIC, 2005

1. COSEWIC uses the following status categories for assessments and reassessments of species at risk: extinct, extirpated, endangered, threatened, special concern, and not at risk.

Additional information: Sustainable economic growth

Economic growth and environmental concerns

In Canada, individual lifestyles and the degree to which more environmentally benign technologies are embraced are as important indicators of environmental stress as is total population. The slight decline in per capita energy use since 1990, coupled with a significant increase in per capita economic growth, indicates that the Canadian economy is becoming more energy efficient. There are limitations, however, in the types of measures that illustrate the extent to which economic activity is affecting the environment. Over the coming years, as better indicators of the relationship between the economy and the environment are developed, the Government of Canada will be able to track how rapidly Canada's economy is embracing environmental values and to what degree economic growth is depleting Canada's natural capital. (Environment Canada, *Environmental Signals*, 2003)

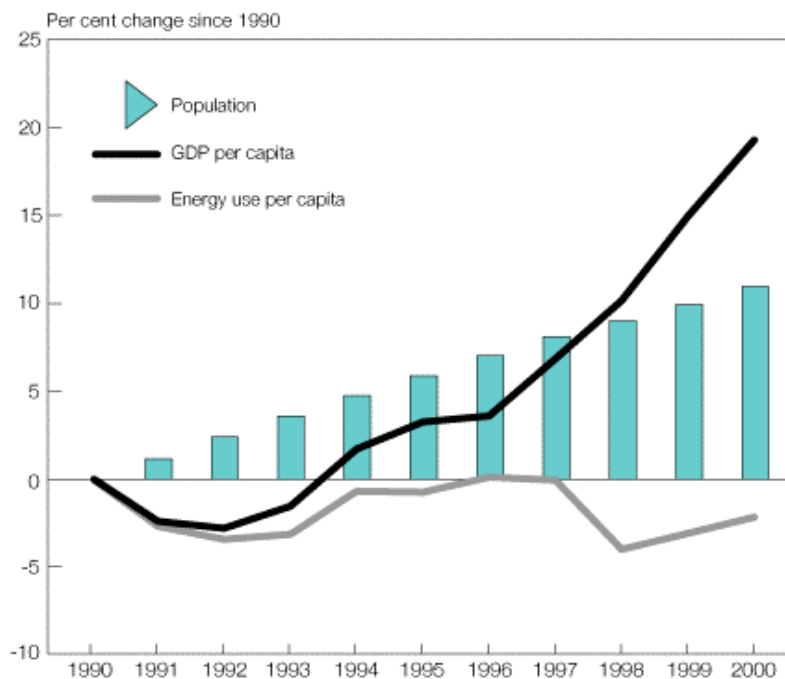
Securing Canada's natural capital

For more information, see the National Round Table on the Environment and the Economy publication entitled *Securing Canada's Natural Capital: A Vision for Nature Conservation in the 21st Century* (http://www.nrtee-trnee.ca/eng/index_e.htm).

Canada's demographic challenge

An aging population will be a key challenge facing the Canadian economy over the coming decade. Currently there are more than five people of working age for every person of retirement age, and by 2050 the ratio will be less than 2.5 to 1. While this is a worldwide phenomenon that will affect all G-7 countries, Canada will experience one of the largest increases in the ratio of

Change in Population, GDP Per Capita, and
Energy Use Per Capita



Source: Environment Canada, *Environmental Signals*, 2003

the elderly to the population aged 15–64 over the next 25 years. Labour scarcity is therefore an immanent phenomenon and one that requires sustained consideration.

The projected decline in the employment-to-population ratio will gradually become a hindrance to growth in living standards beyond 2010. Two strategies to deal with the upcoming labour scarcity are the integration of immigrants into the labour market and assurance that older Canadians do not face disincentives to work. Moreover, improvements in the living standards of Canadians will increasingly have to rely on productivity growth. Productivity is the amount of output per unit of input used. Canada must concentrate on the drivers of increased productivity: human capital, innovation, and physical capital.

The reduction of the public debt burden since 1995—resulting in lower debt charges—has put Canada in a better position to face emerging demands on social programs, such as health care and universal public pensions, and has provided more flexibility to deal with emerging demographic spending pressures. It is estimated that as a result of demographic change, government health care expenditures will increase to 11.2 per cent of GDP by 2050, up from 7.1 per cent in 2004. Canada’s retirement income system, comprised of Old Age Security, Canada Pension Plan and Quebec Pension Plan, registered retirement savings plans, and registered pension plans, is on solid ground. For example, the 1997 reforms to the Canada Pension Plan have ensured its sustainability for the next 75 years.

2. Canada's Social Foundations

Government of Canada outcome: Healthy Canadians with access to quality health care

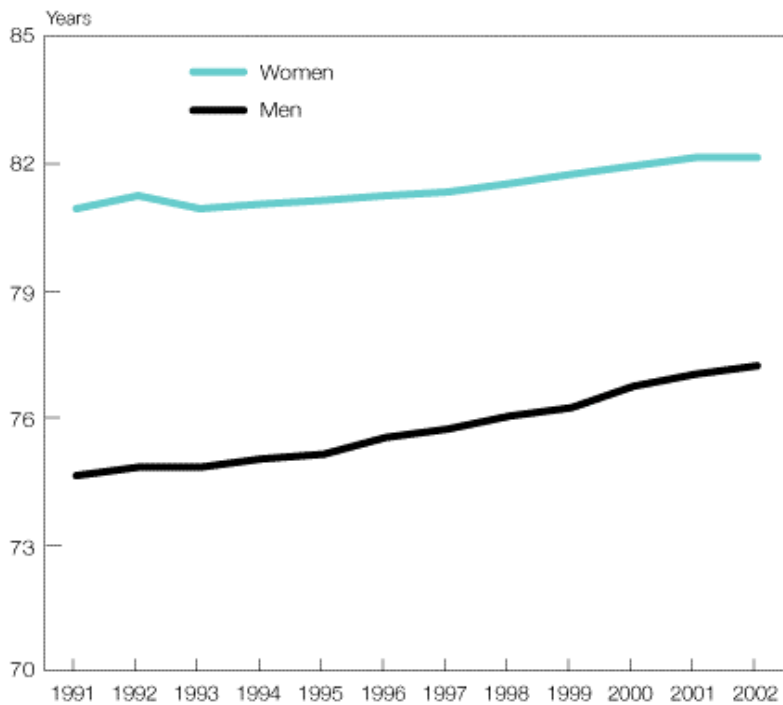
- ▶ Life expectancy
- ▶ Self-rated health
- ▶ Healthy lifestyles
- ▶ Waiting times
- ▶ Patient satisfaction
- ▶ Health expenditures (supplemental indicator)
- ▶ Infant mortality (supplemental indicator)
- ▶ Non-smoking population (supplemental indicator)

Life expectancy

Current performance and trends

Life expectancy for Canadians reached 79.7 years in 2002 compared with 77.8 years in 1991. A woman born in 2002 can expect to live 82.1 years, while a man can expect to live 77.2 years. The gender gap has nevertheless significantly decreased in recent years. While women were expected to live 7.1 years longer than men in 1981, today women are expected to live 4.9 years longer than men. (Statistics Canada, *The Daily*, September 27, 2004, and Statistics Canada Database).

Life Expectancy at Birth, by Sex, Canada, 1991 to 2002



Source: Statistics Canada, Vital Statistics, Birth and Death Database, 2004

International comparison

The remarkable gains in life expectancy in the G-7 countries over the past four decades are due largely to rising standards of living, public health interventions, and progress in medical care. According to the OECD, Japan had the highest life expectancy among G-7 countries in 2002 (81.8 years) followed by Italy (79.9 years) and Canada (79.7 years). The U.S. ranked lowest among G-7 countries at 77.2 years. (OECD, *Health Data 2005: Statistics and Indicators for 30 Countries*)

Additional information: Regional variations

There are wide variations in health status indicators within Canada, including life expectancy. For instance, the Richmond Health Service Delivery Area (RHSDA) in British Columbia leads the way with the highest life expectancy in Canada at 83.4 years, while the Région de Nunavik in northern Quebec has the lowest life expectancy at 66.7 years, for both men and women. Placed within an international perspective, these disparities are especially revealing, as RHSDA's life expectancy would rank at the top of all [World Health Organization](#)'s countries, two years higher than the current leader Japan, while the Région de Nunavik would stand between the Dominican Republic (67.0 years) and Egypt (66.5 years), each ranked at 111 and 112 out of 191 countries. (Statistics Canada, *The Daily*, February 1, 2005)

Additional information: Socio-economic determinants

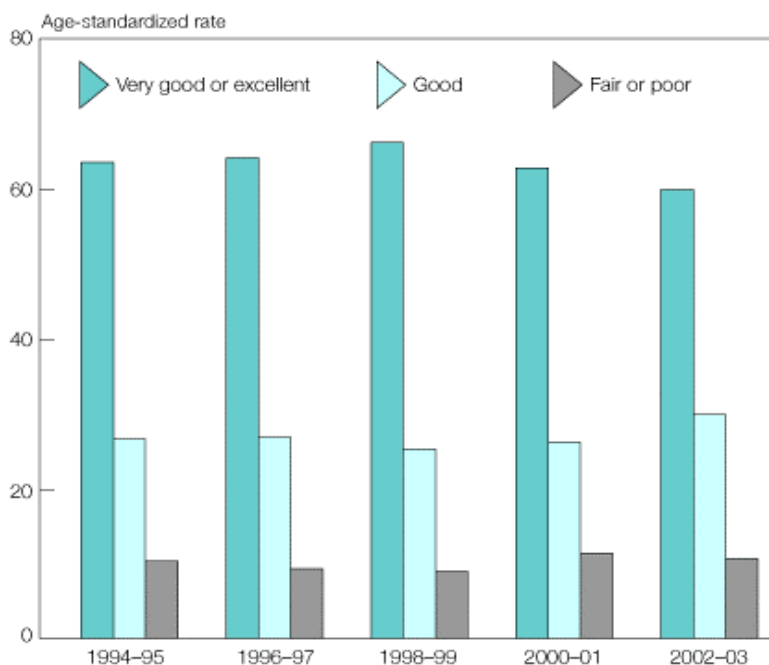
The links between geography, socio-economic characteristics, health behaviours, and health status are complex. Recent data indicate that Canadian communities with the lowest life expectancies are in the most northern and isolated parts of Canada and are also characterized by low incomes and a high proportion of the population receiving government transfer payments. Smoking, heavy drinking, and high mortality rates due to suicides and accidents are also prevalent in these health regions. The health regions enjoying the highest life expectancies, meanwhile, are typically urban communities experiencing high population growth and are characterized by higher incomes and educational attainment. (Statistics Canada, *The Daily*, February 1, 2005)

Self-rated health

Current performance and trends

Over the last decade the proportion of Canadians describing their health as excellent or very good declined among both men and women in every age group. In 2003, 59.6 per cent of Canadians aged 12 and older reported that they were in excellent or very good health, down from 62.5 per cent in 2000–01 and 63.3 per cent in 1994–95. The percentage of Canadians who rated their own health as good increased, however, from 26.5 per cent in 1994–95 to 29.7 per cent in 2002–03.

Self-rated Health of Canadians, Aged 12 and Over, 1994 to 2003



Source: Statistics Canada, *National Population Health Survey, 1994-99*; *Canadian Community Health Survey, 2000-03*

The percentage of Canadians who rated their health as fair or poor stayed relatively stable from 10.2 per cent in 1994–95 to 10.6 per cent in 2003. People in Canada who reported fair or poor health also reported lower income levels, infrequent exercise, lower educational attainment and older age. (Statistics Canada, *Health Reports*, “Regional Socio-economic Context and Health,” 2004)

International comparison

Internationally, Canada ranks second after the U.S. in the percentage of the population reporting their health status as either good or better. (OECD, *Health Data 2005: Statistics and Indicators for 30 Countries*)

According to the *Joint Canada/United States Survey of Health*, the vast majority in both countries—88.0 per cent of Canadians and 85.0 per cent of Americans—reported that they were in good, very good, or excellent health in 2003.

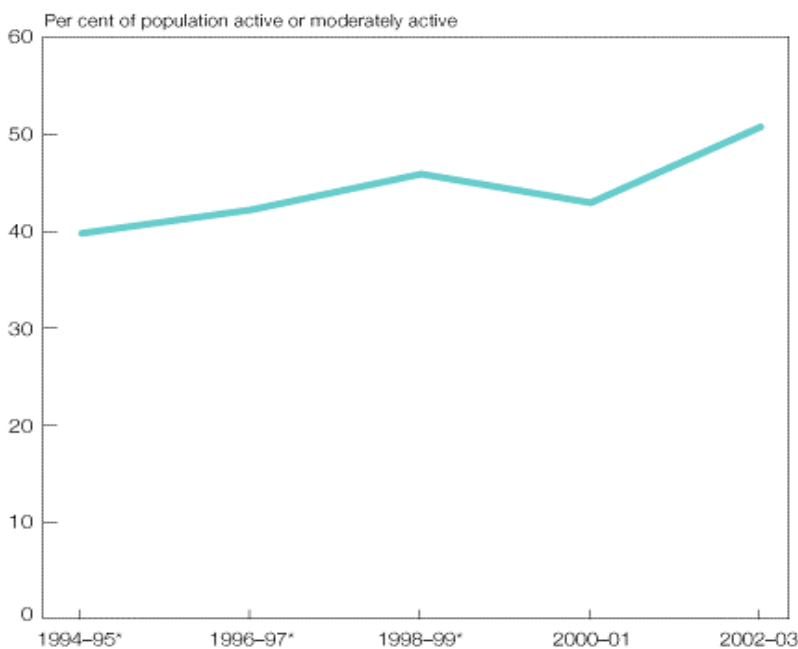
Americans were slightly more likely to report excellent health than Canadians. This was mainly the result of the 15.0 per cent of Americans aged 65 and older that reported excellent health, almost twice the proportion of Canadians (8.0 per cent) in the same age group. Overall, the range of health status was more polarized in the U.S. than it was in Canada. More Americans reported being at either end of the health status spectrum as 26.0 per cent stated they were in excellent health and 15.0 per cent in fair or poor health compared with 24.0 per cent and 12.0 per cent respectively for Canadians according to Statistics Canada's *Joint Canada/United States Survey of Health*.

Healthy lifestyles: Physical activity

Current performance and trends

The prevalence of physical activity among Canadians has significantly increased over the past decade. In 2003, 50.4 per cent of Canadians aged 12 and over were at least moderately physically active during their leisure time, up 7.8 percentage points from the 2000–01 survey and 11.0 percentage points from the 1994–95 survey. (Statistics Canada, *Canadian Community Health Survey*, 2004)

Leisure-time Physical Activity Rate of Canadians, Aged 12 and Over, 1994 to 2003



* Data do not include territories.
Source: Statistics Canada, *National Population Health Survey*, 1994-99;
Canadian Community Health Survey, 2000-03

Healthy lifestyles: Body weight

Current performance and trends

From 1994–95 to 2003–04, the proportion of Canadian adults considered obese grew from 12.7 per cent to 23.1 per cent, reaching 5.5 million people. In 2004, about 22.9 per cent of adult men and 23.2 per cent of adult women were considered obese, indicating few differences between sexes. Rates of obesity were highest, however, for both men and women in the age group of 45 to 64 years old.

The proportion of Canadians considered overweight also increased slightly during the past three years. In 2004, 36.1 per cent of the adult population aged 18 and over was considered overweight, compared to 32.4 per cent in 2000–01. (Statistics Canada, 2005)

International comparison

Canada is experiencing what the World Health Organization has called a global epidemic of obesity. The prevalence of obesity is rising not only in western countries such as the U.S., the

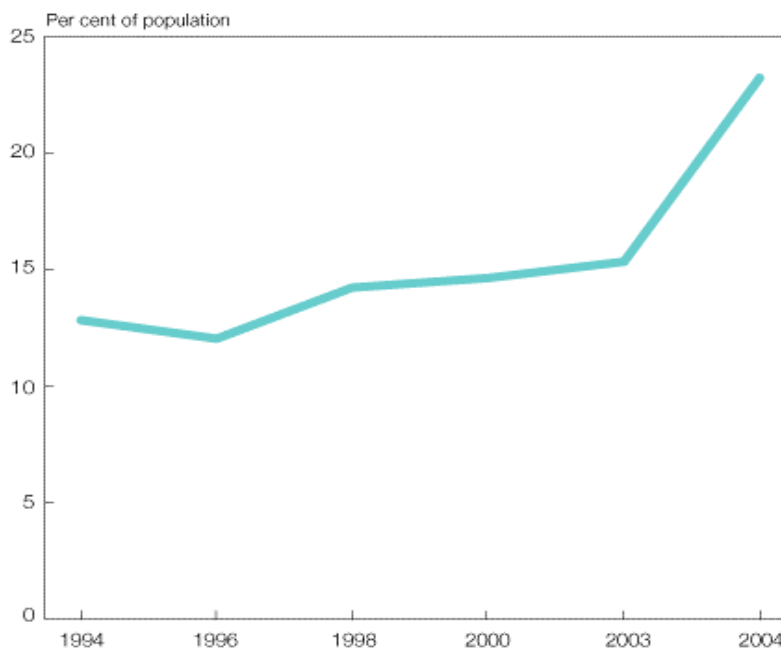
United Kingdom, Australia, Germany, the Netherlands, Sweden, and Finland, but also in countries such as Brazil, China, and Israel. According to the OECD, the U.S. has the highest proportion of adults considered overweight or obese, followed by Mexico, the United Kingdom, and Australia. (OECD, *Health Data 2005: Statistics and Indicators for 30 Countries*)

Additional information: Obesity: A growing issue

A recent study based on the *National Population Health Survey* found that once overweight, Canadians are far more likely to continue to tip the scales into obesity than reverse the trend and return to their normal weight. In fact, almost one quarter of Canadians who had been overweight in 1994–95 had become obese by 2002–03. The study also indicates that only half as many, about 10 per cent, who had been overweight were in the normal weight range eight years later.

Over the eight years, this translates into more than 1.1 million adult Canadians joining the ranks of the obese. Between 1995 and 2003, 38.0 per cent of the men whose weight was normal had become overweight compared to 28.0 per cent of the women. Women (28.0 per cent) were more likely to go from being overweight to being obese than men (20.0 per cent), but for both men and women being a member of a high-income household was associated with a decreased likelihood of becoming obese. (Statistics Canada, *The Daily*, April 7, 2005)

Proportion of Obese Canadians (BMI 30.0 or Higher),* Aged 18 and over, 1994 to 2004



* Health Canada guidelines
Source: Statistics Canada, *National Population Health Survey, 1994–99*,
Canadian Community Health Survey, 2000–04

Another study also indicated that the prevalence of Canadians being overweight generally increases the more rural the region. While the percentage of Canadians being overweight ranged from a low 26.5 per cent in major metro regions, it rose to over 40 per cent in rural and northern regions. (Statistics Canada, *Rural and Small Town Analysis Bulletin*, October 2003)

For more information on obesity, click on the following:

[Obesity: A Growing Issue](#)

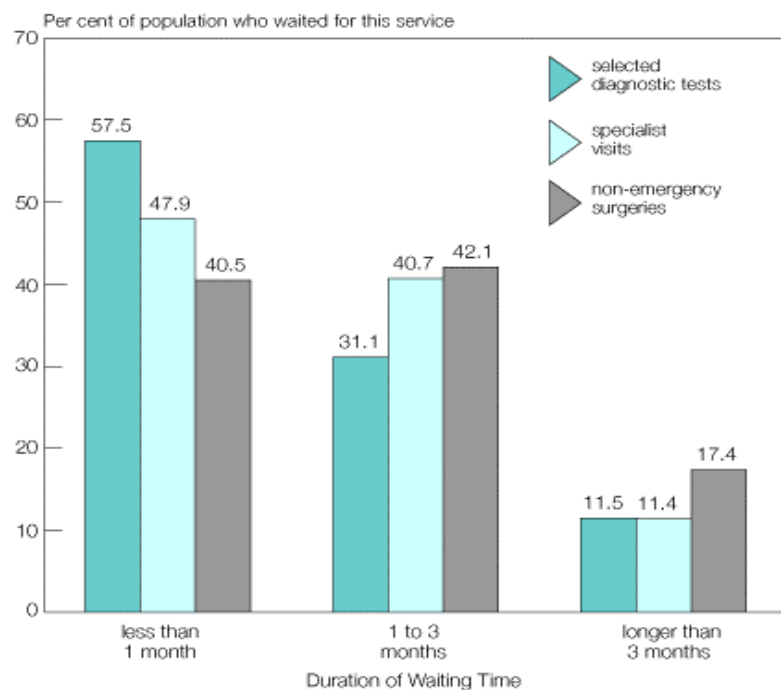
[Joint Canada/United States Survey of Health](#)

Waiting times

Current performance and trends

Nationally, the self-reported median wait to consult a specialist (i.e. visits to a specialist for a new illness or condition) was four weeks. This means that half of the people waited longer and half waited less. The proportion of individuals who reported that they were affected by waiting for care ranged from 10.0 per cent for non-emergency surgery to 19.0 per cent for specialist visits. The primary effects of waiting for specialized care were worry, stress and anxiety, pain, and problems with activities of daily living. The study also indicated that waiting times vary across provinces. (Statistics Canada, *Access to Health Care Services in Canada*, 2004)

Distribution of Waiting Times by Duration, Canada, 2003



Source: Statistics Canada, *Access to Health Care Services in Canada*, 2004

Overall, the majority of Canadians who accessed any of the three specialized services (visit to a specialist, non-emergency surgery, and diagnostic tests) waited three months or less. Individuals who waited to visit a specialist or get a diagnostic test were more likely to get care within one month than those waiting for non-emergency surgery. The comparable self-reported waiting time

data at the provincial level indicate that there was some variation in waiting times across provinces.

Patient satisfaction

Current performance and trends

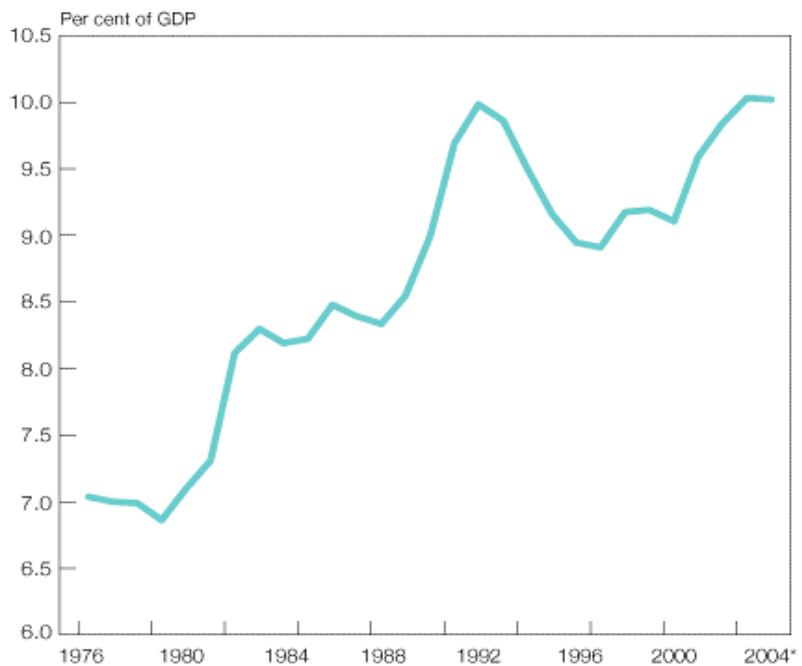
Between 2000–01 and 2002–03, the percentage of Canadians who rated the quality of overall health services as being either excellent or good increased from 84.4 per cent to 86.6 per cent. During the same time period, the percentage of Canadians who reported that they were very satisfied or somewhat satisfied with those services also increased, from 84.6 to 85.3 per cent. (Statistics Canada, *Canadian Community Health Survey*, 2000–01 and 2003)

Health Expenditures (supplemental indicator)

Current performance and trends

The [Canadian Institute for Health Information \(CIHI\)](#) estimated that in 2004 Canada spent \$130 billion on health care, a \$7.0-billion increase from 2003. This 5.0-per-cent increase represents the lowest rate of annual increase since 1997. This brought health care's share of the total economy—the GDP—to approximately 10 per cent, a peak first reached in 1992 and repeated in 2003. CIHI estimates for 2004 also shows health spending in Canada at an average of \$4,078 per person. (Canadian Institute for Health Information, *Health Care in Canada 2005*)

Total Health Expenditure as a Percentage of GDP, Canada, 1975 to 2004



* 2004 forecast

Source: Canadian Institutes of Health Information and Statistics Canada, 2005

Public sector spending currently accounts for seven out of every ten dollars spent on health care. In 2004, governments and social security programs spent \$91.1 billion. Public expenditures on health in 2004 were approximately 40 per cent higher than in 1993.

Infant mortality (supplemental indicator)

Current performance and trends

The Canadian infant mortality rate has dropped steadily in the past decade from 6.4 deaths per 1,000 live births in 1991 to 5.2 per 1,000 in 2001. Infant mortality in Canada for 2002, however, was 5.4 deaths per 1,000 live births, an increase of 0.2 live deaths from the previous year. (Statistics Canada, *The Daily*, September 27, 2004)

International comparison

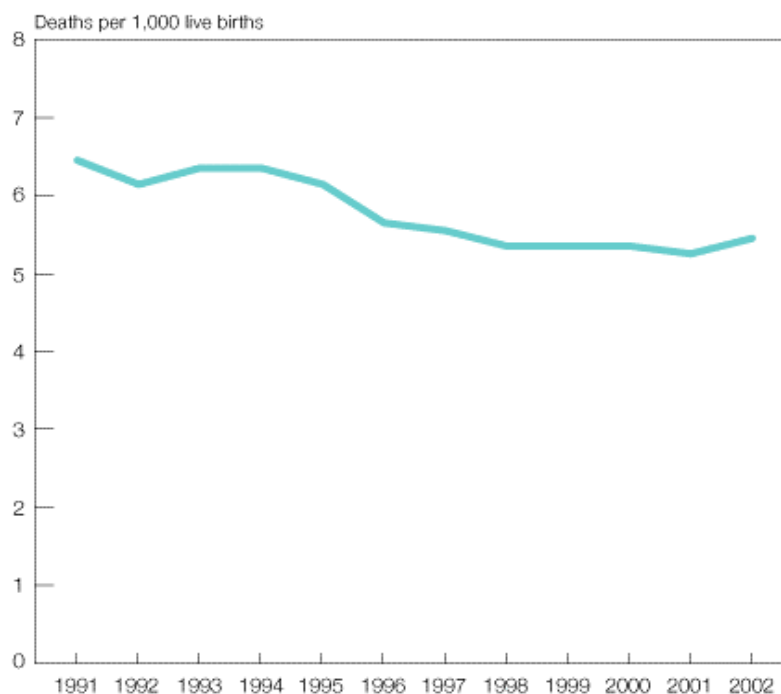
Canada ranked sixth among G-7 countries in 2002, with 5.4 infant deaths per 1,000 live births. Only the U.S. had a higher rate at 7.0 per 1,000. (OECD, *Health Data 2005: Statistics and Indicators for 30 Countries*)

Non-smoking population (supplemental indicator)

Current performance and trends

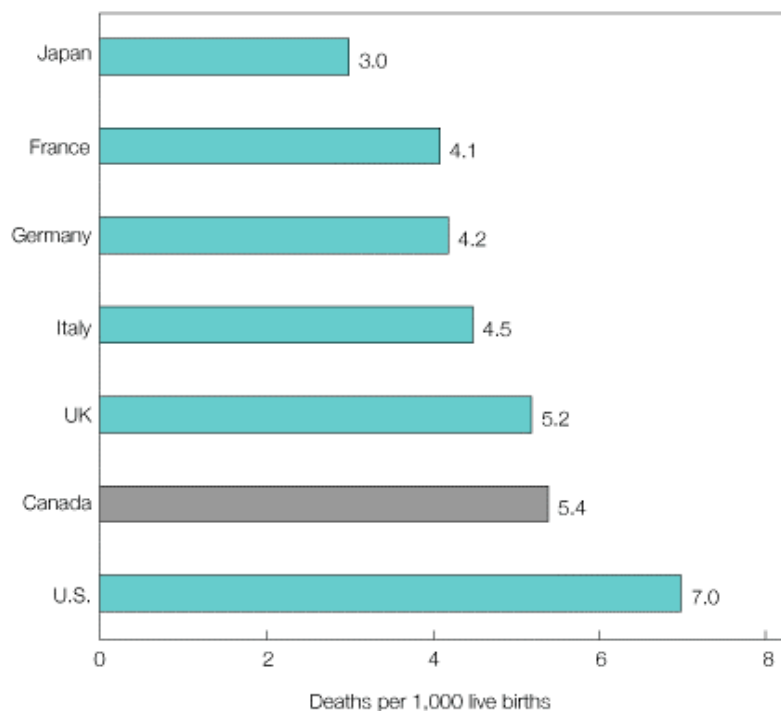
Smoking has declined substantially over the past decade. In 1994, 29.3 per cent of the Canadian population aged 12 and over smoked either daily or occasionally. By 2003, this had declined to 22.9 per cent.

Canadian Infant Mortality Rates, 1991 to 2002



Source: Statistics Canada, Canadian Vital Statistics, Birth and Death Databases and Canadian Socio-Economic Information Management System, 2004

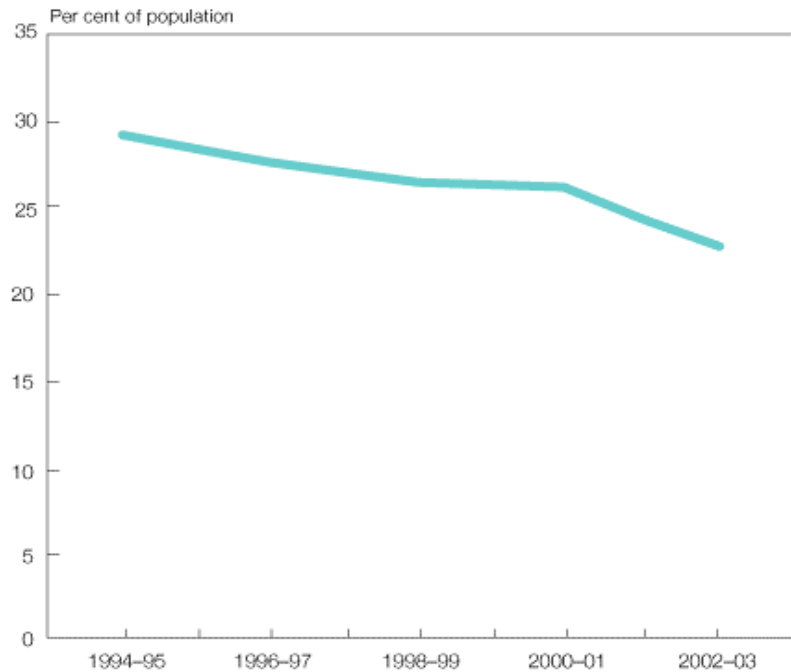
Infant Mortality Rates, G-7 Countries, 2002



Source: OECD, *Health Data 2005: Statistics and Indicators for 30 Countries*

Some of the biggest declines in daily smoking were among teenagers and young adults, the target of numerous federal, provincial, and municipal anti-smoking campaigns in recent years. These declines have accelerated in the past two years. For example, 13.6 per cent of teen girls aged 15 to 19 smoked daily in 2003, down from 18.9 per cent in 2000–01, and 20.9 per cent in 1994. One third (33.2 per cent) of young adults aged 20 to 24 smoked either daily or occasionally in 2003—the highest rate of any age group. (Statistics Canada, *The Daily, Canadian Community Health Survey*, June 15, 2004)

Population Aged 12 and Over Who Reported Being Daily or Occasional Smokers, Canada, 1994 to 2003



Source: Statistics Canada, *Canadian Community Health Survey*, 2003

Government of Canada outcome: Inclusive society that promotes linguistic duality and diversity

- ▶ Attitudes toward diversity
- ▶ Volunteerism
- ▶ Political participation
- ▶ Attitudes toward linguistic duality (supplementary indicator)
- ▶ Sense of belonging (supplementary indicator)
- ▶ Discrimination and racism (supplementary indicator)
- ▶ Mixed unions (supplementary indicator)
- ▶ Attitudes toward same-sex marriages (supplementary indicator)

Attitudes toward diversity

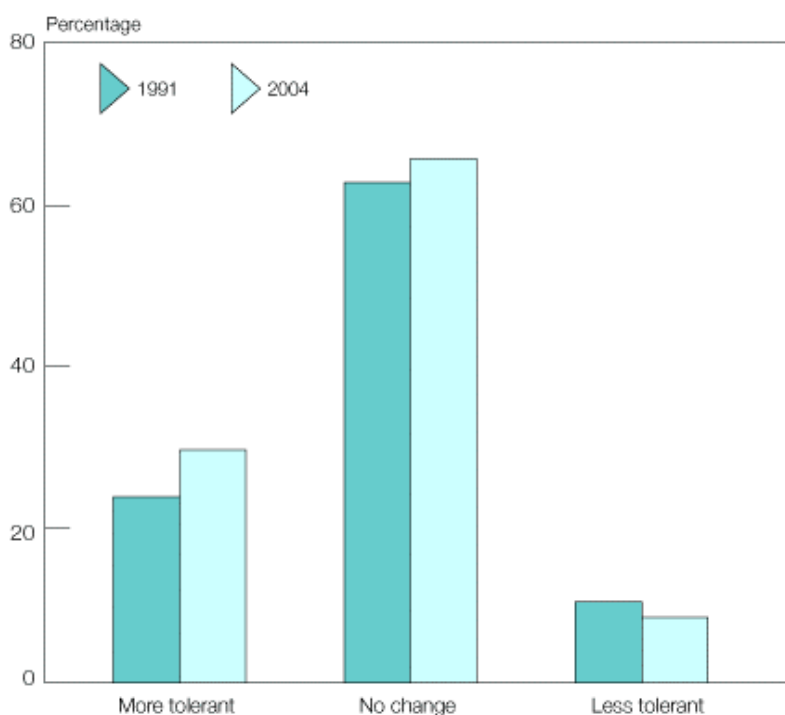
Current performance and trends

As an attitude toward diversity, personal tolerance of others increased slightly between 1991 and 2004. For example, 29.0 per cent of Canadians believe they are more tolerant toward ethnic groups, an increase of 6 percentage points; 65.0 per cent feel there has been no change, an increase of 3.0 per cent; and 8.0 per cent believe they are less tolerant, a decrease of 2.0 per cent.

Meanwhile, support for affirmative action and employment equity declined

between 1985 and 2004, falling from 44.0 per cent to 28.0 per cent of Canadians agreeing with the idea that “Government should require employers to advance non-whites to higher positions.” (Environics, 2004 *Focus Canada—Multiculturalism and Ethnic Tolerance*)

Personal Tolerance, 1991 and 2004



Source: Environics, 2004

Volunteerism

Current performance and trends

While the results of the 2004 *Canada Survey of Giving, Volunteering and Participation* will not be available until the winter of 2005, the 2000 results of the survey indicated that 27.0 per cent of Canadians volunteered 1.05 billion hours of work in Canada, representing a decrease of 13.0 per cent from 1997.

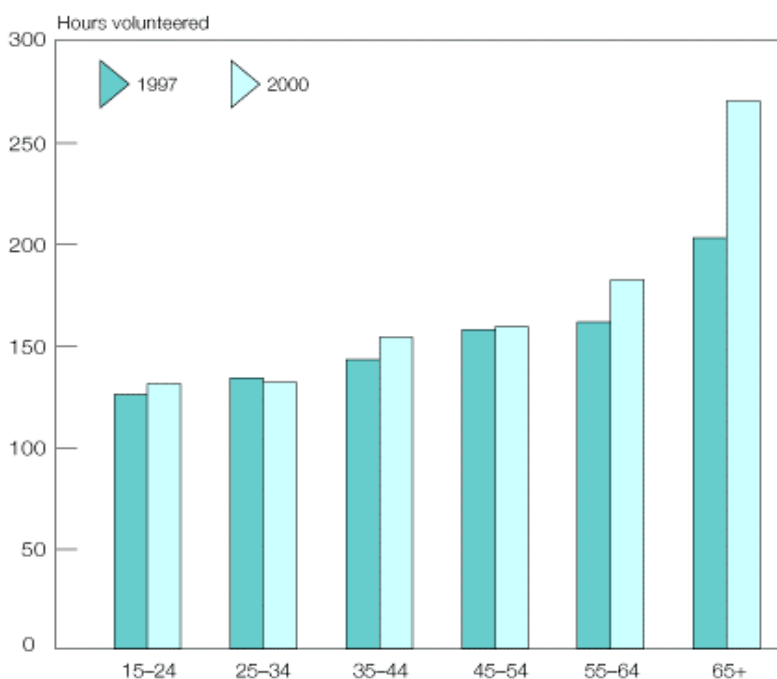
Additional information on volunteerism

The 2000 results of the *National Survey on Giving, Volunteering and Participation* indicated that a small number of people provided the bulk of charitable and voluntary support in the country. Fewer than 1 in 10 Canadians contributed 46.0 per cent of the total dollar value of all donations as well as 40.0 per cent of all volunteer hours. In 2000, 27.0 per cent of Canadians volunteered 1.05 billion hours of work, down from 1.11 billion hours in 1997. From 1997–2000,

however, the number of hours volunteered increased with the age of the volunteers. The largest increase was in the over-65 group, who volunteered an average of 269 hours in 2000, up from 202 hours in 1997. In addition, the number of volunteers dropped from 7.5 million in 1997 to 6.5 million in 2000, a decrease of 13.0 per cent. (*National Survey on Giving, Volunteering and Participating 2000; Ethnic Diversity Survey 2002*)

Volunteer labour is very important to Canada's estimated 161,000 incorporated non-profit and voluntary organizations and registered charities. In 2003, fully 54.0 per cent of these groups operated with no paid staff, reiterating the importance for Canadians to keep track of volunteering behaviours in Canada. (Statistics Canada, *Cornerstone of Community: Highlights of the National Survey of Non-profit and Voluntary Organizations*, 2004)

Number of Hours per Volunteer by Age Group, 1997 and 2000



Source: Statistic Canada, 2000

Political participation

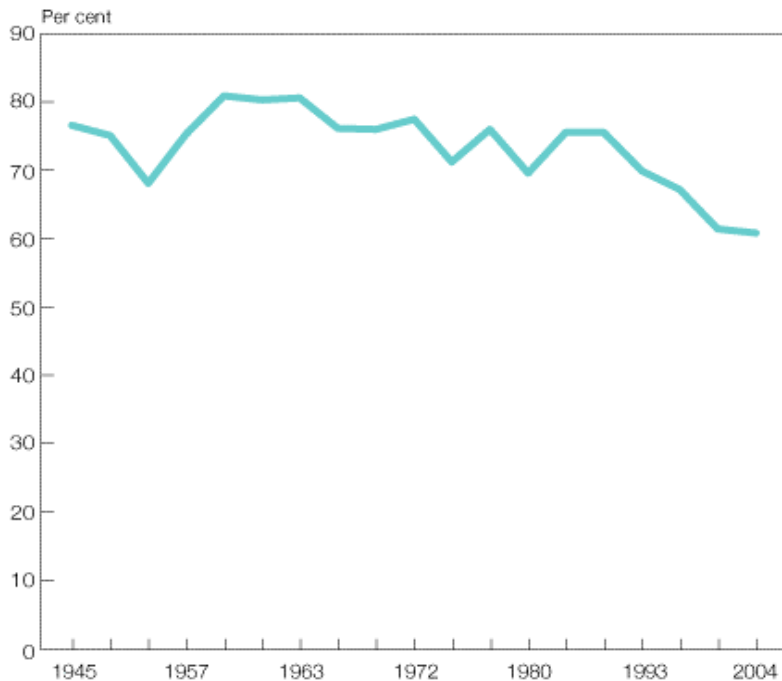
Current performance and trends

Voter participation in general elections has declined steadily over the past decade, with three quarters of Canadians voting in the 1997 general election and approximately three fifths voting in the 2004 election.

The voter turnout at the 2004 federal general election was the lowest in recent Canadian history at 60.5 per cent of eligible voters, down from 61.2 per cent in 2000. Factors such as age, education, income, place of birth, and mobility significantly influence voter patterns.

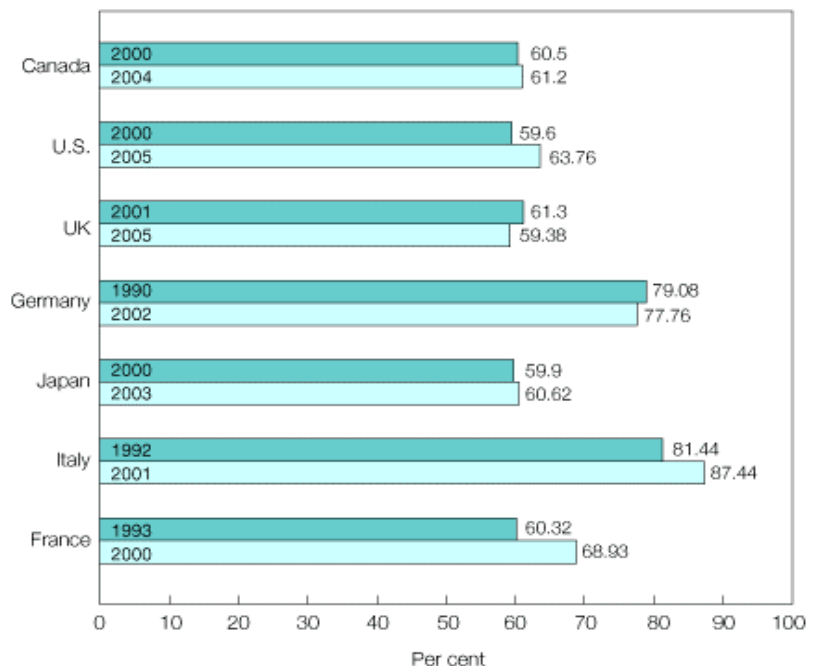
A growing number of analysts tend to suggest that such a decline in voter turnout does not necessarily indicate a decline in civic participation but rather a significant shift, as the political activities that people are engaged in outside of the polling booth (e.g. petitions signing, public demonstration, boycotts) are garnering more and more attention.

Voter Turnout in Canadian National Elections, 1945–2004



Source: Elections Canada, 2004

Voter Turnout in National Elections, G-7 Countries



Sources: International Institute for Democracy and Electoral Assistance, *Voter Turnout*, 2004; Committee for the Study of the American Electorate (for U.S. 2004); BBC (for UK 2005); and Kyodo (for Japan 2003);

Additional information: Rethinking citizen engagement

Despite a steady decline in voter turnout over the past 15 years, a 2005 Ekos survey stated that Canadians are still interested in political matters. In fact, 52.0 per cent of Canadians said they were more interested than the average Canadian in politics and government affairs. This percentage appears to grow with age as 44.0 per cent of the respondents aged 25 or under said they were interested, 48.0 per cent of those aged 25 to 44, 56.0 per cent of those aged 45 to 64 and finally, 63.0 per cent of Canadians aged 65 or older were more likely to say they were more interested in politics and government affairs than the average Canadian. The survey also stated that 68.0 per cent of Canadians felt there were too few citizen engagement exercises on public policy in Canada, a slight decrease of 5.0 per cent since 2002. (Ekos, *Rethinking Citizen Engagement*, April 2005)

According to another study, Canadian citizens do more than show interest, they also express their political involvement and participation in other ways. When being asked if they had participated in specific types of political activities over the previous 12-month period, over one quarter of Canadians said they had signed a petition (28.0 per cent) or searched for information on a political issue (26.0 per cent), while about one in five had attended a public meeting or boycotted or chosen a product for ethical reasons. Finally, about one in eight Canadians (13.0 per cent) had expressed their views on an issue by contacting a newspaper or a politician, while 6.0 per cent had participated in a march or public demonstration. (Statistics Canada, *2003 General Social Survey on Social Engagement, cycle 17—An overview of findings*, July 2004)

Attitudes toward linguistic duality (supplementary indicator)**Current performance and trends**

Canadian citizens' views on linguistic duality and support for bilingualism have stayed relatively the same over the years, according to a report prepared by the Centre for Research and Information on Canada (CRIC). Reviewing data from five different surveys on the attitudes of Canadians toward language and bilingualism, the CRIC indicated that roughly eight out of ten Canadians (77.0 per cent) said they believe that preserving English and French as the two official languages was important, while 70.0 per cent believed that bilingualism made Canada a more welcoming place for immigrants. Among Canadians born abroad, this latter proportion increased to 75.0 per cent.

The CRIC also observed a number of other trends in a variety of policy areas. While Anglophones who support public funding of French-language schools outside of Quebec jumped from 14.0 per cent in 1965 to 91.0 per cent in 2002, the proportion of Canadians who supported the right of all citizens to receive Government of Canada services in their own official language stayed the same between 1977 and 2002, with a percentage of 80.0 per cent.

Sense of belonging (supplementary indicator)

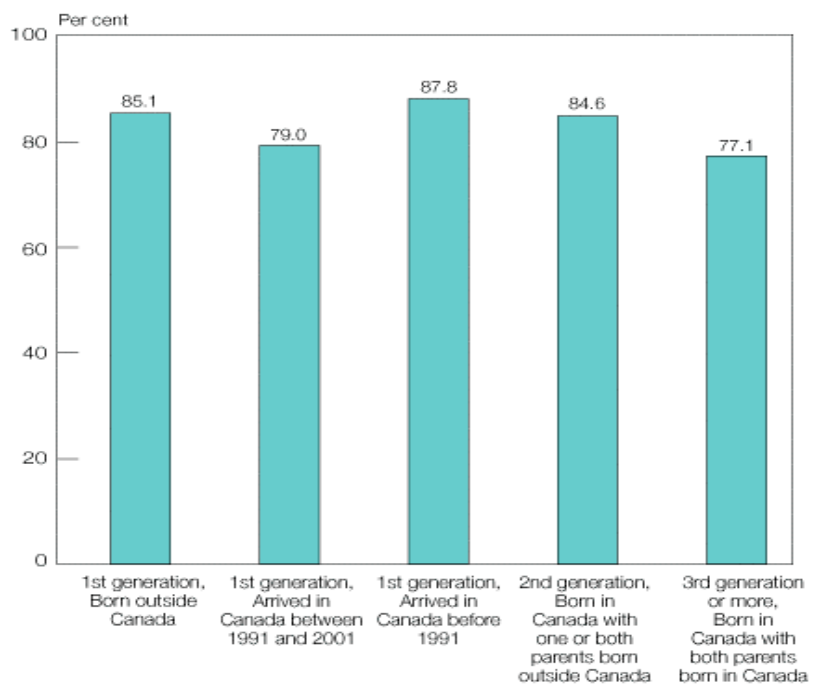
Current performance and trends

According to an Ekos survey on the sense of belonging, the percentage of Canadians who responded as feeling a strong sense of belonging to Canada approached the 90 per cent mark and stayed relatively stable from 1994 to 2005 in all provinces, with the exception of Quebec. In fact, the sense of belonging of what the survey described as ROCers (“Rest of Canadians,” meaning Canadians excluding Quebecers) increased slightly between 1997 and 2005, from 89.0 per cent to 91.0 per cent. Meanwhile, the Quebecers’

strong sense of belonging to Canada was somewhat stable only from 1997 to 2001 where it remained at around 55 per cent. After that period, it rose to 63.0 per cent between 2001 and 2003 before decreasing back to 54.0 per cent in 2005. (Ekos, *Rethinking Government*, 2005)

Another survey also indicated that with more time spent in Canada, immigrants have a higher sense of belonging to Canada. The 2002 *Ethnic Diversity Survey* by Statistics Canada stated that 79.0 per cent of the first generation of immigrants who arrived in Canada between 1991 and 2001 had a strong sense of belonging to Canada. As for the first generation of immigrants who arrived in Canada before 1991, the percentage rises to 87.8 per cent of immigrants saying they feel a strong sense of belonging to Canada.

Strong* Sense of Belonging to Canada for Non-Aboriginal People, by Generation, 2002



* Strong = 4 or 5 on a 5-point scale
Source: Canadian Heritage and Statistics Canada, *Ethnic Diversity Survey*, 2002

Discrimination and racism (supplementary indicator)

Current performance and trends

According to the Statistics Canada 2002 *Ethnic Diversity Survey*, almost 9 out of 10 non-Aboriginal people in Canada aged 15 years and older (86.0 per cent) stated that they did not feel they had experienced discrimination or unfair treatment in Canada because of their ethno-cultural background during the previous five years. A total of 7.0 per cent of the population or 1.6 million people, indicated that they felt they had been discriminated against or treated unfairly, sometimes or often because of their ethno-cultural background. Of this 1.6 million, 576,000 people also reported visible minority status.

This figure increased for visible minorities since 36.0 per cent of visible minorities said they had experienced discrimination or unfair treatment sometimes or often in the past five years. Of those who had experienced discrimination or unfair treatment, 64.0 per cent said that they had experienced such treatment at work or when applying for a job.

A 2005 Ekos survey found similar results for the past year when very few Canadians (7.0 per cent) reported that they had been victims of any workplace harassment or racial discrimination in 2004. (Ekos, *Rethinking Government*, 2005)

Mixed unions (supplementary indicator)

Current performance and trends

Mixed unions are made up of one visible minority and one non-visible minority or two different visible minority group members. Of the 14.1 million people in couples in Canada in 2001, 452,000 people were in mixed unions (marriages and common-law unions) or 3.2 per cent of the total of all persons in couples, up from 335,035 in 1991 or 2.6 per cent of all couples. This represents a 35.0-per-cent increase in mixed unions in 10 years compared with an increase of 10.0 per cent for all people in couples. (Statistics Canada, *Canadian Social Trends*, 2004)

In terms of attitudes toward inter-racial marriage, both Canada and the U.S. have a similar approval rating—63.0 per cent in Canada and 65.0 per cent in the U.S. (CRIC, 2003; National Conference for Community and Justice, 2002)

Attitudes toward same-sex marriages (supplementary indicator)

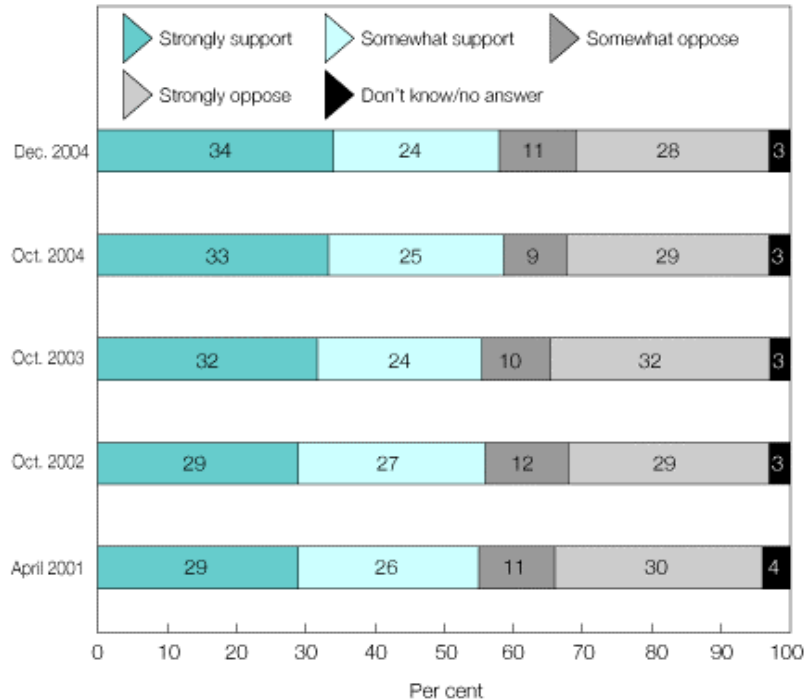
Current performance and trends

An Environics study has indicated that Canadians are narrowly in favour of same-sex marriage. In 2004, 58.0 per cent of Canadians stated that they strongly or somewhat supported gay and lesbian marriages, compared with 55.0 per cent in 2001. (Environics, *Focus Canada*, 2004)

After Parliament gave its final approval on June 28, 2005, to a bill that changes the definition of marriage to include same-sex couples,

Canada became the third country in the world, after the Netherlands and Belgium, to openly recognize gay and lesbian marriage. Two days later Spain followed the footsteps of Canada as the Spanish parliament passed similar same-sex marriage legislation.

Support for Same-sex Marriage, 2001–04



Source: Environics, *Focus Canada*, 2004–04

Government of Canada outcome: A vibrant Canadian culture and heritage

- ▶ Participation in cultural and heritage activities

Participation in cultural and heritage activities

Current performance and trends

Canadians have a wide range of options available to them when choosing what to do in their spare time. Given emerging technologies and the concurrent development of new leisure pursuits, such as using the Internet, competition between cultural, heritage, and other leisure activities remains fierce. It becomes equally challenging to present an up-to-date portrait of participation in various activities since data collected are limited to date. Data are available from Statistics Canada's *General Social Survey* for the years 1992 and 1998. Over this six-year period, cultural participation among the Canadian population aged 15 and over declined in some areas and was on the upswing in other areas. For instance, reading newspapers declined from 92.1 per cent of the population to 81.8 per cent while professional concert and performance attendance rose from 30.2 per cent to 34.6 per cent.

Additional information: Attendance at cultural events

Recent survey results from the *Performing Arts Survey* and the *Survey of Heritage Institutions* note small increases in attendance over the late 1990s in some performing arts disciplines and certain heritage institutions.

The overall attendance reported by performing arts companies between 1999 and 2001 increased 11.0 per cent, attracting an audience of 14.8 million. Although overall attendance was unchanged between 2001 and 2003, not all disciplines fared equally. In fact, both attendance and earned revenue increased for theatre, dance, and opera companies, but they declined for music companies (orchestras, ensembles, choirs). These statistics highlight the diversity of participation even across different disciplines within the performing arts sector. (Statistics Canada, *The Daily*, December 15, 2004)

The 2002 *Survey of Heritage Institutions* indicated that there were nearly 117.5 million visits to some form of heritage institution during the year, ranging from museums, historic sites and archives to aquariums and zoos, botanical gardens, arboretums and conservatories, and nature parks that have interpretation and educational programs. With the exception of nature parks, attendance increased at every type of heritage institution. Even so, nature parks attracted over 58.7 million visits while museums and historic sites reported the biggest gains in attendance. Attendance at museums rose 5.0 per cent in 2002, from 26.5 million to 27.8 million visitors.

Historic sites registered a 4.5 per cent increase from three years earlier, with over 17.4 million visits. (Statistics Canada, *The Daily*, October 25, 2004)

While going to the movies still seems to be one of the most popular cultural activities of all, Statistic Canada's *Motion Picture Theatres Survey* indicated that attendance at movie theatres and drive-ins combined dropped 4.6 per cent in 2004, halting an upward trend of more than a decade. (Statistics Canada, *The Daily*, June 28, 2005)

According to a 2004 Decima survey, cultural activities continue to draw sizeable participation as 82.0 per cent of Canadians (aged 15 and over) attended an artistic performance or exhibit in 2003. The most popular types were live performances (theatre, music, dance, opera), followed by visual art exhibits. In 2003, festivals were attended by 54.0 per cent of Canadians. In addition, 14.0 per cent of Canadians attended an artistic performance in the minority official language of their region, and almost half (44.0 per cent) of Canadians attended a live performance or art exhibit featuring diverse cultures and traditions. (Decima, *The Arts in Canada: Access and Availability*, 2004)

Additional information: Reading habits

A 2005 Créatec + survey seems to indicate that there is not necessarily a trend toward a lower reading rate in Canadian society and that the Internet has not had harmful effects on reading habits. In fact, this survey has shown that reading for pleasure remains a solidly established and widespread habit with little or no change over the last 15 years.

Canadians who took part in this survey generally showed a marked taste for reading all genres, although especially literary materials such as novels (mystery, science fiction, etc.). Of those polled, 87.0 per cent said they read while 54.0 per cent said they read virtually every day. Canadians appear to be distinctly different from Americans. In the U.S., where the reading rate has substantially decreased over the past 20 years, nearly 50 per cent of Americans indicated reading an average of less than one book per year.

Like earlier studies have shown, this survey highlights the substantial influence of certain demographic and social factors on attitudes to reading books, such as gender, education level, geographical location, and language. For example, while 51.0 per cent of men indicated being either regular or heavy readers, this percentage rose to 84.0 per cent among women. (Créatec +, *Reading and Buying Books for Pleasure—2005 National Survey*)

Additional information: Participation between 1992 and 1998

With the greater variety of such activities offered, Canadians have more options for their leisure time than 10 or 20 years ago. From 1992 to 1998, the period for which the latest comparable data

are available, Canadian participation patterns in cultural and heritage activities changed somewhat.

While overall more Canadians attended professional concerts and performances in 1998 (34.6 per cent from 30.2 per cent in 1992), participation rates decreased during the same period for theatrical and popular musical performances (24.0 per cent to 20.0 per cent), going to the opera (4.4 per cent to 3.0 per cent), and for listening to symphonic music (12.2 per cent to 8.2 per cent). (Statistics Canada, 1998)

In other areas, participation rates were on the rise. More Canadians visited public art galleries (22.1 per cent from 19.3 per cent) and attended dance performances (6.8 per cent from 4.9 per cent). Canadians also created more of their own visual arts, with 11.6 per cent painting and sculpting in 1998 compared to 9.6 per cent in 1992. (Statistics Canada, 1998)

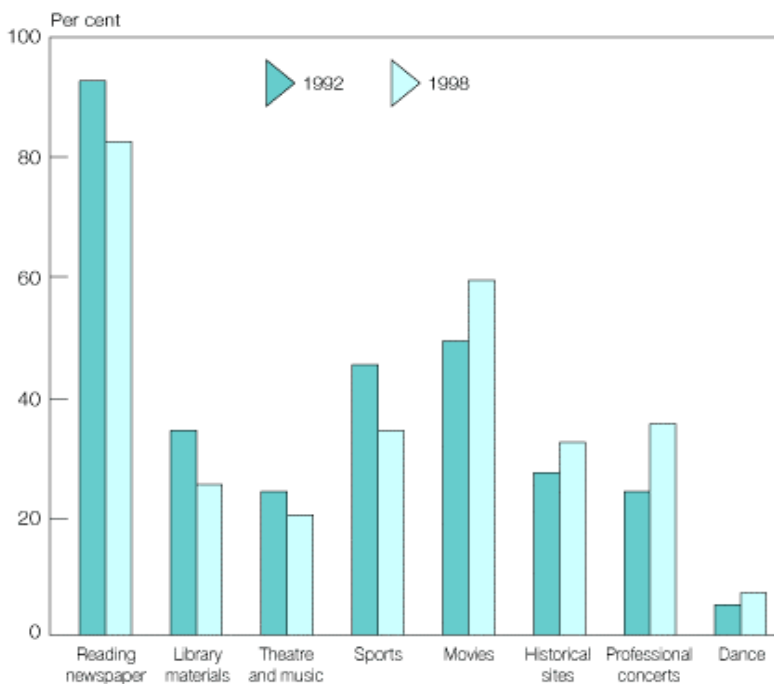
Additional information: Household entertainment and television viewing

One significant trend in cultural and entertainment consumption patterns is the continued shift toward *cocooning*, where Canadians continue to spend more on entertainment inside the home than outside the home. For example, the percentage of household entertainment spending that went to the rental of cablevision and satellite services increased from 48.0 per cent in 1997 to 53.0 per cent in 2001. (Statistics Canada, *Focus on Culture*, Vol. 4, No. 3, 2002)

According to the *Fall 2003*

Television Viewing Survey results, however, this increase in spending on household entertainment does not seem to translate directly into more television viewing. From 1998 to 2003, the average hours per week of television viewing has not really changed, hovering around 22 hours per week. As for young audiences, the study shows that they are actually spending less time in front of their television sets than they did five years earlier. Young men aged 18 to 24

Participation in Selected Culture and Heritage Activities, Canada, 1992 and 1998



Source: Statistics Canada, 1998

have gone from an average of 14.3 hours per week in 1998 to 11.1 hours in 2003, while women of the same age reduced their viewing time from 17.6 hours to 15.5 hours during the same period. (Statistics Canada, *The Daily*, March 31, 2005)

The survey also suggests that Canadian content on television held relatively steady in 2003 at around 44 per cent for pay and specialty television and just under 57 per cent for conventional television. In 1998, the same indicators held at 40.0 per cent and just over 57 per cent respectively.

Government of Canada outcome: Safe and secure communities

- ▶ Safety
- ▶ Housing conditions

Safety: Crime rate

Current performance and trends

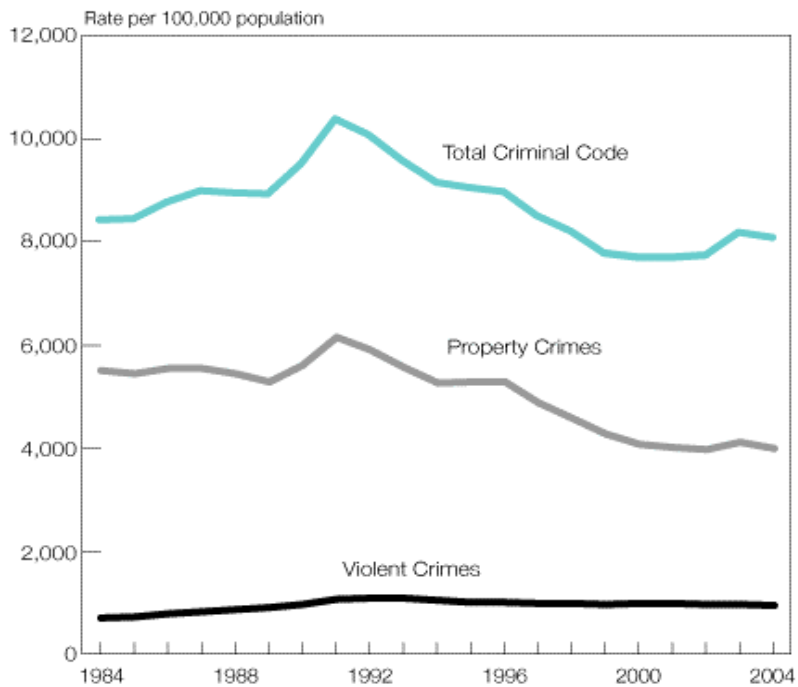
Based on data reported by police services, Canada's total violent crime rate declined 2.0 per cent in 2004, while the national homicide rate increased 12.0 per cent. Overall, crime rate fell a marginal 1.0 per cent in 2004.

With the exception of a slight increase in 2003, the crime rate has generally been falling since it peaked in 1991. In 2004, police reported about 2.6 million offences, resulting in a crime rate that was 12.0 per cent lower than a decade ago.

In total, about 300,000 violent crimes were reported to police in 2004, the majority of which were common assault. Continuing a general decline since 1991, violent crime rate fell 2.0 per cent from 2003. The violent crime rate is 10.0 per cent lower than a decade ago, but 35.0 per cent higher than 20 years ago.

As for property crimes, police reported nearly 1.3 million last year. The property crime rate dropped 3.0 per cent, as most categories showed a decline. Property crime has generally been decreasing since 1991, with the exception of a notable increase in 2003. (Statistics Canada, *The Daily*, July 21, 2005)

Crime Rates by Type, Canada, 1984–2004



Source: Statistics Canada, 2004, Canadian Centre for Justice Statistics, *Uniform Crime Reporting Survey, 2004*

International comparison

A comparison of police-reported crime rates between Canada and the U.S. for 2000 showed that the U.S. had much higher rates of violent crime, while Canada generally had higher rates of property crime. The report indicated that the U.S. showed a higher rate of robbery than Canada by 65.0 per cent and a homicide rate (5.5 per 100,000 population) three times higher than Canada's (1.8 per 100,000 population). Meanwhile, Canada reported 30.0 per cent more break-ins and motor vehicle thefts per capita than the U.S. (Statistics Canada, *Crime Comparisons Between Canada and the United States*, 2000)

Safety: Level of fear of crime

Current performance and trends

According to the 2004 *General Social Survey*, 94.0 per cent of Canadians were satisfied that they were personally safe from becoming a victim. This proportion was up from 86.0 per cent in 1993 and 91.0 per cent in 1999. Overall, 95.0 per cent of men were satisfied that they were personally safe from becoming a victim, compared with 93.0 per cent of women. This gap between sexes is narrowing as the proportion for women rose by five percentage points between 1999 and 2004, while the proportion for men went up two points.

In 2004, 58.0 per cent of people believed that there had been no change in crime levels, while 30.0 per cent felt that crime had worsened over the previous five years. These views were fairly consistent with those reported in the 1999 survey. These perceptions on neighbourhood crime have improved, however, since the 1993 survey, when Canadians were more likely to say crime was on the rise. At that time, 46.0 per cent felt it had increased.

Additional information: Safety and trust

There appears to be a strong relationship between safety and trust. When trust fades away, people are less likely to take risks and more likely to fear one another. People therefore tend to demand more protection, they anticipate inappropriate deeds of others, and they can even make provisions for the possibility of something going wrong.

When Canadians were asked if they would say that "most people can be trusted" or if they felt that "they could not be too careful in dealing with others," the 2003 *General Social Survey* found that Canadians are divided on the subject. Overall, 53.0 per cent of Canadians indicated that people could be trusted while 43.0 per cent stated that one could not be too careful in dealing with people. No significant variation was observed between gender and age groups.

(Statistics Canada, *Canadian Social Trends*, Winter 2004)

People with higher levels of educational attainment and those residing in households with higher incomes, however, were most likely to say that people could be trusted. Finally, Quebec residents showed the weakest level of trust, at 35.0 per cent, compared with over 60.0 per cent of people in Newfoundland and Labrador, Prince Edward Island, Nova Scotia and the western provinces who said that people could be trusted.

Safety: Victimization rates

Current performance and trends

Six of the ten countries that participated in the *International Crime Victimization Survey* in both 1996 and 2000, including Canada, experienced no change in their victimization rate.

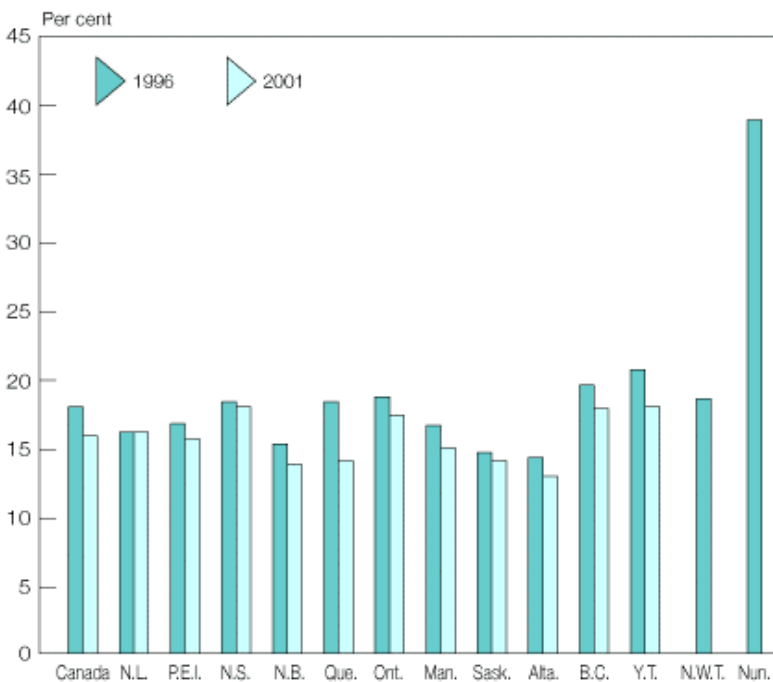
While a total of 24.0 per cent of Canadians reported having been victimized, Australia and England had the highest rates of all at 30.0 per cent and 26.0 per cent respectively. Portugal, Japan, and Northern Ireland had the lowest rates, all at 15.0 per cent. Results from the 2004 survey will be available in 2006.

Housing conditions

Current performance and trends

Between 1996 and 2001, housing conditions have considerably improved in Canada's 27 largest metropolitan areas, after deteriorating earlier in the decade. Despite this overall improvement, one out of six households in Canada's metropolitan areas still lived below one or more housing standards (house adequacy, affordability, and suitability) established by the [Canada Mortgage and Housing Corporation \(CMHC\)](#).

Households by Core Housing Need Status by Province and Territory, 1996 and 2001



Source: CMHC, 2001

In 1996, 19.0 per cent of households in Canada’s metropolitan areas and 17.9 per cent of all of Canada’s households were labelled “in core housing need.” Five years later, this proportion had dropped to 16.6 per cent among Canada’s metropolitan areas and to 15.8 per cent for all of Canada’s households. Of these households, more than three quarters were facing affordability issues only. In fact, 9 out of 10 households in urban centres reported that their housing was not in need of major repairs and that they had an appropriate “bedrooms to members” ratio in accordance with the National Occupancy Standards. (See the Housing outcome in Aboriginal Peoples Chapter of the report for additional information.)

Additional information on Canada’s social foundations

Early childhood development

Many examples on the joint work initiatives pertaining to young children can illustrate the strength of collaboration between the federal government, provinces, and territories to improve the well-being of young children and their families. The *Federal/Provincial/Territorial Multilateral Framework on Early Learning and Child Care*, the recent work on the Early Learning and Child Care Initiative, and the *Early Childhood Development Agreement* between federal, provincial, and territorial governments were set to improve and expand early childhood development supports for young children and their parents while providing access to affordable, quality, provincially and territorially regulated programs and services.

To keep up with these objectives, the Government of Canada is providing \$1.05 billion over five years through the Canada Social Transfer to support provincial and territorial government investments in early learning and child care, such as child care centres, family child care homes, preschools, and nursery schools. Investments also include capital and operating funding, fee subsidies, wage enhancements, training, professional development and support, quality assurance, and parent information and referral. Budget 2005 confirmed that the Canada Social Transfer will be included in the ongoing allocation of \$350 million as of 2007–08. Investments also include capital and operating funding, quality assurance, parent information and referral, and access to childcare services in the minority official language.

Environment and its effect on health

Concern about the effect of the environment on health has risen over the last decade, as 61.0 per cent of Canadians now feel that their health is currently either affected “a great deal” or “a fair amount,” up from 52.0 per cent in 1992. (*Environmental Monitor, 2002-3*)

Canadians are also pessimistic about the effect of environmental problems on the health of future generations. A large majority of Canadians (89.0 per cent) agree that environmental pollution is already affecting their children's health, down 5.0 per cent from 1999. More recent evidence supports this finding and shows that 91.0 per cent of Canadians continue to report that environmental problems will affect the health of their children and grandchildren "a great deal" (63.0 per cent) or "a fair amount" (28.0 per cent). (*Environmental Monitor, 2003-1*)

Immigration

Over the last century, immigration has played a major role in Canada's ethnic and cultural composition. Between 1901 and 2001, Canada has welcomed more than 13.4 million immigrants. In 2001, Canada ranked second in the world after Australia on the proportion of population born outside the country. According to Australia's 2001 Census, 22.0 per cent of its population was foreign-born, compared with 18.0 per cent for Canada (5.4 million people). In contrast, only 11.0 per cent of the population of the U.S. was foreign-born in 2000.

Half a century ago, a vast majority of the immigrants coming to Canada were from European countries such as the United Kingdom or Germany, a trend that has significantly shifted in recent years as newcomers now tend to be from Asian countries. Of the 1.8 million immigrants who arrived between 1991 and 2001, 58.0 per cent came from Asia (including the Middle East), 20.0 per cent from Europe, 11.0 per cent from the Caribbean, Central, and South America, 8.0 per cent from Africa, and 3.0 per cent from the U.S. (*Statistics Canada, 2001 Census*)

Gender equality in the world

A 2005 [World Economic Forum](#) study has revealed that Canada is not alone in its quest for gender equality as no other country has yet managed to eliminate the gap between genders. Sweden (ranked 1st) and other Nordic countries, which stand out as world leaders in narrowing such a gap, still have significant gender disparities. Overall, Canada ranked 7th among 58 countries in its attempt to promote the equality between men and women. Canada ranked ahead of the United Kingdom (8th), Germany (9th), France (13th), and the U.S. (17th). Based primarily on the findings of the United Nations Development Fund for Women (UNIFEM), the study relied on the following measurements of criteria: economic participation, economic opportunity, health and well-being, educational attainment, and political empowerment. (*World Economic Forum, Women's Empowerment: Measuring the Global Gender Gap, 2005*)

Total expenditures on culture

The federal government promotes Canadian culture, arts and heritage, both domestically and internationally. In 2002–03, the federal government’s total expenditures on culture increased 6.5 per cent from the previous year to \$3.4 billion. In 2003–04, the financial support provided to Canadian artists from the Canada Council for the Arts reached \$137.0 million.

Total federal government expenditures on culture include the entire spectrum of cultural, artistic and heritage activities, such as national, public and school libraries, museums, public archives, historic and nature parks and sites, literary arts, performing arts, arts education, visual arts, films and videos, broadcasting, sound recording, cultural facilities, centres, festivals and others. For more details, see Statistics Canada’s *The Daily*, January 27, 2005.

National Homelessness Initiative

By the late 1990s, homelessness was becoming a crisis in many Canadian cities. In response, the federal government created the [National Homelessness Initiative](#) (NHI) in 1999 to support governments and community organizations in their work to alleviate homelessness. Since then, communities across Canada have undertaken over 3,242 projects, funded wholly or in part by the NHI. These projects have resulted in approximately 10,700 new, permanent beds in shelters, transition homes, and supportive houses. Overall, 1,287 sheltering facilities and support facilities, such as food banks, soup kitchens, and drop-in centres, have benefited from the NHI funded projects. (NHI, 2005)

Family violence

In 2002, there were more than 205,000 victims of violent crime reported by the 94 different police departments across Canada participating in the incident-based *Uniform Crime Reporting Survey*, which collectively accounts for more than half (56.0 per cent) of the national volume of police-reported crime. (Statistics Canada, *Family Violence in Canada: A Statistical Profile*, 2004)

Research has also shown that even though they represent 23.0 per cent of the population, children and youth under the age of 18 accounted for 61.0 per cent of victims of sexual assault and for 20.0 per cent of all victims of physical assault. Among family-related sexual assaults reported to police departments, girls represented 79.0 per cent of the victims. Rates of sexual offences were highest among girls between the ages of 11 and 14 and between the ages of 3 and 7 for boys.

The study also highlights the fact that witnessing violence in the home has been found to be related to short- and longer term problems in children's behaviour, such as aggression, anxiety, and emotional problems.

Victim services

According to the first-ever one-day snapshot *Victim Services Survey*, victim service agencies across Canada helped more than 360,000 people affected by crime in 2002 and 2003. The most common types of services offered across all types of agencies were emotional support to the victims as well as multiple types of information on courts procedures and on the structure and process of the criminal justice system. In some cases, victim service workers also accompanied clients to court or assisted them in preparing impact statements.

Results of this survey showed that on the survey snapshot day of October 22, 2003, more than three quarters of the people who sought assistance were victims of violent crime, either directly or indirectly. Most of them were women and girls. In fact, even when clients of sexual assault centres were excluded from the total, the figures indicated that women still accounted for over 7 in 10 victims helped that particular day. As for the children under 18 years of age, they accounted for 18.0 per cent of those helped by victim service agencies on that same day. (Statistics Canada, *The Daily*, December 2004)

Hate-motivated crimes

Twelve of Canada's major police forces across the country reported 928 incidences of hate-motivated crime in 2001 and 2002. This includes the period just after September 11, 2001, when police agencies observed heightened levels of hate-motivated crime, with 15.0 per cent of incidences following September 11 directly attributed to those events. For the total number of hate-motivated crimes tracked in 2001–02, more than half (57.0 per cent) were motivated by racial and ethnic origins, 43.0 per cent involved religious motivations, and issues of sexual orientation motivated 10.0 per cent. During the period of tracking, Jewish people and establishments were the most frequently targeted as a single group, accounting for one quarter of the incidences of hate-motivated crime.

Members of visible minorities report fearing being the victim of a hate-motivated crime that targeted ethnicity, language, or religion at a percentage rate more than twice that of Canadians generally, and fears of victimization are also heightened for members of Hindu, Jewish, and Muslim religions. (Statistics Canada, 2004)

3. Canada's Place in the World

Government of Canada outcome: A strong and mutually beneficial North American partnership

- ▶ Merchandise trade
- ▶ Canada's ties with the U.S. (supplemental indicator)

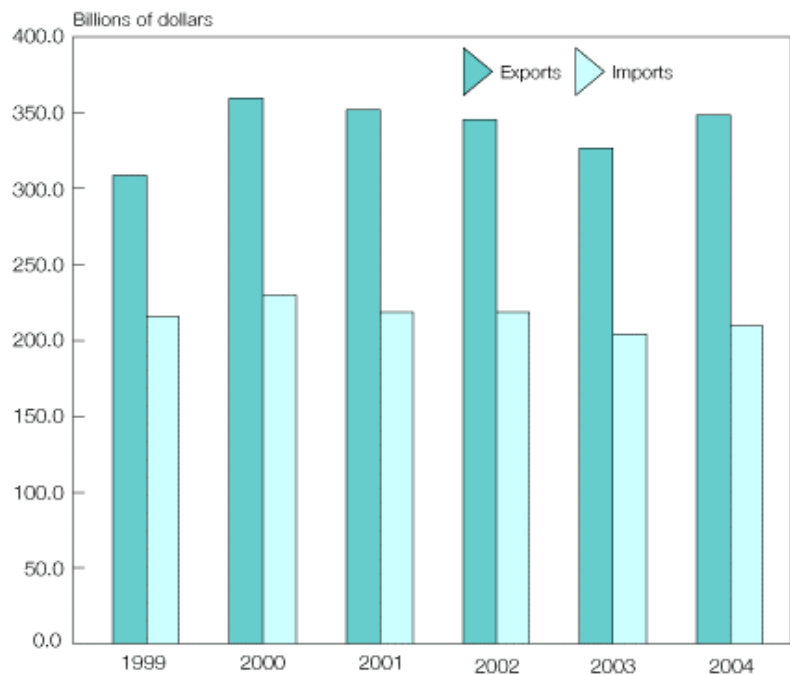
Merchandise trade

Current performance and trends

In 2004, Canadian merchandise imports from the U.S. totalled \$208.9 billion or 58.8 per cent of all imports. Imports from the U.S. rose steadily through the 1990s (\$137.3 billion in 1994), peaking at \$229.7 billion in 2000. Merchandise imports from Mexico in 2004 totalled \$13.4 billion or 3.8 per cent of all imports, up \$1.3 billion from 2000 and \$8.9 billion since 1994. (Statistics Canada, 2005)

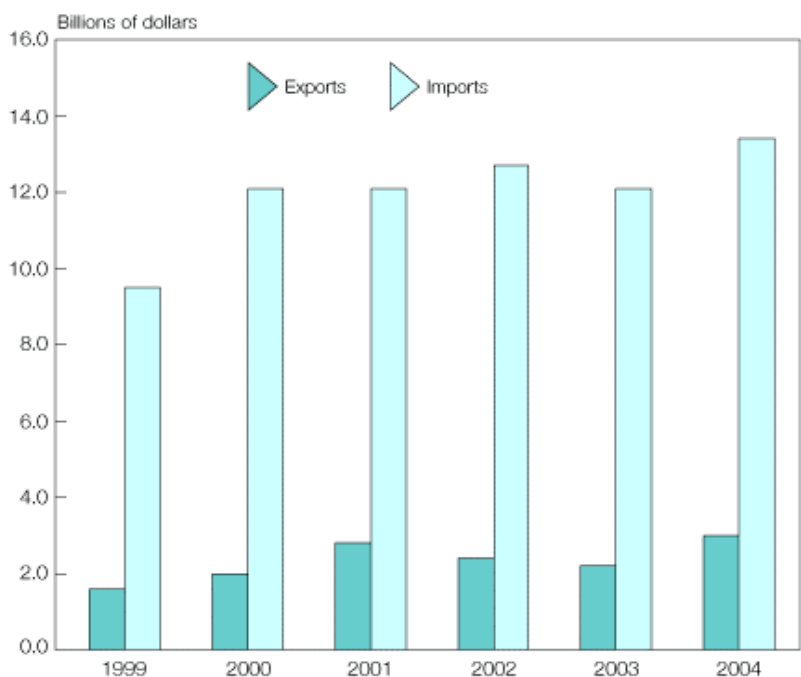
In 2004, Canadian merchandise exports to the U.S. totalled \$348.1 billion or 84.5 per cent of all exports. Exports to the U.S. also increased through the 1990s (\$183.3 billion in 1994), peaking in 2000 at \$359.3 billion. Merchandise exports to Mexico in 2004

Merchandise Exports and Imports with the U.S., 1999–2004



Source: Statistics Canada, 2005

Merchandise Exports and Imports with Mexico, 1999–2004



Source: Statistics Canada, 2005

totalled \$3.0 billion or 0.7 per cent of all exports, up nearly \$1.0 billion since 2000, and up \$1.9 billion since 1994. (Statistics Canada, 2005)

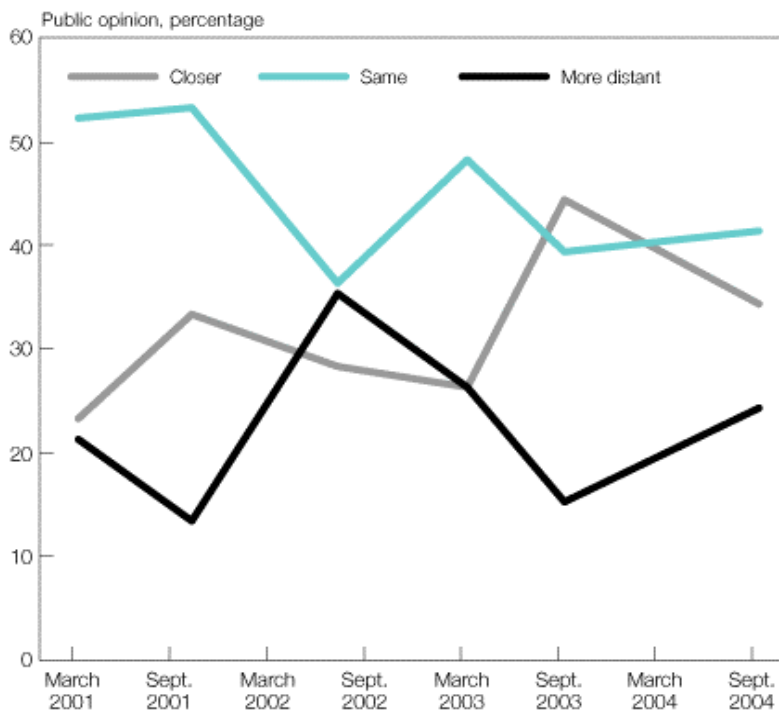
Canada's ties with the U.S. (supplemental indicator)

Current performance and trends

According to *Portraits of Canada 2004*, an opinion poll conducted by the CRIC in 2004, 34.0 per cent of Canadians stated that they thought Canada should have closer ties with the U.S., up 1.0 per cent from 2001; 41.0 per cent wanted ties to remain the same, down 12.0 per cent from 2001; and 24.0 per cent of Canadians thought Canada should have more distant ties to the U.S., up 11.0 per cent from 2001.

With regard to establishing a common border security policy, in September 2004, 62.0 per cent of Canadians felt this was a good idea, while 36.0 per cent thought it was a bad idea. In April 2002, 66.0 per cent of Canadians thought a common border security policy was a good idea, while 31.0 per cent thought it was a bad idea. (CRIC, *Portraits of Canada 2004*, 2005)

Canada's Ties with the U.S., 2001-04



Source: Centre for Research and Information on Canada, *Portraits of Canada 2004*, 2005

Government of Canada outcome: A prosperous global economy that benefits Canadians and the world

- ▶ Canada's investment position
- ▶ Trade with non-NAFTA partners (supplemental indicator)

Canada's investment position: Canadian direct investment abroad

Current performance and trends

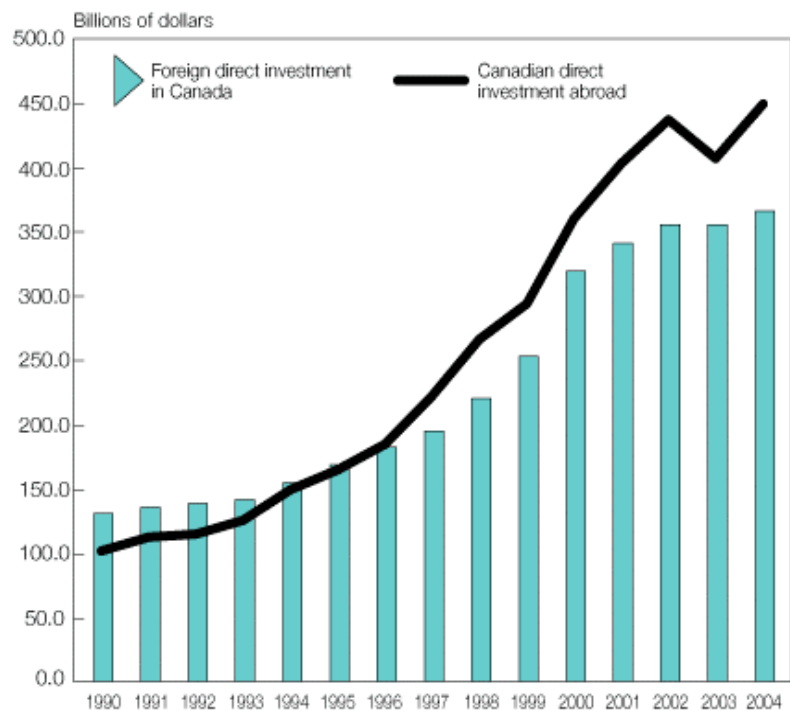
Since the 1990 level of \$98.4 billion, Canadian direct investment abroad (CDIA) has more than quadrupled, reaching \$445.1 billion in 2004—a 10.3-per-cent increase from 2003. This is up from \$161.2 billion in 1995 and \$356.5 billion in 2000. (Statistics Canada, 2005)

Similar to Canada's trading pattern, North America—notably the U.S.—receives the majority of this investment. In 2004, countries classified as North American for investment purposes (the U.S., Mexico, and the Caribbean) received \$259.0 billion of CDIA, \$193.9 billion—or 43.6 per cent of total CDIA—of which went to the U.S. These figures nearly quadruple the totals since 1990 when Canadian investment in other North American countries was at \$66.1 billion—\$60.0 billion of which went to the U.S. (Statistics Canada, 2005)

The United Kingdom was the second most popular destination for CDIA at \$44.0 billion, up \$3.0 billion from 2003. Countries in the European Union accounted for 26.5 per cent of CDIA in 2004, up from 19.3 per cent share since 1989.

Most CDIA is in other industrialized countries (principally in the U.S., the European Union, and Japan), but CDIA in developing countries and emerging markets accounts for about a quarter of the total. In 2004, holdings of Canadian investment abroad were concentrated in the finance and insurance sector (44.5 per cent), followed by energy

Foreign Direct Investment Position, 1990–2004



Source: Statistics Canada, 2005

and metallic minerals (21.6 per cent). (International Trade Canada and Statistics Canada, *State of Trade 2005*)

Canada's investment position: Foreign direct investment

Current performance and trends

Since 1990, the level of foreign direct investment (FDI) in Canada has grown by almost 180 per cent, from \$130.9 billion to \$365.7 billion in 2004.

As in the case with international trade and Canadian direct investment abroad, FDI in Canada comes primarily from North America. In 2004, the North American countries invested a total of \$242.4 billion in Canada, up \$45.6 billion since 2000 and up \$156.6 billion since 1990. U.S. investment in Canada has grown by 183.2 per cent since 1990 going from \$84.1 billion to \$238.2 billion in 2004.

Since 1990, the U.S. remains the number one investor in Canada, followed by the United Kingdom, France, the Netherlands, and Japan. Combined, these five countries held just over 87.7 per cent of FDI in Canada in 2004.

Despite the fact that FDI has tripled in Canada since 1990, the bulk of foreign investment continues to come from the U.S. and Western Europe. (Statistics Canada, 2005)

Additional information: More on CDIA

In addition to the United Kingdom, four other European countries were in the top 10 for CDIA: Ireland, the Netherlands, France, and Hungary. Between 1997 and 2004, CDIA grew the fastest, percentage-based, in Hungary. It went from \$188.0 million to \$10.0 billion at the end of 2004. CDIA to South Korea was the 9th fastest growing destination with an almost 300-per-cent increase. The stock of CDIA in the United Kingdom and Ireland, however, grew by more in absolute terms. (International Trade Canada, 2005)

Additional information on Canada's net direct investment position

The difference between Canadian direct investment abroad and FDI in Canada is Canada's net direct investment position. In 2004, this net investment position increased to \$79.4 billion—the highest ever—up from \$49.0 billion in 2003.

More than three quarters of the countries with CDIA or FDI in Canada have a positive net direct investment position—except for the U.S., France, the Netherlands, and Switzerland—whose net direct investment have never been positive. (Statistics Canada, 2005)

Additional information: Trend for Canadian trade

Import and export major commodity groups and principal trading areas

Year	Imports, total of all merchandise (\$ million)	Exports, total of all merchandise (\$ million)
1990	136,245	148,979
1991	135,461	146,006
1992	148,018	162,828
1993	169,953	187,515
1994	202,736	225,679
1995	225,553	262,267
1996	232,557	275,819
1997	272,946	298,072
1998	298,386	318,444
1999	320,379	355,420
2000	356,992	413,215
2001	343,111	404,085
2002	348,849	396,378
2003	335,963	380,866
2004	355,272	411,886

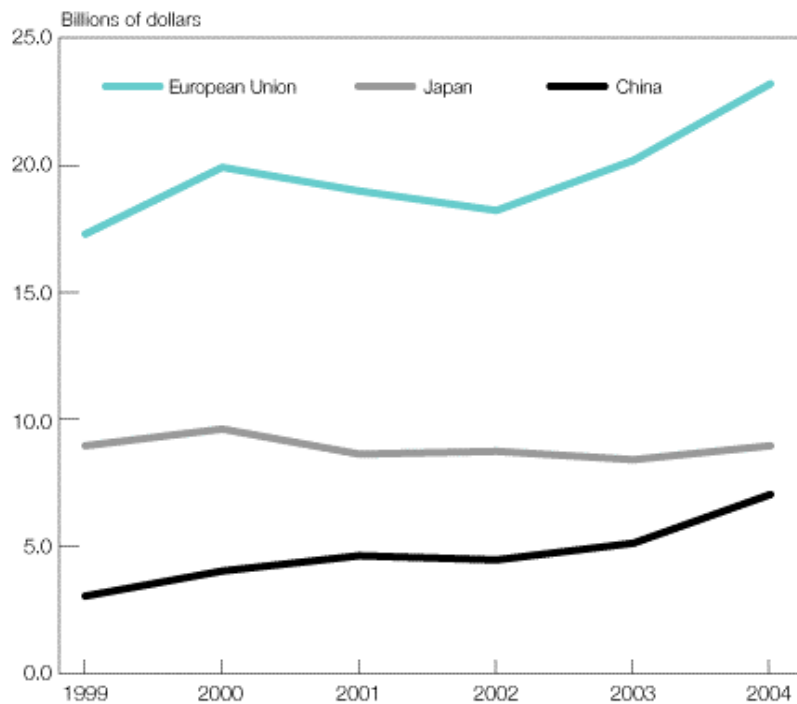
(Statistics Canada, 2005)

Trade with non-NAFTA partners (supplemental indicator)

Current performance and trends

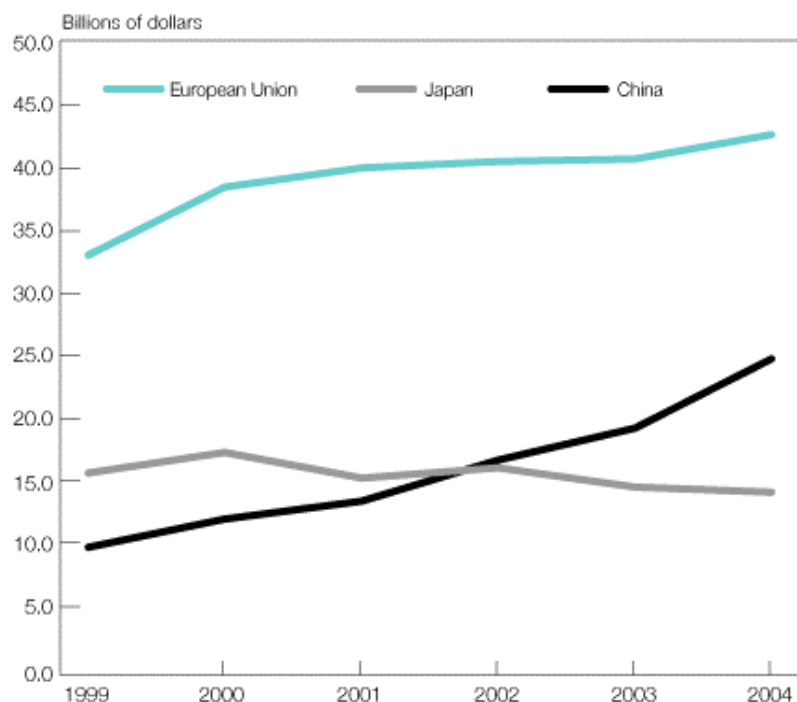
Canada's merchandise exports to the European Union and China increased between 1999 and 2004. In 2004, 1.6 per cent of Canada's merchandise exports were shipped to China, up from 0.8 per cent in 1999. Exports to the European Union now make up 5.6 per cent of Canada's merchandise exports, up from 4.8 per cent in 1999. The percentage of Canada's merchandise imports arriving from China and the European Union respectively reached 6.8 per cent and 11.8 per cent in 2004, which in the latter case was second only to the 58.8 per cent of merchandise imports that arrived from the U.S. In 1999, China's share of Canada's imports stood at 2.8 per cent, while the European Union's share was 10.1 per cent. (Statistics Canada, 2005)

Canada's Exports, 1999–2004



Source: Statistics Canada, 2005

Canada's Imports, 1999–2004



Source: Statistics Canada, 2005

Government of Canada outcome: A safe and secure world

- ▶ Armed conflicts
- ▶ Perceptions of security
- ▶ Defence expenditures as a percentage of GDP (supplemental indicator)

Armed conflicts

Current performance and trends

In 2003, there were 36 armed conflicts in 28 countries—down from 37 armed conflicts in 29 countries in 2002. These figures represent a general decline in armed conflicts since 1995, when the number worldwide was at 44. In addition, they represent the fewest number of states hosting conflicts since 1987. (Project Ploughshares, *Armed Conflicts Report 2004*)

In terms of geographic distribution, in 2003, Africa and Asia suffered 30 of

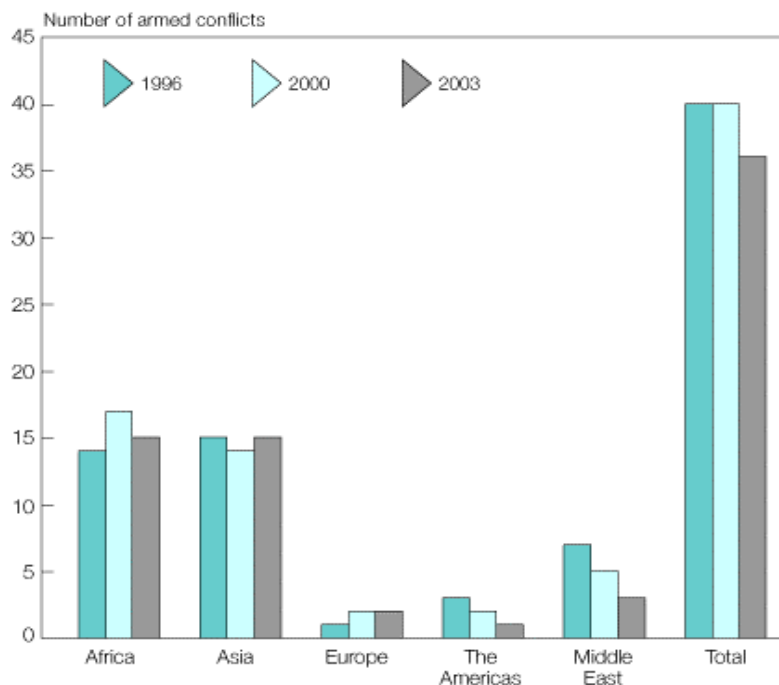
the 36 armed conflicts (15 each) or 84.0 per cent of the world's conflicts, up from 29 conflicts in 1996. The Middle East experienced 3 conflicts or 8.0 per cent of the total, down from the 1996 level of 7 armed conflicts. Europe and the Americas had 3 armed conflicts (2 and 1 respectively) or 8.0 per cent of the total, down from 4 armed conflicts in 1996. (Project Ploughshares, *Armed Conflicts Report 2004*)

Perceptions of security

Current performance and trends

According to the 2003 *Voice of the People Survey* conducted by Gallup International, only 22.0 per cent of people from 51 countries thought their country was safer now than it was

Geographic Distribution of Armed Conflicts, 1996, 2000, and 2003



Source: Project Ploughshares, *Armed Conflicts Report*, 2004

10 years ago, while 57.0 per cent believed it was less safe. A total of 42.0 per cent of Canadians and 53.0 per cent of Americans thought their country was less safe today than it was 10 years ago.

In terms of **perceptions of national security**,

- ▶ 35.0 per cent of Canadians and 40.0 per cent of Americans thought that national security was good; and
- ▶ 25.0 per cent of all North Americans thought national security was poor.

In terms of **perceptions of international security**,

- ▶ 43.0 per cent of Canadians thought international security was poor and only 18.0 per cent rated it as good; and
- ▶ 38.0 per cent of Americans believed international security was poor, while 24.0 per cent thought it was good.

(Gallup International, *Voice of the People Survey*, 2003)

Defence expenditures as a percentage of GDP (supplemental indicator)

Current performance and trends

Canada increased its spending on national defence by about \$700 million to \$13.9 billion in 2004–05 over 2003–04. As a percentage of its GDP, spending on defence remained at 1.2 per cent. Since the early 1980s, Canadian expenditures on defence as a percentage of GDP have gradually declined. In 1983 and 1984, the ratio was 1.9 per cent, but for the period from 1991 to 1993, the ratio had declined to 1.7 per cent. (National Defence, NATO, and Statistics Canada, 2005)

Defence spending among all NATO members has increased remarkably since 1980. Since defence spending has not kept pace with the growth of GDP in these countries, however, defence expenditures as a percentage of GDP have gradually declined.

Among [NATO countries in 2004](#), the U.S. ranked first in terms of defence expenditures (over U.S.\$462 billion). When measured as a percentage of GDP, the U.S. are also first with a ratio of 3.9 per cent, in front of Turkey at 3.5 per cent and Greece at 2.9 per cent. (NATO, 2005)

Government of Canada outcome: Global poverty reduction through sustainable development

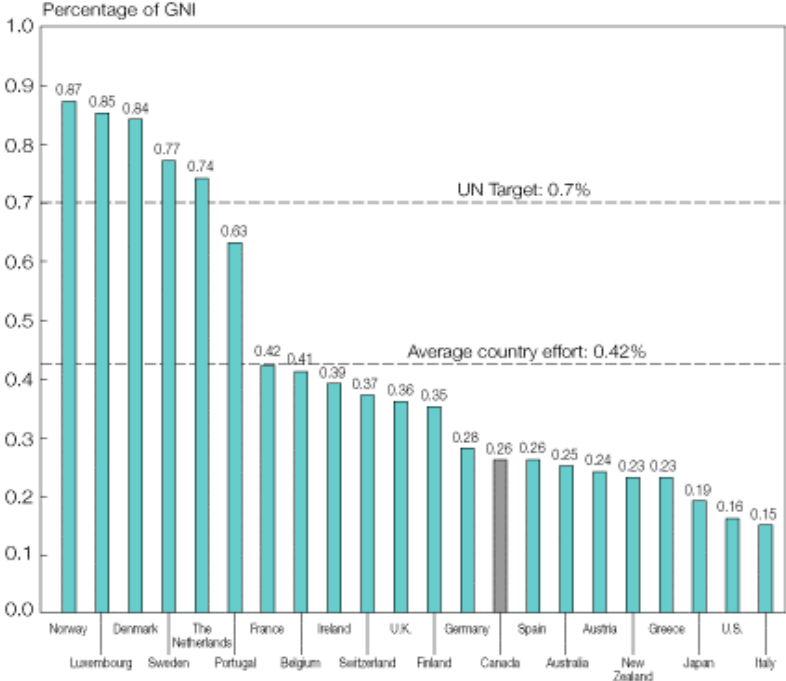
► Official Development Assistance (ODA) as a percentage of gross national income

ODA as a percentage of gross national income

Current performance and trends

In 1969, the Commission on International Development recommended that developed countries contribute 0.7 per cent of their gross national product (GNP) to their official aid budgets. In 1970, the United Nations General Assembly endorsed this standard. Recent comparative statistics, such as those compiled by the OECD, use a slightly different figure, gross national income (GNI does not include goods and services rendered by non-residents), against which to measure national governments’ ODA expenditures.

Net Official Development Assistance as a Percentage of Gross National Income, 2004



Source: OECD, 2005

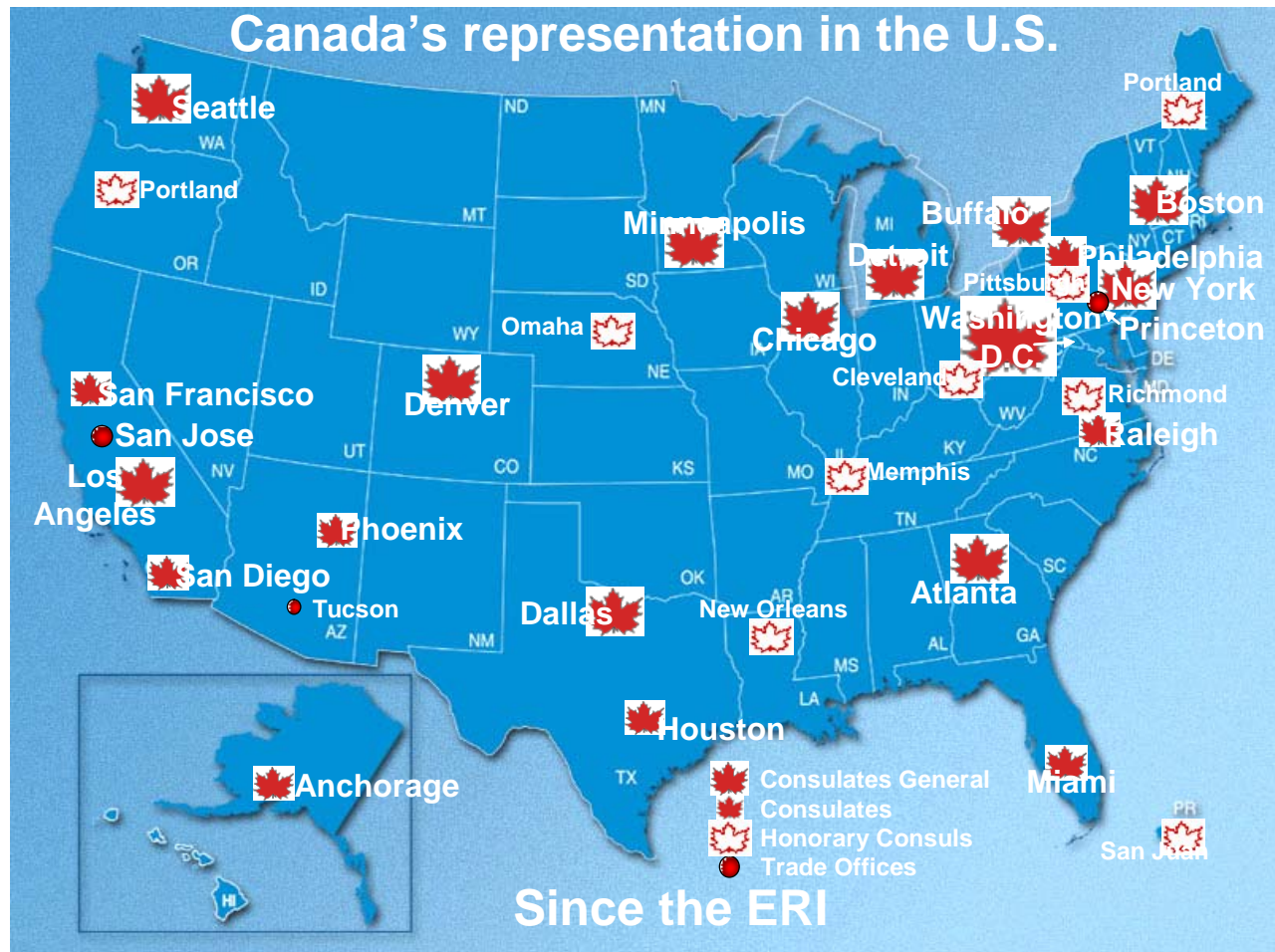
In 2004, Canada contributed 0.26 per cent (or about \$3.3 billion) of its GNI to ODA and ranked 14th among the OECD’s 22 Development Assistance Committee (DAC) member countries. This represents an improvement over 2003, when Canada contributed 0.24 per cent of its GNI to ODA. Among G-7 countries in 2004, Canada ranked 4th behind France, the United Kingdom, and Germany, but ahead of Japan, the U.S., and Italy. (OECD, 2005)

Two decades ago, Canada’s ODA-GNP ratio was 0.49 per cent, peaking at 0.50 per cent in 1986–87. Since then, the ratio has been on a downward trend at 0.42 per cent in 1994–95 and 0.27 per cent in 2001–02. (Canadian International Development Agency, *Statistical Report on Official Development Assistance 2003–04*)

In support of Canada's long-term commitment to the internationally agreed target of devoting 0.7 per cent of GNI to ODA, the government has committed, in its International Policy Statement, to ongoing increases beyond 2010 and to accelerate the projected rate of growth in international assistance as Canada's fiscal position continues to improve.

Additional information on Canada's place in the world

Canadian diplomatic representation in the U.S. (Since the Enhanced Representation Initiative)



(Source: Foreign Affairs Canada, 2005)

Progress in the Smart Border Discussions

- ▶ The joint NEXUS program expedites the flow of pre-approved, low-risk travellers. In addition to the NEXUS land-border program, NEXUS Air—a bi-national pilot project of the Canada Border Services Agency and U.S. Customs and Border Protection (CBP)—facilitated the efficient and secure entry of pre-approved, low-risk air travellers into Canada and the U.S. A NEXUS Marine pilot was also implemented.
- ▶ The Free and Secure Trade (FAST) program takes the same approach to low-risk, pre-approved commercial goods and truck drivers. FAST is now in place at the 12 border crossings that account for 80.0 per cent of commercial traffic between Canada and the U.S.
- ▶ The *Canada-United States Safe Third Country Agreement* has been signed and implemented, permitting both countries to better manage the flow of refugee claimants across their common land border.
- ▶ Integrated border enforcement teams have been expanded along the border. These multidisciplinary teams deal with potential terrorist and criminal activity between ports of entry. A total of 23 teams now operate in 15 areas.
- ▶ The Canada Border Services Agency created the National Risk Assessment Centre to improve information sharing about high-risk individuals and cargo with the U.S. This is increasing the capacity of the two countries to detect and stop high-risk travellers and cargo destined for either country.
- ▶ Infrastructure Canada's Border Infrastructure Fund has supported improvements at Fort Erie, Windsor, North Portal, and Vancouver. (Canada Border Services Agency and Infrastructure Canada, 2005)

Pension mobility and trade in services

Pension mobility is crucial to trade in services—it is an important plank in Canada's trade agenda. The Government of Canada negotiates and administers social security agreements that co-ordinate the Canada Pension Plan and Old Age Security programs with comparable pension programs in other nations. Social security agreements help ensure the economic competitiveness of Canadian firms with global reach by maintaining Canada Pension Plan coverage for Canadian workers in these firms. They also provide protection for immigrants who are not covered by domestic social security legislation. (Social Development Canada, 2005)

*Canadian Forces International Peace Support Missions in 2004***1. Europe**

NATO Stabilization Force (SFOR)—*Operation PALLADIUM*

- Bosnia-Herzegovina

European Union Force (EUFOR)—*Operation BOREAS*

NATO Headquarters Sarajevo—*Operation BRONZE*

- Bosnia-Herzegovina

NATO Support to the Athens Olympics—*Operation GLAUCUS*

- Canada's contribution to the NATO security mission supporting the XXVII Olympiad and Paralympics in Athens, Greece

2. Middle East

United Nations Truce Supervision Organization (UNTSO)—*Operation JADE*

- To observe and maintain the cease-fire between Israel, Egypt, Lebanon, Jordan, and Syria

United Nations Disengagement Observer Force (UNDOF)—*Operation DANACA*

- Golan Heights

Multinational Force and Observers (MFO)—*Operation CALUMET*

- Sinai

3. Africa

United Nations Standby High Readiness Brigade (SHIRBRIG)—*Operation SAFARI*

- Sudan (not Darfur)

African Union—Darfur Integrated Task Force (DITF) —*Operation AUGURAL*

- Darfur, Sudan

International Military Advisory and Training Team (IMATT) Sierra Leone—*Operation SCULPTURE*

- Sierra Leone

United Nations Observer Mission in the Democratic Republic of the Congo (MONUC)—*Operation CROCODILE*

- Kinshasa and Kisangani, Congo

4. Central America and the Caribbean

United Nations Multi-National Interim Force (MIF) in Haiti—*Operation HALO*

- Haiti

5. Persian (Arabian) Gulf and Southwest Asia

International Security Assistance Force (ISAF)—*Operation ATHENA*

- Kabul, Afghanistan

International Campaign Against Terrorism—*Operation FOUNDATION*

- United States Central Command (CENTCOM) in Tampa, Florida

International Campaign Against Terrorism—*Operation ALTAIR*

- Persian (Arabian) Gulf

International Campaign Against Terrorism—*Operation ARCHER*

- Kandahar, Kabul and Bagram, Afghanistan

International Campaign Against Terrorism—*Operation ACTIVE ENDEAVOUR*

- Mediterranean Sea

International Campaign Against Terrorism—*Operation SIRIUS*

- Sigonella

6. Humanitarian Assistance

Tsunami Disaster Relief—*Operation STRUCTURE*

- Colombo, Sri Lanka

7. Arms-control verification operations

The Treaty on Conventional Forces in Europe—*Operation VERIFY*

- Kazakhstan, Russia, Ukraine, Moldova, and Georgia

The Vienna Document 1999—*Operation QUESTION*

- Malta, Kazakhstan, Armenia, Moldova, Greece and Austria

Dayton Peace Accord—*Operation MENTOR*

- Republic Srpska

The 1992 Treaty on Open Skies—*Operation ACTIVE SKIES* and *Operation PASSIVE SKIES*

- Russia, Ukraine, and Croatia

(National Defence, 2005)

To consult a list and a map of current Canadian Forces operations, go to

http://www.forces.gc.ca/site/operations/current_ops_e.asp.

Canadian Police Peacekeeping Missions in 2004

1. Afghanistan (2003–present*)

United Nations Assistance Mission in Afghanistan (UNAMA)

2. Bosnia Herzegovina (2000–present*)

Office of the High Representative (HRO)

3. Bosnia Herzegovina (2003–present*)

European Union Police Mission (EUPM)

4. East Timor (2000–04)

United Nations Assistance Mission in East Timor (UNAMET)

United Nations Transitional Administration in East Timor (UNTAET)

United Nations Mission in Support of East Timor (UNMISSET)

5. Guinea (2003–04)

United Nations High Commission for Refugees (UNHCR)

6. Haiti (2004–present*)

United Nations Stabilization Mission in Haiti (MINUSTAH)

7. Iraq (2004–present*)

Iraqi Ministry of the Interior—Police Adviser Group

8. Ivory Coast (2004–present*)

United Nations Mission in Côte D'Ivoire (UNOCI)

9. Jordan (2004–present*)

Jordan International Police Training Center (JIPTC)

10. Kosovo (2000–04)

United Nations Mission in Kosovo (UNMIK)

11. Sierra Leone (1998 and 2001–04)

United Nations Assistance Mission in Sierra Leone (UNAMSIL)

12. Sierra Leone Special Court (2001–present*)

United Nations Special Court for Sierra Leone (UNSCSL)

* *Indicates missions that were active as of June 2005*

(Royal Canadian Mounted Police, 2005)

More on the Human Security Program and Peacebuilding Fund

Human security is an approach to foreign policy that puts people—their rights, their safety, and their lives—first. The Government of Canada’s objective is to build a world where universal humanitarian standards and the rule of law protect all people, where those who violate these standards are held accountable, and where international institutions are equipped to defend and enforce those standards. Through both the [Human Security Program](#) (HSP) and Canada’s multilateral and bilateral partnerships, the government will continue to work to strengthen the international community’s ability to respond to threats to human security and support peaceful governance. (Foreign Affairs Canada, 2005)

The [Peacebuilding Fund](#) was established in response to Canada’s commitment to global security and sustainable development. It was designed to provide a mechanism to finance emergency conflict prevention and post-conflict peacebuilding activities in countries entering, experiencing, or emerging from conflict. The Peacebuilding Fund has worked within clear parameters: it has given grant funding for short-term activities and not for core support, it has supported projects only within countries eligible for ODA, and it has worked in complement to peacebuilding programs established in the Canadian International Development Agency’s bilateral programs. It has also established a strong history of consultation and co-operation with its sister fund in Foreign Affairs Canada’s HSP. (Canadian International Development Agency, 2005)

Good governance—The launching of Canada Corps

Promotion of democratic development makes an important contribution to creating a more safe and secure world. In 2004, the Government of Canada launched the [Canada Corps](#) to develop partnerships across all sectors of Canadian society to support good governance and institution building in developing countries, transition countries, and fragile states as part of its effort to strengthen Canada’s contribution to human rights, democracy, and good governance internationally. The official launch of Canada Corps was in December 2004 with the Canadian

Observers Mission to Ukraine. This inaugural Canada Corps mission sent 463 election observers to Ukraine for the repeat second round of presidential elections on December 26, 2004. It also provided the occasion to publicly announce the launch of the Canada Corps. (Canadian International Development Agency, 2005)

The Proliferation Security Initiative

The [Proliferation Security Initiative](#) is a global statement of purpose whereby participants from over 60 different countries share a common objective: to prevent the proliferation of weapons of mass destruction, their delivery systems, and related materials in order to enhance international security. (National Defence, 2004)

Millennium Development Goals—Targets for 2015

1. Reduce extreme poverty and hunger by half;
2. Ensure universal access to primary education, for all boys and girls;
3. Promote gender equality and empower women, by notably eliminating gender disparity at all levels of education;
4. Reduce child mortality by two thirds;
5. Reduce maternal mortality by three quarters;
6. Halt and reverse the spread of HIV/AIDS and the incidence of malaria and other major diseases;
7. Integrate environmental sustainability, reverse the loss of resources, reduce by half the number of people without access to safe water; and
8. Build a new partnership for development through trade reform, market access, debt relief and sustainability, increased aid, productive work for youth, access to affordable medicines, and new technologies.

Canada and untied aid

Since its creation in 1961, the OECD DAC has discussed ways to improve the effectiveness of its members' aid efforts. One major issue has been whether aid should be freely available to buy goods and services from all countries (that is, "untied aid") or whether aid should be restricted to

the procurement of goods and services from the donor country (that is, “tied aid”). (OECD, 2005)

In keeping with its commitments in the 2001 DAC Recommendation on Untying Aid, Canada is gradually untying its aid program. In 2001, 31.7 per cent of Canadian aid was untied. In 2003, untied aid made up 52.0 per cent of Canadian development assistance. (Canadian International Development Agency, 2005)

Canadian debt relief for developing countries

- ▶ Canada has supported the Heavily Indebted Poor Countries Initiative (HIPC) proposed by the World Bank and the International Monetary Fund since its inception in 1996. Canada has provided \$312.0 million to the HIPC Initiative to help reduce the multilateral debts of the world’s poorest, most indebted countries, many of them in Africa.
- ▶ In 1999, the Government of Canada established the Canadian Debt Initiative, which placed a moratorium to debt payments owed by eligible HIPC countries to Canada and 100-per-cent debt cancellation for these countries upon completion of the HIPC process. Canada has provided \$590.0 million in debt relief to African countries and will climb to over \$1 billion once more HIPC countries complete the process. (Department of Finance Canada, 2005)

4. Aboriginal Peoples

Health: Improved health of Aboriginal peoples

- ▶ Life expectancy
- ▶ Infant mortality

Life expectancy

Current performance and trends

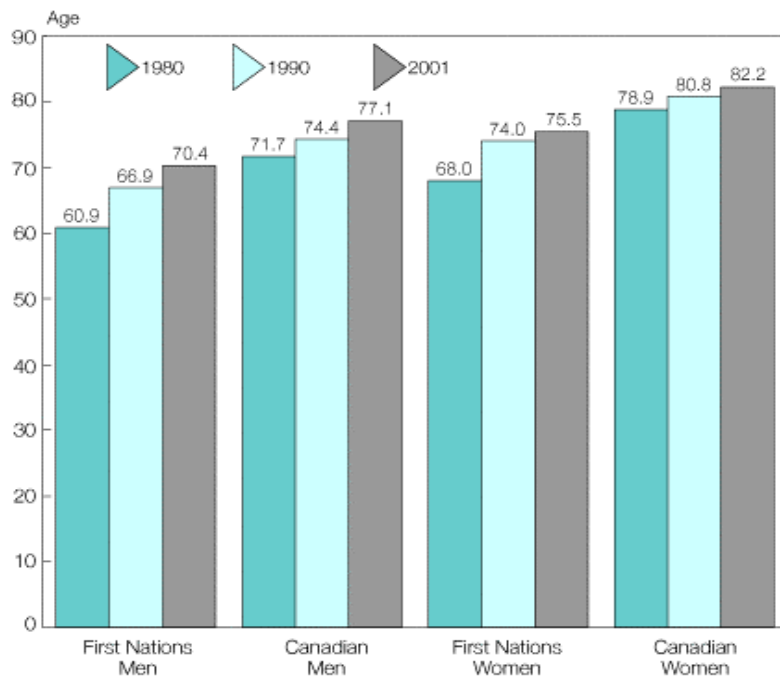
Life expectancy is the number of years a person would expect to live at birth on the basis of the mortality statistics for a given observation period.

The gap in life expectancy between First Nations people and the general Canadian population continues to decrease. Life expectancy for First Nations men increased from 66.9 years in 1990 to 70.4 years in 2001, closing the gap with men in the Canadian population to 6.7 years. (Health Canada, 2004)

Life expectancy for First Nations women increased from 74.0 years in 1990 to 75.5 years in 2001, closing the gap with women in the Canadian population to 6.7 years. (Health Canada, 2004)

According to the latest available data, life expectancy for Inuit in Nunavut in 1999 has been estimated at 67.7 years for men and 70.2 years for women. (Health Canada, 2004)

Life Expectancy for First Nations People and Canadians, by Gender, Canada, 1980, 1990, and 2001



Source: Health Canada, 2004, and Indian and Northern Affairs Canada, 2004

Infant mortality

Current performance and trends

Infant mortality is the number of deaths per 1,000 live births. Infant mortality rates for First Nations communities have been declining steadily. The rate of deaths per 1,000 births dropped from 23.7 in 1980 to 12.3 in 1991, to 6.4 in 2000. Although declining, the infant mortality rate for First Nations communities continues to be higher than the Canadian rate, which is currently at 5.2 deaths per 1,000 live births. (Health Canada, 2004)

Lifelong learning: Maximized participation and success in early learning, education, training, and skills development built on Aboriginal heritage

► Educational attainment

Educational attainment

Current performance and trends

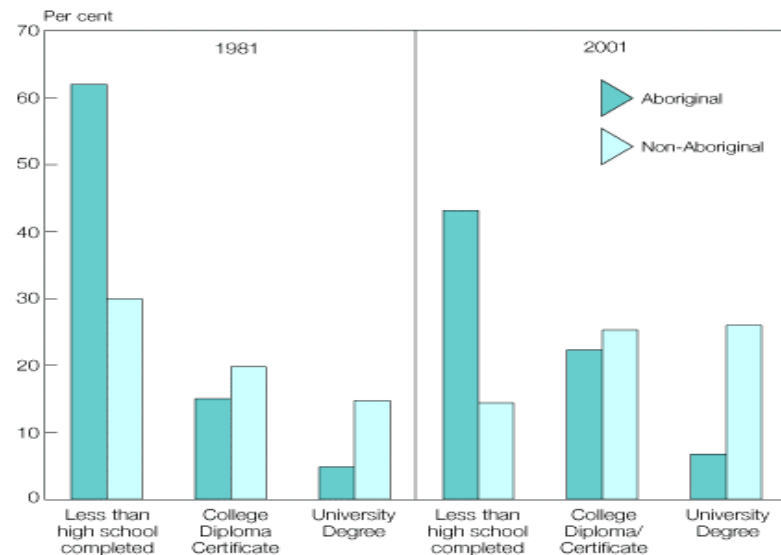
From 1981 to 2001, the percentage of Aboriginal people who obtained college diplomas increased from 15.0 per cent to 22.0 per cent, while the percentage that obtained university degrees increased slightly from 4.0 per cent to 6.0 per cent.

This compares with increases of 20.0 per cent to 25.0 per cent for non-Aboriginal people obtaining college diplomas (a narrowing of the gap between the Aboriginal

and non-Aboriginal population) and 15.0 per cent to 26.0 per cent of non-Aboriginal people receiving university degrees (a widening of the gap by 9.0 percentage points).

The proportion of Aboriginal people with a high school education also rose. The percentage with less than high school completed fell from 62.0 per cent to 43.0 per cent, while the percentage of those with less than high school in the non-Aboriginal population decreased from 30.0 per cent to 15.0 per cent (a narrowing of the gap by 4.0 percentage points).

Educational Attainment for the Aboriginal and Non-Aboriginal Population in Canada, 1981 and 2001



Notes: 1. Some of the improvement in educational attainment between 1981 and 2001 may be attributed to some people changing their identity on their census forms from non-Aboriginal to Aboriginal and already having a high level of education.

2. For the category "Less than High School completed," the population age group is 20–24 years. For the categories "College Diploma Certificate" and "University Degree," the population age group is 25–34.

Source: Statistics Canada, 2001

Current performance and trends

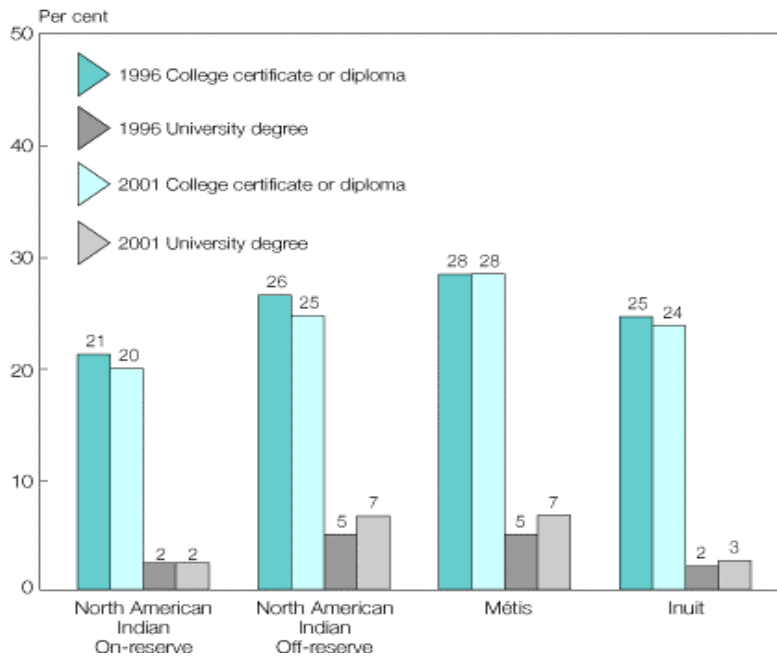
As a whole, the number of people aged 25 to 34 who are out of school and who have a college or university degree remained relatively stable for each Aboriginal group from 1996 to 2001. In 2001, Métis had the highest shares at 28.0 per cent, while on-reserve North American Indians were at 20.0 per cent, down from 21.0 per cent in 1996.

Those with a university degree increased by about 2 percentage points among North American Indians off-reserve and for Métis, rising from 5.0 per cent to 7.0 per cent in the five years. It should be noted, however, that some of this increase may have come from people who reported a change in their identity from non-Aboriginal to Aboriginal on their census forms between 1996 and 2001, especially among the Métis.

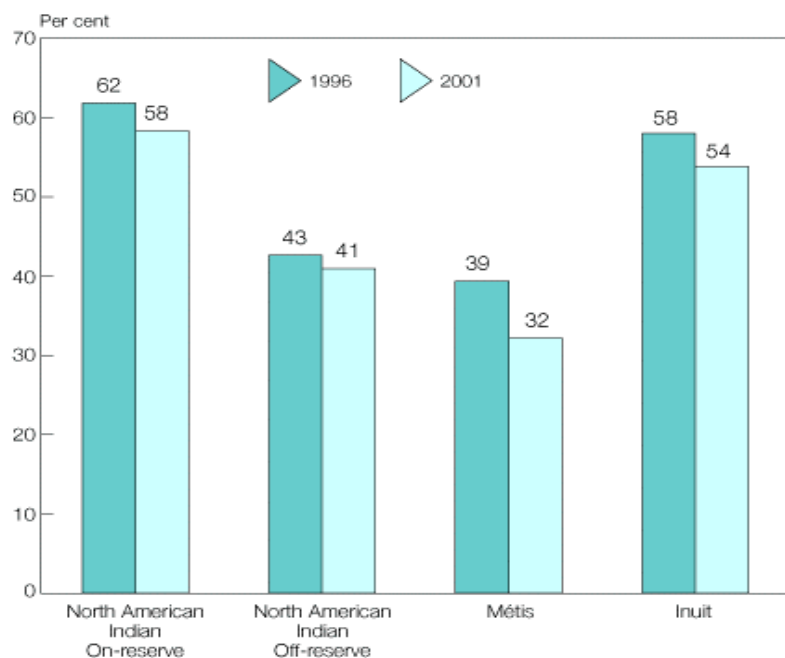
The on-reserve population appears to have shown no change in the proportion with a university degree. Part of this trend may be due to those gaining a degree not moving back to reserves and staying off reserves for jobs. (Statistics Canada, 2001)

The percentage of Aboriginal

Aboriginal Population out of School with a College Certificate or Diploma or University Degree by Aboriginal Group, Aged 25 to 34, Canada, 1996 and 2001



Aboriginal Population with Incomplete High School or Less, by Aboriginal Group, Aged 20 to 24, Canada 1996 and 2001



Source: Statistics Canada, 2001

youth aged 20 to 24 who had incomplete secondary school or less as their highest level of schooling declined from 1996 to 2001. The North American Indian youth on reserves had the highest percentages with less than high school (62.0 per cent in 1996 to 58.0 per cent in 2001), followed closely by Inuit youth, from 58.0 per cent to 54.0 per cent. The percentage of North American Indians off-reserve with incomplete high school declined from 43.0 per cent to 41.0 per cent, and the percentage for Métis youth declined from 39.0 per cent to 32.0 per cent. Even though there were improvements, there remains a large gap with non-Aboriginal youth, 15.0 per cent of whom had incomplete high school or less in 2001.

Housing: Aboriginal people have improved access to suitable, affordable housing and related support

► Acceptable housing

Acceptable housing: First Nations communities

Current performance and trends

Adequacy and suitability standards help to assess the acceptability of housing in First Nations communities.²

The percentage of people on-reserve living in inadequate housing increased from 35.0 per cent in 1996 to 37.0 per cent in 2001. The percentage of households on-reserve living in unsuitable dwellings decreased, however, from 27.0 per cent in 1996 to 22.0 per cent in 2001.

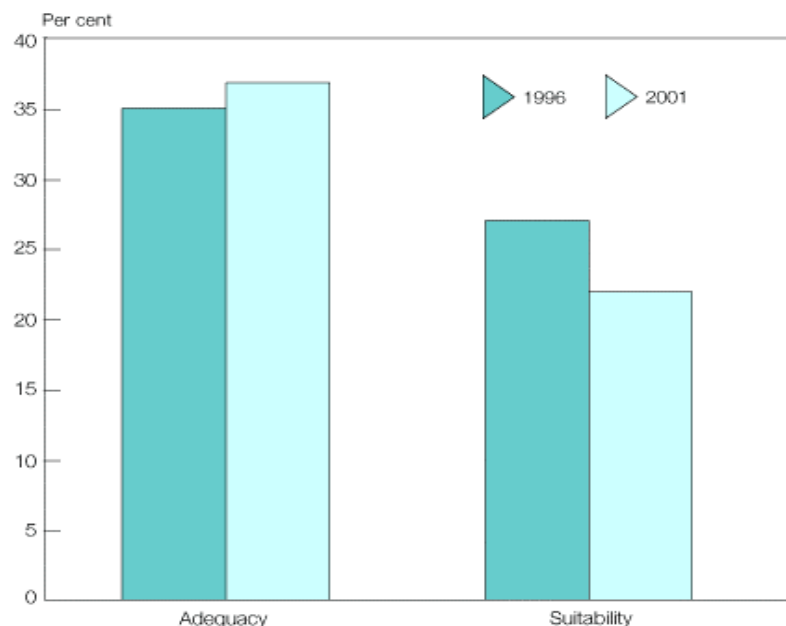
(Canada Mortgage and Housing Corporation, 2004)

Acceptable housing: Core housing needs off-reserve

Current performance and trends

Between 1996 and 2001, housing for Aboriginal people in off-reserve areas improved. In 2001, 24.8 per cent of Aboriginal households off-reserve were in core housing need, down from 31.6 per cent in 1996. A total of 31.9 per cent of Inuit households were in core housing need, down from 32.7 per cent in 1996. Status and non-Status Indian households in housing need totalled 27.3 per cent, down from 34.1 per cent. The percentage of Métis households in housing need was 20.6 per cent, down from 27.2 per cent. (Canada Housing and Mortgage Corporation, 2004)

On-reserve Aboriginal Households Failing to Meet the Adequacy or Suitability Standard, Canada, 1996 and 2001



Source: Canada Housing and Mortgage Corporation, census-based housing indicators and data, 2004

2. Affordability cannot be assessed for on-reserve dwellings because shelter costs are not collected by the census for on-reserve households, whose housing costs are paid through band housing arrangements.

**Economic Opportunity:
Sustainable wealth creation and participation in the economy**

- ▶ Employment rate
- ▶ Median income
- ▶ Business Formation Rate

Employment rate

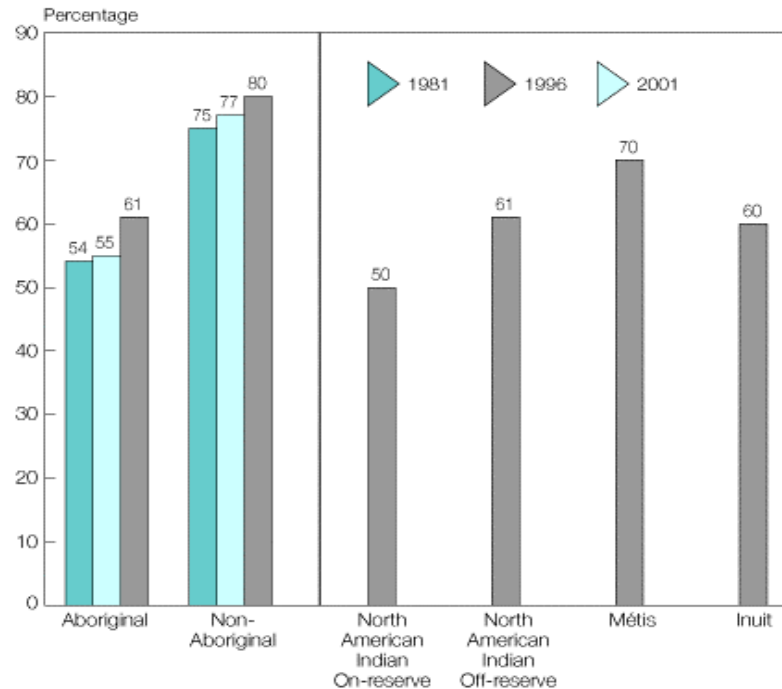
Current performance and trends

In 2001, 61.0 per cent of the Aboriginal population aged 25 to 54 years was employed, compared with 55.0 per cent

in 1996 and 54.0 per cent in 1981. Although the gap between the rates of employed Aboriginal and non-Aboriginal people decreased by 2.0 percentage points from 1981 to 2001, a disparity remains.

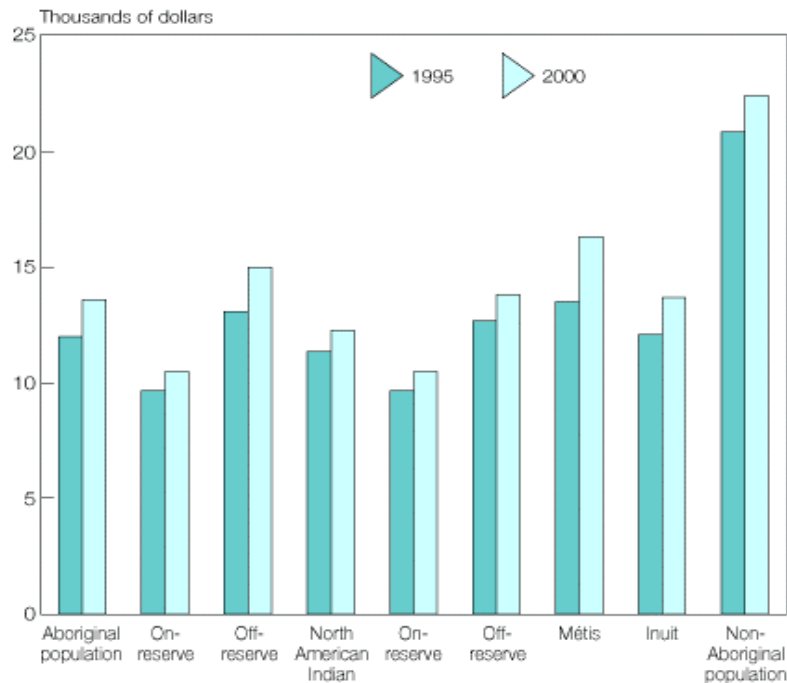
In 2001, the employment rates among Aboriginal groups varied significantly, with 70.0 per cent of Métis employed, compared with 60.0 per cent of Inuit, 61.0 per cent of North American Indians off-reserve, and 50.0 per cent on-reserve. (Statistics Canada, 2001 Census)

Employed Aboriginal and Non-Aboriginal People, Aged 25 to 54, Canada, 1981, 1996, and 2001



Source: Statistics Canada, 2001 Census

Median Income for the Aboriginal and Non-Aboriginal Population, Aged 15 and Over, Canada, 1995 and 2000



Source: Statistics Canada, 2004

Median income

Current performance and trends

In 2000, the median income of Aboriginal individuals was \$13,593, up from \$12,010 in 1995. The Métis had the highest median income (\$16,347, up from \$13,502 in 1995), followed by North American Indians off-reserve (\$13,838, up from \$12,664), and the Inuit (\$13,700 up from \$12,089). The on-reserve North American Indian (\$10,471, up from \$9,665) and on-reserve Aboriginal people (\$10,502, up from \$9,693) both had the lowest median incomes. In comparison, the non-Aboriginal population had a median income of \$22,431, up from \$20,844. (Statistics Canada, 1996 Census and 2001 Census)

Business formation rate

Current Performance and Trends

Aboriginal entrepreneurship is on the rise in Canada. In 2001, there were more than 27,000 self-employed Aboriginal people. Between 1996 and 2001, the increase in Aboriginal self-employment (31.0 per cent) was more than nine times that of overall Canadian population.

In addition, almost two thirds of self-employed Aboriginal people live in western Canada, and the majority of self-employed Aboriginal workers reside off-reserve (85.6 per cent) with more than half of these (52.1 per cent) living in urban areas.

As a proportion of the working-age population, Aboriginal self-employment, at 4.2 per cent, is less than the 7.8-per-cent Canadian average for self-employment. Aboriginal self-employment is represented by 3.2 per cent North American Indians, 6.1 per cent Métis, and 3.0 per cent Inuit. (Statistics Canada, 1996 and 2001 Census)

Additional information on Aboriginal peoples

Aboriginal population

According to the 2001 Census, there are about 1 million people who self-identify as Aboriginal in Canada, approximately 3.3 per cent of the total Canadian population. Among people who identify themselves as Aboriginal, 62.0 per cent are First Nations, 30.0 per cent Métis, and 5.0 per cent Inuit. About 3 per cent identified with more than one Aboriginal group or declared that they were First Nations on-reserve or band members who did not identify as being Aboriginal.

While the Aboriginal population is a small percentage of the Canadian population as a whole, it constitutes a significant proportion in some provinces and territories. In Nunavut, for example, Inuit represent 85.0 per cent of the territory's total population. Aboriginal peoples are more than half (51.0 per cent) of the population of the Northwest Territories, almost one quarter (23.0 per cent) of the population of the Yukon, and about 14.0 per cent of the populations of Manitoba and Saskatchewan. Across

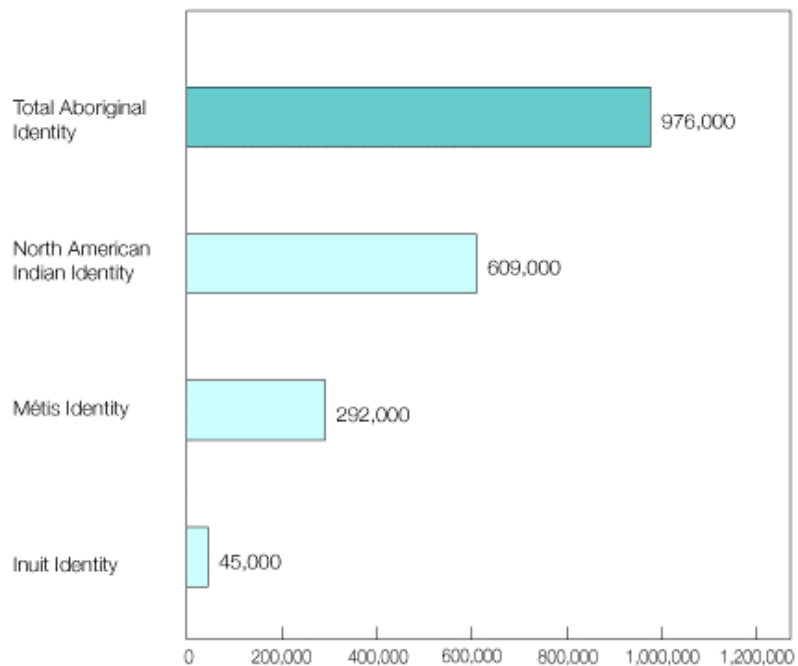
Canada, the Aboriginal population is younger and has been growing more quickly than the non-Aboriginal population. The 2001 Census reported that 69.0 per cent of the total Aboriginal population in Canada lives off-reserve, with almost three quarters of these individuals living in urban areas.

Safe water treatment

According to a 2003 report released by Indian and Northern Affairs Canada, *National Assessment of Water and Wastewater Systems in First Nations Communities*, 29.0 per cent of the 740 community water systems posed a possible high risk to water quality and 46.0 per cent a medium risk. For wastewater systems, the assessment indicated that 16.0 per cent posed a possible high risk and 44.0 per cent a medium risk.

To address the safety of the drinking water on reserves, the 2003 Budget allocated \$600.0 million over five years to upgrade, maintain, and monitor water and wastewater systems in First Nations communities.

Aboriginal Peoples of Canada, 2001



Source: Statistics Canada, 2001

Water quality is a major concern for the Inuit in the Canadian Arctic. When surveyed, a total of 34.0 per cent of Inuit said there were times of the year when their water was contaminated. The percentage of residents who claimed that their water was contaminated at certain times of the year was 74.0 per cent of residents of Nunavik in northern Quebec, 29.0 per cent of residents of Labrador, and 21.0 per cent of residents in Nunavut. (Statistics Canada, *Aboriginal Peoples Survey*, 2001) Water contamination is strongly linked to a host of health problems, both short- and long-term. Furthermore, environmental contaminants that have bio-accumulated in Arctic wildlife also threaten the health and culture of the Inuit.

Justice practices

The Government of Canada is working with Aboriginal communities to develop their capacity to prevent crime and use restorative justice processes. Restorative justice is a systematic response to wrongdoing that emphasizes healing the wounds of victims, offenders, and communities caused or revealed by the criminal behaviour. Practices and programs reflecting restorative purposes will respond to crime by identifying and taking steps to repair harm, involving all stakeholders, and transforming the traditional relationship between communities and their governments in responding to crime. An example of federal departments using restorative justice practices is the Royal Canadian Mounted Police, which serves approximately 600 Aboriginal communities and has facilitated Community Justice Forum training sessions in many Aboriginal communities since 1997. (Royal Canadian Mounted Police, 2004)

The Aboriginal Justice Strategy

To better serve the needs of Aboriginal offenders, the Government of Canada is also working in partnership with Aboriginal communities to draw on traditional Aboriginal justice practices that have generally taken a holistic approach emphasizing healing and the importance of community involvement in the justice process. Through the Aboriginal Justice Strategy, the federal government, in partnership with provinces and territories, provides funding to community-based justice programs aimed at reducing crime among Aboriginal people. (Department of Justice Canada, 2004) There are currently 89 agreements serving 451 Aboriginal communities, on- and off-reserve, that enable them to develop Aboriginal community-based justice programs and approaches that reflect their particular cultures and values. (Department of Justice Canada, 2004) One example of work done with Aboriginal communities was the creation of nine Aboriginal healing lodges across Canada, to which 246 Aboriginal offenders have been transferred since 2000. In addition, the proportion of Aboriginal offenders serving their sentence in the community has increased from 28.5 per cent in 1998 to 32.0 per cent in 2004. (Correctional Services Canada, 2004)

Incarceration rate

There is an increasing over-representation of Aboriginal offenders in the Canadian justice system. While Aboriginal people represent 3.3 per cent of the Canadian population, they account for 18.0 per cent of the federally incarcerated population and 16.0 per cent of people sentenced. (Correctional Services Canada, 2004)

On-reserve housing policy

The introduction of the on-reserve housing policy in 1996, accompanied by one-time funding through Indian and Northern Affairs Canada, has given First Nations communities that have voluntarily adopted the policy (over 500 communities, approximately 80 per cent of First Nations communities) greater flexibility and control over housing policies and programs in their communities.

In addition to long-term funding for existing housing in the territories, Quebec, and Newfoundland and Labrador, the Government of Canada provides \$10.0 million annually for the construction of housing units in Nunavik and Quebec and provides another \$10.0 million annually for operating expenses. In Nunavut, the Government of Canada has approved a one-time contribution of \$20.0 million for the construction of social housing through the Canada Strategic Infrastructure Fund.

Aboriginal peoples in metropolitan areas

According to the 2001 Census, the Aboriginal population more than doubled in most cities across Canada. Almost 3 out of every 10 people who identified themselves as members of at least one Aboriginal group in the 2001 Census lived in an urban centre. Between 1981 and 2001, the Aboriginal population more than doubled in most city centres (such as Ottawa–Gatineau, Toronto, Sudbury, Thunder Bay, Winnipeg, Regina, Saskatoon, Calgary, Edmonton, and Vancouver) and, in many cases, the Aboriginal population more than tripled. The most dramatic increase in population occurred in Saskatoon, where the Aboriginal population increased almost fivefold from about 4,200 in 1981 to more than 20,000 in 2001. (Statistics Canada, “Study: Aboriginal people living in metropolitan areas,” *The Daily*, June 23, 2005)

Comprehensive Land Claims Policy

The *Comprehensive Land Claims Policy* was established in 1973 to achieve certainty with respect to lands and resources in areas of Canada where Aboriginal rights were not resolved by treaty or other lawful means. The policy was designed to obtain a full and final settlement of all Aboriginal land rights, including Aboriginal title through the negotiation of modern treaties

(comprehensive land claims agreements) that exchange “undefined” Aboriginal rights for “defined” property rights.

Since the policy was established, 19 comprehensive land claims agreements have been negotiated and brought into effect and 1 is currently in ratification. These modern treaties (mostly in Quebec and the three territories) cover approximately 40 per cent of Canada’s land mass and involve over 100 Aboriginal communities with over 80,000 members. Under these agreements, the Aboriginal parties have secured ownership rights to over 600,000 square kilometres of land, over \$2.8 billion (in 2005\$) in fiscal transfers, protections for their traditional way of life, access to benefits from future resource development, and participation in land resource management decisions. (INAC, 2005)

Self-government

As with comprehensive land claims, views on the nature of Aboriginal self-government and its place within Canada’s constitutional framework have evolved dramatically since 1982. While existing Aboriginal and treaty rights were recognized and affirmed in *The Constitution Act, 1982*, no consensus was reached to specifically recognize self-government as a constitutional right. The implementation of the inherent right of self-government requires new approaches to address governance capacity, issues of aggregation, and financial resources. (INAC, *Renewal of Policies and Processes for Addressing Aboriginal and Treaty Rights, Federal Background Paper for the Negotiations Sectoral Roundtable*, 2005)

Historic treaties

Historic treaties refer to those treaties concluded between the Crown and Aboriginal peoples prior to 1973. There are approximately 70 recognized historic treaties, involving 369 First Nations. They are not uniform in nature and reflect the times and circumstances in which they were negotiated and the differing objectives of the parties. (INAC, *Renewal of Policies and Processes for Addressing Aboriginal and Treaty Rights, Federal Background Paper for the Negotiations Sectoral Roundtable*, 2005)

The First Nations Fiscal and Statistical Management Act

The *First Nations Fiscal and Statistical Management Act*, which received Royal Assent in 2005, established a suite of four national institutions: First Nations Finance Authority, First Nations Tax Commission, First Nations Financial Management Board, and First Nations Statistical Institute. These institutions will enhance the tools available to First Nations to support good governance, economic development, and an improved quality of life in First Nations communities. It is anticipated that these institutions will become fully operational in 2006.