Government of Canada   Gouvernement du Canada

Canada's Performance

ANNUAL REPORT TO PARLIAMENT

2004

REPORT *of the* PRESIDENT

Canada

Canada's
Performance

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About *Canada's Performance 2004*

This is the fourth *Canada's Performance* report tabled in Parliament by the President of the Treasury Board.

Canada's Performance 2004 tracks how we are doing as a nation in six key areas of federal government involvement — highlighting both strengths and the areas where we can do better. The report provides a whole of government perspective from which to view the plans, results and resources of individual federal departments and agencies as presented in their spring planning and fall performance reports.

How to Get More Information

The electronic version of this report includes many links to additional information on the societal indicators discussed in this report as well as to information on the plans and performance of federal departments and agencies. If you would like further information or would like to make comments or suggestions regarding *Canada's Performance 2004*, please contact

Treasury Board of Canada Secretariat
Results-Based Management Directorate
300 Laurier Avenue West
9th Floor, West Tower
Ottawa ON K1A 0R5

Telephone: (613) 957-7183
Facsimile: (613) 957-7044
E-mail: rma-mrr@tbs-sct.gc.ca

This document is available in alternative formats
and on the Treasury Board of Canada Secretariat Web site at the following address:
http://www.tbs-sct.gc.ca

President's Message

A healthy democracy such as Canada's requires the active engagement of its citizens in understanding the economic and social issues we face as a nation.

Canada's Performance 2004 provides a results-based perspective from which to review federal programs, services and policies that contribute to the quality of life of Canadians.

As one of only a few countries in the world that publish this kind of report, Canada is a world leader in promoting the achievement of results as the foundation of modern government.

We assess our progress in the following areas of federal involvement: the economy; society, culture and democracy; health; and the environment. This year, to broaden the scope of our report, we added two new chapters: "Canada's Place in the World" and "Aboriginal Peoples."

Canada's performance over the past year shows strong progress in areas such as trade and employment. At the same time however, we still have challenges to meet in other areas such as Aboriginal peoples, civic participation and the environment.

We will continue to pursue improvements in the way government initiatives are managed, and to provide the kind of service Canadians want and deserve.

We recognize that we cannot succeed alone. Most of the results mentioned in this report are strongly influenced by other levels of government, the private sector and community groups. Together, we will provide Canadians with prosperity, opportunity and security for the Canada of now, and for the Canada to come.

The paper version was signed by
Reg Alcock

President of the Treasury Board and
Minister responsible for the Canadian Wheat Board

Executive Summary

Canadians have a fundamental right to know what is achieved through the use of their tax dollars and to hold their government accountable. Key to that knowledge and the accountability that flows from it is the transparency that comes from reporting on progress in key policy areas. As part of the government's commitment to accountability, *Canada's Performance 2004* tracks how we are doing as a nation in six key areas of federal government involvement — highlighting both our strengths and the areas where we can do better. Through the electronic version, the reader has access to information on how the federal government is contributing to Canada's well being in these six areas.

How is Canada performing?

Canada's involvement and participation on the **International Stage** is mixed. While Canada's aid to developing countries has decreased in the last decade, progress has been made in some indicators of prosperity, such as trade.

Canada's **Economy** is still considered one of the strongest and healthiest among the G-7 countries. Canada's employment rate surpassed that of the United States for the first time in over two decades. Even so, certain groups of our society, lone-parent families, for example, are more prone to experience economic hardships.

Canadian **Society, Culture and Democracy** are experiencing a number of challenges. While personal tolerance toward diversity is increasing, other indicators point to a less involved civic society. For example, Canadian political participation is in decline, Canadians are less likely to volunteer and there has been a decrease in participation in some cultural activities.

Aboriginal peoples have not fully shared in Canada's prosperity. While some progress has been made in reducing the disparities facing **Aboriginal Peoples**, the social and economic conditions of far too many Aboriginal communities are still worse than the Canadian average.

The improvements in the **Health of Canadians** are encouraging; for instance, Canadians can expect to live longer than ever. However, the news is not all good. The proportion of Canadians who felt their health was excellent or very good declined among both men and women. Also, a greater proportion of Canadians are considered obese.

While levels of several air pollutants have dropped over the last decade, climate change and the status of many species at risk continue to be causes for concern. The **Canadian Environment** as a whole, however, has seen significant improvements over the last 30 years.

Overall, Canada ranks well compared to other countries. However, that does not mean we should be complacent. The Government of Canada is working to ensure that Canada continues to perform well in those areas where achievements have been made, while addressing those areas where improvements are needed. The federal government recognizes that it cannot succeed alone; rather it must continue to develop partnerships to influence these broad social and economic outcomes. It must continue to work with all levels of government, the private sector, community groups and individual citizens to provide Canadians a better quality of life.

Table of Contents

About the Report

The central goal of the Government of Canada is to improve the quality of life of Canadians. All government policies, programs and activities are directed toward this key objective.

Canada's Performance 2004 reports on how this key objective is progressing. The report is intended to be a balanced assessment of various aspects of Canadian well-being, depicting both successes and areas for improvement requiring greater attention from the federal government, other governments and other sectors of society.

The purpose of *Canada's Performance 2004* is to provide parliamentarians and Canadians with a whole of government perspective from which to view the plans, results and resources reported by individual federal departments and agencies in their spring planning and fall performance reports.

What's in the report

The report has been divided into the following six themes:

▶ Canada's Place in the World (new this year);

▶ Canada's Economy;

▶ Society, Culture and Democracy;

▶ Aboriginal Peoples (new this year);

▶ The Health of Canadians;

▶ The Canadian Environment.

Each theme is subdivided into "Government of Canada outcomes," which are the long-term and enduring benefits to Canadians that federal departments and agencies are working to achieve.

Societal indicators are used to assess Canadians' quality of life within the six themes. The indicators were selected based on their **relevance** to a specific Government of Canada outcome; **broad-based** support by government partners and stakeholders; **consistency** over time and, when possible, with those used in international reports; and **statistical soundness**.

As much as possible, the indicators reflect progress over the past 5-10 years and provide internal comparisons. Because the information gathered in this report is derived from various sources (i.e. the *Census of Canada*, General Social Surveys, Public Opinion Polls, Organisation for Economic Co-operation and Development reports), data is not always updated annually.

The list of Government of Canada outcomes and indicators contained in this report are at Annex A.

Canada's Performance 2004 acts as a "roadmap" to Government of Canada efforts to improve quality of life in Canada. Each theme lists departments and agencies that make a contribution. The electronic version of this report links the themes in *Canada's Performance 2004* to planning, results and resource information contained in department and agency planning and performance reports, and to relevant audits and evaluations.

An illustration of the connection between the themes, Government of Canada outcomes, societal indicators, and department and agency efforts can be found at Annex B.

Finally, the **Performance Highlights** section on page 3 summarizes the key findings presented in the report.

Reports from other federal government organizations

Readers might also want to look at the performance of other organizations that contribute to Government of Canada outcomes, by referring to the *Annual Report to Parliament on Crown Corporations and Other Corporate Interests of Canada.*

Partnering for success

The Government of Canada recognizes that it is only one of many entities that shape our society and that improvement or deterioration in quality of life depends on many factors. For this reason, the government partners with other levels of government, the private and voluntary sectors, non-governmental organizations and individuals to achieve the best possible social, economic and environmental outcomes.

Further information

This report cannot tell the whole story of Canada's performance. The electronic version of the report also includes many links to additional information on societal indicators and measures.

Give us your feedback

The Government of Canada is committed to continually improving its reporting to Canadians. We want to know what you think of this report, what you like best, and what you think needs to be changed or improved so that we can make the necessary adjustments.

We welcome your comments by mail, telephone, facsimile or e-mail.

Treasury Board of Canada Secretariat
Results-Based Management
Directorate
300 Laurier Avenue West
9th Floor, West Tower
Ottawa ON K1A 0R5
Telephone: (613) 957-7183
Facsimile: (613) 957-7044
E-mail: rma-mrr@tbs-sct.gc.ca

Performance Highlights

This chart summarizes the material presented in the report regarding Canada's performance in 23 Government of Canada outcomes in 6 areas of federal involvement over the past 5 to 10 years (depending on the relevance and availability of data).

Legend

▲ Improving performance

▬ No definitive trend noted at this time*

▼ Declining performance

† New Indicator

* This is due to either a lack of trend data or multiple measures with opposing trends.
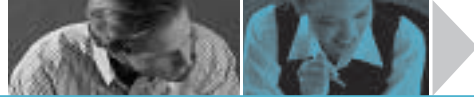
Canada's Place in the World

Government of Canada Outcome	Trend	Indicator	Performance Highlight
A Prosperous and Sovereign Canada in a Safe and Secure North America	▲	Total Trade†	Despite a decrease in total trade between 2002 and 2003, exports to all countries in 2003 totalled $460 billion, up from $260.9 billion in 1994. Imports from all countries totalled $412.7 billion in 2003, up from $252.3 billion in 1994.
			Exports to the United States in 2003 were at $366 billion, up from $199.9 billion in 1994. Imports from the United States at $282.1 billion in 2003 were up from $182.6 billion in 1994.
	▬	Perceptions of Security†	Although trend data is not available, according to the 2003 *Voice of the People* international poll, a total of 42% of Canadians, over half of all Americans (53%) and 71% of Mexicans thought their country was less safe today than it was ten years ago.
A Canada Committed to Multilateral Cooperation	▬	Trust in International Institutions†	According to the GlobeScan Survey on Trust in Institutions, 77% of Canadians indicated that they trust the United Nations, up 4% since 2002.
A Canada Committed to Peace, Human Development and Human Security	▼	Official Development Assistance†	In 2003, Canada contributed 0.26% of its Gross National Income to official development assistance, up slightly (0.01%) from 2000-01, but down 0.19% from 1990-91.

Canada's Place in the World *(cont'd)*

Government of Canada Outcome	Trend	Indicator	Performance Highlight
A World where Canada has a Positive Influence and Profile		*Indicator under development*	

Canada's Economy

Government of Canada Outcome	Trend	Indicator	Performance Highlight
An Innovative and Knowledge-based Economy	▬	Innovation	Canada's performance in innovation is mixed. Canada's gross expenditure on research and development (GERD) as a percentage of GDP has increased from 1.68% in 1997 to 1.87% in 2003. In terms of other measures of innovation, such as Canada's world share in triadic patent families, and science and engineering article outputs, Canada is behind the US and other G-7 countries.
	▲	Educational Attainment	In the last decade, the proportion of Canadians with a college or university degree increased. In 2001, 61% of all Canadians aged 25 to 34 had at least some education beyond high school. This is a marked increase over a decade earlier when only 49% of people in that age category had any post-secondary education.
	▬	Literacy	The data from the first *International Adult Literacy Survey* (IALS), conducted in 1994, indicates that over 40% of Canadians aged 16 and above function below "Level 3," the minimum desirable level, which corresponds roughly to high school completion. The next survey results will not be available until 2005.
Income Security and Employment for Canadians	▲	Employment Rate	The average employment rate (persons 15 and over) increased from 58.5% in 1996 to 62.4% in 2003. There are substantial variations, however, in the unemployment rates of the provinces. The Atlantic provinces and Quebec continue to have substantially higher unemployment rates than the Canadian average

Canada's Economy *(cont'd)*

Government of Canada Outcome	Trend	Indicator	Performance Highlight
	▲	Income Security[†]	After declining in the first half of the 1990s, real disposable income per capita has increased at an average rate of 1.7% per year since 1997, reflecting strong employment growth and cuts in personal taxes. Real disposable income per capita increased from $18,241 in 1993 to $20,324 in 2003. According to the latest data available, the percentage of Canadians living below the Low Income Cut-offs measure decreased from 14% in 1996 to 9.5% in 2002.
A Secure and Fair Marketplace	▬	Barriers to Entrepreneurship[†]	In 2002, Canada had the second-lowest level of regulatory barriers to entrepreneurship among G-7 countries. It was surpassed only by the U.K.
Strong Regional Economic Growth	▲	GDP per Capita	Real Gross Domestic Product (GDP) increased by 2% in 2003, part of a continuing upward trend over the past 10 years, but still lower than some experts had predicted. In 2003, the Atlantic Provinces, Quebec, Ontario, Manitoba, British Columbia and Nunavut experienced a slowdown in real GDP. On the other hand, the Northwest Territories experienced a growth in GDP and Saskatchewan and Alberta picked up slightly compared to last year.

Society, Culture and Democracy

Government of Canada Outcome	Trend	Indicator	Performance Highlight
Diversity as a Fundamental Canadian Value	▬	Attitudes Toward Diversity	Public opinion polls indicate that Canadians' attitudes toward diversity appear to be mixed. While personal tolerance of others increased slightly — 29% of Canadians believed they were more tolerant toward ethnic groups in 2004, up from 23% in 1991 — support for affirmative action declined from 44% in 1985 to 28% in 2004.

Canada's Place in the World
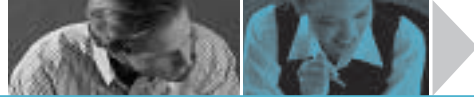
Canada's Economy

Society, Culture and Democracy

Aboriginal Peoples

The Health of Canadians

The Canadian Environment

Society, Culture and Democracy *(cont'd)*

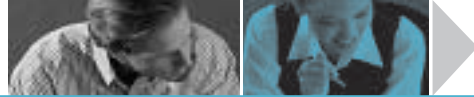| Government of Canada Outcome	Trend	Indicator	Performance Highlight
Safe Communities	▬	Safety	Despite the increase (6%) in the national crime rate between 2002 and 2003, the 2003 crime rate in Canada is 15% lower than a decade ago.
			Six of the ten countries that participated in the International Crime Victimization Survey in both 1996 and 2000, including Canada, experienced no change in their victimization rate.
Caring Communities	▼	Volunteerism	In 2000, 27% of Canadians volunteered 1.05 billion hours of work in Canada, representing a decrease of 13% from 1997.
A Vibrant Canadian Culture and Heritage	▬	Participation in Culture and Heritage Activities	From 1992 to 1998, cultural participation among the Canadian population aged 15 and over was declining in some areas and was on the upswing in other areas. For instance, movie-going was up from 48.6% to 59.1% and concert and performance attendance rose from 30.2% to 34.6%. However, attendance figures decreased at performances of live theatre (down 4%), popular music (down 4.1%), and symphonic music (down 4%).
Sustainable Cities and Communities		*Indicator under development*	
An Informed and Engaged Canadian Public	▼	Political participation	Canadian political participation is in decline. The proportion of eligible voters who voted in the 2004 federal election was the lowest in recent Canadian history — 60.5% compared to 70% in 1993.

Aboriginal Peoples

Government of Canada Outcome	Trend	Indicator	Performance Highlight
Full Aboriginal Participation in Life-Long Learning	▬	Educational Attainment[†]	The percentage of Aboriginal 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. The percentage of Aboriginal youth aged 20 to 24 who had incomplete secondary school or less as their highest level of schooling declined from 1996 to 2001.
Strong Aboriginal Economic Self-Reliance	▲	Employment Rate[†]	The percentage of employed Aboriginal people aged 25 to 54 increased from 55% in 1996 to 61% in 2001.
	▲	Median Income[†]	In 2000, the median income of Aboriginal individuals generally was $13,593, up from $12,010 in 1995. Among Aboriginal groups, the Métis had the highest median income in 2000 at $16,347, up from $13,502 in 1995.
Healthy Aboriginal Communities	▲	Health Status[†]	Between 1990 and 2001, life expectancy for First Nations men increased from 66.9 years to 70.4 years. In the same period, life expectancy for First Nations women increased from 74 years to 75.5 years.
			Infant mortality rates for First Nations on reserve dropped from 12.3 in 1991 to 6.4 deaths per 1,000 live births in 2000.
	▲	Housing[†]	The percentage of First Nations on reserve living in inadequate housing (needing major repairs) increased from 35% in 1996 to 37% in 2001. However, the percentage of households on reserve living in unsuitable dwellings (not enough bedrooms for the size and make-up of the household) decreased from 27% in 1996 to 22% in 2001.
			In 2001, 24.8% of Aboriginal households off-reserve were in core housing need (in housing that is either inadequate, unsuitable or unaffordable and for which 30% or more of the before-tax income would have to be spent to meet the three standards), down from 31.6% in 1996.

Canada's Place in the World

Canada's Economy

Society, Culture and Democracy

Aboriginal Peoples

The Health of Canadians

The Canadian Environment

Aboriginal Peoples *(cont'd)*

Government of Canada Outcome	Trend	Indicator	Performance Highlight
Effective Democracy and a Strengthened Aboriginal Relationship with Canada		*Indicator under development*	

The Health of Canadians

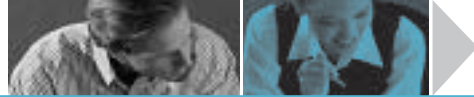| Government of Canada Outcome	Trend	Indicator	Performance Highlight
A Healthy Population	▲	Life Expectancy	Life expectancy at birth has steadily increased from 77.8 years in 1991 to 79.7 years in 2002 (82.1 years for women and 77.2 years for men).
	▼	Self-Rated Health	The proportion of Canadians describing their health as excellent or very good declined among both men and women and in every age group. In 2003, 59.6% of Canadians aged 12 and older reported that they were in excellent or very good health, down from 62.5% in 2000–01 and 63.3% in 1994–95 (age-standardized data).
	▲	Infant Mortality	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.
	▬	Healthy Lifestyles	In the last decade Canadians' progress toward living healthy lifestyles has been mixed. Although people are exercising more, a greater proportion of Canadians are considered obese.

The Health of Canadians

Government of Canada Outcome	Trend	Indicator	Performance Highlight
A Strong Health Care System	—	Waiting Times[†]	In 2003, the self-reported median wait was 4 weeks to consult a specialist (i.e. visits to a specialist for a new illness or condition), 4.3 weeks for non-emergency surgery, and 3 weeks for diagnostic tests. The comparable self-reported waiting time data at the provincial level indicate that there was some variation in waiting times across provinces.
	—	Patient Satisfaction[†]	Between 2000–01 and 2003 the percentage of Canadians who rated the quality of overall health services as being either excellent or good slightly increased from 84.4% to 86.6%.

The Canadian Environment

Government of Canada Outcome	Trend	Indicator	Performance Highlight
Canada's Environment is Protected and Restored from Pollution	—	Air Quality	Levels of several air pollutants have decreased since the mid- to late 1980s. There has been no noticeable net change in fine particulate matter ($PM_{2.5}$) concentrations since the mid-1990s. While seasonal average levels for ground-level ozone have shown an increase, the peak levels of ground-level ozone have remained relatively stable.
	▲	Water Quality	Wastewater treatment from municipal systems has shown continuous improvement. The percentage of the municipal population on sewers receiving secondary and/or tertiary wastewater treatment increased from 56% in 1983 to 78% in 1999. Despite these improvements, challenges remain in many rural and coastal communities.
The Risk of Climate Change is Minimized	▼	Climate Change	Canadian greenhouse gas emissions increased by 2.1% between 2001 and 2002, and by 20.1% since 1990. While secondary energy use increased by 18% between 1990 and 2002, energy efficiency improved by 13%.

Canada's Place in the World

Canada's Economy

Society, Culture and Democracy

Aboriginal Peoples

The Health of Canadians

The Canadian Environment

The Canadian Environment *(cont'd)*

Government of Canada Outcome	Trend	Indicator	Performance Highlight
Canada has a Sustainable Approach to its Natural Resources and Healthy Ecosystems	▼	Biodiversity	Between 1985 and May 2004, the status of half of the reassessed species considered at risk remained unchanged, and the status of a third of the reassessed species deteriorated. Despite some successes, the state of biodiversity overall has deteriorated.
	▬	Natural Resources Sustainability†	Among 102 commercial fish stocks assessed between 2001 and 2003, 36 stocks were healthy and increasing compared with their status in the early 1990s; 22 were healthy and stable; and 44 were declining or depleted and not yet recovered. It is not possible at this time to determine a definitive trend in natural resources sustainability based only on trends in commercial fish stocks status.

I. Canada's Place in the World

Introduction

Canada's place in the world has changed over the course of the past decade. Since the last review of Canada's foreign and defence policies, the global landscape has changed significantly. The United States remains the world's pre-eminent power, but a more global economy is rapidly developing with the expansion of the European Union and with emerging economies such as China, India and Brazil assuming increasingly important roles in trade and foreign policy. Economic globalization and integration have helped some countries on the road to development, yet extreme poverty and obstacles to economic development in many regions of the world accentuate the increasing inequality both between and within countries. Environmental issues are global in scope, necessitating increased cooperation between members of the international community.

Terrorist attacks in several countries around the world have led to a dramatically altered global security environment. At the same time, inter and intra state conflicts continue in many regions of the world. Transnational organized crime, trafficking in drugs and human beings, and the emergence of transnational networks of non-state armed groups present security challenges of a magnitude unknown to previous generations. Human development and post-conflict reconstruction in many areas, including Afghanistan and Iraq, continue to be an important focus for the global community.

The Government of Canada's Role in the World

The federal government is working with Canadian partners and the global community to bring peace, stability and development to many countries around the world. Through Canada's foreign and defence policies, Canada is involved in numerous international organizations and peace support operations worldwide. Canada further supports these global efforts and broader development objectives through bilateral and multilateral investments in development assistance, as well as through emergency humanitarian relief. Other areas in which the government plays a role include international negotiations and treaties on trade; the environment; human rights and humanitarian law; and funding for science and technology.

Canada's Place in the World

Canada's Economy

Society, Culture and Democracy

Aboriginal Peoples

The Health of Canadians
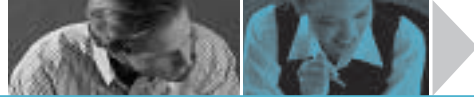
The Canadian Environment

Canada's place in the world has changed over the course of the past decade. As a result, the government has launched an International Policy Review. The objective of the review is to develop an integrated and coherent policy framework for diplomacy, defence, development and trade. In addition, to reinforce its capacity for protecting Canadians, the government has released Canada's first National Security Policy, which proposes a framework for addressing threats to our citizens and a blueprint for action in key areas such as border security and international security.

In September 2000, world leaders adopted the historic Millennium Declaration, pledging themselves to an international framework of concerted and concrete actions toward poverty reduction. This framework contributed to the Millennium Development Goals, which have become central to Canada's long-term vision of sustainable international development through, for example, increased development assistance,

debt relief, increased market access to Canada by least developed countries and improved access for developing countries to affordable essential drugs. In *Canada Making a Difference in the World: A Policy Statement on Strengthening Aid Effectiveness (2002)*, the government is building upon the growing international consensus and body of research to work toward increased effectiveness of our development assistance.

This chapter measures progress against key Government of Canada outcomes related to Canada's Place in the World:

1. A Prosperous and Sovereign Canada in a Safe and Secure North America;

2. A Canada Committed to Multilateral Cooperation;

3. A Canada Committed to Peace, Human Development and Human Security; and

4. A World Where Canada has a Positive Influence and Profile.

Government of Canada outcome: A prosperous and sovereign Canada in a safe and secure North America

Why Is It Important?

Canada's prosperity and security are closely linked to its relationship with the United States. We share the longest undefended border in the world, and with nearly $1.8 billion in goods and services and 300,000 people crossing the border daily, our economies and security interests are closely intertwined.

Since the terrorist attacks of September 11, 2001, the United States' focus on homeland security has at times threatened to impede the flow of cross-border commerce. Both countries recognize they have a stake in each other's economy and security, and they are working closely to improve security while facilitating the flow of commerce and people. Canada remains committed to building on the successes of the Smart Border Declaration signed in 2001 with the United States. The October 2004 Speech From the Throne reiterated that Canada will build on the success of the Smart Borders Initiative and on measures designed to develop a more informed relationship with business and government officials in the United States.

In 2003, the Government of Canada created the Canada Border Services Agency (CBSA) to bring together all the major players involved in facilitating legitimate cross-border traffic and economic development while stopping people and goods that pose a potential risk to Canada.

The protection of Canadian sovereignty is an enduring priority of the Canadian government. Defence relations between Canada and the United States have evolved rapidly since September 11th. For example, the North American Aerospace Defence Command (NORAD) has increased its operational readiness and is addressing threats both inside and outside North America. The two countries have also created the Bi-National Planning Group, aimed at reinforcing cooperation on land and at sea in response to possible terrorist attacks and natural disasters.

Canada and the United States are the world's largest trading partners. January 1, 2004, marked the 15th anniversary for the Canada–U.S. Free Trade Agreement and the 10th anniversary of the North American Free Trade Agreement (NAFTA). Although the vast majority of Canada–U.S. trade is free of disputes, areas such as softwood lumber and bovine spongiform

Canada's Place in the World

Canada's Economy

Society, Culture and Democracy

Aboriginal Peoples

The Health of Canadians

The Canadian Environment

encephalopathy (BSE) are affecting the cross-border relationship. The Government of Canada is engaged in a two-track strategy to resolve the softwood lumber dispute: negotiations with the U.S. to achieve a policy-based solution, and litigation before NAFTA and World Trade Organization (WTO) panels.

Canada's most significant bilateral environmental relationship is also with the United States. We share the continent, weather resources, ecosystems and wildlife. The U.S. is crucial to progress on transboundary air and water issues; successful co-management of species; wetlands and biodiversity; and effective and efficient solutions to climate change. The International Joint Commission, an independent bi-national organization, helps prevent and resolve disputes around the use and quality of boundary waters and advises Canada and the United States on related questions.

Canada–U.S. relations extend beyond North America to the international arena, where the two countries work together in many international organizations such as the G-7, the United Nations (U.N.), the North Atlantic Treaty Organization (NATO) and Asia Pacific Economic Cooperation (APEC).

Measures to Track Progress

The following indicators contribute to measuring Canada's progress in the area of *A Prosperous and Sovereign Canada in a Safe and Secure North America*:

▶ **Total trade** as measured by imports and exports of goods and services with all countries and the United States.

▶ **Perceptions of security** as measured by polling data.

Total Trade

Current Level and Trends

Canadian exports to all countries in 2003 totalled $460 billion, up from $260.9 billion in 1994, but down from 477.8 billion in 2002. Exports to the United States in 2003 were at $366.0 billion, up from $199.9 billion in 1994, but down from $385.4 billion in 2002.

Total imports from all countries totalled $412.7 billion in 2003, up from $252.3 billion in 1994, but down from $427.4 billion in 2002. Imports from the United States were at $282.1 billion in 2003, up from $182.6 billion in 1994, but down from $297.4 billion in 2002. *(Source: Statistics Canada)*
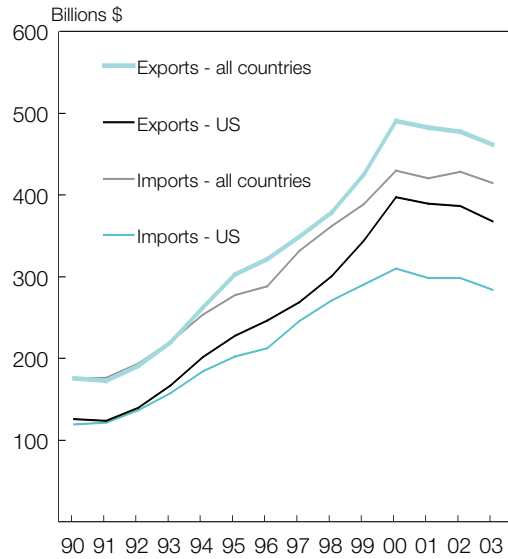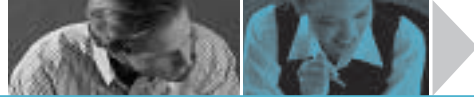
Canada's Place in the World

Canada's Economy

Society, Culture and Democracy

Aboriginal Peoples

The Health of Canadians

The Canadian Environment

Figure 1.1
Canadian Total Trade in Goods and Services, 1990 to 2003

Billions $

Source: Statistics Canada, 2004.

Perceptions of Security

Current Level and Trends

According to the 2003 *Voice of the People* survey conducted by Gallup International, only 22 per cent of people from 51 countries thought their country was safer now than it was 10 years ago, while 57 per cent believed it was less safe. A total of 42 per cent of Canadians, 53 per cent of Americans and 71 per cent of Mexicans thought their country was less safe today than it was 10 years ago.

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

▶ 35 per cent of Canadians and 40 per cent of Americans thought that national security was good; and

▶ 25 per cent of all North Americans thought national security was poor.

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

▶ 43 per cent of Canadians thought international security was poor and only 18 per cent rated it as good; and

▶ 38 per cent of Americans and 34 per cent of Mexicans believed international security was poor, while 24 per cent and 29 per cent respectively thought it was good.

(Source: Gallup International, Voice of the People Survey, 2003)

Supplemental Information

By clicking on the link in the electronic version of the report, the reader can access information on additional indicators that measure Canada's progress in the area of *A Prosperous and Sovereign Canada in a Safe and Secure North America:* Exports of goods and services as a percentage of GDP.
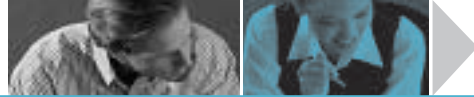
For a more complete picture of trade and the performance of the Canadian economy, please refer to International Trade Canada's annual publication *The State of Trade 2004.*

The Government of Canada's Performance

Several departments and agencies contribute to the pursuit of *A Prosperous and Sovereign Canada in a Safe and Secure North America* through their respective departmental strategic outcomes. In the electronic version of the report, clicking on the links in the table below will lead the reader to planning, performance and resource information, which is contained in the organizations' Departmental Performance Reports and Reports on Plans and Priorities. The Database, which can be found at http://www.tbs-sct.gc.ca/rma/krc/cp-rc_e.asp, also leads to relevant audits and evaluations.

Government of Canada Outcome	Department/Agency

A prosperous and sovereign Canada in a safe and secure North America	Agriculture and Agri-Food Canada
	Canada Revenue Agency
	  (formerly Canada Customs
	  and Revenue Agency)
	Canadian Food Inspection Agency
	Canadian International Trade Tribunal
	Canadian Nuclear Safety Commission
	Canadian Space Agency
	Citizenship and Immigration Canada
	Environment Canada
	Finance Canada
	Foreign Affairs Canada
	Health Canada
	Industry Canada
	Infrastructure Canada
	International Trade Canada
	Justice Canada
	National Defence
	Natural Resources Canada
	Public Safety and Emergency
	  Preparedness Canada
	  (formerly Solicitor General Canada)
	Royal Canadian Mounted Police
	Transport Canada

Government of Canada outcome: A Canada committed to multilateral cooperation

Why Is It Important?

International organizations provide fora where countries can deliberate and establish rules that govern their activities and interactions and define common global objectives. Engaging through multilateral organizations such as the United Nations is the government's preferred method of addressing international issues and global crises.

International institutions allow Canada, in partnership with the international community, to progress in a number of areas including security, trade and development. The government works with global partners to advance the effectiveness of multilateral cooperation by promoting needed reforms and helping to create new organizations such as the International Criminal Court (ICC).

Canada is a member of more international organizations than any other country in the world. Participating in international diplomatic and military organizations is essential for the government to promote Canadian values and interests abroad. In the October 2004 Speech from the Throne, the Government of Canada recognized the importance of international institutions in dealing with complex global issues.

Canadian and international efforts for peace and development are advanced in large part through the United Nations and the Organisation for Economic Co-operation and Development (OECD). The federal government is working with the international community to reform the United Nations and ensure it remains credible and relevant. Efforts have focused on simplifying the structure of the U.N. Secretariat; ensuring better, more accountable management; and reducing overlap in specialized U.N. agencies. The government has also spearheaded efforts by the Human Security Network (of which Canada is chair from May 2004 to May 2005) to strengthen and improve the operation of U.N. bodies in relation to human rights.

Canada also works with the international community through organizations like the World Bank, the International Monetary Fund, the G-7 and various regional development banks to help many countries achieve economic stability and reduce both the incidence of poverty and its impact on human development.

Canada's Place in the World

Canada's Economy

Society, Culture and Democracy

Aboriginal Peoples

The Health of Canadians

The Canadian Environment

In the area of trade, Canada is a member of organizations such as the World Trade Organization and the Asia Pacific Economic Cooperation (APEC). The World Trade Organization (WTO), which succeeded the General Agreement on Tariffs and Trade, is the foundation of our trading relations with partners and oversees the conduct of international trade. Through such multilateral institutions, the government seeks to expand global markets for Canadian goods and services and create a stable, predictable and transparent investment climate.

In terms of security, Canada is involved in organizations such as NATO and the Organization for Security and Co-operation in Europe (OSCE). The North Atlantic Treaty Organization (NATO) was established in 1949 to protect Western Europe and North America against the threat posed by the Soviet Union. NATO has grown from 16 to 26 members since the end of the Cold War, and has adapted to the new security environment, particularly through its operations in the Balkans and Afghanistan. A founding member of the Alliance, Canada currently is the sixth largest contributor to NATO's budgets: it contributed $140 million to Alliance common funding for 2003 and committed over 2500 troops in 2004. Between 2003 and 2004, Canada was involved in NATO-led peace support operations in Afghanistan and Bosnia-Herzegovina and NATO training in Canada and abroad. *(Source: Foreign Affairs Canada)*

Canada also helps regional organizations address peace and security issues. For example, it works with partners in the Organization of American States (OAS) to strengthen their national counter-terrorism efforts and their efforts to curb the illicit proliferation of small arms in the hemisphere. In Asia-Pacific, Canada actively pushed the ASEAN Regional Forum to move forward into a more strategic and dynamic phase in its evolution as the only multilateral political and security organization in the region. Canada has also maintained an active participation in APEC security cooperation, notably on counter-terrorism issues.

Canada also delivers its aid program with the help of many international partners, including the U.N. system, international financial institutions and the Development Assistance Committee of the OECD. Canada has used this access to take a leadership role in many areas that reflect Canadian values and priorities, such as human rights, environmental standards, support for private sector development, HIV/AIDS prevention, care and treatment, basic education for all, and child protection.
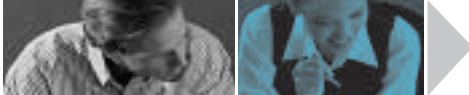
Measures to Track Progress

The following indicator contributes to measuring Canada's progress in the area of *A Canada Committed to Multilateral Cooperation*:
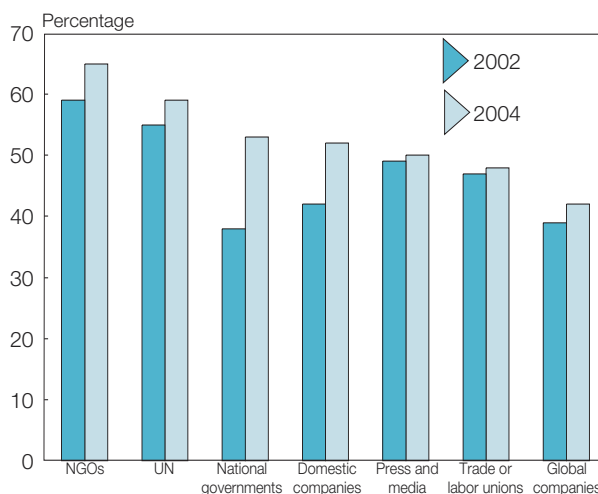
▶ **Trust in international institutions** as measured by the most- and least-trusted institutions, and trust in the United Nations.

Trust in International Institutions: Most- and Least-Trusted Institutions

Current Level and Trends

According to the 2004 GlobeScan *Survey on Trust in Institutions*, non-governmental organizations (NGOs) are the most trusted institutions at 65 per cent, up 6 per cent from 2002. Global companies are the least trusted at 42 per cent, up 3 per cent since 2002. A total of 77 per cent of Canadians put their trust in NGOs, while 53 per cent of Canadians indicated they trust global companies.

Figure 1.2
Trust in International Institutions, All Countries Surveyed, 2002 and 2004

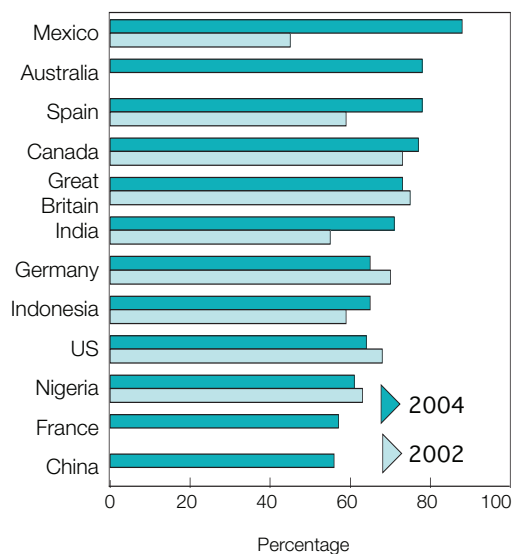

Source: GlobeScan Incorporated, 2004.

Trust in International Institutions: Trust in the United Nations

Current Level and Trends

Globally, the United Nations came in after NGOs as the second most-trusted institution at 59 per cent, up from 55 per cent prior to the diplomatic breakdown over the invasion of Iraq. The same poll indicates that

▶ trust in the U.N. among Canadians was at 77 per cent in 2004, up 4 per cent since 2002; and

▶ the Canadian level of trust at 77 per cent ranks third behind 88 per cent of people in Mexico and 78 per cent of people in Australia and Spain.

Canada's Economy

Society, Culture
and Democracy

Aboriginal Peoples

The Health
of Canadians

The Canadian
Environment

Figure 1.3

Trust in the United Nations
(Top 10 Countries Surveyed),
2002 and 2004

Source: GlobeScan Incorporated, 2004
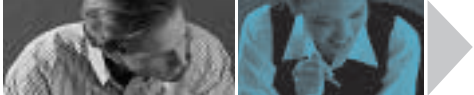Note: 2002 data for Australia, China and France was
not available.

Supplemental Information

By clicking on the link in the
electronic version of the report, the
reader can access information on
additional indicators that measure
Canada's progress in the area of
*A Canada Committed to Multilateral
Cooperation:* Global perception of UN
capacity to deal with world challenges.

The Government of Canada's Performance

Several departments and agencies
contribute to the pursuit of *A Canada
Committed to Multilateral Cooperation*
through their respective departmental
strategic outcomes. In the electronic
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http://www.tbs-sct.gc.ca/rma/krc/cp-
rc_e.asp, also leads to relevant audits
and evaluations.

Government of Canada Outcome	Department/Agency
A Canada committed to multilateral cooperation	Canadian International Development Agency
	Canadian Nuclear Safety Commission
	Canadian Space Agency
	Citizenship and Immigration Canada
	Environment Canada
	Finance Canada
	Foreign Affairs Canada
	Health Canada
	Industry Canada
	International Trade Canada
	NAFTA Secretariat, Canadian Section
	National Defence
	National Research Council Canada
	Transport Canada

Government of Canada outcome:
A Canada committed to peace, human development and human security

Why Is It Important?

The Government of Canada's activities to foster peace, human development and human security demonstrate an understanding of the interdependence of peace and development and Canada's commitment to peace support operations worldwide. The government is working with the international community to rebuild Afghanistan and Iraq. Canada has also been engaged in conflict prevention, conflict management and post-conflict reconstruction in Bosnia-Herzegovina, Haiti, Côte d'Ivoire, the Democratic Republic of the Congo, the Middle East, Sierra Leone and Sudan, among others.

Between 2003 and 2004, the Canadian Forces deployed almost 13,000 personnel on domestic and international operations, with over 10,000 personnel deployed outside Canada. The Canadian Forces participated in 20 international operations with approximately 3,700 personnel deployed on international peace-support and coalition operations including Afghanistan, Bosnia-Herzegovina, the Arabian Gulf region and Haiti. More than 1,900 Canadian soldiers, sailors

and Air Force personnel are deployed overseas on operational missions. On any given day, about 8,000 Canadian Forces members — one third of our deployable force — are preparing for, engaged in or returning from an overseas mission.

As part of its contribution to the G-8 Africa Action Plan in support of the New Partnership for Africa's Development (NEPAD), Canada has provided support to enhance West African capacity to undertake peace support operations and address small arms and light weapons proliferation. Canada has also provided support to the African Union for its work on conflict resolution, including establishing a special office to protect civilians in conflict situations. Development and peace are also advanced through the Canadian Peacebuilding Initiative, which includes the Human Security Program and the Canadian Peacebuilding Fund.

Poverty and inequality remain at the core of the global development agenda and action to overcome them are guided by the U.N. Millennium Development Goals. Although progress on the well-being of people in developing countries has improved,
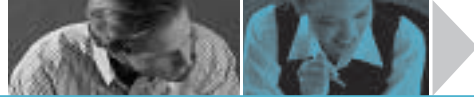
Canada's Place
in the World

Canada's Economy

Society, Culture
and Democracy

Aboriginal Peoples

The Health
of Canadians

The Canadian
Environment

> ### Table 1.1 Official Development Assistance
>
> **Official Development Assistance (ODA)** is defined by the Development Assistance Committee of the Organisation for Economic Co-operation and Development as official (government) agency funding transferred "to developing countries and multilateral institutions, which meets the following tests: a) it is administered with the promotion of the economic development and welfare of developing countries as its main objective, and b) it is concessional in character and conveys a grant element of at least 25%."
>
> **Official Assistance (OA)** is funding provided to countries that are not eligible to receive ODA (e.g. most of the "countries in transition" of Central and Eastern Europe) but that otherwise meet the tests above.

there is still much to be done. The average income in the world's richest 20 countries is now 37 times greater than that in the poorest 20.

The International Assistance Envelope (IAE) was established in 1991 to ensure coherence among the federal government's international assistance priorities, and between this assistance and other foreign policy instruments. The 2004–05 IAE amounts to $3.1 billion and includes both Canada's Official Development Assistance (ODA) and Official Assistance (OA) activities. *(Source: Canadian International Development Agency, 2004)*

In the 2002 Speech from the Throne, the Government of Canada committed to double its international assistance budget by 2010, with half of this increase earmarked for Africa, starting from a level of $2,461 million in 2001–02. Since the 2002 International Conference on

Financing for Development, in Monterrey, Mexico, the budget has been increased by 8 per cent annually and will reach $3,348 million by 2005–06, an increase of 36 per cent over four years.

Accessible medical treatment for the millions of people suffering from infectious diseases such as AIDS has been recognized as a moral imperative. In response to this, the Government passed the *Jean Chrétien Pledge to Africa Act* to make less expensive versions of patented medicines available to developing countries facing public health concerns.

Measures to Track Progress

The following indicator contributes to measuring Canada's progress in the area of *A Canada Committed to Peace, Human Development and Human Security*:

▶ **Official Development Assistance
(ODA)** as measured by the
percentage of gross national income
(GNI).

Current Level and Trends

In 1970, the United Nations set a
standard that developed countries
should contribute 0.7 per cent of their
gross national income to their aid
budgets (GNI does not include goods
and services rendered by non-
residents). In 2003, Canada
contributed 0.26 per cent (or about
$3.1 billion) of its GNI to official
development assistance and ranked
13th among the OECD's 22 member
countries. Among G-7 countries,
Canada ranked 4th behind France,
Germany and the U.K., but ahead of
Japan, Italy and the United States.
(Source: OECD)

Before this decade, the last time
Canada's ODA/GNI ratio was at this
level was in the late 1960s. ODA
peaked at 0.53 per cent of GNI in
1975–76. It fell to 0.45 per cent in
1990–91 and to 0.25 per cent in
2000–01. *(Source: CIDA, Statistical
Report on ODA 2002–03)*

Based on 2003 numbers, if the
Government of Canada decided to
meet the 0.7 per cent standard in
2004–05, an estimated $5.5 billion in
ODA expenditures, or a 190 per cent
increase, would have to be contributed
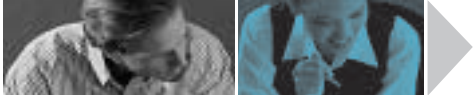in addition to the $3.1 billion that was
spent on ODA the previous year.

Figure 1.4
Net Official Development Assistance
as a Percentage of Gross National
Income, 2003
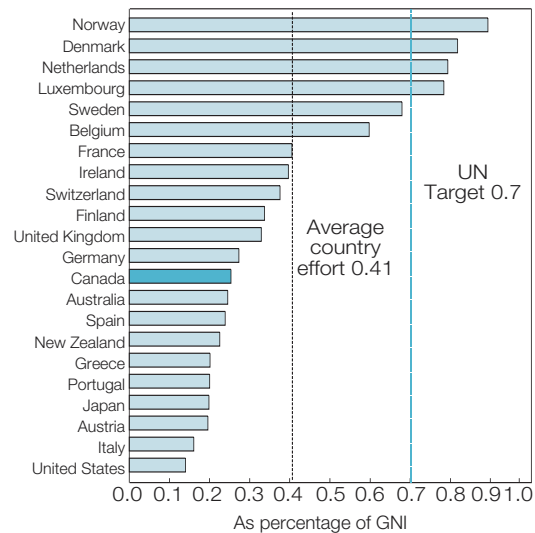
Source: OECD, 2004.

The Government of Canada's Performance

Several departments and agencies
contribute to the pursuit of *A Canada
Committed to Peace, Human
Development and Human Security*
through their respective departmental
strategic outcomes. In the electronic
version of the report, clicking on the
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rc_e.asp, also leads to relevant audits
and evaluations.

Government of Canada Outcome	Department/Agency
A Canada committed to peace, human development and human security	Canadian International Development Agency Citizenship and Immigration Canada Finance Canada Foreign Affairs Canada National Defence Royal Canadian Mounted Police

Government of Canada outcome:
A world where Canada has a positive influence and profile

Why Is It Important?

How Canada is perceived abroad has a direct impact on the role Canadians are able to play in international settings. As a bilingual, multicultural country, Canada appreciates the value of promoting diversity and embracing intercultural dialogue. The Government of Canada's activities abroad are based on human rights values, the rule of law and a respect for cultural diversity. Efforts to reform international institutions, provide international stability through the U.N. and NATO, protect civilians and refugees, promote new international standards for human rights and human security, reduce poverty and ensure human development exemplify the types of influence the government seeks at the international level. Through leadership, participation and our world-renowned cultural profile, the government seeks to enhance Canada's reputation and ensure a lasting influence in the world.

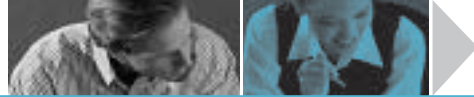The following are examples of what the Government of Canada is doing to support this outcome:

▶ Canada is a leader in e-government technologies, and sets the standard for the rest of the world in scope and depth of service and in customer relationship management. In 2004, Accenture's fifth report ranked Canada first among 22 countries in e-government for the fourth year in a row. *(Source: Accenture, eGovernment Leadership: High Performance, Maximum Value 2004)*

▶ The Government of Canada has been a leader in international efforts to build support for an international convention on cultural diversity since 1999. In 2003, the United Nations Education, Scientific and Cultural Organization (UNESCO) began drafting an international convention on diversity of cultural content and artistic expression.

▶ Canada played a central role in creating the International Criminal Court in The Hague and, with 59 other countries, ratified the Rome Statute, which permitted the Court to officially come into being in 2002.

▶ Canada has also made a significant contribution to the development of multilateral disarmament norms and institutions. Its leadership role in the Ottawa Process led to the 1997 Ottawa Convention banning anti-personnel landmines (APMs).

Measures to Track Progress

The following indicator contributes to measuring Canada's progress in the area of *A World where Canada has a Positive Influence and Profile*:

▶ An indicator is under development for *Canada's Performance 2005*.

Supplemental Information

By clicking on the link in the electronic version of the report, the reader can access information on additional indicators that measure Canada's progress in the area of *A World where Canada has a Positive Influence and Profile:* Canadian cultural exports.

The Government of Canada's Performance

Several departments and agencies contribute to the pursuit of *A World where Canada has a Positive Influence and Profile* through their respective departmental strategic outcomes. In the electronic version of the report, clicking on the links in the table below will lead the reader to planning, performance and resource information, which is contained in the organizations' Departmental Performance Reports and Reports on Plans and Priorities. The Database, which can be found at http://www.tbs-sct.gc.ca/rma/krc/cp-rc_e.asp, also leads to relevant audits and evaluations.

Government of Canada Outcome	Department/Agency
A world where Canada has a positive influence and profile	Canadian Heritage Canadian International Development Agency Canadian Space Agency Citizenship and Immigration Canada Environment Canada Foreign Affairs Canada Industry Canada National Defence National Film Board Royal Canadian Mounted Police

Canada's Place in the World

Canada's Economy

Society, Culture and Democracy

Aboriginal Peoples

The Health of Canadians

The Canadian Environment

II. Canada's Economy

Introduction

The economy is a complex system involving the production, distribution and consumption of commodities such as material goods and services. In a free-market economy such as Canada's, the laws of supply and demand determine what, how and where goods and services will be produced, and who will consume them and when.

Canada's economic well-being depends on factors such as:

▶ the surrounding environment and the wealth and sustainability of natural resources;

▶ the strength of our industries;

▶ the health of the financial and service sectors;

▶ the ability to span distances using communications and transportation technologies;

▶ dynamic trade relationships with other nations; and

▶ the ability to compete in a global marketplace.

The government's central goal is to achieve the highest possible standard of living and quality of life for all Canadians. Critical to that is building an economy that produces jobs and growth. Ca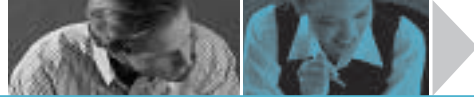nadians have been increasingly successful in recent years in creating a more productive, competitive and sustainable economy.

Canada's economy is one of the strongest and healthiest among the seven leading industrial countries (G-7), which consist of the U.S., Germany, Japan, France, the U.K., Canada and Italy. In fact, unlike many countries in the world, Canada is working toward incrementally paying down its national debt.

However, in 2003 Canada experienced a slowdown in economic activity. A major contributor was the more than 20 per cent appreciation of the Canadian dollar against the U.S. According to Statistics Canada's *Year-end Review 2004*, this event led to the largest 12-month movement of the exchange rate (up or down) in the country's history, accounting for an increase of 21.7 per cent from 63.39 to 77.13 cents (US) during the year.

The Government of Canada's Role in the Economy

Enhancing the well-being of Canadians, through higher living standards and a better quality of life, lies at the heart of the government's economic and social policies. By undertaking the right investments and creating favourable conditions for growth, the government can encourage continued prosperity.

In the October 2004 Speech from the Throne, the Government of Canada committed to pursue a strategy to build an even more globally competitive and sustainable economy. This strategy includes investment in skilled knowledge workers, cutting-edge research, science and innovation and helps provide an open, transparent, rules-based global trading system that would allow for the movement of goods, services, people and technology. Also included in the federal government's strategy is a commitment to regional and sectoral development through efforts to upgrade skills, support research and development, community development, and modern infrastructure.

A strong economy, supported by a modern infrastructure, contributes to job creation and the level of income required to sustain families and their communities, while investments in key areas of social policy help to ensure that the benefits of economic growth are available to all.

This chapter measures progress against key Government of Canada outcomes related to Canada's Economy:

1. An Innovative and Knowledge-based Economy;

2. Income Security and Employment for Canadians;

3. A Secure and Fair Marketplace; and

4. Strong Regional Economic Growth.

Canada's Place in the World

Canada's Economy

Society, Culture and Democracy

Aboriginal Peoples

The Health of Canadians

The Canadian Environment

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

Why Is It Important?

Innovation is a driving force in economic growth and social development. This is particularly so in today's knowledge-based economy. Innovation through new knowledge has become the main source of competitive advantage in all sectors of economic activity and is closely associated with increased exports, productivity growth and the creation of new firms.

In February 2002, the federal government launched its 10-year innovation strategy (Canada's Innovation Strategy) to help make Canada one of the world's most innovative countries. In collaboration with provincial and territorial jurisdictions, key stakeholders, universities, communities and citizens, the government is working to make Canada a world leader in developing and applying ground-breaking technologies; creating and commercializing new knowledge; promoting continuous learning; training skilled workers; ensuring a strong and competitive business environment; and strengthening the economy.

Connectedness is a broad concept that reflects the ability to use information and communication technologies to interact and transact with one another. Canada has ranked second behind the U.S. in the Conference Board of Canada 2003 Connectedness Index for the fourth consecutive year.
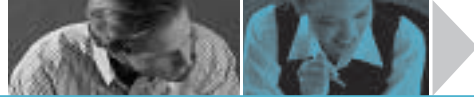
Measures to Track Progress

The following indicators contribute to measuring Canada's progress in the area of *An Innovative and Knowledge-based Economy*:

▶ **Innovation** as measured on three levels: GERD/GDP, scientific patents and publications;

▶ **Educational attainment** as measured by the percentage of the population aged 25 to 64 with completed post-secondary education; and

▶ **Literacy** as measured by three levels of proficiency: prose, document and quantitative.

Innovation

Innovation is the process of extracting new economic and social benefits from knowledge. It means conceiving new ideas about how to do things better or faster, or creating a product or service that has not previously been

developed or thought of. Innovations can be world firsts, new to Canada, or simply new to the organization that applies them.

While gross expenditure on research and development (GERD) provides an indication of input into the innovation process, it does not indicate whether research and development led to innovation or whether benefits were obtained from the innovations. For example, while Canadian manufacturing firms measured higher than many European countries in innovation in 1999, they captured smaller economic benefits from their innovation.
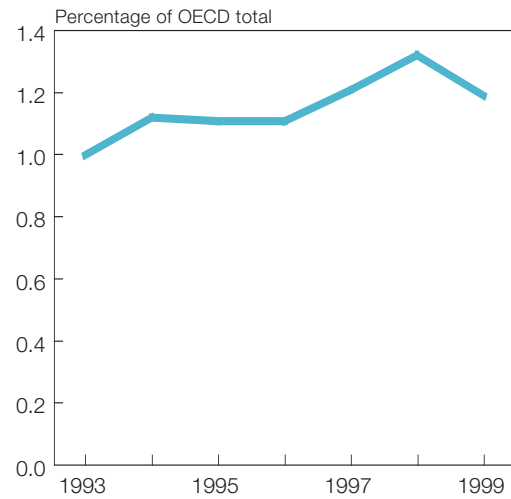
Current Level and Trends

Canada's GERD as a percentage of GDP was 1.87 per cent in 2003. While this represents a decrease from 1.91 per cent in 2002, the GERD has increased since 1997, when it was 1.68 per cent. It has become increasingly important for Canada to remain competitive with other countries that are aggressively increasing their GERD. According to the key considerations identified in Canada's Innovation Strategy, Canada would greatly benefit from achieving a GERD of 3 per cent in the upcoming years (other countries are, or soon will be, achieving a GERD of this level).

Figure 2.1a
Canada's GERD as a Percentage of GDP, 1997 to 2003
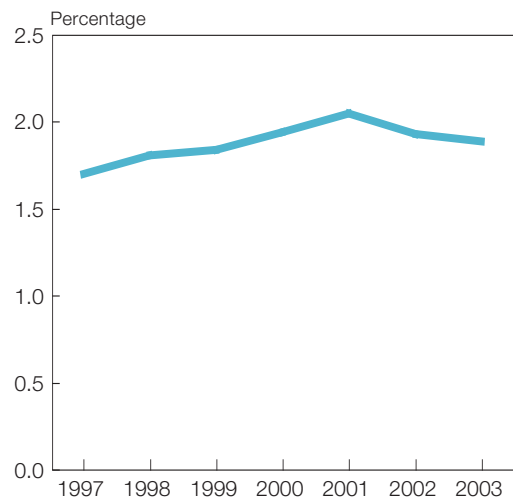
Source: OECD, *Main Science and Technology Indicators*, 2004-01.

Figure 2.1b
Canada's Share in "Triadic" Patent Families, 1993 to 1999
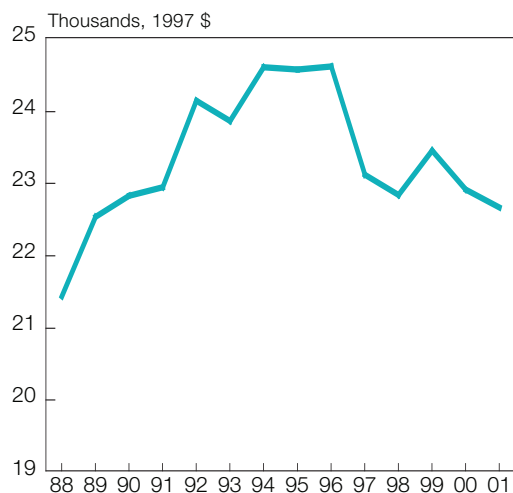

Source: OECD, *Main Science and Technology Indicators*, 2004-01.

Canada's Place in the World

Canada's Economy

Society, Culture and Democracy

Aboriginal Peoples

The Health of Canadians

The Canadian Environment

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 has been fluctuating since 1993 when it was 0.99 per cent to 1.18 per cent in 1999. The U.S. had the most shares in 1999 at 35.03 per cent.

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, down from $23,417 in 1999.

International Comparison
In 2002, Canada advanced from sixth to fifth place among G-7 nations with respect to GERD as a percentage of GDP. However, OECD studies suggest that an innovation gap separates Canada from the leading OECD countries. The corresponding chart shows that in a number of indicators of innovation performance, Canada is considerably behind the U.S. and other G-7 countries.

Figure 2.2
Science and Engineering Articles Outputs in Canada, 1988 to 2001

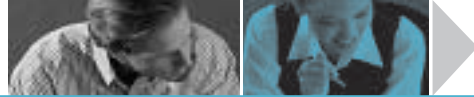*Source:* National Science Foundation (NSF) Indicators Report, 2004.

Figure 2.3
Canada's Innovation Performance (Standing Relative to G-7, 2002)
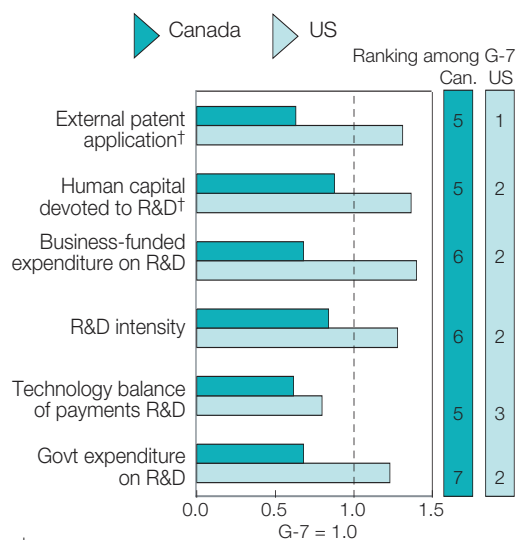
† adjusted by the size of labour force
Source: OECD, *Main Science and Technology Indicators*, version 2003–1.

Educational Attainment

Educational attainment is the highest level of education achieved by an individual in a learning institution. It affects the likelihood of an individual finding employment, the type of work, job security and earnings. Studies show that, in general, more education means more earnings.

Current Level and Trends

In 2002, full-year, full-time workers with a university degree earned on average $62,900 compared to $39,200 for those with only a high school diploma, a difference of $23,700. *(Source: Statistics Canada, 2004)* Within the next few years, it is projected that 7 in 10 new jobs will require some form of post-secondary education or training. *(Source: Human Resources Development Canada, Knowledge Matters: Skills and Learning for Canadians, 2000)*

According to the 2001 Census, 61 per cent of all Canadians aged 25 to 34 had educational credentials beyond high school; 28 per cent had a university education; and 21 per cent held a college diploma. This is a marked increase over a decade earlier when only 49 per cent of people in that age category had credentials past high school, with 18 per cent having a university education and 17 per cent holding a college diploma.

International Comparison

According to the OECD, Canada is the world leader in education when considering the combined proportion of university and college graduates. In 2001, 41 per cent of Canada's population aged 25 to 64 had a college or university education, compared with 37 per cent in the U.S. and 34 per cent in Japan. This is due to the high post-secondary enrolments in Canada and the fact that over 40 per cent of immigrants who arrived in Canada during the 1990s are university graduates.

Figure 2.4
Population Aged 25 to 64 with Completed Post-secondary Education, G-7 Countries, 2001
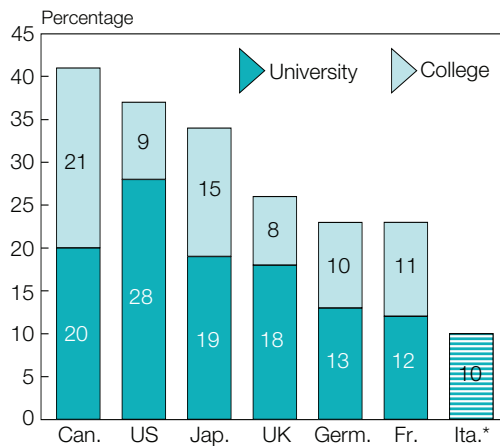
* Only combined university and college data available for Italy
Source: OECD, Education at a Glance, 2003.

Canada's Place in the World

Canada's Economy

Society, Culture and Democracy

Aboriginal Peoples

The Health of Canadians

The Canadian Environment

Literacy

Literacy is more than simply being able to read and write. It is the ability to read and understand written materials, including reports, documents, and mathematical charts and displays; use that information to solve problems, evaluate circumstances and make decisions; and communicate that information orally and in writing.

Current Level and Trends

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.

The *International Adult Literacy Survey* (IALS) has helped shape the way we think of literacy today. It has five levels of proficiency ranging from the lowest (Level 1) to the highest (Level 5) and tests for three types of literacy:

▶ prose — the ability to understand and use information from texts (e.g. instruction manuals);

Figure 2.5
Population Aged 16 and over
Below Level 3 (Minimum Threshold), Canada, 1995
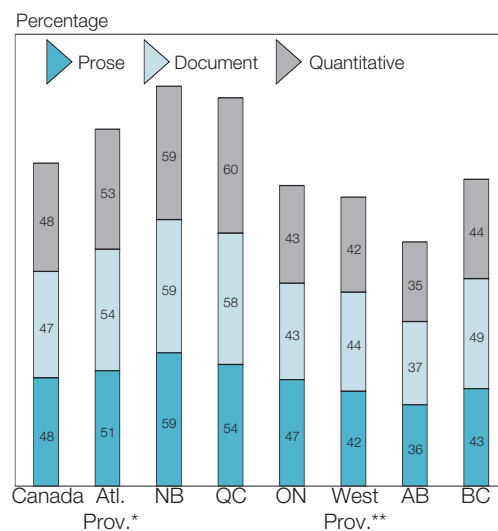
*New Brunswick, Newfoundland and Labrador, Nova Scotia, and Prince Edward Island
**Alberta, British Columbia, Manitoba and Saskatchewan
Source: HRDC, Reading the Future: A portrait of Literacy in Canada, 1995.

▶ document — the ability to locate and use information contained in various formats (e.g. maps and charts); and

▶ quantitative — the ability to apply arithmetic operations (e.g. calculating a tip).

While the most recent survey results will not be available until 2005, the 1994 results of the IALS reported that the fundamental story of literacy in Canada remained the same from 1989 to 1994. 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.

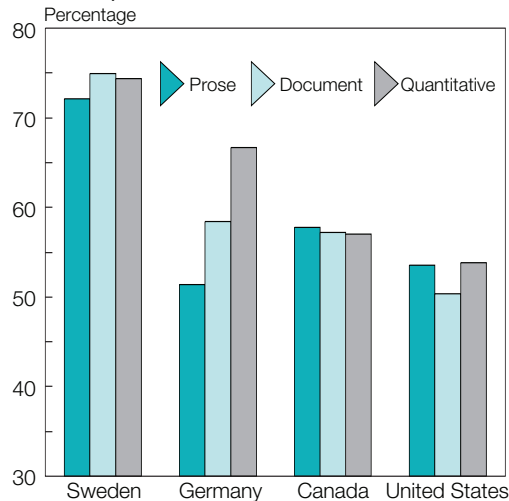In all three types of literacy, over 40 per cent of Canadians aged 16 and over functioned below Level 3, the minimum desirable threshold, which corresponds roughly to successful high school completion and college entry. In the 16 to 25 age group, over 30 per cent functioned below Level 3. One in four high school graduates in the 16 to 20 age group did not have the skills requirements of Level 3 on the prose and literacy scale. *(Source: HRDC, Reading the Future: A Portrait of Literacy in Canada, 1995)*

International Comparison

Sweden leads the world in all three types of adult literacy in OECD countries. Relative to other countries, Canada scored in the mid-range, ranking fifth on the prose literacy scale, eighth on the document literacy scale, and ninth on the quantitative literacy scale.

Canada consistently outperformed the United States on all scales, but ranked below many European countries. *(Source: Highlights from the Final Report of the International Adult Literacy Survey: Literacy in the Information Age, 2000)*

An OECD study conducted in 2000 presents a more recent picture of Canada's performance in the area of reading, mathematics and science. The 2000 Program for International Student Assessment (PISA) centres primarily on reading, with a secondary focus on mathematics and science skills for 15-year-old students in 32 countries. Canada ranked among the top six nations, second only to Finland in average test scores. *(Source: OECD, 2002)*

The Government of Canada's Performance

Several departments and agencies contribute to the pursuit of *An Innovative and Knowledge-based Economy* through their respective departmental strategic outcomes. In the electronic version of the report,

Figure 2.6

Population Aged 16 to 65 Performing at Minimum Threshold and Above, Canada, 1995

Note: Minimum threshold (level 3) corresponds roughly to successful high school completion.
Source: OECD and HRDC, Literacy Skills for the Knowledge Society, 1997.

Canada's Place in the World

Canada's Economy

Society, Culture and Democracy

Aboriginal Peoples

The Health of Canadians

The Canadian Environment

clicking on the links in the table below will lead the reader to planning, performance and resource information, which is contained in the organizations' Departmental Performance Reports and Reports on Plans and Priorities. The Database, which can be found at http://www.tbs-sct.gc.ca/rma/krc/cp-rc_e.asp, also leads to relevant audits and evaluations.

Government of Canada Outcome	Department/Agency

An innovative and knowledge-based economy	Agriculture and Agri-Food Canada
	Atlantic Canada Opportunities Agency
	Canadian Heritage
	Canadian Institutes of Health Research
	Canadian Space Agency
	Citizenship and Immigration Canada
	Fisheries and Oceans Canada
	Foreign Affairs Canada
	Human Resources and
	  Skills Development Canada
	Industry Canada
	Infrastructure Canada
	International Trade Canada
	National Defence
	National Research Council Canada
	National Round Table on
	  the Environment and the Economy
	Natural Resources Canada
	Natural Sciences and
	  Engineering Research Council of Canada
	Social Development Canada
	Social Sciences and Humanities Research
	  Council of Canada
	Western Economic Diversification Canada

Government of Canada outcome: Income security and employment for Canadians

Why Is It Important?

An important aspect of quality of life is the ability to adequately support oneself financially. For some groups in society, this is not always possible even when the economy is performing well.

In the 2004 Budget, the Government of Canada addressed these issues by committing to invest in learning, research and development, and a "New Deal" for all communities. The government is also working toward creating a fair work environment, ensuring effective industrial relations in the workplace, providing effective income security programs for seniors, and helping persons with disabilities.

The well-being of children is a determinant of the present quality of life in Canada and our future productivity. The Government of Canada is committed to assisting low-income families through a number of initiatives such as the National Child Benefit (NCB), the Early Childhood Development (ECD) Agreement, and Early Learning and Child Care (ELCC).

In 2003, 4.1 million Canadians were 65 years of age or older. Their numbers are expected to reach 6.4 million in 2020 — nearly one in five Canadians — making them the fastest growing age group in Canada. Seniors today are generally healthier, better educated and economically better off than seniors of previous generations. Canada's diversified retirement income system has significantly contributed to the income security of the country's seniors, a long-standing priority for the Government of Canada.

According to 2001 Census data, the average age of the labour force was 39 in 2001, up from 37.1 in 1991. With the baby boomers aging and fewer young people entering the working-age population due to lower fertility rates over the past 30 years, the potential exists for shortages in certain occupations. As a result, a wide range of occupations, from doctors and nurses to teachers, plumbers, and electricians, may face shortfalls by 2011.

To help offset these potential shortages, Canada has increasingly turned to immigration as a source of labour force and skill growth. The 2001 Census data show that immigrants who landed in Canada during the 1990s and who were in the labour force in 2001 represented almost 70 per cent of the total growth of the labour force over the decade.

Canada's Place in the World

Canada's Economy

Society, Culture and Democracy

Aboriginal Peoples

The Health of Canadians

The Canadian Environment

If current immigration rates continue, it is possible that immigration could account for virtually all labour force growth by 2011.

Measures to Track Progress

The following indicators contribute to measuring Canada's progress in the area of *Income Security and Employment for Canadians*:

▶ **Employment rate** as measured by the percentage of the working-age population that has jobs.

▶ **Income security** as measured by real disposable income (RDI) per capita and low income cut-off (LICO).

Employment Rate

Current Level and Trends

Canada experienced employment growth during 2003, albeit at a slower pace than in 2002. Strong growth followed in the last four months of 2003 bringing job gains to 291,000. Employment strengthened after March 2004 following a weak first quarter. This growth helped to push the number of employed relative to the working-age population (persons 15 and over) to 62.4 per cent in 2003, the highest employment rate on record.

Figure 2.7
Employment Rate in Canada, March 1995 to March 2004
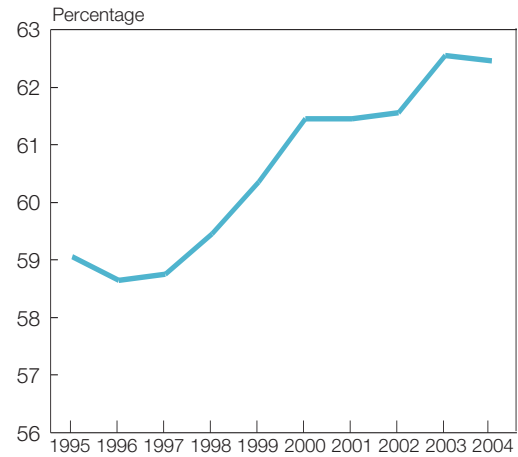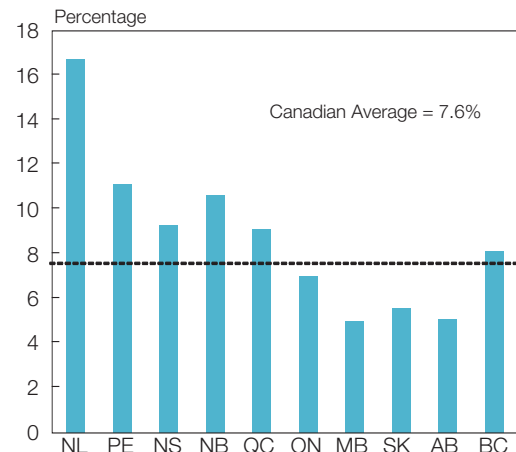

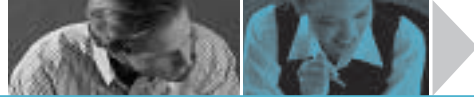*Source:* Statistics Canada, 2004.

Provincial Differences
The Atlantic provinces and Quebec continue to have higher unemployment rates than the national average. The unemployment rate in British Columbia has surpassed the national average in each of the last six years.

Figure 2.8
Unemployment Rate by Province, Canada, 2003

Source: Statistics Canada, 2003.

Canada's Place in the World

Canada's Economy

Society, Culture and Democracy

Aboriginal Peoples

The Health of Canadians

The Canadian Environment

International Comparison

With the Canadian labour market outperforming the U.S. labour market in 2002 and 2003, the gap between the unemployment rates in the two countries narrowed from almost 4 percentage points in late 1996 to 1.1 percentage points in March 2004.

In 2003, Canada's employment rate surpassed that of the United States for the first time in over two decades.

Figure 2.9
Unemployment Rate in Canada and the US, 1994 to 2004
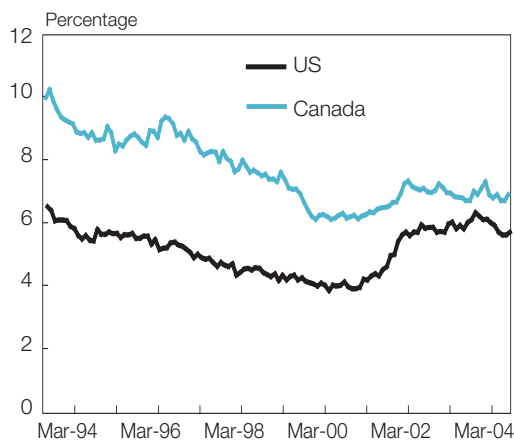
Note: Canadian official unemployment rates adjusted to US concepts for comparison.
Source: Statistics Canada, US bureau of Labor Statistics, 2004.

Income Security: Real Disposable Income (RDI) per Capita

Real disposable income (RDI) per capita is the amount of income available to an individual for the purchase of goods and services and for personal savings after taking into consideration taxes, transfers and inflation. Changes in RDI over time indicate the evolution in a country's standard of living.

Current Level and Trends

In 2003, RDI per capita stood at $20,324 compared to $20,226 in 2002. 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. In 2000, for the first time in Canadian history, the average annual earnings of Canadians aged 15 or older exceeded $30,000, to reach $31,757. This represents an increase of 7.3 per cent from 1990–2000, compared with the

Figure 2.10
Real Disposable Income Per Capita, Canada, 1990 to 2003
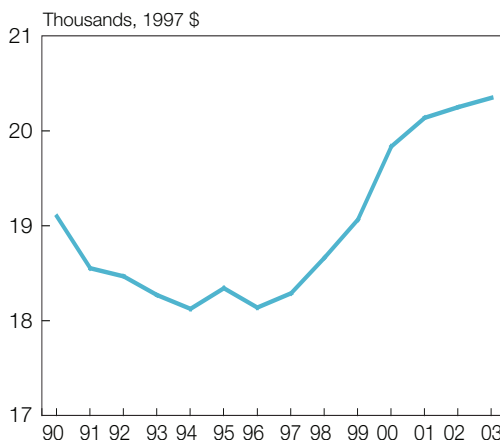
Source: Statistics Canada, 2003.

1.3 per cent rise between 1980 and 1990. The 1990s increase mirrored a robust demand for more highly skilled workers, an aging workforce of baby boomers who made substantial gains during the 1990s, and an increasing share of workers holding university degrees.
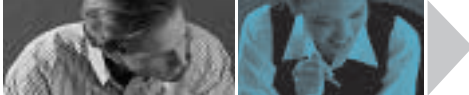
Income Security: Low Income Cut-offs (LICOs)

Low income cut-off (LICO) is the income level (after tax and income transfers from governments) at which an individual or a family has to use substantially more of its income than the average Canadian individual or family for food, shelter and clothing. LICOs vary according to family size and community size.

Current Level and Trends

Despite the strong growth in average incomes, certain segments of society continue to experience economic hardships. Many Canadians live on incomes that are insufficient for their daily needs or for their adequate participation in society.

▶ In 2002, the LICOs varied from $10,429 for an unattached individual living in a rural area to $41,372 for a family of seven or more persons living in a large Canadian city.

▶ The percentage of Canadians living below the LICOs measure has moved from 10 per cent in 1989 to a high of 14 per cent in 1996, then down to 9.5 per cent in 2002.

▶ An estimated 1 million people living alone were below the LICOs in 2002. This represents about 25 per cent of the total, down from 34 per cent in 1996.

▶ Canada's low-income rate for seniors has declined significantly, from 20.8 per cent in 1980 to 6.9 per cent in 2002.

▶ Of the estimated 500,000 lone-parent families headed by a woman, 34.8 per cent earned low income in 2002, up from 30.1 per cent in 2001. This was the first increase in the low-income rate for these families in five years. Their low-income rate peaked at 49 per cent in 1996.

▶ An estimated 10.2 per cent of children, or 702,000 Canadians under the age of 18, were living in low-income families in 2002. This represents a decline for the sixth consecutive year from a peak of 16.7 per cent in 1996. (*Source: Statistics Canada, The Daily, 2004*)

The Government of Canada's Performance

Several departments and agencies contribute to the pursuit of *Income Security and Employment for Canadians* through their respective departmental strategic outcomes. In the electronic version of the report, clicking on the links in the table below will lead the reader to planning, performance and resource information, which is contained in the organizations' Departmental Performance Reports and Reports on Plans and Priorities. The Database, which can be found at http://www.tbs-sct.gc.ca/rma/krc/cp-rc_e.asp, also leads to relevant audits and evaluations.

Government of Canada Outcome	Department/Agency

Income security and employment for Canadians	Agriculture and Agri-Food Canada
	Canada Industrial Relations Board
	Canadian Artists and Producers
	  Professional Relations Tribunal
	Citizenship and Immigration Canada
	Human Resources and Skills Development
	  Canada
	International Trade Canada
	Social Development Canada
	Western Economic Diversification Canada

Canada's Place in the World

Canada's Economy

Society, Culture and Democracy

Aboriginal Peoples

The Health of Canadians

The Canadian Environment

Government of Canada outcome: A secure and fair marketplace

Why Is It Important?

The marketplace is an essential foundation for investment, innovation, trade, sustainable development, job creation, consumer confidence and economic growth. A secure, fair marketplace maintains and enhances consumer confidence, and gives businesses the best environment possible for competitiveness.

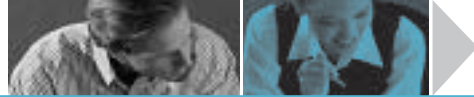The Government of Canada is committed to providing a secure and fair marketplace by ensuring that:

- ▶ the Canadian financial system is safe and sound;

- ▶ Canadians comply with tax, trade and border legislation;

- ▶ producers' rights are protected; and

- ▶ high standards for a safe and secure trading system are in place.

The globalization of markets and technological change demands that Canada's marketplace legislation be up to date to remain competitive with G-7 countries in order to increase consumer confidence and economic opportunities.

The Government of Canada is committed to addressing fraudulent, unfair and deceptive behaviour in the marketplace by seeking tougher penalties; increasing awareness among target groups on how to detect and self-protect against these crimes; and modernizing the tools used for detection, prevention and deterrence. *(Source: Industry Canada, Making a Difference — Contributing to the Quality of Life of Canadians, 2003)*

An aspect to consider for economic opportunities is the importance of direct investments, both Canadian and foreign. According to Statistics Canada, direct investments are investments through which investors in an economy acquire a significant influence over the management of a business operating in another economy. The Government of Canada considers foreign direct investment (FDI) an important contribution to the Canadian economy in terms of capital, innovation and technology. In 2003, the most important direct investor countries in Canada were the United States, France, the United Kingdom, the Netherlands and Japan. The amount of foreign direct investment into Canada has been decreasing since 1990, while the amount flowing out of the country has been increasing. *(Source: Conference Board of Canada 2004 Report, Open for Business)*

Measures to Track Progress

The following indicator contributes to measuring Canada's progress in the area of *A Secure and Fair Marketplace*:

▶ **Barriers to entrepreneurship** as measured by barriers to competition, regulatory and administrative transparency and administrative burden on start-ups (among G-7 countries).

Current Level and Trends

According to the OECD, Canada has developed a strong regulatory capacity that has greatly contributed to Canada's economic growth. The 2002 OECD report entitled *Regulatory Reform in Canada, Maintaining*

Figure 2.11
Barriers to Entrepreneurship Among G-7 Countries, 2002
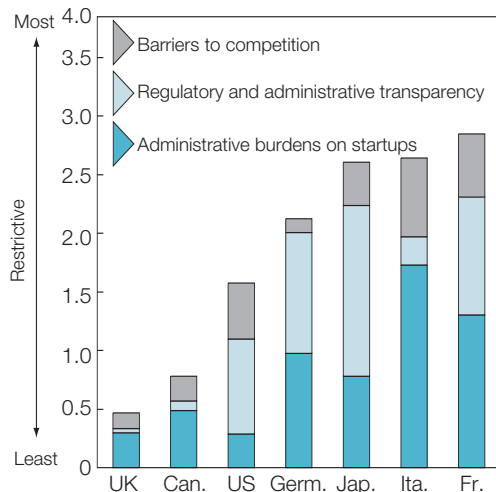
Source: OECD, Summary Indicators of Product Market Regulation with an Extension to Employment Protection Legislation, 2002.

Leadership Through Innovation, examines the following three areas for measuring the regulatory climate:

▶ Regulatory policies for both foreign and domestic firms;

▶ Economic regulation and how it supports competition; and

▶ Administrative regulation.

In 2002, Canada had the second lowest level of regulatory barriers to entrepreneurship among G-7 countries. It was surpassed only by the United Kingdom. These low barriers contribute to an innovative economy as well as provide an advantage for Canadian entrepreneurs in the global marketplace. However, Canada has one of the least friendly regulatory environments for foreign firms. For more information on these restrictions, please see the Conference Board of Canada's 4th *Annual Innovation Report 2002*.

The Government of Canada's Performance

Several departments and agencies contribute to the pursuit of *A Secure and Fair Marketplace* through their respective departmental strategic outcomes. In the electronic version of the report, clicking on the links in the table below will lead the reader to planning, performance and resource information, which is contained in the

Canada's Place in the World

Canada's Economy

Society, Culture and Democracy

Aboriginal Peoples

The Health of Canadians

The Canadian Environment

organizations' Departmental Performance Reports and Reports on Plans and Priorities. The Database, which can be found at

http://www.tbs-sct.gc.ca/rma/krc/cp-rc_e.asp, also leads to relevant audits and evaluations.

Government of Canada Outcome	Department/Agency
A secure and fair marketplace	Agriculture and Agri-Food Canada
	Canadian Food Inspection Agency
	Canadian Grain Commission
	Canadian Radio-television and Telecommunications Commission
	Canadian Transportation Agency
	Competition Tribunal
	Copyright Board Canada
	Finance Canada
	Foreign Affairs Canada
	Human Resources and Skills Development Canada
	Industry Canada
	Infrastructure Canada
	International Trade Canada
	National Energy Board
	National Round Table on the Environment and the Economy
	Office of the Superintendent of Financial Institutions
	Transport Canada

Government of Canada outcome: Strong regional economic growth

Why Is It Important?

Strong regional, urban and rural infrastructures are vital to a nation's sustained prosperity and economic growth. According to the 2001 Census, almost 80 per cent of Canadians live in an urban centre of 10,000 people or more, and predictions show that this rate could exceed 90 per cent in the coming decades. A rapid increase in population affects the rate at which renewable and non-renewable resources are depleted within urban areas, thus increasing pressure on infrastructure modernization.

The Government of Canada is committed to working with Canadians, organizations and other levels of government to ensure the long-term sustainability of rural and urban communities. The federal government has invested $7.05 billion for strategic and municipal-rural infrastructure investments through the Canada Strategic Infrastructure Fund (CSIF), the Infrastructure Canada Program (ICP) and the Municipal Rural Infrastructure Fund (MRIF).

The government's objective to provide affordable housing, good roads, public transit, and abundant green space in communities includes:

▶ funding municipalities through the sharing of a portion of the federal gas tax transfer;

▶ acceleration of the $1 billion Municipal Rural Infrastructure Fund, with spending over the next 5 years instead of 10;

▶ a stronger voice for municipalities in federal decisions that affect them; and

▶ increased support for community-based economic development and the social economy.

Measures to Track Progress

The following indicator contributes to measuring Canada's progress in the area of *Strong Regional Economic Growth*:

▶ **Real gross domestic product (GDP) per capita**

Current Level and Trends

GDP per capita is the inflation-adjusted value of all products and services produced in Canada per person in a given year. When real GDP is growing near its long-term potential growth rate, the economy is growing as strongly as possible without sparking inflationary pressures. A growth rate below potential, means that the economy's

Canada's Place in the World

Canada's Economy

Society, Culture and Democracy

Aboriginal Peoples

The Health of Canadians

The Canadian Environment

Figure 2.12
Real GDP Per Capita, Canada,
1983 to 2003

Thousands, 1997 $
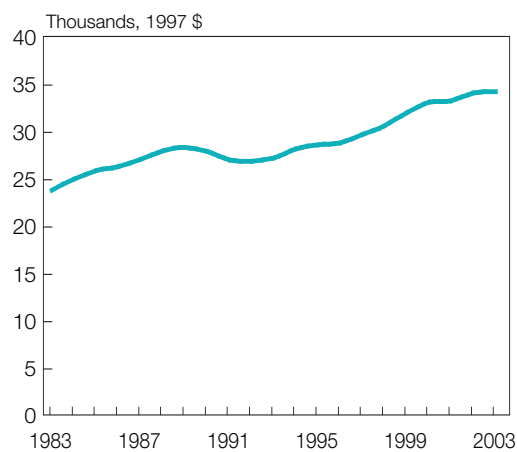
Source: Statistics Canada, 2003.

stock of plants and equipment is not being used to the fullest, and unemployment tends to rise.

Real GDP per capita is the most widely used indicator of national standards of living. It is important to remember, however, that it does not take into consideration activities that occur outside the market, such as the value of natural capital, work done within the home or by volunteers, or the harmful effects on human health from pollution.

After leading the way in economic growth among G-7 countries in 2002, Canada has experienced a slowdown in economic activity reflecting a series of economic shocks. The most important factor was an unprecedented appreciation of the Canadian dollar. As a result of this slowdown, real gross domestic product (GDP) expanded by only 2 per cent in 2003, well below the 3.2 per cent expected by private sector economists at the time of the 2003 Budget. Despite this slowdown, Canada fell only to the mid-range of G-7 growth.

The Organisation for Economic Co-operation and Development (OECD) predicts Canada will be the only G-7 nation to post a budget surplus in 2004. Canada is expected to record its seventh consecutive balanced budget in 2003–04. The federal debt-to-GDP ratio is expected to fall to 42 per cent in 2003–04, down from its peak of 68.4 per cent in 1995–96. The federal government has set an objective of reducing the federal debt-to-GDP ratio to 25 per cent within 10 years.

Real Gross Domestic Product: Provincial and Territorial Comparison

Current Level and Trends

Several events in 2003 can account for the change in pace of GDP growth nationally to 1.7 per cent from 3.3 per cent in 2002[1].

1. For notes on how these numbers are calculated refer to the Statistics Canada site: Provincial Gross Domestic Product (GDP) by industry.
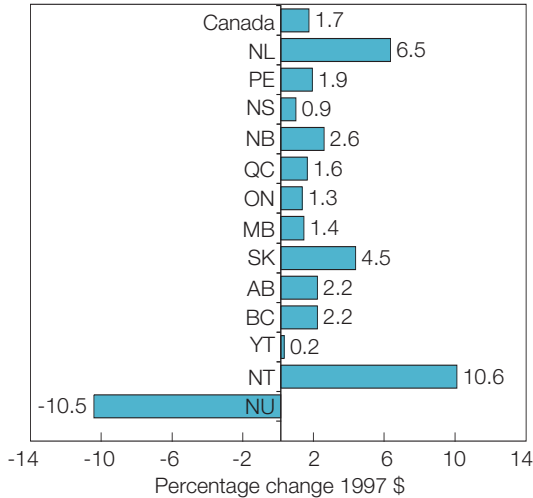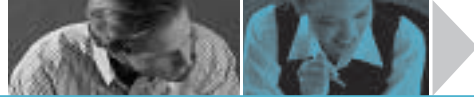
Canada's Place
in the World

Canada's Economy

Society, Culture
and Democracy

Aboriginal Peoples

The Health
of Canadians

The Canadian
Environment

Figure 2.13
Growth in Real GDP Per Capita,
by Province, Canada, 2003

	Percentage change 1997 $
Canada	1.7
NL	6.5
PE	1.9
NS	0.9
NB	2.6
QC	1.6
ON	1.3
MB	1.4
SK	4.5
AB	2.2
BC	2.2
YT	0.2
NT	10.6
NU	-10.5

Source: Statistics Canada, 2003.

Many unforeseen events such as the outbreak of severe acute respiratory syndrome (SARS) and mad cow disease (BSE), the power blackout in Ontario, and environmental disasters such as Hurricane Juan on the East Coast and forest fires in British Columbia negatively affected economic growth in 2003. In addition, the appreciation of the Canadian dollar during the year reduced demand for Canadian goods due to the increase in the relative cost of Canadian goods and services.

In 2003, a slowdown in GDP was experienced in the Atlantic provinces, Quebec, Ontario, Manitoba and British Columbia.

The 10.6 per cent increase in the Northwest Territories GDP was the direct result of an increase in the mining and exporting of diamonds. Nunavut's commensurate loss was due to shortfalls associated with the closing of gold mines.

The Government of Canada's Performance

Several departments and agencies contribute to the pursuit of *Strong Regional Economic Growth* through their respective departmental strategic outcomes. In the electronic version of the report, clicking on the links in the table below will lead the reader to planning, performance and resource information, which is contained in the organizations' Departmental Performance Reports and Reports on Plans and Priorities. The Database, which can be found at http://www.tbs-sct.gc.ca/rma/krc/cp-rc_e.asp, also leads to relevant audits and evaluations.

Government of Canada Outcome	Department/Agency
Strong regional economic growth	Agriculture and Agri-Food Canada Atlantic Canada Opportunities Agency Canada Economic Development for Quebec Regions Canadian Heritage Citizenship and Immigration Canada Human Resources and Skills Development Canada Industry Canada Infrastructure Canada International Trade Canada Natural Resources Canada Northern Pipeline Agency Canada Transport Canada Western Economic Diversification Canada

III. Society, Culture and Democracy

Introduction

Canadian communities contribute to the social, economic and cultural vitality of our society. A strong society can be described as one that is safe, encourages participation, strengthens social bonds and promotes our values. Canada's democratic tradition has enabled the development of a modern, open, and multicultural society that many countries now look to as an example.

Canada's social and economic prosperity is directly influenced by the vitality of its communities and the participation of its citizens. In a country as diverse socially, geographically and economically as Canada, the government plays an important role in enabling this vitality.

The Government of Canada supports the quality of life of its citizens by strengthening the social fabric, preserving the environmental integrity, and reflecting and reinforcing values that are important to Canadians. These values include multiculturalism and respect for diversity; linguistic duality; human rights; equality and fairness; and respect for peace, the rule of law and the environment. Bilingualism is also an integral aspect of Canadian society. The number of Canadians who speak both official languages has more than doubled over the past four decades to more than 5.2 million.

The Government of Canada's Role in Canadian Society, Culture and Democracy

The Government of Canada works with the provinces, territories, municipalities and partners to strengthen Canadian society, culture and democracy in areas such as public safety; the infrastructure of cities and municipalities; funding for culture and heritage; social inclusion; and immigration.

In the October 2004 Speech from the Throne, the Government committed to a "New Deal" for cities that will ensure that municipalities have greater access to reliable and long-term financial support for infrastructure such as transit and clean water, and for social priorities such as settlement services for immigrants and affordable housing. To further this, the Government will make available a portion of the gas tax for municipalities, growing over the next five years.

Canada's Place in the World

Canada's Economy

Society, Culture and Democracy

Aboriginal Peoples

The Health of Canadians

The Canadian Environment

The government is creating opportunities for Canadians with disabilities by working with the provinces and territories to fill gaps in education, skills development and workplace support.

This chapter measures progress against the following key Government of Canada outcomes related to Canadian Society, Culture, and Democracy:

1. Diversity as a Fundamental Canadian Value;

2. Safe Communities;

3. Caring Communities;

4. A Vibrant Canadian Culture and Heritage;

5. Sustainable Cities and Communities; and

6. An Informed and Engaged Canadian Public.

For a discussion on what the Government of Canada is doing in the international community, please see Chapter I, "Canada's Place in the World." For more information on the government's support for environmental sustainability in Canadian communities, please refer to Chapter VI, "The Canadian Environment."

Canada's Place in the World

Canada's Economy

Society, Culture and Democracy

Aboriginal Peoples

The Health of Canadians

The Canadian Environment
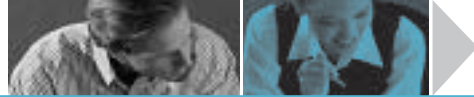
Government of Canada outcome:
Diversity as a fundamental Canadian value

Why Is It Important?

Canadian communities are culturally, linguistically and socially diverse. Valuing diversity contributes to the strength and safety of Canadian society and culture by fostering respect for cultural differences and alternative lifestyle choices. Efforts to appreciate and engage the social, linguistic and cultural diversity that is part of our heritage and collective identity help to foster harmonious relations between peoples and create communities equally open to all.

The government contributes to the strengthening of diversity by developing policy with respect to human rights redress, discrimination and racial profiling; monitoring Canada's compliance with its international human rights obligations; and protecting Canadian rights and freedoms through the Charter and the *Canadian Human Rights Act.*

With more than 200 different ethnic origins reported in the 2001 Census, Canada is one of the most ethnically and linguistically diverse countries in the world. During the past century Canada welcomed 13.4 million immigrants.

Table 3.1 The Government of Canada's Official Languages Program

In the spring of 2003, the Government of Canada released *The Next Act: New Momentum for Canada's Linguistic Duality*, an Action Plan for Official Languages, which will be implemented over five years.

The action plan is instrumental in revitalizing the official languages policy since it provides a coordinated approach for the initiatives of federal institutions and increased accountability on the part of the government as a whole for official languages services and programs.

In December 2003, a Minister responsible for Official Languages was sworn in for the first time. The federal government thus renewed its commitment to official languages, reaffirming their fundamental link with Canadian values and culture.

In Budget 2004, the federal government announced an additional $15 million annually to expand the enhanced language-training pilots and reduce labour market barriers faced by immigrants. In the October 2004 Speech from the Throne, the Government committed to modernizing Canada's *Citizenship Act*

to reaffirm the responsibilities and
rights of Canadian citizenship and
our values of multiculturalism, gender
equality and linguistic duality.

In the 2001 Census, 17.7 per cent of
the population identified themselves
as bilingual (French and English), up
from 17 per cent in 1996. *(Source:
Statistics Canada)* According to a 2003
Environics poll, 95 per cent of
francophones who did not speak
English "wished" they spoke English
and 75 per cent of anglophones who
did not speak French "wished" they
spoke French. In addition, 70 per cent
of Canadians agreed that having
two official languages makes Canada
a more welcoming place for
immigrants.

Measures to Track Progress

The following indicator contributes to
measuring Canada's progress in the
area of *Diversity as a Fundamental
Canadian Value:*

▶ **Attitudes toward diversity** as
measured by personal tolerance
and affirmative action.

Current Level and Trends

Personal tolerance of others increased
slightly between 1991 and 2004. For
example, 29 per cent of Canadians
believe they are more tolerant toward
ethnic groups, an increase of

Figure 3.1
**Personal Tolerance, Canada,
1991 and 2004**
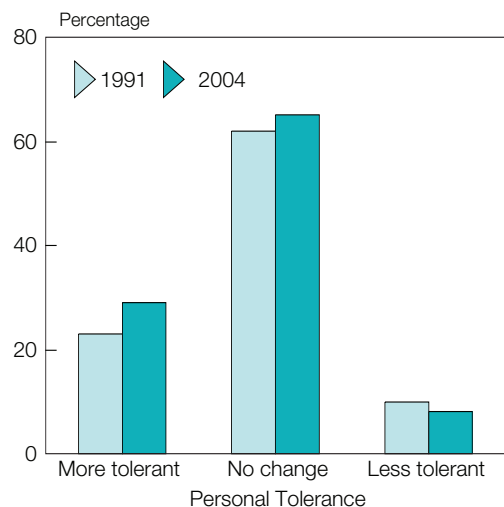
Source: Environics, 2004.

6 percentage points; 65 per cent feel
there has been no change, an increase
of 3 per cent; and 8 per cent believe
they are less tolerant, a decrease of
2 per cent.

Support for affirmative action
declined between 1985 and 2004, with
28 per cent of Canadians agreeing in
2004 that "Governments should
require employers to advance
non-whites to higher positions,"
compared with 44 per cent in 1985.
*(Source: Environics, 2004 Focus
Canada — Multiculturalism and
Ethnic Tolerance)*

Supplemental Information

By clicking on the link in the
electronic version of the report, the
reader can access information on
additional indicators that measure
Canada's progress in the area of

Diversity as a Fundamental Canadian Value: Views on Multiculturalism and Mixed Unions.

The Government of Canada's Performance

Several departments and agencies contribute to the pursuit of *Diversity as a Fundamental Canadian Value* through their respective departmental strategic outcomes. In the electronic version of the report, clicking on the links in the table below will lead the reader to planning, performance and resource information, which is contained in the organizations' Departmental Performance Reports and Reports on Plans and Priorities. The Database, which can be found at http://www.tbs-sct.gc.ca/rma/krc/cp-rc_e.asp, also leads to relevant audits and evaluations.

Government of Canada Outcome	Department/Agency
Diversity as a fundamental Canadian value	Canadian Heritage Canadian Human Rights Commission Citizenship and Immigration Canada Commission for Public Complaints Against the RCMP Health Canada Immigration and Refugee Board of Canada Justice Canada

Canada's Place in the World

Canada's Economy

Society, Culture and Democracy

Aboriginal Peoples

The Health of Canadians

The Canadian Environment

Government of Canada outcome:
Safe communities

Why Is It Important?

Safety is fundamental to the enjoyment of a high quality of life, and the safety of Canadians and their communities is a key government priority. Federal initiatives in this area include policies, programs and legislation to protect children, reduce crime rates, and protect against crises and emergencies such as organized crime, security threats and natural disasters.

In December 2003, the government created a new department, Public Safety and Emergency Preparedness Canada, which is responsible for crisis and emergency preparedness, national security, policing and law enforcement, oversight, crime prevention, corrections, conditional release and border protection.

A number of programs are in place to support community-based crime prevention. For example, since it was launched in 1998, the National Crime Prevention Strategy has supported more than 4,000 projects in over 800 Canadian communities. The Strategy provides communities with the tools, knowledge and expertise for effective crime prevention and the support to deal with the risks associated with crime and victimization at the local level.
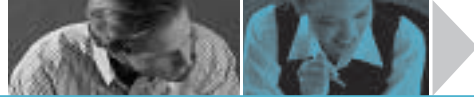
Keeping communities safe also means protecting the environment and minimizing the impact of climate change. In 2003, several regions in Canada were affected by natural disasters: the BC forest fires and Hurricane Juan alone caused an estimated $1 billion in insured property losses and incalculable human losses. Understanding and sharing knowledge of areas of vulnerability, infrastructure for emergency response, longer-term adaptation and environmental prediction are important government strategies to prepare citizens for these high-impact events.

In September 2003, Canada presented the United Nations with its second report on implementation of the international Convention on the Rights of the Child. Two recent Canadian accomplishments in this regard are the *Youth Criminal Justice Act* and child protection legislation.

Measures to Track Progress

The following indicator contributes to measuring Canada's progress in the area of *Safe Communities*:

▶ **Safety** as measured in a number of ways, including

- the level of crime reported by police, especially crimes against the person and property crimes;

- the level of self-reported victimization, when a person is victimized one or more times by crimes such as theft of personal or household property, breaking and entering, assault and sexual assault; and

- the level of fear of crime in a neighbourhood.

Safety: Crime Rate

Current Level and Trends

Canada's national crime rate increased 6 per cent in 2003, the first substantial gain in over a decade. The rate for total Criminal Code offences (excluding traffic) in 2003 was 8,132 incidents per 100,000

Figure 3.2
Criminal Code Offences
by Province, Canada,
1999 and 2003

Rate per100,000

Canadian average 2003

NL PE NS NB QC ON MB SK AB BC YT NT NU
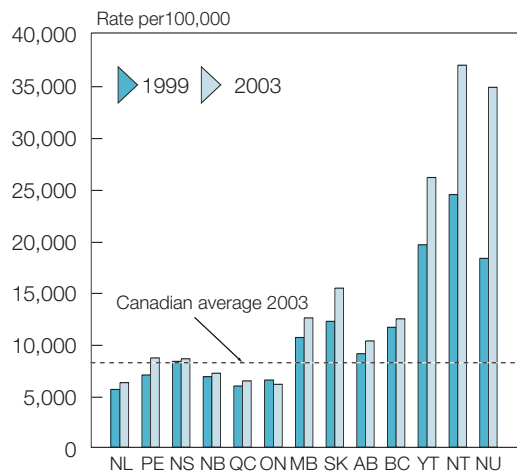
Source: Statistics Canada, 2004.

population, up from 7,590 per 100,000 in 2002. After peaking in 1991, the crime rate fell steadily throughout the 1990s and remained relatively stable from 2000 to 2002. The 2003 crime rate was 15 per cent lower than a decade ago, but 14 per cent higher than 25 years ago.

Much of the increase in overall crime from 2002–03 resulted from more than 138,000 counterfeiting incidents reported by police. The rate of counterfeiting increased 72 per cent in 2003. Counterfeiting incidents tripled in Newfoundland and Labrador and nearly doubled in Ontario, Quebec and British Columbia.

The national property crime rate rose 4 per cent in 2003, after a near 20-year low in 2002. The rate in 2003 was 4,121 per 100,000 population, up from 3,960 per 100,000 in 2002. It was the first substantial increase since 1991. However, the rate is still 26 per cent lower than it was a decade earlier.

Crime rates increased in all provinces and territories, except Ontario and the Yukon, where they remained virtually unchanged. Saskatchewan reported the nation's highest rate, followed by Manitoba and British Columbia. Ontario reported the lowest crime rate since the first time statistics were collected in 1962. *(Source: Statistics Canada, 2004)*

Canada's Place in the World

Canada's Economy

Society, Culture and Democracy

Aboriginal Peoples

The Health of Canadians

The Canadian Environment

Safety: Victimization Rate

Current Level 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. The remaining four countries (England, France, the Netherlands and Scotland) experienced slight decreases. For the 17 countries that participated in the 2000 International Crime Victimization Survey, on average 21 per cent of the population aged 16 and older had been victims of at least one of 11 offences in the previous year. A total of 24 per cent of Canadians reported having been victimized. Australia and England had the highest rates at 30 per cent and 26 per cent respectively. Portugal, Japan and Northern Ireland had the lowest rates, all at 15 per cent. Of the 11 crimes measured, the most prevalent in 2000 was car vandalism with an average victimization rate of 7 per cent for the 13 countries surveyed, followed by theft from a car at 5 per cent.

Safety: Level of Fear of Crime

Current Level and Trends

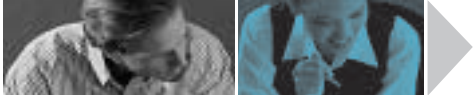According to the Personal Security Index 2003, between 2001 and 2002, seniors and low-income people felt most unsafe. While the majority of Canadians (75 per cent) aged 25 to 44 felt that their neighbourhoods were very safe from violent crime, seniors were the least likely to share that sentiment, with only 65 per cent feeling very safe, down from 67 per cent in 2000. Men were slightly more likely than women to feel that their neighbourhoods were very safe from violent crime (72 per cent compared to 71 per cent).

Supplemental Information

By clicking on the link in the electronic version of the report, the reader can access information on additional indicators that measure Canada's progress in the area of S*afe Communities:* Hate crimes.

The Government of Canada's Performance

Several departments and agencies contribute to the pursuit of *Safe Communities* through their respective departmental strategic outcomes. In the electronic version of the report, clicking on the links in the table below will lead the reader to planning, performance and resource information, which is contained in the organizations' Departmental Performance Reports and Reports on Plans and Priorities. The Database, which can be found at http://www.tbs-sct.gc.ca/rma/krc/cp-rc_e.asp, also leads to relevant audits and evaluations.

Government of Canada Outcome	Department/Agency
Safe communities	Correctional Service Canada
	Courts Administration Service
	Justice Canada
	Law Commission of Canada
	National Defence
	National Parole Board
	Public Safety and Emergency Preparedness Canada (formerly Solicitor General Canada)
	Royal Canadian Mounted Police

Canada's Place in the World

Canada's Economy

Society, Culture and Democracy

Aboriginal Peoples

The Health of Canadians

The Canadian Environment

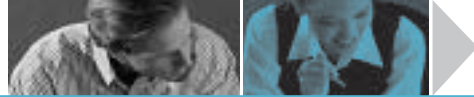# Government of Canada outcome: Caring communities

Why Is It Important?

Vital services such as legal aid, shelters and food banks support the human dignity, autonomy and independence of those who seek assistance, while allowing the community as a whole to connect its residents and develop an inclusive, nurturing environment. Many of these services require a community effort from a range of donor sources and people in a context that values and supports community work. Caring communities seek to foster participation and a sense of belonging; the notion and practice of justice in such communities ensures human rights for all, including the most vulnerable.

Voluntary organizations embody Canadian values of social citizenship and equality of opportunity. The voluntary sector provides essential services and brings together community members to define their own needs and find solutions. The sector includes 180,000 incorporated non-profit organizations, 80,000 of which are registered charities. It generates $90 billion in annual revenues and holds $109 billion in assets. In the October 2004 Speech from the Throne, the government committed to create the conditions

for the success of non-profit organizations by introducing a new *Not-for-profit Corporations Act.*

The voluntary sector also provides paid employment for over one million Canadians. In 2000, the Government of Canada launched the Voluntary Sector Initiative, with an investment of $94.6 million over five years, in a joint venture to increase the capacity of the voluntary sector and to strengthen the relationship between the sector and the federal government. Budget 2004 committed an additional $6 million over two years, ending in 2006.

By the late 1990s homelessness was becoming a crisis in many cities. In response, the federal government created the National Homelessness Initiative in 1999 to support governments and community organizations in their work to alleviate homelessness. Communities across Canada have undertaken 1,800 projects, funded wholly or in part by the National Homelessness Initiative. These projects have resulted in approximately 8,000 new, permanent beds in shelters, transition homes and supportive houses, which have helped over 117,000 people. In addition, the construction and renovation of roughly 1,000 sheltering facilities and support facilities, such as

food banks, soup kitchens and drop-in centres have helped nearly 300,000 people. *(Source: National Homelessness Initiative 2003)*

Measures to Track Progress

The following indicator contributes to measuring Canada's progress in the area of *Caring Communities:*

▶ **Volunteerism** as measured by the number of volunteers and the number of hours volunteered.
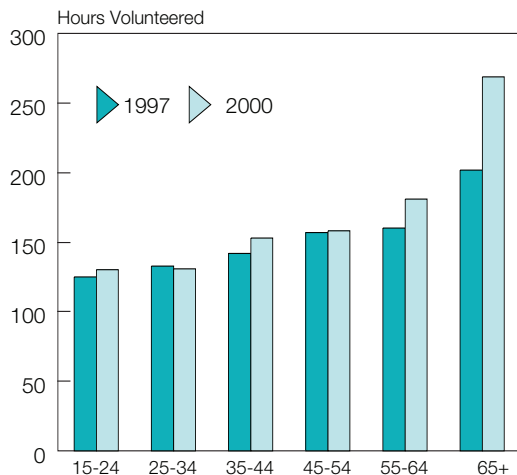
Current Level and Trends

According to the 2000 *National Survey on Giving, Volunteering and Participating,* a small number of people provided the bulk of charitable and voluntary support in the country. Fewer than one in 10 Canadians

Figure 3.3
Number of Hours per Volunteer by Age, Canada, 1997 and 2000

Source: Statistics Canada, 2000.

contributed 46 per cent of the total dollar value of all donations as well as 40 per cent of all volunteer hours.

In 2000, 27 per cent of Canadians volunteered 1.05 billion hours of work, down from 1.11 billion hours in 1997. However, from 1997–2000 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 per cent.

When Canadians volunteer, they are likely to do so within culture, arts and recreation organizations (including sport organizations). Sport clubs and teams are the most common type of organization joined across all generations of people of diverse ethnic backgrounds. *(Source: National Survey on Giving, Volunteering and Participating 2000, Ethnic Diversity Survey 2002)*

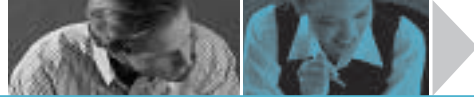## The Government of Canada's Performance

Several departments and agencies contribute to the pursuit of *Caring Communities* through their respective departmental strategic outcomes. In the electronic version of the report, clicking on the links in the table below

Canada's Place in the World

Canada's Economy

Society, Culture and Democracy

Aboriginal Peoples

The Health of Canadians

The Canadian Environment

will lead the reader to planning, performance and resource information, which is contained in the organizations' Departmental Performance Reports and Reports on Plans and Priorities. The Database, which can be found at http://www.tbs-sct.gc.ca/rma/krc/cp-rc_e.asp, also leads to relevant audits and evaluations.

Government of Canada Outcome	Department/Agency
Caring communities	Canadian Heritage
	Canadian Space Agency
	Citizenship and Immigration Canada
	Health Canada
	Human Resources and Skills Development Canada
	Infrastructure Canada
	Justice Canada
	Military Police Complaints Commission
	National Defence
	Offices of the Information and Privacy Commissioners
	Public Safety and Emergency Preparedness Canada (formerly Solicitor General Canada)
	Social Development Canada
	Status of Women Canada
	Transport Canada
	Veterans Affairs Canada

Government of Canada outcome:
A vibrant Canadian culture and heritage

Why Is It Important?

Culture and the arts strengthen social bonds and establish common ground between generations and diverse peoples. The government promotes Canadian culture both domestically and internationally.

According to a 2003 Decima survey, 76 per cent of Canadians believed that culture and the arts improve their quality of life; 91 per cent believed that art and cultural organizations and activities make a community a better place in which to live; and 85 per cent thought that governments should support the cultural sector.

Participating in cultural and heritage activities broadens people's experiences by exposing them to the diverse social, historical and cultural aspects of their communities; introducing new and different ideas; and encouraging greater understanding across social and cultural groups.

Cultural and heritage activities may range from attending a folk festival, a rock concert, Canada Day celebrations or the changing of the guard on Parliament Hill to going to the theatre, movies, a park or a zoo. Reading a book, playing sports or visiting a museum are also ways of participating in cultural and heritage activities. This type of community participation helps to foster a nation-wide sense of shared history and multicultural heritage, thus maintaining the unique Canadian identity of "unity in diversity." The vast majority of Canadians (90 per cent) believe there is more than one Canadian culture and that different regional cultures co-exist and flourish in Canada. *(Source: 2002 Leger Marketing survey on Canadians and culture)*

Measures to Track Progress

The following indicator contributes to measuring Canada's progress in the area of *A Vibrant Canadian Culture and Heritage:*

- ▶ **Participation in culture and heritage activities** as measured by participation rates.

Current Level and Trends

From 1992 to 1998, the period for which the latest comparable data is available, Canadian participation patterns in cultural and heritage activities changed somewhat. With the greater variety of such activities offered, Canadians now have more options for their leisure time than ten or twenty years ago.

Canada's Place in the World

Canada's Economy

Society, Culture and Democracy

Aboriginal Peoples

The Health of Canadians

The Canadian Environment

Figure 3.4
Participation in Selected Culture
and Heritage Activities, Canada,
1992 and 1998

Percentage

▷ 1992 ▷ 1998
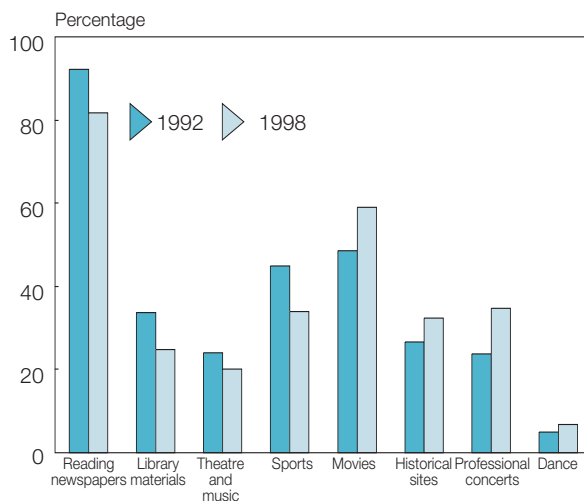
Source: Statistics Canada, 1998.

For example, during that period participation rates decreased for reading newspapers (from 92.1 per cent of the population to 81.8 per cent); borrowing library materials (33.8 per cent to 24.9 per cent); attending the theatre and popular musical performances (24 per cent to 20 per cent); attending the opera (4.4 per cent to 3 per cent); participating in sports (45 per cent to 34 per cent); and listening to symphonic music (12.2 per cent to 8.2 per cent).
(Source: Statistics Canada)

In other areas, participation rates were on the rise. More Canadians went to the movies (59.1 per cent from 48.6 per cent); visited historical sites (32.4 per cent from 26.7 per cent);

attended professional concerts and performances (34.6 per cent from 30.2 per cent); 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. *(Source: Statistics Canada)*

International Comparison
While international data on leisure activities are not directly comparable, some common themes emerge. According to various studies conducted in Australia, Canada, Europe and the United States between 1992 and 2002, watching television and reading were the most popular home-based leisure activities, while listening to the radio and surfing the Net were less popular. Going to the movies was the most popular leisure activity outside the home in all countries. *(Source: Statistics Canada)*

Supplemental Information

By clicking on the link in the electronic version of the report, the reader can access information on additional indicators that measure Canada's progress in the area of *A Vibrant Canadian Culture and Heritage:* Provincial differences and household entertainment spending.

The Government of Canada's Performance

Several departments and agencies contribute to the pursuit of *A Vibrant Canadian Culture and Heritage* through their respective departmental strategic outcomes. In the electronic version of the report, clicking on the links in the table below will lead the reader to planning, performance and resource information, which is contained in the organizations' Departmental Performance Reports and Reports on Plans and Priorities. The Database, which can be found at http://www.tbs-sct.gc.ca/rma/krc/cp-rc_e.asp, also leads to relevant audits and evaluations.

Government of Canada Outcome	Department/Agency
A vibrant Canadian culture and heritage	Canadian Heritage Foreign Affairs Canada Library and Archives of Canada National Battlefields Commission National Defence National Film Board of Canada Office of the Commissioner of Official Languages Parks Canada Agency Veterans Affairs Canada

Canada's Place in the World

Canada's Economy

Society, Culture and Democracy

Aboriginal Peoples

The Health of Canadians

The Canadian Environment

Government of Canada outcome:
Sustainable cities and communities

Why Is It Important?

With the announcement of the "New Deal for Cities" in December 2003, the Government of Canada signalled the importance of sustainable cities and communities to the quality of life of Canadians. In July 2004, a new Minister of State for Infrastructure and Communities and a department were established.
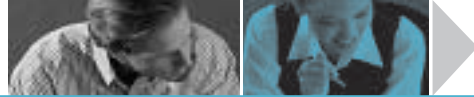
Although municipalities are the constitutional responsibility of the provinces, which control most of the policy levers, several issues of national consequence play out in cities and communities. No one order of government has the means to address these complex issues alone. A partnered approach is essential.

A 21st century economy needs cities that offer economic opportunities; compete for talent; provide the infrastructure for innovation; and are cosmopolitan and creative. They must have clean air and water, safe streets, diverse cultural choices, and opportunities to learn and participate in civic life. Several Canadian cities are internationally recognized for key attributes that contribute to a strong, competitive and sustainable country:

institutions of higher learning and research; easy access to international markets via world-class transportation systems; a highly educated and diverse work force; a wide variety of cultural and recreational amenities; a safe community environment; and a superior quality of life.

An important dimension of addressing the challenges and opportunities of globalization is recognizing the interdependence between cities and rural and remote communities. The government is working to ensure that this interdependence is reflected in policy decisions and that the different and unique challenges of urban and rural communities are acknowledged and approached in a coordinated fashion.

Canadian cities are on the front line of having to address serious and complex challenges such as aging infrastructure; inadequate cultural and recreational amenities; a crisis in housing affordability; the unique needs of urban Aboriginal people; and the integration of immigrants. The Government of Canada is working with its partners in the New Deal to address these challenges.

Measures to Track Progress

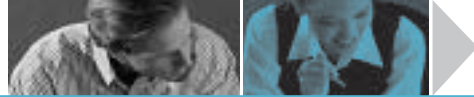▶ An indicator is under development for *Canada's Performance 2005*.

The Government of Canada has focused on developing an integrated policy framework that articulates a national vision, priority issues of national consequence, and outcomes based on sustainability (economic, social, environmental and cultural) with its partners in key sectoral departments and agencies across the Government of Canada.

This involves developing indicators to measure progress nationally and locally on community sustainability, including a major study by Statistics Canada that, for the first time, provides a snapshot of Canada's major cities.

The Government of Canada's Performance

Several departments and agencies contribute to the pursuit of *Sustainable Cities and Communities* through their respective departmental strategic outcomes. In the electronic version of the report, clicking on the links in the table below will lead the reader to planning, performance and resource information, which is contained in the organizations' Departmental Performance Reports and Reports on Plans and Priorities. The Database, which can be found at http://www.tbs-sct.gc.ca/rma/krc/cp-rc_e.asp, also leads to relevant audits and evaluations.

Canada's Place in the World

Canada's Economy

Society, Culture and Democracy

Aboriginal Peoples

The Health of Canadians

The Canadian Environment

Government of Canada Outcome	Department/Agency
Sustainable cities and communities	Agriculture and Agri-Food Canada (Rural Secretariat) Atlantic Canada Opportunities Agency Canada Economic Development for Quebec Regions Canadian Heritage Citizenship and Immigration Canada Environment Canada Health Canada Human Resources and Skills Development Canada Industry Canada Infrastructure Canada National Defence National Round Table on the Environment and the Economy Natural Resources Canada Public Safety and Emergency Preparedness Canada (formerly Solicitor General Canada) Social Development Canada Transport Canada Western Economic Diversification Canada

Government of Canada outcome:
An informed and engaged Canadian public

Why Is It Important?

An informed, engaged public is central to Canadian society, culture, and democracy. Political participation is one way of assessing citizen engagement and the democratic health of a nation. As a measure of a viable democracy, the level of political participation indicates a concern for the future development of a community. An important indicator of political participation is the number of individuals who vote in government elections.

Canada's declining voter turnout, particularly among those aged 18 to 24, is an indication Canadians are becoming alienated from their governments. While the causes of this growing discontent are not fully understood, it appears that many citizens are not participating in democratic processes to the same extent as they have in the past and have lost confidence in democratic institutions. Canadians are not alone in their apparent disenchantment with traditional democratic processes. Governments in most Western nations are facing similar challenges.

However, while citizen participation in traditional democratic processes is declining, it appears that people worldwide are increasingly engaging in other forms of political processes such as special interest groups and emerging social and environment movements.

Measures to Track Progress

The following indicator contributes to measuring Canada's progress in the area of *An Informed and Engaged Canadian Public*:

▶ **Political participation** as measured by voter turnout.

Current Level 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.

Figure 3.5
Voter Turnout in Canadian National Elections, 1945 to 2004
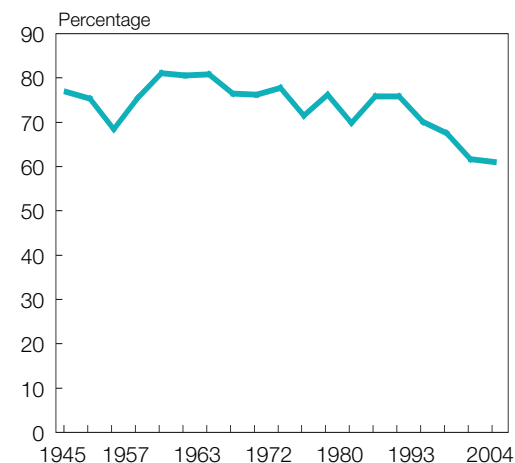
Source: Elections Canada, 2004.

Canada's Place in the World

Canada's Economy

Society, Culture and Democracy

Aboriginal Peoples

The Health of Canadians

The Canadian Environment

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.

There has been a significant decrease in voter turnout among youth. In 2000, only 25 per cent of youth aged 18 to 24 exercised their right to vote. Although studies are limited, research indicates that, on average, Aboriginal people participate at levels considerably below those of the general population. In the 2000 federal election, the turnout rate for Aboriginal people was 48 per cent, 16 percentage points lower than the turnout rate of the general population. *(Source: "Aboriginal Participation in Canadian Federal Elections: Trends and Implications," Electoral Insight, Vol. 5, No. 3)*

International Comparison
With respect to voter participation during national elections, Canada ranks in the middle range compared to other G-7 countries.

Europe also experienced a drop in voter participation in 2004, with the turnout of European Union voters reaching a record low of 45.3 per cent.

Figure 3.6
Voter Turnout in National Elections — G-7 Countries

Source: International Institute for Democracy and Electoral Assistance, *Voter Turnout*, 2004.

Supplemental Information
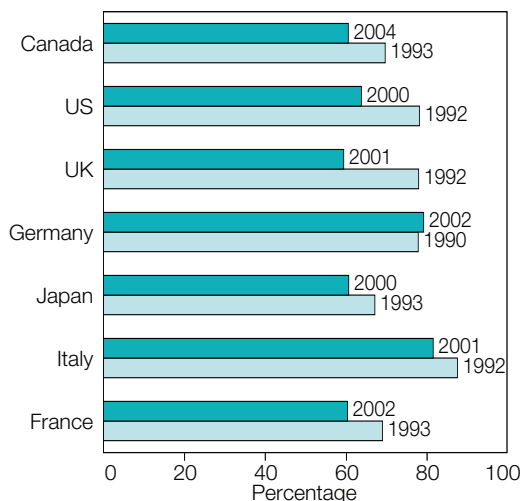By clicking on the link in the electronic version of the report, the reader can access information on an additional indicator that measures Canada's progress in the area of *An Informed and Engaged Canadian Public:* Confidence in the electoral process.

The Government of Canada's Performance
Several departments and agencies contribute to the pursuit of *An Engaged and Informed Canadian Public* through their respective departmental strategic outcomes. In the electronic version of the report, clicking on the links in the table below will lead the reader to planning, performance and resource information, which is contained in

the organizations' Departmental Performance Reports and Reports on Plans and Priorities. The Database, which can be found at

http://www.tbs-sct.gc.ca/rma/krc/cp-rc_e.asp, also leads to relevant audits and evaluations.

Government of Canada Outcome	Department/Agency
An informed and engaged Canadian public	Canadian Heritage Office of the Chief Electoral Officer Statistics Canada

Canada's Place in the World

Canada's Economy

Society, Culture and Democracy

Aboriginal Peoples

The Health of Canadians

The Canadian Environment

IV. Aboriginal Peoples

Introduction

The relationship between Aboriginal peoples and Canada has profoundly shaped our identity as a nation. The Government of Canada has a historic relationship with Aboriginal peoples, and has committed to working collaboratively with Aboriginal leaders to improve the quality of life of Aboriginal peoples. For the first time, *Canada's Performance* includes a chapter specifically discussing Aboriginal people in Canada.

The Government of Canada is demonstrating its commitment to engaging Aboriginal people through the development of an *Aboriginal Report Card*. The Report Card is an important initiative to measure the progress being made in addressing socio-economic conditions and transforming Canada's relationship with Aboriginal peoples. It will include jointly developed key indicators and identify areas where more work is needed to close the gap between the living conditions of Aboriginal peoples and those of other Canadians.

While *Canada's Performance 2004* does not constitute a Report Card, this chapter can inform the development of a Report Card by providing some performance information for four key Government of Canada outcomes:

1. Full Aboriginal Participation in Life-Long Learning;

2. Strong Aboriginal Economic Self-Reliance;

3. Healthy Aboriginal Communities; and

4 Effective Democracy and a Strengthened Aboriginal Relationship with Canada.

Context

Aboriginal peoples have not fully shared in Canada's prosperity. While some progress has been made in reducing the disparities facing Aboriginal communities, the conditions in many continue to fall below the Canadian average on many socio-economic indicators.

The October 2004 Speech from the Throne called for Aboriginal peoples to share in Canada's good fortune and come to participate fully in national life. The Speech from the Throne also outlined the importance of working together with Aboriginal people and provincial and territorial governments to create the conditions for long-term development — learning, economic opportunity, modern institutions and governance — while respecting historical rights and agreements.
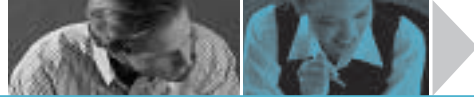
Canada's Place in the World

Canada's Economy

Society, Culture and Democracy

Aboriginal Peoples

The Health of Canadians

The Canadian Environment

Table 4.1 Aboriginal Peoples: Definitions

Different definitions and terms are used for Aboriginal peoples depending on the context.

Aboriginal has come to be the most commonly used term when referring to all the indigenous peoples of Canada.

In a **constitutional** context, the *Constitution Act, 1982*, defines the Aboriginal peoples of Canada as including **Indians**, **Inuit** and **Métis**.

Indians, usually referred to as **First Nations** people, are the largest Aboriginal group in Canada, comprising more than 600,000 people (out of the Aboriginal population of close to one million). A "First Nation" generally refers to an Indian band. First Nations people live across Canada and are very diverse in language and cultural values; for example, there are eleven First Nations linguistic families (that include between 53 and 70 languages) in Canada. *(Royal Commission on Aboriginal Peoples Report, Vol. 3, 1997)*

The **Inuit** live in arctic and subarctic Canada, in Nunavut, the Northwest Territories and northern parts of Labrador and Quebec. There are approximately 45,000 Canadian Inuit; they share many similarities of language and cultural values.

Métis are a distinct cultural group composed of people of mixed Aboriginal and European ancestry. 292,000 people identified as Métis in the 2001 Census.

Some terms have specific **legal** implications: a **Status Indian** is a person who is registered under the Indian Act; the term **Registered Indian** is equivalent. A **non-Status Indian** is an Indian person who is not registered under the Indian Act.

For **Census** purposes, Statistics Canada uses the term **North American Indian**. This could include First Nations people who are Status (or Registered) Indians and non-Status Indians.

On April 19, 2004, Prime Minister Paul Martin opened the first-ever Canada–Aboriginal Peoples Roundtable, marking a significant step forward both in strengthening the relationship between the Government of Canada and Aboriginal peoples, and in providing an opportunity to foster new ideas to develop stronger, healthier and economically self-reliant Aboriginal peoples and communities. The Roundtable confirmed the collective commitment of Aboriginal leaders and the Government of Canada to work collaboratively in making measurable progress on improving the quality of life of Aboriginal peoples.

The information gathered in this chapter is derived from several sources and can refer to different populations. Much of the existing Canadian data on Aboriginal people consists of program data on Status Indians from

Indian and Northern Affairs Canada; the 2001 Census population data; and the 2001 Aboriginal Peoples Survey data from Statistics Canada. Historically, there have been some challenges in counting Aboriginal people via the Census of Canada; therefore some caution must be used in comparing census data over time. Given the limitations of the available data, this chapter does not depict a complete portrait of the situation of Aboriginal people in Canada; rather, it presents selected data for particular indicators and populations that illustrate the larger situation and context.

The Government of Canada's Role with Respect to Aboriginal Peoples

The Government of Canada has historically had a special relationship with Aboriginal peoples. The legal framework for this special relationship includes section 35 of the *Constitution Act*, 1982, which recognizes and affirms the Aboriginal and treaty rights of the Aboriginal peoples of Canada (provincial/ territorial governments must also respect these rights), and subsection

91(24) of the *Constitution Act*, 1867. The *Indian Act* has been the primary manifestation of the federal government's legislative authority under subsection 91(24).

Many of the Government of Canada's Aboriginal programs and policies originated as policy responses to specific circumstances at the time. This includes the vast majority of programs provided to First Nations people, including those living on reserve.

The Aboriginal Peoples of Canada

According to the 2001 Census,[2] there are about one 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 per cent are North American Indian, 30 per cent Métis and 5 per cent Inuit. About 3 per cent identified with more than one Aboriginal group or declared that they were Status Indians or band members who did not identify as being Aboriginal.

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2. The 2001 Census collected data that is based on four different definitions: ethnic origin (ancestry), Aboriginal Identity, Registered Indian, and Band membership. In the 2001 Census release of Aboriginal data, the concept of Aboriginal Identity was used to provide a demographic profile of the Aboriginal population.
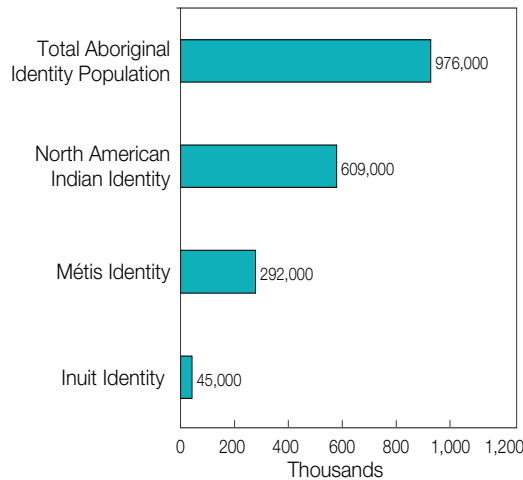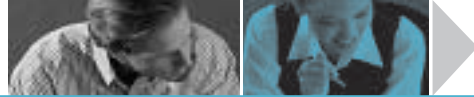
Figure 4.1
Aboriginal Peoples of Canada, 2001

| Category	Value
Total Aboriginal Identity Population	976,000
North American Indian Identity	609,000
Métis Identity	292,000
Inuit Identity	45,000

Thousands (0 200 400 600 800 1,000 1,200)

Source: Statistics Canada, 2001.

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 per cent of the territory's total population. Aboriginal people are more than half (51 per cent) of the population of the Northwest Territories, almost one-quarter (23 per cent) of the population of the Yukon, and about 14 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 per cent of the total Aboriginal population in Canada lives off-reserve, with almost three-quarters of these individuals living in urban areas.

Federal Government Expenditures in Aboriginal Programs

The federal government, provinces and territories, private sector, and other partners all contribute to improving the social and economic conditions of Aboriginal people in Canada.

Figure 4.2
Federal Government Expenditures in Aboriginal Programming by Department (2003-2004)

Percentages shown: 20%, 5%, 4%, 4%, 67%
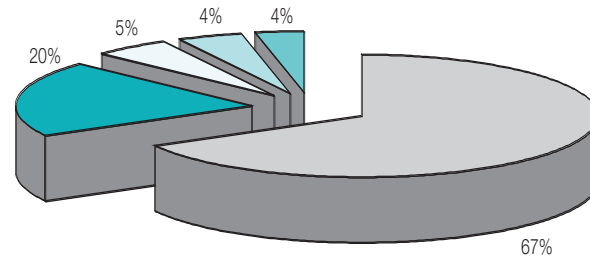
▷ Indian Affairs and Northern Development $5,511 M

▶ Health Canada $1,648 M

▷ Other Departments $434 M

▷ Human Resources and Skill Development Canada $365 M

▷ Canada Mortgage and Housing Corporation $290 M

Other Departments:
Public Safety and Emergency Preparedness: $77 M
Canadian Heritage: $74 M
Indian Residential Schools Resolution Canada: $74 M
Fisheries and Oceans Canada: $72 M
Industry Canada: $52 M
Correctional Services Canada: $36 M
Justice Canada: $15 M
National Resources Canada: $13 M
Privy Council Office: $13 M
National Defence: $8 M

Canada's Place in the World

Canada's Economy

Society, Culture and Democracy

Aboriginal Peoples

The Health of Canadians

The Canadian Environment

The Government of Canada funds services such as education for First Nations on reserves, with the goal of ensuring access to programs and services (provided elsewhere by provincial or territorial governments) that are comparable to those available to other Canadians in similar communities. Most on-reserve programs and services are delivered by First Nations, which directly administer 85 per cent of Indian and Northern Affairs Canada funds.

Fourteen federal government departments and agencies provide programs and services, directly or indirectly, to Aboriginal people with total expenditures of approximately $8.2 billion in 2003–04,

(see figure 4.2). Most of this amount (87 per cent) is spent by Indian and Northern Affairs, whose mandate is focused on Status Indians on reserve and Inuit; and Health Canada, whose programs are primarily directed to First Nations on reserve.

In addition to the $8.2 billion, the federal government also funds programs for all Canadians and provincial/territorial transfers, which also benefit Aboriginal people. Provinces and territories provide programs and services to Aboriginal people off-reserve that, along with the private sector, can help to create sustainable economic development opportunities for Aboriginal people.

Government of Canada outcome:
Full Aboriginal participation in life-long learning

Why Is It Important?

Education and skills development are a means of increasing the participation of Aboriginal people in the workforce and in the life of their community.

To further this objective, the Government of Canada provides support to Aboriginal communities and individuals in areas contributing to life-long learning, such as early childhood development, primary and secondary education (for First Nations students living on reserve), post-secondary education (for Status Indians, and Inuit), and transition to the workforce training through the First Nation and Inuit Youth Employment Strategy.

The Aboriginal Human Resources Development Strategy has funded Aboriginal organizations since 1999 to provide targeted skills training and capacity building to Aboriginal people on and off-reserve. The Government of Canada announced that it would work with provinces and territories and Aboriginal partners and renew the $1.6 billion funding over five years for the Aboriginal Human Resources Development Strategy. *(Source: Budget 2004)*

Measures to Track Progress

The following indicator contributes to measuring Canada's progress in the area of *Full Aboriginal Participation in Life-Long Learning*:

▶ **Educational attainment** as measured by the highest level of schooling completed.

Current Level and Trends

From 1981 to 2001, the percentage of Aboriginal people who obtained college diplomas increased from 15 per cent to 22 per cent, while the percentage who obtained university degrees increased slightly from 4 per cent to 6 per cent. This compares with increases of 20 per cent to 25 per cent for non-Aboriginal people obtaining college diplomas (a narrowing of the gap between the Aboriginal and non-Aboriginal population) and 15 per cent to 26 per cent of non-Aboriginal people receiving university degrees (a widening of the gap by 9 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 per cent to 43 per cent, while the percentage of those with less than

Canada's Place in the World

Canada's Economy

Society, Culture and Democracy

Aboriginal Peoples

The Health of Canadians

The Canadian Environment

Figure 4.3
Educational Attainment for the
Aboriginal and Non-Aboriginal
Population in Canada, 1981 and 2001
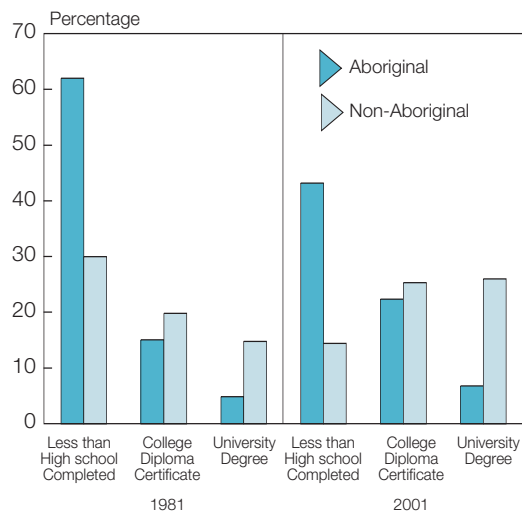
Note(1): Some of the improvement in educational attainment
between 1981 and 2001 maybe attributed to some people
changing their identity on their census forms from
non-Aboriginal to Aboriginal, and already having a high level
of education.
(2) For the category "Less than High School completed",
the population age group is 20-24 years. For the categories
"College Diploma Certificate" and "University Degree" the
population age group is 25-34.
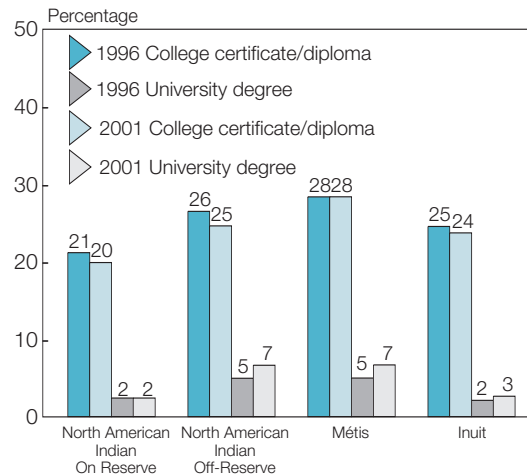*Source:* Statistics Canada 2001, *Census of Canada.*

high school in the non-Aboriginal
population decreased from
30 per cent to 15 per cent (a
narrowing of the gap by 4 percentage
points).

Figure 4.4 shows the percentage of
individual Aboriginal groups, aged 25
to 34, who are out of school and who
have a college or university degree. As
a whole, the number remained
relatively stable for each Aboriginal
group from 1996 to 2001. In 2001,
Métis had the highest shares at
28 per cent, while on-reserve North
American Indians were at 20 per cent,
down from 21 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 per cent to 7 per cent in
the five years. However, it should be
noted 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. (*Source:* Statistics Canada)

Figure 4.4
Aboriginal Population Out of School
with a College Certificate/Diploma or
University Degree by Aboriginal Group,
Aged 25 to 34, Canada, 1996 and 2001

Source: Statistics Canada, 2001.

Completion of Secondary School

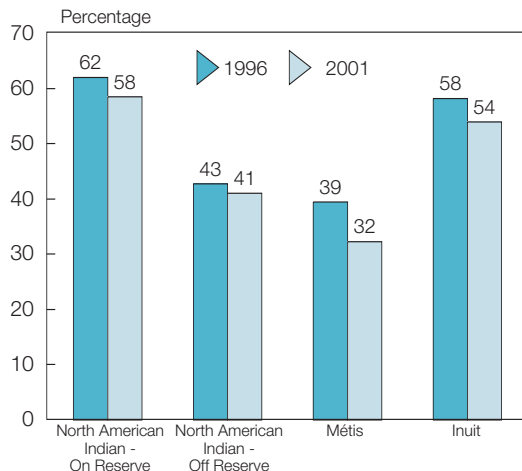The percentage of Aboriginal youth aged 20 to 24 who had incomplete secondary school or less as their highest level of schooling declined from 1996 to 2001. Figure 4.5 shows the varying percentages by Aboriginal group. The North American Indian youth on reserves had the highest percentages with less than high school (62 per cent in 1996 to 58 per cent in 2001), followed closely by Inuit youth, from 58 per cent to 54 per cent. The percentage of North American Indians off-reserve with incomplete high school declined from 43 per cent to 41 per cent, and the percentage for Métis youth declined from 39 per cent to 32 per cent. Even though there were improvements, there remains a large gap with non-Aboriginal youth, 15 per cent of whom had incomplete high school or less in 2001.

The Government of Canada's Performance

Several departments and agencies contribute to the pursuit of *Full Aboriginal Participation in Life-Long Learning* through their respective departmental strategic outcomes. In the electronic version of the report, clicking on the links in the table below will lead the reader to planning, performance and resource information, which is contained in the organizations' Departmental Performance Reports and Reports on Plans and Priorities. The Database, which can be found at http://www.tbs-sct.gc.ca/rma/krc/cp-rc_e.asp, also leads to relevant audits and evaluations.

Figure 4.5

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

Source: Statistics Canada, 2001.

Canada's Place in the World

Canada's Economy

Society, Culture and Democracy

Aboriginal Peoples

The Health of Canadians

The Canadian Environment

Government of Canada Outcome	Department/Agency
Full Aboriginal participation in life-long learning	Health Canada Human Resources and Skills Development Canada Indian and Northern Affairs Canada

Government of Canada outcome: Strong Aboriginal economic self-reliance

Why Is It important?

Enhancing the potential for Aboriginal people and communities to take advantage of economic opportunities is key to securing their place in Canada. Sustainable economic opportunities provide long-term employment and stable sources of revenue for communities.

The Government of Canada is working with provincial, territorial and private sector partners to increase the capacity of Aboriginal communities to generate sustainable economic activity, facilitate partnerships and reduce economic barriers to Aboriginal participation in local and national economic growth.

In 2001, 67 per cent of the Aboriginal population was of working age and this population is young and growing. Children currently under age 15 will be entering the labour force within the next 10 to 15 years. Projections suggest that in Manitoba and Saskatchewan these young people may account for as much as 25 to 30 per cent of the new entrants to the labour force.

The Aboriginal unemployment rate continues to be higher than for the rest of the Canadian population (19.1 per cent and 7.1 per cent respectively in 2001). Regarding specific groups, the unemployment rate was 22.2 per cent for Inuit and North American Indian, and 14 per cent for Métis.

A major economic challenge faced by Aboriginal communities is business and market development. According to the 2001 Census, 30,000 Aboriginal people indicated they were self-employed, up from fewer than 24,000 in 1996. To create jobs and increase incomes, Aboriginal businesses need assistance to expand into regional, national and international markets. This will require the partnership of federal, provincial and territorial governments, the private and voluntary sectors.

The main sectors providing Aboriginal employment in 2001 were forestry and logging (9.5 per cent), mining and oil and gas extraction (5.2 per cent) and utilities (2.8 per cent). *(Source: Statistics Canada, 2001 Census of Canada)*

Aboriginal communities have relied heavily on natural resource harvesting to provide economic development opportunities. However, communities often face many challenges in translating these resources into profits. These challenges include a lack of investment capital, lack of

Canada's Place in the World

Canada's Economy

Society, Culture and Democracy

Aboriginal Peoples

The Health of Canadians

The Canadian Environment

infrastructure, limited community and individual capacity, and remote locations. However, claim settlements, which have expanded Aboriginal communities' land bases, increase the potential to develop natural resources such as forests, minerals, oil and gas.

A promising area of economic growth is Aboriginal tourism. Cultural tourism and ecotourism offer opportunities to promote a better understanding of Aboriginal history, culture and values, as well as a means to preserve and build interest among Canadians in the preservation and revival of Aboriginal cultures and languages. *(Source: Aboriginal Tourism in Canada, Part 1: Economic Impact Analysis)*

Measures to Track Progress

The following indicators contribute to measuring Canada's progress in the area of *Strong Aboriginal Economic Self-Reliance*:

▶ **Employment rate** as measured by the percentage of Aboriginal and non-Aboriginal people employed in a specific year.

▶ **Median income** as measured by the dollar amount that marks the midpoint of incomes for individuals with income in a specific group.

Employment rate

Current Level and Trends

In 2001, 61 per cent of the Aboriginal population aged 25 to 54 years was employed, compared with 55 per cent in 1996 and 54 per cent in 1981. Although the gap between the rates of employed Aboriginal and non-Aboriginal people decreased by two percentage points from 1981 to 2001, a disparity remains.

In 2001, the employment rates among Aboriginal groups varied significantly, with 70 per cent of Métis employed, compared with 60 per cent of Inuit, 61 per cent of North American Indians off-reserve and 50 per cent on-reserve. *(Source: Statistics Canada, 2001 Census of Canada)*

Figure 4.6
Employed Aboriginal and Non-Aboriginal People, Aged 25 to 54, Canada, 1981, 1996 and 2001

Source: Statistics Canada, 2001 Census.

Canada's Place
in the World

Canada's Economy

Society, Culture
and Democracy

Aboriginal Peoples

The Health
of Canadians

The Canadian
Environment
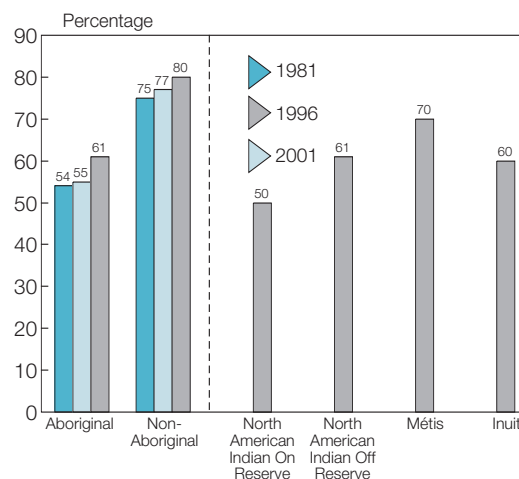
Median Income

Current Level 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. *(Source: Statistics Canada, 1996 and 2001 Census)*

Figure 4.7
Median Income for the Aboriginal and Non-Aboriginal Population Aged 15 and over, Canada, 1995 and 2000
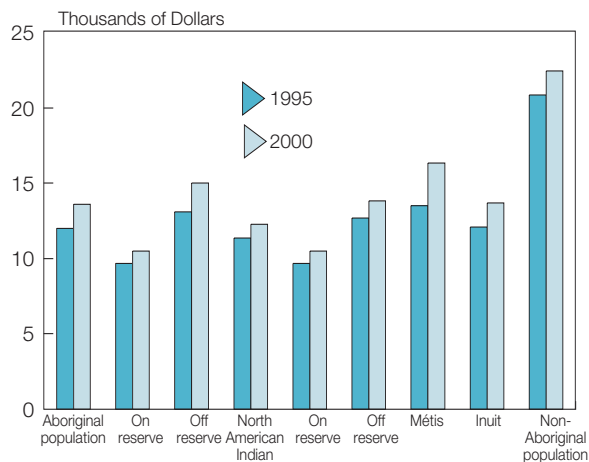
Source: Statistics Canada, 2004.

The low-income Aboriginal population in metropolitan areas

"Low income" (after tax and income transfers from governments) refers to when an individual or family must use a substantially larger portion of their income than the average Canadian individual or family for food, shelter and clothing. Among Aboriginal people in metropolitan areas, 41.6 per cent had low incomes, more than double the national average for metropolitan areas. *(Source: Statistics Canada, April 7, 2004, The Daily, "Low income in census metropolitan areas")*

The Government of Canada's Performance

Several departments and agencies contribute to the pursuit of *Strong Aboriginal Economic Self-Reliance* through their respective departmental strategic outcomes. In the electronic version of the report, clicking on the links in the table below will lead the reader to planning, performance and resource information, which is contained in the organizations' Departmental Performance Reports and Reports on Plans and Priorities. The Database, which can be found at http://www.tbs-sct.gc.ca/rma/krc/cp-rc_e.asp, also leads to relevant audits and evaluations.

Government of Canada Outcome	Department/Agency
Strong Aboriginal economic self-reliance	Canadian Heritage Fisheries and Oceans Canada Human Resources and Skills Development Canada Indian and Northern Affairs Canada Industry Canada Natural Resources Canada

Government of Canada outcome: Healthy Aboriginal communities

Why Is It Important?

Improving the health of Aboriginal people is fundamental to creating the conditions for individuals and communities to participate productively in national life. Aboriginal communities are affected by a variety of social and cultural factors that influence their health and safety. This chapter briefly examines the interdependence of environmental, judicial, socio-cultural and housing conditions as determinants of the overall health and safety of Aboriginal communities.

The Government of Canada is working to improve the health of Aboriginal communities. Through the First Nations component of the Canada Prenatal Nutrition Program, comprehensive community-based programs are in place to support pregnant women who face risks that threaten their health and the development of their babies. In addition, the Aboriginal Head Start program facilitates the early childhood development of First Nations, Inuit and Métis children and their families in urban and northern communities.

Table 4.2 The Environment and Aboriginal Peoples

According to a 2003 report released by Indian and Northern Affairs Canada, *National Assessment of Water and Wastewater Systems in First Nations Communities*, 29% of the 740 community water systems posed a possible high risk to water quality and 46% a medium risk. For wastewater systems, the assessment indicated that 16% posed a possible high risk and 44% a medium risk.

To address the safety of the drinking water on reserves, the 2003 Budget allocated $600 million over five years to upgrade, maintain and monitor water and wastewater systems on First Nations reserves.

Water quality is a major concern for the Inuit in the Canadian Arctic. When surveyed, a total of 34% of Inuit said there were times of the year when their water was contaminated. Seventy four per cent of residents of Nunavik in northern Quebec, 29% of residents of Labrador and 21% of people in Nunavut claimed that their water was contaminated at certain times of the year. *(Source: Statistics Canada, Aboriginal Peoples Survey, 2001)*

Environmental contaminants that have bio-accumulated in Arctic wildlife threaten the health and culture of the Inuit.

Canada's Place in the World

Canada's Economy

Society, Culture and Democracy

Aboriginal Peoples

The Health of Canadians

The Canadian Environment

> ### Table 4.3 Restorative Justice and Aboriginal Peoples
>
> Aboriginal involvement in the criminal justice system is also a factor in the health of Aboriginal communities.
>
> There is an increasing over-representation of Aboriginal offenders in the Canadian justice system. While Aboriginal people represent 3.3% of the Canadian population, they account for 18% of the federally incarcerated population and 16% of people sentenced. *(Source: Correctional Services Canada, 2004)*
>
> The Government of Canada is working with Aboriginal communities to develop their capacity to prevent crime and use restorative justice processes. For example, the Royal Canadian Mounted Police (RCMP) serves approximately 600 Aboriginal communities and since 1997 has facilitated Community Justice Forum training sessions in many Aboriginal communities. *(Source: RCMP, 2004)*
>
> 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. *(Source: Justice Canada, 2004)*
>
> Currently there are 88 agreements serving over 280 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. *(Source: Justice Canada, 2004)*
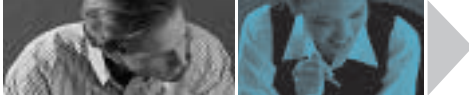>
> One example of work done with Aboriginal communities was the creation of nine Aboriginal Healing Lodges across Canada, to which 246 Aboriginal offenders have been transferred since 2000. In addition, the proportion of Aboriginal offenders serving their sentence in the community has increased from 28.5% in 1998 to 32% in 2004. *(Source: Correctional Services Canada, 2004)*

Two important determinants of the health and safety of Aboriginal communities are environmental conditions and the criminal justice system. Issues relating to environmental health, including the safety of drinking water and soil contaminants, are of great concern to Aboriginal people.

Measures to Track Progress

The following indicators contribute to measuring Canada's progress in the area of *Healthy Aboriginal Communities*:

▶ **Health status** as measured by life expectancy, infant mortality and potential years of life lost.

► **Acceptable housing** as measured by the adequacy, suitability and affordability of a dwelling.

Health Status

A disparity exists between the health of Aboriginal people and that of other Canadians. For example, Aboriginal people are at higher risk of poor health, premature death and chronic disease.

According to a 2002 public opinion poll, 63 per cent of First Nations people and 57 per cent of Métis identified the loss of land and culture as significant contributors to poorer health status. *(Source: National Aboriginal Health Organization, National Public Opinion Poll on Aboriginal Health and Health Care in Canada, 2002)* This poll is supported by research that has shown that efforts to preserve and promote cultural practices, known as "cultural continuity," have been linked to the health and safety of Aboriginal communities.

For example, a research study conducted on youth suicide among British Columbia First Nations in 1998 found that a higher degree of cultural continuity was related to the number of suicides. The markers of cultural continuity included self-government, control over their traditional land base, band-controlled schools, community control over health services, cultural facilities, and

control over police and fire services. In communities with none of these factors, the youth suicide rate was 138 per 100,000, while in communities with all six factors there were virtually no suicides. *(Source: Chandler, M.J. & Lalonde, C.E. (1998), "Cultural Continuity as a hedge against suicide in Canada's First Nations," Transcultural Psychiatry, 35(2), 193-211)*

Health Status: Life Expectancy for First Nations On and Off-Reserve

Current Level 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.

Figure 4.8

Life Expectancy for First Nations and Canadians, by Gender, Canada, 1980, 1990 and 2001
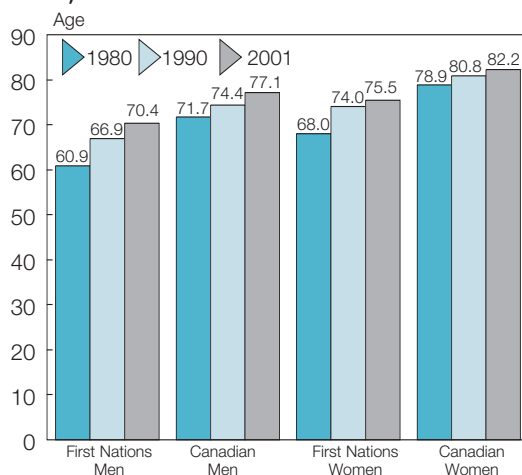
Source: Health Canada, 2004 and Indian and Northern Affairs Canada, 2004.

Canada's Place in the World

Canada's Economy

Society, Culture and Democracy

Aboriginal Peoples

The Health of Canadians

The Canadian Environment

The gap in life expectancy between First Nations 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 to 6.7 years with men in the Canadian population. *(Source: Health Canada, 2004)*

Life expectancy for First Nations women increased from 74 years in 1990 to 75.5 years in 2001, closing the gap to 6.7 years with women in the Canadian population. *(Source: Health Canada, 2004)*

Health Status: Life expectancy for Inuit

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. *(Source: Health Canada, 2004)*

Health Status: Infant Mortality Rate for First Nations On Reserve

Current Level and Trends

Infant mortality is the number of deaths per 1,000 live births. Infant mortality rates for First Nations on reserve 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 on reserve continues to be higher than the Canadian rate,

which is currently at 5.2 deaths per 1,000 live births. *(Source: Health Canada, 2004)*

Potential Years of Life Lost

Current Level and Trends

Potential Years of Life Lost (PYLL) is used to show the causes of premature death, before the age of 75. For most causes of death, the PYLL of First Nations and Canada are similar. However, the PYLL rate for injury (a category which includes motor vehicle accidents, suicide, drowning and fire) among First Nations is almost 3.5 times that of the Canadian rate. The rate of PYLL due to injury was greater than the PYLL for all other causes of death combined (4,304 versus 4,258 per 100,000), whereas injury is not even the number one cause of PYLL among Canadians as a whole.

The PYLL for suicide among First Nations is 1079.9 per 100,000 population. It should also be noted that the rate of PYLL in First Nations from all cancers was half the Canadian rate. *(Source: Health Canada, 2004)*

Housing

Housing conditions of North American Indian, Métis and Inuit households in Canada significantly lag behind non-Aboriginal households. The housing need on reserve is considerable. In March 2003, out of
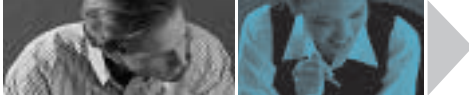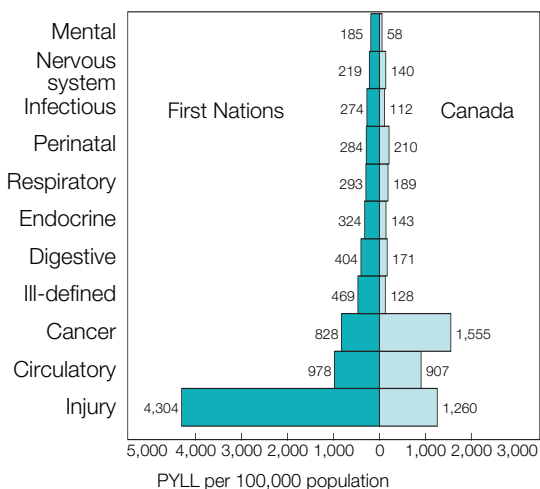
Canada's Place in the World

Canada's Economy

Society, Culture and Democracy

Aboriginal Peoples

The Health of Canadians

The Canadian Environment

Figure 4.9

Potential Years of Life Lost (PYLL), by Cause of Death*, First Nations (2000) and Canada (1999)

	First Nations	Canada
Mental	185	58
Nervous system	219	140
Infectious	274	112
Perinatal	284	210
Respiratory	293	189
Endocrine	324	143
Digestive	404	171
Ill-defined	469	128
Cancer	828	1,555
Circulatory	978	907
Injury	4,304	1,260

PYLL per 100,000 population

Note: *Based on World Health Organization, 1975, International Classification of Diseases
Source: Health Canada, First Nations and Inuit Health Branch in-house statistics; Statistics Canada, Mortality file, 2000, special tabulations.

a total of 93,474 housing units on reserve, 15,840 housing units were in need of major repair and another 4,937 units needed to be replaced. Further, there is an existing shortage of 20,000 housing units and a requirement for 4,500 new units per year. *(Source: Indian and Northern Affairs Canada, 2003)*

The Government of Canada on-reserve housing policy provides First Nations on reserve with the flexibility and control to tailor housing plans to respond to the needs within their communities. Federal funding to support on-reserve housing has totalled about $3.8 billion over the last ten years. At current funding levels, federal support for housing on reserve provides for the construction of approximately 2,300 housing units and the renovation of about 3,300 existing units per year.

Table 4.5 Acceptable Housing

The term "acceptable housing" is used by the Canada Mortgage and Housing Corporation (CMHC) to refer to housing that is in adequate physical condition, of suitable size, and is affordable.

- **Adequate** dwellings are those reported by their residents as not requiring any *major repairs* (defined as such items as defective plumbing or electrical wiring, or structural repairs to walls, floors or ceilings);

- **Suitable** dwellings have enough bedrooms for the size and make-up of resident households, according to the National Occupancy Standard (NOS) requirements;

- **Affordable** dwellings cost less than 30% of before-tax household income.

A household is said to be in **core housing need** if its housing falls bellow at least one of the adequacy, suitability, or affordability standards, and it would have to spend 30% or more of its before-tax income to pay the median rent of alternative local housing.

Aboriginal peoples living off-reserve also face serious housing issues. Compared to other Canadian households, Aboriginal people off-reserve are more likely to live in dwellings that are unacceptable (in need of major repair, crowded, and consume 30 per cent or more of their income). Their relatively lower average income means that more Aboriginal households are unable to afford acceptable housing that meets all three housing standards. As a result, a greater proportion of Aboriginal households are in core housing need. In 2001, 25 per cent of off-reserve Aboriginal households were in core housing need, compared to 16 per cent of non-Aboriginal households.

In many cases, inadequate housing and crowding can be associated with a host of health problems. For example, mold growth can lead to respiratory and immune system complications. Crowded living conditions can lead to the transmission of infectious diseases such as tuberculosis and hepatitis A and can further increase risk of injury, mental health problems, family tensions and violence. In 2000, the rate of tuberculosis in First Nations on reserve was about six times that of Canada as a whole. *(Source: Health Canada 2004; INAC Basic Departmental Data, 2002)*

Figure 4.10
On Reserve Aboriginal Households Failing to Meet the Adequacy or Suitability Standard, Canada, 1996 and 2001
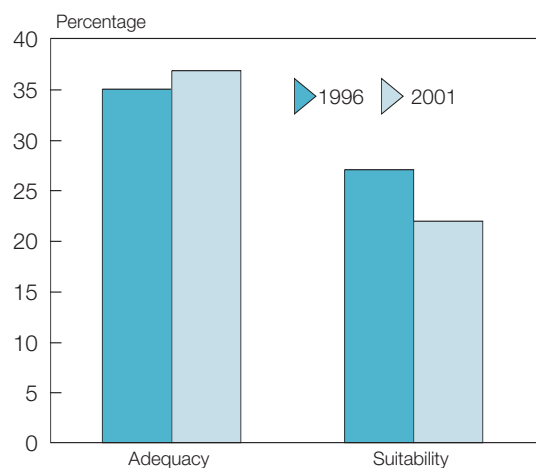
Source: Canada Housing and Mortgage Corporation, census-based housing indicators and data, 2004.

Housing: First Nations On Reserve

Current Level and Trends

Adequacy and suitability standards help to assess the acceptability of First Nations housing on reserve (please refer to Table 4.5 for definition of acceptable housing).[3]

The percentage of people on reserve living in inadequate housing increased from 35 per cent in 1996 to 37 per cent in 2001. However, the percentage of households on reserve living in unsuitable dwellings decreased from 27 per cent in 1996 to 22 per cent in 2001. *(Source: Canada Mortgage and Housing Corporation)*
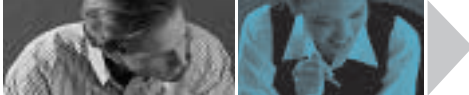
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3. Affordability cannot be assessed for on-reserve dwellings, since shelter costs are not collected by the census for on-reserve households, whose housing costs are paid through band housing arrangements.

Canada's Place in the World

Canada's Economy

Society, Culture and Democracy

Aboriginal Peoples

The Health of Canadians

The Canadian Environment

Figure 4.11

Off Reserve Aboriginal and Non-Aboriginal Households in Core Housing Need, by Aboriginal Group, Canada, 1996 and 2001

Percentage
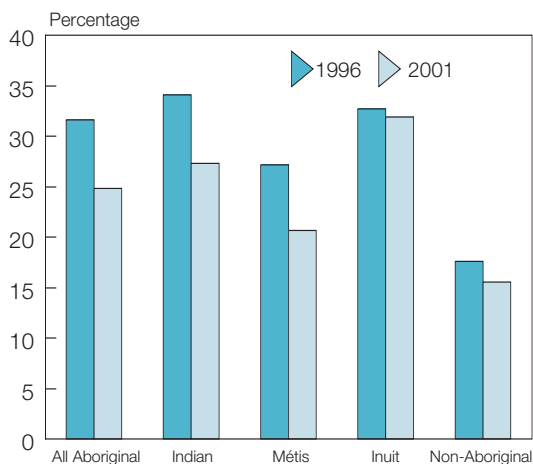
Source: Canada Housing and Mortgage Corporation, 2004
Note: CMHC uses "Non reserve" instead of off reserve - both terms are equivalent.

Housing: Core Housing Needs Off-Reserve

Current Level 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. *(Source: Canada Housing and Mortgage Corporation)*

Housing: Crowding

Aboriginal people are more likely to live in crowded homes than other Canadians, although the situation has improved slightly over time. According to Statistics Canada, crowding is defined as one or more people per room.[4]

In 2001, 17 per cent of off-reserve Aboriginal people lived in crowded conditions, down from 22 per cent five years earlier. In comparison, about 7 per cent of all Canadians lived in crowded conditions in 2001. *(Source: Statistics Canada, 2001)*

4. Unlike CMHC's definition of *suitability* as enough bedrooms for the size and make-up of resident households, Statistics Canada defines *crowding* as one or more people per room, i.e. three people in a one-bedroom apartment would be considered crowded.

Crowding also continues to be an issue for the Inuit. In 2001, more than one-half (53 per cent) of Inuit lived in crowded conditions, down slightly from 61 per cent five years earlier. Of the four Inuit regions (Inuvialuit, Nunavut, Nunavik, and Labrador), Nunavik in northern Quebec was the only region in which the crowding situation did not improve between 1996 and 2001. In Nunavik, 68 per cent of Inuit lived in crowed conditions in 2001, up slightly from 67 per cent in 1996.

Between 1996 and 2001, crowding decreased:

▶ for Inuit in Nunavut from 63 per cent to 54 per cent;

▶ for Inuit in Labrador from 33 per cent to 28 per cent; and

▶ for the Inuvialuit region in the Northwest Territories from 51 per cent to 35 per cent. *(Source: Statistics Canada, 2001)*

The Government of Canada's Performance

Several departments and agencies contribute to the pursuit of *Healthy Aboriginal Communities* through their respective departmental strategic outcomes. In the electronic version of the report, clicking on the links in the table below will lead the reader to planning, performance and resource information, which is contained in the organizations' Departmental Performance Reports and Reports on Plans and Priorities. The Database, which can be found at http://www.tbs-sct.gc.ca/rma/krc/cp-rc_e.asp, also leads to relevant audits and evaluations.
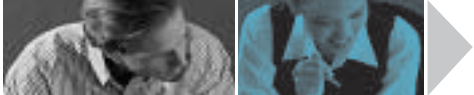
Government of Canada Outcome	Department/Agency
Healthy Aboriginal communities	Canadian Heritage
	Correctional Service Canada
	Environment Canada
	Health Canada
	Human Resources and Skills Development Canada
	Indian and Northern Affairs Canada
	Indian Residential Schools Resolution Canada
	Infrastructure Canada
	Justice Canada
	National Defence
	Parks Canada Agency
	Public Safety and Emergency Preparedness Canada (formerly Solicitor General Canada)
	Royal Canadian Mounted Police

Canada's Place in the World

Canada's Economy

Society, Culture and Democracy

Aboriginal Peoples

The Health of Canadians

The Canadian Environment

Government of Canada outcome: Effective democracy and a strengthened Aboriginal relationship with Canada

Why Is It Important?

As is the case for other Canadians (see Chapter III), effective democracy for Aboriginal people is in place when citizens' rights are respected through the Constitution, the Charter of Rights, and the rule of law. An additional dimension for Aboriginal peoples is their particular relationship with the Government of Canada.
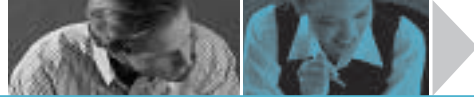
Effective democracy underpins Canadian society's ability to move forward to improve the quality of life of Aboriginal people. While much of this effort must come from Aboriginal communities themselves, the Government of Canada can work in partnership with other governments toward this goal.

How Aboriginal people exercise democracy and relate to other Canadians is affected by more than four hundred years of coexistence with non-Aboriginal people. The Royal Commission on Aboriginal Peoples noted that "the initial period of contact was also one of mutual recognition, whereby Aboriginal and non-Aboriginal societies appear, however reluctantly at times, to have determined that the best course of action was to treat the other as a political equal in most important

respects." *(Source: RCAP Report, Vol. 1, Chapter 5)* The evolving relationship between Aboriginal people and other Canadians, and between Aboriginal people and governments, will develop within this historical context.

Aboriginal people are active participants in the development of institutions within society, from professional associations to regional federations of friendship centres to tribal councils and provincial/territorial associations of First Nations. Many Aboriginal people believe that increased voluntary activity will help to strengthen their communities. *(Source: Institute on Governance: Governance and Good Governance: International and Aboriginal Perspectives, December 1999)*

While the development of many Aboriginal institutions and organizations is a positive trend, Aboriginal voter turnout is apparently lower than that of other Canadians — a rate that is itself declining (see Chapter III). Based on limited research (which varies from one Aboriginal group to another), the voter turnout rate for Aboriginal people in the 2000 federal election was 16 per cent lower, at 48 per cent,

than that of the general population. *(Source: "Aboriginal Participation in Canadian Federal Elections: Trends and Implications", Electoral Insight, Vol. 5, No. 3, 2003)*

Aboriginal people participate in Aboriginal and local governments across Canada and also in provincial/territorial and federal legislatures. At the federal level in the June 2004 elections, four Aboriginal Members of Parliament were elected (1 Inuit, 1 Métis and 2 First Nations). There are also five Aboriginal senators (2 Inuit, 1 Métis and 2 First Nations).

Progress in Governance

In traditional Aboriginal governing systems, "accountability was not simply a goal or aim of the system, it was embedded in the very make-up of the system." *(Source: RCAP Report, Vol. 2, Chapter 3)* Aboriginal citizens, like other Canadians, are demanding increased transparency and accountability from their governments. The Government of Canada is responding by convening a Roundtable on Accounting for Results, one of six sectoral tables to take place as a follow-up to the April 2004 Canada–Aboriginal Peoples Roundtable. The federal government also committed in Budget 2004 to work specifically with First Nations to establish an Independent Centre for First Nations Government.

Stable and accountable governments that are reflective of and responsive to their communities' needs and values are key to ensuring effective democracy. The Government of Canada is engaged with Aboriginal communities in developing a more effective democracy through several mechanisms: the comprehensive land claims settlement process; the self-government negotiation process (both with groups that are negotiating comprehensive land claims and with First Nations that are not); and through other instruments such as the *First Nations Land Management Act.*

In the area of comprehensive claims settlements, in the Yukon, Northwest Territories and Nunavut, most First Nations and Inuit groups completed final land claims agreements in the latter years of the twentieth century; some First Nations in the Yukon and the Northwest Territories continue to negotiate comprehensive land claims and self-government agreements.

Canada gave royal assent to the *Nisga'a Final Agreement Act* in April 2000. The Nisga'a Agreement represents the first modern-day treaty to explicitly extend constitutionally recognized treaty protection to both self-government rights and land rights. *(Source: INAC Basic Departmental Data, 2002)*

Canada's Place in the World

Canada's Economy

Society, Culture and Democracy

Aboriginal Peoples

The Health of Canadians

The Canadian Environment

In the Northwest Territories, the Tlicho Agreement was signed in August 2003, and in Newfoundland and Labrador, the Labrador Inuit Association ratified its final land claims and self-government agreement in May 2004.

In the area of self-government, Canada gave royal assent to the *Westbank First Nation Self-Government Act* (British Columbia) in May 2004. Self-government negotiations are underway with many other First Nations and regional First Nations organizations.
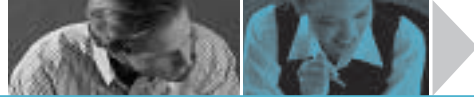
The *First Nations Land Management Act* (FNLMA) was passed by the federal Parliament in 1999 on the initiative of fourteen Indian Act Bands wishing to manage their reserve lands differently from the provisions of the *Indian Act*, in order to improve the opportunities for economic development. Each community opting to come under the FNLMA is required to adopt a land code in accordance with the Framework Agreement, which replaces the land management provisions of the *Indian Act.*

Taxation arrangements with First Nations

Since 1997, the Government of Canada has entered into taxation arrangements with interested First Nations governments. Under these arrangements First Nations governments levy taxes on their lands that are fully harmonized with federal taxes and payable by both status Indians and non-status Indians. These arrangements contribute to increasing the accountability of improving the governance of Indian Bands and self-governing First Nations.

The Government of Canada has entered into taxation arrangements allowing 10 Indian Bands to levy a tax on sales on their reserves of fuel, tobacco products and alcoholic beverages. Canada and 8 self-governing Yukon First Nations have also entered into personal income tax collection and sharing agreements.

In 2003, the Government of Canada introduced the *First Nation Goods and Services Tax Act* to allow interested First Nations to impose, within their lands, a First Nation Goods and Services Tax (FNGST) that would be fully harmonized with the GST (it applies in the same manner and at the same rate). As of July 1, 2004, the government concluded FNGST tax

administration agreements with eight self-governing Yukon First Nations and is contemplating concluding more agreements with Indian Bands and other self-governing First Nations in the years to come.

Measures to Track Progress

Indicators are under development for *Canada's Performance 2005.*

The Government of Canada's Performance

Several departments and agencies contribute to the pursuit of *An Effective Democracy and a Strengthened Aboriginal Relationship with Canada* through their respective departmental strategic outcomes. In the electronic version of the report, clicking on the links in the table below will lead the reader to planning, performance and resource information, which is contained in the organizations' Departmental Performance Reports and Reports on Plans and Priorities. The Database, which can be found at http://www.tbs-sct.gc.ca/rma/krc/cp-rc_e.asp, also leads to relevant audits and evaluations.

Government of Canada Outcome	Department/Agency
An effective democracy and a strengthened Aboriginal relationship with Canada	Canadian Heritage Indian and Northern Affairs Canada

Canada's Place in the World

Canada's Economy

Society, Culture and Democracy

Aboriginal Peoples

The Health of Canadians

The Canadian Environment

V. The Health of Canadians

Introduction

Health is a state of complete physical, mental, and social well-being, and not merely absence of disease. Many factors can influence health. These include, for example, family history, social, physical and economic environment, individual coping skills and access to health care services.

While Canadians are much healthier than ever before, this progress is not even and major disparities exist. For example, there are clear disparities in health status by gender, age, socioeconomic status and place of residence. Some groups of people in Canada, for example, Aboriginal peoples are also generally in poorer health than the population as a whole (see Chapter IV).
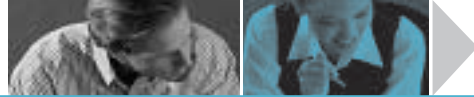
The Government of Canada's Role in Health

The federal, provincial and territorial governments each play key roles in Canada's health care system. The federal government's responsibilities divide into five broad areas:

▶ Delivery of direct health services to specific groups including veterans, military personnel, inmates of federal penitentiaries, refugee claimants, serving members of the Royal Canadian Mounted Police, as well as First Nations populations living on reserves and the Inuit.

▶ Protecting the health of Canadians by working with others to set standards and guidelines and to ensure that Canadians have accurate, timely health information on which to base individual decisions. For example, the federal government regulates pharmaceuticals and medical devices; monitors the safety of the Canadian food supply; and monitors the effects on health of changes in the environment.

▶ Supporting the health care system by setting and administering national principles or standards through the *Canada Health Act* and assisting in the financing of provincial/territorial health care services through fiscal transfers.

▶ Promoting strategies to improve the health of the population. These strategies — in areas such as illness prevention and education — work together to mobilize others to educate, inform and encourage individuals to take an active part in enhancing their own health and well-being.

► Representing Canada in international fora on global health initiatives and participating in multinational efforts to eradicate disease, improve health and reduce risk.

This chapter measures progress against two key Government of Canada outcomes related to the Health of Canadians:

1. A Healthy Population; and

2. A Strong Health Care System.

The set of health indicators included in this report does not cover all aspects of health in Canada. Other recent publications cover a wider range of health indicators: *Healthy Canadians — A Federal Report on Comparable Health Indicators* (Government of Canada, 2003) and *Health Care in Canada 2004* (Canadian Institute for Health Information).

Canada's Place in the World

Canada's Economy

Society, Culture and Democracy

Aboriginal Peoples

The Health of Canadians

The Canadian Environment

Government of Canada outcome:
A healthy population

Why Is It Important?

Just as individual health is a cornerstone of a happy, productive and long life, a healthy population is an important mainstay of a thriving country. Canada's public health system exists to safeguard and improve the health of Canadians. Responsibility for public health is spread across federal, provincial/territorial and municipal governments. The practice of public health also requires the collaboration of multiple sectors, such as health, agriculture and environment, as well as the active participation of individuals, community groups, non-governmental organizations, business, and public sector agencies (e.g. schools).
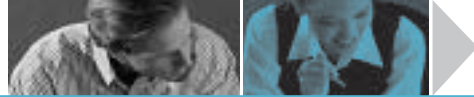
Public health focuses on the social, environmental and economic factors affecting health, as well as on the communities and settings where people live, learn, work and play. There are five key functions of public health *(Source: Canadian Institute for Health Research, 2003):*

▶ Health promotion (actions to affect overall health and well-being);

▶ Prevention (of specific diseases, injuries and social problems);

▶ Protection (preventive and emergency services);

▶ Surveillance (keeping track of patterns of disease to enable timely action); and

▶ Population health assessment (measuring, monitoring and reporting on the status of population health).

To support population health activities and protect the health of Canadians, the Government of Canada employs strategies in each of those domains. The Government's public health efforts cover a wide range of activities, from responding to threats from emerging and re-emerging infectious diseases to immunization, emergency preparedness, safe blood, food and water to nutrition, sanitation, early childhood development, occupational health and safety, and the promotion and development of physical activity and sport.

To ensure that Canada's public health system is prepared to respond to threats from emerging and re-emerging infectious diseases, in 2004 the government established the Public Health Agency of Canada and began setting up the initial Six Collaborating Centres for Public Health to act as a focal point for disease prevention and control as well as emergency response.

The resources allocated to the new agency in the 2004 Budget will help to detect outbreaks earlier and mobilize emergency resources faster.

Measures to Track Progress

Health status and health outcome indicators tell us about the health of the overall population. The following four indicators contribute to measuring Canada's progress in a *Healthy Population*:

▶ **Life expectancy** as measured by the number of years a person would be expected to live, on the basis of the mortality statistics for a given observation period;

▶ **Self-rated health** as measured by population (aged 12 and over) who rate their own health status as being either excellent, very good, good, fair or poor;

▶ **Infant mortality** as measured by the number of deaths of children under one year of age expressed per 1,000 live births;

▶ **Healthy lifestyles** as measured by physical activity and body weight.

As described below, each provides a snapshot of the overall health of Canadians.

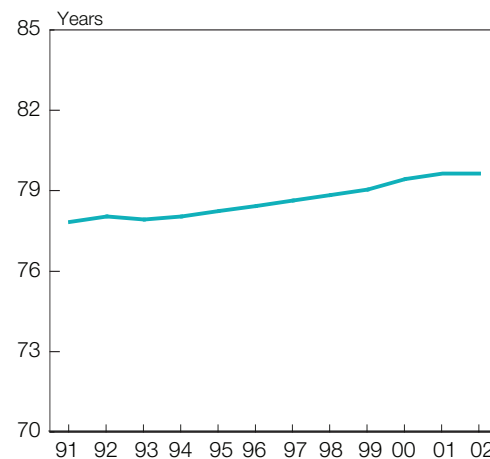## Life expectancy

Current Level and Trend

Although life expectancy is a measure of longevity and not quality of life, it is widely used as an indicator of the health status of the population.

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 (life expectancy for women remained unchanged while life expectancy for men increased 0.2 years since 2001). *(Source: Statistics Canada, The Daily, September 27, 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

Figure 5.1
Life Expectancy at Birth, Canada, 1991 to 2002

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

Canada's Place in the World

Canada's Economy

Society, Culture and Democracy

Aboriginal Peoples

The Health of Canadians

The Canadian Environment

health interventions and progress in medical care. According to the OECD, Japan had the highest life expectancy among G-7 countries in 2001 (81.5 years) followed by Italy (79.8 years) and Canada (79.7 years). The US ranked lowest among G-7 countries at 77.1 years. *(Source: OECD, Health Data 2004)*

Self-Rated Health

Current Level and Trends

Self-rated health is a widely accepted indicator of potential health problems, or the existence of more objectively measured health problems.

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. However, the percentage of Canadians who rated their own health as good increased from 26.5 per cent in 1994–95 to 29.7 per cent in 2003.

The percentage of Canadians who rated their health as fair or poor increased slightly from 10.2 per cent in 1994–95 to 10.6 per cent in 2003. In general, the proportion of Canadians who reported fair or poor health increased with age and lower educational attainment and income levels. In addition, a greater proportion of Canadians who smoked, were obese and had infrequent exercise also reported fair or poor health. *(Source: Statistics Canada, "Regional Socio-Economic Context and Health," Health Reports, 2002)*

Figure 5.2
Self-Rated Health of Canadians, Aged 12 and over, 1994 to 2003
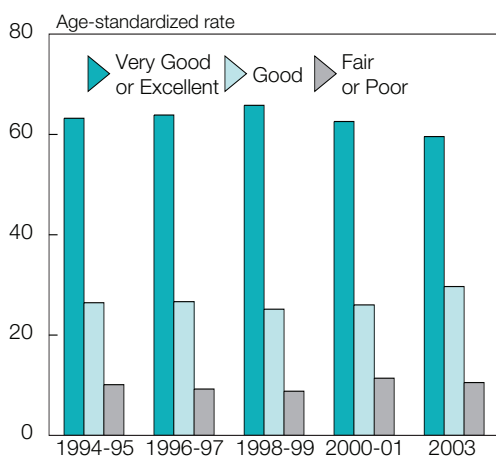
Source: Statistics Canada, National Population Health Survey 1994-99, Canadian Community Health Survey 2000-03.

International Comparison
Internationally, Canada ranks second after the United States in the percentage of the population reporting their health status as either good or better. *(Source: OECD, Health Data, 2004)*

According to the *Joint Canada/United States Survey of Health*, the vast majority in both countries — 88 per cent of Canadians and 85 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 per cent of Americans aged 65 and older who reported excellent health, almost twice the proportion of only 8 per cent of Canadians in the same age group. *(Source: Statistics Canada, Joint Canada/United States Survey of Health, 2004)*

Infant Mortality

Current Level and Trends

The infant mortality rate is one of the most widely used measures of societal health. It is influenced by a number of factors in the population, including income, maternal education, and health services.

The Canadian infant mortality rate has decreased from 6.4 deaths per 1,000 live births in 1991 to 5.2 per 1,000 in 2001, a continuation of the trend of past decades *(Source: Statistics Canada, 2003).*

International Comparison
Canada ranked fifth among G-7 countries in 2001, with 5.2 infant deaths per 1,000 live births. *(Source: OECD, Health Data, 2004)*

Healthy Lifestyles

Healthy lifestyles are ways of living, including control over personal health practices and choices, that individuals make and that influence their state of health. Some important components of health lifestyle are physical activity, body weight and non-smoking.

Figure 5.3
Canadian Infant Mortality Rates, 1991 to 2001
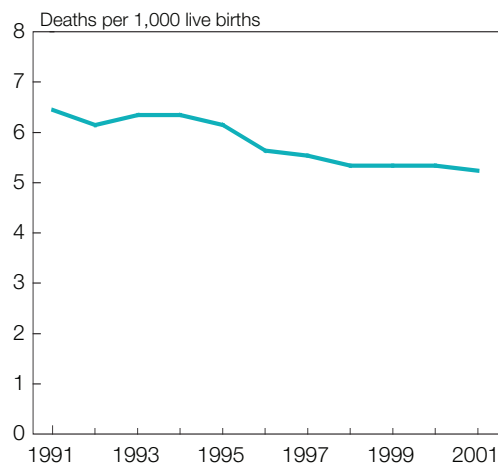
Source: CANSIM database, Statistics Canada, Canadian Vital Statistics, Birth and Death Databases, 2004.

Figure 5.4
Infant Mortality Rates, G-7 Countries, 2001

Source: OECD, Health Data 2004

Canada's Place in the World

Canada's Economy

Society, Culture and Democracy

Aboriginal Peoples

The Health of Canadians

The Canadian Environment

Healthy Lifestyles have been shown to be clearly associated with reducing the risk of health problems.

Healthy Lifestyles: Physical activity

Current Level and Trends

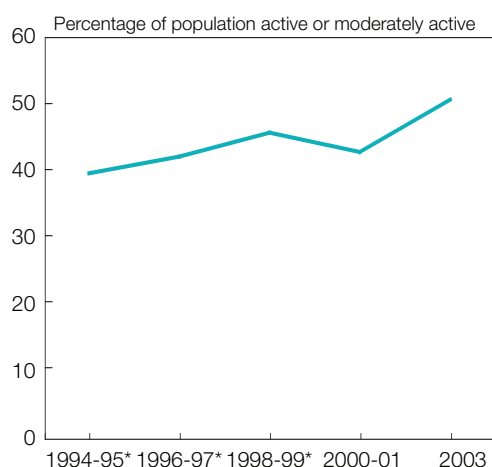The prevalence of physical activity among Canadians has significantly increased over the past decade. In 2003, 50.4 per cent of Canadians aged 12 and over were at least moderately physically active during their leisure time, up 7.8 percentage points from the 2000–01 survey and 11 percentage points from the 1994–95 survey. *(Source: Statistics Canada, Canadian Community Health Survey, 2004)*

Healthy Lifestyles: Body Weight

Current Level and Trends

In terms of body weight, the proportion of Canadians with a BMI of 30.0 or higher has increased over the last decade. BMI or Body Mass Index[5] is a measure to classify body weight and height to indicate health risks. According to World Health Organization (WHO) and Health Canada guidelines, a BMI greater than or equal to 30.0 is considered obese.

From 1994–95 to 2003 the proportion of Canadian adults considered obese grew from 13.2 per cent to 14.9 per cent, reaching 2.8 million

Figure 5.5
Leisure-time Physical Activity Rate of Canadians Aged 12 and Over, 1994-95 to 2003

Percentage of population active or moderately active

* Data for 1994-95, 1996-97 and 1998-99 exclude the territories.
Source: Statistics Canada, NPHS 1994-99; CCHS 2000-03.

Figure 5.6
Proportion of Obese Canadians (BMI 30.0 or higher)* Aged 18 and over, 1994-95 to 2003

Percentage of population
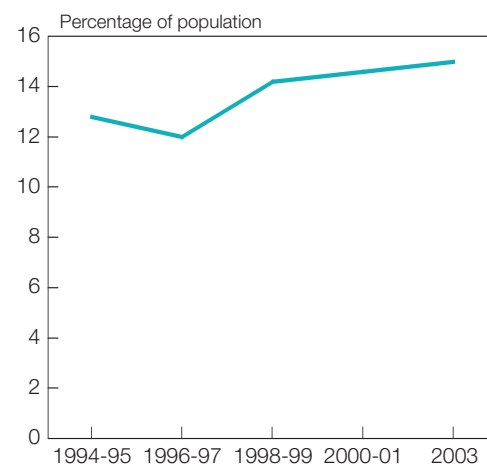
*BMI Health Canada guidelines.
Source: Statistics Canada, NPHS 1994-99, CCHS 2000-03

5. BMI is a single number that evaluates an individual's weight status in relation to his or her height.

people. About 15.9 per cent of adult men and 13.9 per cent of adult women were considered obese. Rates of obesity were highest in the age group 45 to 64.

The proportion of Canadians considered overweight (BMI 25.0–29.9) also increased slightly during the past three years. In 2003, 33.3 per cent of the adult population aged 18 and over was considered overweight, compared to 32.4 per cent in 2000–01.

International Comparison
The number of overweight and obese people has increased in all OECD countries over the past two decades. According to the OECD Health Data 2004, the United States has the highest proportion of adults considered overweight or obese, followed by Mexico, the United Kingdom and Australia.

According to the *Joint Canada-US Survey of Health* released in 2004 obesity rates are higher in the United States than in Canada (21 per cent versus 15 per cent), primarily due to the proportion of American and Canadian women considered obese. One in five American women was obese compared with approximately one in eight Canadian women (21 per cent versus 13 per cent). There were no significant differences in the BMI distribution among men in the two countries.

Supplemental Information
By clicking on the link in the electronic version of the report, the reader can access information on an additional indicator that measures Canada's progress in the area of *A Healthy Population:* Non-Smoking.

The Government of Canada's Performance
Several departments and agencies contribute to the pursuit of *A Healthy Population* through their respective departmental strategic outcomes. In the electronic version of the report, clicking on the links in the table below will lead the reader to planning, performance and resource information, which is contained in the organizations' Departmental Performance Reports and Reports on Plans and Priorities. The Database, which can be found at http://www.tbs-sct.gc.ca/rma/krc/cp-rc_e.asp, also leads to relevant audits and evaluations.

Canada's Place in the World

Canada's Economy

Society, Culture and Democracy

Aboriginal Peoples

The Health of Canadians

The Canadian Environment

Government of Canada Outcome	Department/Agency
A healthy population	Agriculture and Agri-Food Canada
	Canadian Centre for Occupational Health and Safety
	Canadian Food Inspection Agency
	Canadian Heritage
	Canadian Institutes of Health Research
	Environment Canada
	Fisheries and Oceans Canada
	Hazardous Materials Information Review Commission
	Health Canada
	Human Resources and Skills Development Canada
	Natural Resources Canada
	Patented Medicine Prices Review Board
	Public Health Agency
	Transport Canada
	Transportation Safety Board of Canada

Government of Canada outcome:
A strong health care system

Why Is It Important?

Canada's universal publicly funded health care system gives concrete expression to the principles of fairness and equity that define our identity as Canadians. Canadians continue to take pride in our publicly funded system of health care, while at the same time expressing concerns for its future, including such matters as sustainability, waiting times, unmet health care needs and the availability of health care personnel.

The Government of Canada's commitment to health care rests on one fundamental tenet: that every Canadian has timely access to quality care. On September 16, 2004, First Ministers agreed on a *Ten-year Plan to Strengthen Health Care*, an action plan that commits to a 10-year track of substantial, predictable funding and sets out a clear commitment, shared by all provinces and territories, to achieve tangible results for Canadians.

The agreement responds directly to Canadians' number one priority — reducing wait times and improving access. First Ministers committed to achieve meaningful reductions in wait times in priority areas (such as cancer, heart disease and joint replacements) by March 31, 2007. First Ministers

also agreed to establish comparable indicators of access to health care professionals, diagnostic and treatment procedures with a report to their citizens to be developed by all jurisdictions by December 31, 2005.

The Government announced $18 billion over the next six years (and totalling $41 billion over 10 years) of new federal funding in support of the action plan on health. The new funding will be used to strengthen ongoing federal health support provided through the Canada Health Transfer (CHT), as well as to address wait times to ensure Canadians have timely access to essential health care services. As part of the government's commitment to provide growing, long-term health care funding, cash transfers to the provinces and territories for health are expected to reach $22.5 billion in 2007-08 representing an average annual growth rate of 15.6 per cent per year, starting from 2003-04.

Rise in Health Care Spending in Canada

The Canadian Institute for Health Information estimates that in 2003 Canada spent $121.4 billion on health care, or an average of $3,839 per person. This brought health care's share of the total economy — the

Canada's Place in the World

Canada's Economy

Society, Culture and Democracy

Aboriginal Peoples

The Health of Canadians

The Canadian Environment

Figure 5.7
**Total Health Expenditure as a
Percentage of Gross Domestic
Product, Canada, 1975 to 2003**

Percentage of GDP
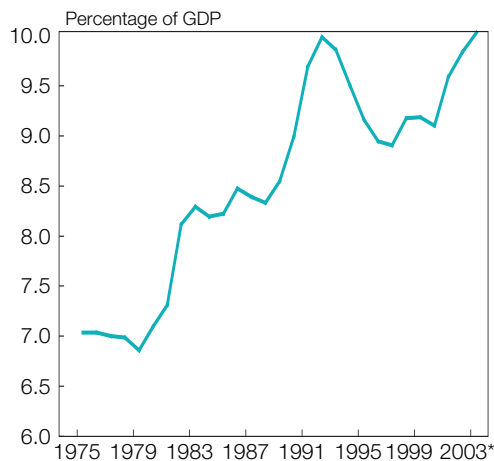
* Forecast
Source: Canadian Institute for Health Information;
Statistics Canada, 2004.

gross domestic product (GDP) —
back to its historic high of 10 per cent,
first reached in 1992. *(Source:
Canadian Institute for Health
Information, Health Care in
Canada 2004)*

Public sector spending currently
accounts for seven out of every ten
dollars spent on health care. In 2003,
governments and social security
programs spent just over $84.8 billion.
Public expenditures on health in 2003
were 40 per cent higher than in 1993.

Measures to Track Progress

There are limitations in the
administrative and survey data on
quality of service, such as accessibility
(the service is readily available and
received within a reasonable waiting
period) and acceptability (the service
provided meets the clients' needs).
Using administrative records to
systematically collect quality-of-
service indicators such as waiting
times is relatively new in Canada.
Jurisdictions are working toward
comparable and consistent
methodologies, in particular,
approaches that measure waiting
times by severity of illness.

The following two indicators
contribute to measuring Canada's
progress in achieving a *Strong Health
Care System*:

▶ **Waiting times**, as measured by the
self-reported median waiting times
for specialized services, by type of
service and population aged 15
and over.

▶ **Patient satisfaction**, as measured
by population aged 15 and over
receiving health services[6] in the
past 12 months who rate their level
of satisfaction with those services as
either very satisfied or somewhat
satisfied. Perceived rating of the

6. Health services are broken down as follows: overall health care services; hospital care; physician
care; community-based care; and telephone health line or tele-health services.

quality of services received (rated as excellent or good) is another component of this indicator.
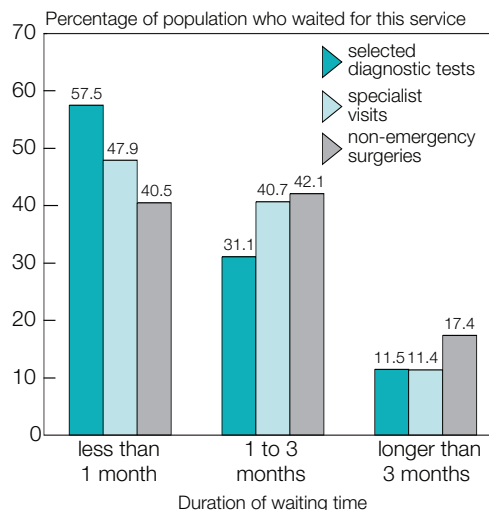
Waiting Times

Current Level 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 median wait for non-emergency surgery was 4.3 weeks and for diagnostic tests three weeks. About 20 per cent of the individuals who waited for specialized services reported that they were affected by waiting for care, i.e. as a result of worry, stress, anxiety, and pain. *(Source: Statistics Canada, Access to Health Care Services in Canada, 2003).*

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.

Canada's Place in the World

Canada's Economy

Society, Culture and Democracy

Aboriginal Peoples

The Health of Canadians

The Canadian Environment

Figure 5.8
Distribution of Waiting Times by Duration of Waiting Time, Canada, 2003

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

The majority (57.5 per cent) of individuals who waited for selected diagnostic tests did so for less than one month. Approximately 12 per cent reported that they had waited longer than three months. Despite some provincial variations in the proportion that waited more than three months, none of the provincial rates was statistically different from the national rate.

Among those who visited a medical specialist, 47.9 per cent waited less than one month. The results varied from a low of 40 per cent in Newfoundland and Labrador to a high of 54 per cent in Québec. At the other end of the spectrum, 11.4 per cent of people reported that they waited longer than three months to visit a specialist. This ranged from a

low of 8 per cent in Prince Edward Island to a high of 21 per cent in Newfoundland and Labrador.

In the case of non-emergency surgery, 40.5 per cent of individuals who waited did so for less than one month. Provincially, the results ranged from 34 per cent in Québec to a high of 50 per cent in Newfoundland and Labrador. However, about 17 per cent of people reported that they waited longer than three months for non-emergency surgery. The rate was significantly lower in Newfoundland and Labrador at 10 per cent, and significantly higher in Saskatchewan at 29 per cent.

Between 2001 and 2003[7] the waiting times for specialized services showed a similar pattern. There was no statistically significant difference in the national median waiting time for all three specialized services, specialist visits (4 weeks in 2003 vs. 4.3 in 2001); selected diagnostic tests (3 weeks for both years); and non-emergency surgery (4.3 weeks for both years).
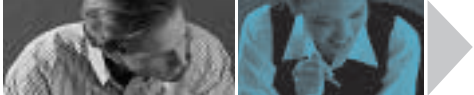
Patient Satisfaction

Current Level and Trends

Between 2000–01 and 2003 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. *(Source: Statistics Canada, CCHS 2000/01 and 2003)*

The Government of Canada's Performance

Several departments and agencies contribute to *A Strong Health Care System* through their respective departmental strategic outcomes. In the electronic version of the report, clicking on the links in the tables will lead the reader to planning, performance and resource information, which is contained in the organizations' Departmental Performance Reports and Reports on Plans and Priorities. The Database, which can be found at http://www.tbs-sct.gc.ca/rma/krc/cp-rc_e.asp, also leads to relevant audits and evaluations.

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7. In general, direct comparisons between the results from the 2001 and 2003 Access to Health Care Services in Canada survey should be made with caution because of changes in the manner in which the data were collected.

Government of Canada Outcome	Department/Agency
A strong health care system	Canadian Institutes of Health Research
	Health Canada
	National Defence
	Veterans Affairs Canada

Canada's Place in the World

Canada's Economy

Society, Culture and Democracy

Aboriginal Peoples

The Health of Canadians

The Canadian Environment

VI. The Canadian Environment

Introduction

Environmental quality is central to the long-term quality of life of Canadians and their prosperity. It is critical to their health and sense of well-being, to the liveability of their communities, and the legacy they entrust future generations. Our quality of life today demands fundamental change in the way in which Canadians think about the environment. In the October 2004 Speech from the Throne, the Government of Canada committed to work with its partners to build sustainable development systematically into decision making.
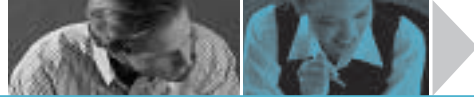
Canada is the steward of a substantial portion of the world's natural capital, with responsibility for 20 per cent of the world's wilderness, 24 per cent of its wetlands, 7 per cent of its fresh water, 10 per cent of its forests, and the longest coastline in the world. Canadians place great value on their natural environment, and many communities and individuals depend on abundant natural resources and healthy ecosystems for their livelihood. As a major trading nation, Canada has a significant role to play in the development, adoption and promotion of sustainable development practices and technology.

While Canadians should take credit for the gains in environmental quality since the 1970s, significant challenges remain. For example, Canadians are consuming more energy, particularly non-renewable forms of energy, and opting more for polluting vehicles such as sport-utility vehicles. In addition, trends in housing development and land use are leading to more rural areas being converted into urban spaces, further fragmenting wildlife habitat.

The Government of Canada's Role in the Environment

Environmental management is the shared responsibility of federal, provincial/territorial and municipal governments, and includes the participation of individuals, community groups, non-governmental organizations (NGOs) and businesses. While federal departments and agencies share the responsibility of environmental management with other stakeholders, environmental issues at the international level are mainly the responsibility of the Government of Canada.

The federal government has broad regulatory, policy and program responsibilities, including the environmental management of federal

lands and of the Northwest Territories and Nunavut. One of the government's enduring roles is to promote the advancement and sharing of knowledge on environmental issues nationally and internationally. This allows Canadians to make informed decisions as citizens, producers and consumers.

The Government of Canada, provinces/territories and Aboriginal peoples have key roles to play in managing Canada's natural resources. The federal government is responsible for aspects of managing natural resources on federal lands, including the judicious use of energy such as renewable energy resources, and for promoting corporate social responsibility in the mineral, metal and allied industries.

To accomplish its role pertaining to the environment, the Government of Canada has passed several laws. Four of them are described below; others are discussed later in this chapter.

▶ The *Canadian Environmental Protection Act* (CEPA 1999) is Canada's primary environmental legislation, with pollution prevention as its cornerstone.

▶ The Government of Canada is also responsible for enforcing the *Canadian Environmental Assessment Act* and its regulations. Through science, planning and public participation, environmental

assessments can eliminate or reduce a project's potential effects on the environment. In the October 2004 Speech from the Throne, the government announced that it will consolidate federal environmental assessments and work with the provinces and territories toward a unified and more effective assessment process.
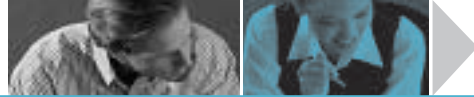
▶ The Government of Canada protects marine and freshwater ecosystems from water pollution through the *Fisheries Act*; establishes fishing regulations; and conducts fish stock and marine environmental assessments with a view to protecting ocean resources and fish habitats and ensuring the sustainability of the fishing industry. The Government of Canada also establishes ocean management policies through the *Oceans Act*.

This chapter measures progress against key Government of Canada outcomes related to the Canadian Environment:

1. Canada's Environment is Protected and Restored from Pollution;

2. The Risk of Climate Change is Minimized; and

3. Canada has a Sustainable Approach to its Natural Resources and Healthy Ecosystems.

Canada's Place in the World

Canada's Economy

Society, Culture and Democracy

Aboriginal Peoples

The Health of Canadians

The Canadian Environment

In order to pursue these outcomes, the 2004 federal Budget committed $3.5 billion over 10 years to clean up contaminated federal sites; $200 million to support the development and commercialization of environmental technologies to help reduce the risk of climate change and improve air quality; and $15 million over two years to develop better environmental and sustainable development indicators on clean air, clean water and greenhouse gas

emissions as recommended by the National Round Table on the Environment and the Economy. In 2004, the government also reiterated its commitment to respect the Kyoto Protocol on climate change in a way that produces long-term and enduring results while maintaining a strong and growing economy. It will do so by refining and implementing an equitable national plan, in partnership with provincial and territorial governments.

Government of Canada outcome: Canada's environment is protected and restored from pollution

Why Is It Important?

The protection of air, water and soil quality is critical to the quality of life of all Canadians.

Air Quality

Clean air is essential to both human and ecosystem health. Most air pollutants come from the combustion of fossil fuels in motor vehicles, factories, industrial or thermal power plants, home furnaces and wood-burning fireplaces. Some of the main air pollutants in Canada are sulphur dioxide (SO_2), nitrogen oxides (NO_x), volatile organic compounds (VOC), airborne particles (also known as particulate matter or PM), and carbon monoxide (CO). VOCs and NO_x react in the presence of sunlight, heat and stagnant air to form ground-level ozone (O_3), which leads to the creation of smog.

Smog is a noxious mixture of ground-level ozone and fine particulate matter that can often be seen as a haze in the air. It aggravates respiratory ailments and increases the occurrence of cardio-respiratory diseases. The finer particles — those with diameters equal to 2.5 micrometers ($PM_{2.5}$) or less — pose the greatest threat to human health because they can travel deepest into the lungs. Particularly vulnerable to smog are people with heart or lung disease, the elderly, and small children. Air pollutants, SO_2 and NO_x, also cause acid rain, which continues to severely stress ecosystems through the acidification of forests, wetlands, lakes, rivers and streams.

Water Quality

Clean water is essential to both human and ecosystem health, municipal and agricultural activities, and recreational opportunities, and is intimately linked with Canada's national identity.

Municipal wastewater effluents, including sanitary sewage and storm water, represent one of the largest threats to the quality of Canadian waters. The release of untreated or inadequately treated municipal wastewater effluents may put Canadians at risk from drinking contaminated water. Treatment plants remove varying amounts of contaminants from wastewater, depending on the level of treatment they provide.

The quality of surface and groundwater is also threatened by other sources of pollution or

Canada's Place in the World

Canada's Economy

Society, Culture and Democracy

Aboriginal Peoples

The Health of Canadians

The Canadian Environment

contamination, such as effluent from septic systems, industrial effluent, waste from intensive livestock operations, agricultural runoff and atmospheric pollution. Water quality and quantity will also be affected by climate change, which may heighten the threat to aquatic wildlife with increased water temperatures and lower water levels due to increased evaporation, and may result in more extreme floods and droughts due to severe weather events and changing weather patterns.

Soil Quality

Healthy soils are key to the production of high-quality agri-food products, the development of sustainable agriculture and the sustainability of forests. They provide a medium for plant growth; hold water, air, nutrients and soil biota; and receive organic wastes, recycling nutrients back to plants. On a larger scale, they hold and break down contaminants and exchange gases with the atmosphere, influencing global climate.

Measures to Track Progress

The following indicators contribute to measuring Canada's progress in the area of *Protection and Restoration of Canada's Environment from Pollution*:

▶ **Air quality** as measured by the average concentrations of air pollutants in Canada and by trends in peak levels of ground-level ozone in Canada;

▶ **Water quality** as measured by the level of secondary and/or tertiary municipal wastewater treatment in Canada, and by the water quality of selected stations across Canada.

For information on the **quality of agricultural soils**, please see the *Environmental Signals* report published by Environment Canada.

Air Quality: Average Concentrations of Air Pollutants

Current Level and Trends

The yearly average concentrations in urban air across Canada of sulphur dioxide (SO_2) and nitrogen oxides (NO_x), volatile organic compounds (VOC), and fine particulate matter ($PM_{2.5}$) have all decreased since the mid- to late-1980's. There has been no noticeable net change in fine particulate matter ($PM_{2.5}$) concentrations since the mid-1990s.

The decreasing trends contrast with the trends in seasonal average levels for ground-level ozone, which have shown an increase over this period.
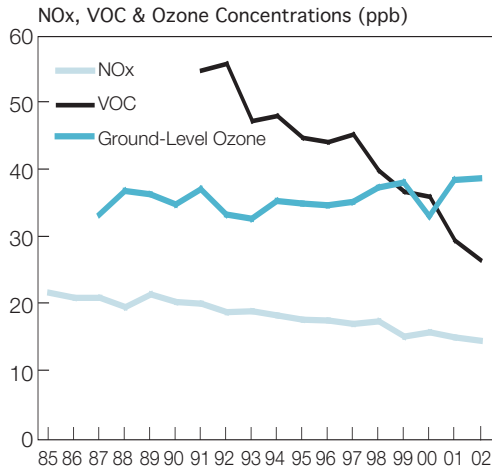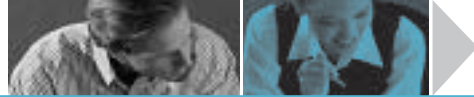
Canada's Place in the World

Canada's Economy

Society, Culture and Democracy

Aboriginal Peoples

The Health of Canadians

The Canadian Environment

Figure 6.1a
Annual Average Concentrations of Air Pollutants in Canada, 1985 to 2002

NOx, VOC & Ozone Concentrations (ppb)

Source: Data from NAPS (National Air Pollution Surveillance Network), adapted by Environment Canada, 2004.

Figure 6.1b
Annual Average Concentrations of Air Pollutants in Canada, 1985 to 2002
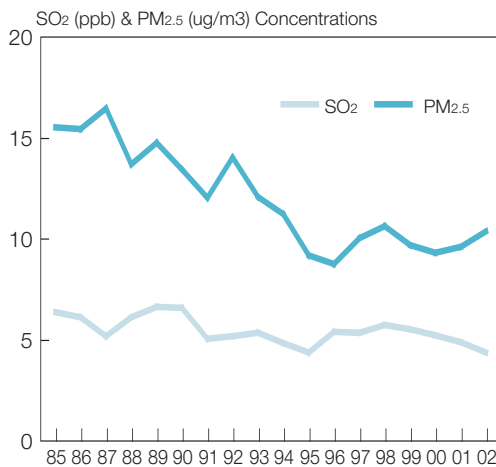
SO_2 (ppb) & $PM_{2.5}$ (ug/m3) Concentrations

Source: Data from NAPS (National Air Pollution Surveillance Network), adapted by Environment Canada, 2004.

Air Quality: Peak Levels of Ground-Level Ozone

Current Level and Trends

Levels of ground-level ozone can vary considerably on an hourly, daily and monthly basis, depending on the prevailing meteorological conditions (especially temperature and air stability), the origin of air masses, and emissions. Since the late 1980s, despite the reductions observed in ambient concentrations of NOx and VOC, the peak levels of ground-level ozone, averaged across all sites in Canada, have remained relatively stable.

These levels vary across the country. Levels tend to be higher east of the Manitoba–Ontario border, especially along the Windsor–Quebec City corridor.

Figure 6.2
Trends in Peak Levels of Ground-Level Ozone in Canada, 1989 to 2002

Peak Levels of Ground-Level Ozone (ppb)*
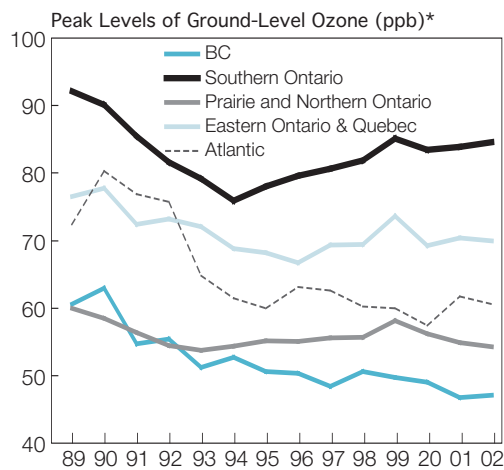
Note: *3 year running average of 4th highest daily maximum 8h ozone levels. A standard metric for peak ozone levels has been developed for the Canada-Wide Standard that reflects the fourth highest daily maximum observed value during the ozone season (April-September) at sites across Canada.
Source: Data from NAPS (National Air Pollution Surveillance) network, adapted by Environment Canada, 2004.

Water quality: Municipal Wastewater Treatment

Current Level and Trends

The percentage of the municipal population on sewers receiving secondary[8] and/or tertiary wastewater treatment increased from 56 per cent in 1983 to 78 per cent in 1999.

The level of wastewater treatment varies significantly across Canada. In 1999, about 84 per cent of the inland municipal population on sewers was being served with secondary or tertiary wastewater treatment, whereas the majority of coastal municipalities were being served by primary treatment or no treatment at all.

## Water Quality: Water Quality Indices

Current Level and Trends

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. The

Figure 6.3
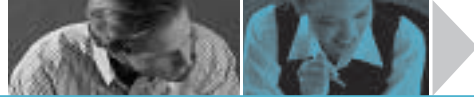Level of Secondary and/or Tertiary Municipal Wastewater Treatment in Canada, 1983 to 1999
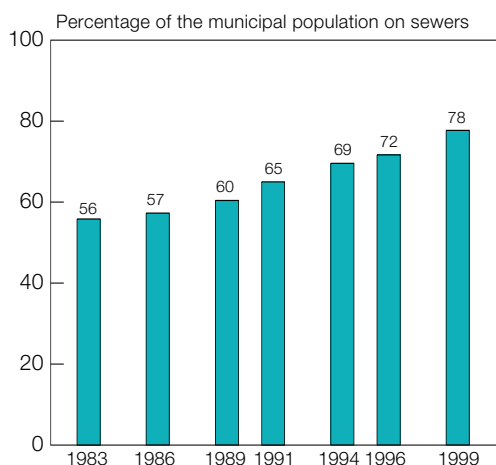
Note: Excludes municipalities with less than 1000 people.
Source: Municipal Water Use Database, Environment Canada, 2000.

Figure 6.4
Water Quality of Selected Stations Across Canada, 1997 to 2001
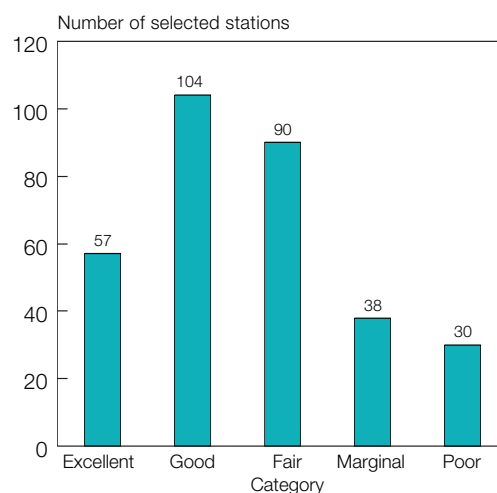
Note: 319 stations were surveyed.
Source: National Round Table for the Environment and the Economy, Environment and Sustainable Development Indicators for Canada, 2003. Based on the methodology developed by the Canadian Council of Ministers of the Environment, except in Quebec, where the Indice de la qualité bactériologique et physico-chimique (iQBP), a similar index, was used.

8. There are three different levels of wastewater treatment available: primary, secondary and tertiary. *Primary treatment* removes debris and suspended solids by screening and settling processes. *Secondary treatment* breaks down organic material and removes additional suspended solids using biological processes. *Tertiary treatment* removes specific compounds or materials that remain after secondary treatment, using additional filtering, chemical or biological processes. *(Environment Canada, Tracking Key Environmental Issues, 2001)*

water bodies selected for this analysis tend to be concentrated in the more populated areas of the country where the potential threats to water quality are generally greatest. Although the results are preliminary, the ratings are generally positive, with most of the selected stations falling into the categories of excellent, good or fair. Still, 21 per cent of the stations returned ratings of only marginal or poor, suggesting that improvements are needed in a number of areas.

Supplemental Information

The Government of Canada is also responsible for protecting the environment and the health of Canadians from toxic substances. For more information on toxic substances in the environment, please see the *Environmental Signals* report published by Environment Canada.

The Government of Canada's Performance

Several departments and agencies contribute to the pursuit of the *Protection and Restoration of Canada's Environment from Pollution* through their respective departmental strategic outcomes. In the electronic version of the report, clicking on the links in the table below will lead the reader to planning, performance and resource information, which is contained in the organizations' Departmental Performance Reports and Reports on Plans and Priorities. The Database, which can be found at http://www.tbs-sct.gc.ca/rma/krc/cp-rc_e.asp, also leads to relevant audits and evaluations.

Canada's Place in the World

Canada's Economy

Society, Culture and Democracy

Aboriginal Peoples

The Health of Canadians

The Canadian Environment

Government of Canada Outcome	Department/Agency

Canada's environment is protected and restored from pollution	Agriculture and Agri-Food Canada
	Atlantic Canada Opportunities Agency
	Canada Economic Development
	  for Quebec Regions
	Environment Canada
	Fisheries and Oceans Canada
	Health Canada
	Infrastructure Canada
	National Battlefields Commission
	National Defence
	National Energy Board
	National Round Table on the
	  Environment and the Economy
	Natural Resources Canada
	Northern Pipeline Agency Canada
	Transport Canada

Government of Canada outcome:
The risk of climate change is minimized

Why Is It Important?

What is climate change?

Climate change is a change in the average pattern of weather for a particular region. While variations in climate over time are a natural occurrence, there is a global scientific consensus that increasing concentrations of greenhouse gases are likely to accelerate the rate of climate change.

As energy from the sun heats the surface of the earth, greenhouse gases (GHGs), such as carbon dioxide, methane and nitrous oxide, trap some of the heat the earth radiates back into space, acting somewhat like the glass panels of a greenhouse.

Without this natural "greenhouse effect," temperatures on earth would be much lower than they are now, and life as we know it would not be possible. However, problems may arise when the atmospheric concentration of greenhouse gases increases, as they have done since the mid-19th century. There is a strong consensus among scientists that human activity, primarily the increased consumption of fossil fuels, has contributed to this increase. In Canada the energy industry and transportation sectors are the two largest sources of fossil fuel combustion emissions, each

of which accounted for more than one-quarter of Canada's total GHG emissions in 2002.

Canadians are already seeing impacts consistent with the expectations of climate science, including changes in Western Arctic sea ice coverage and melting permafrost in the North; changes in fish stocks and migration patterns; increasing frequency and severity of fires and insect infestations in forests; extended drought conditions and receding glaciers in the West; and changes in the flowering time of trees and the freeze-up of lakes.

Reducing GHG emissions

Reducing GHG emissions will minimize the risk of climate change. Generally speaking, the more energy Canadians use, the more GHG emissions produced and the greater the impact on global climate change. There are generally three possible ways to reduce GHG emissions: increase energy efficiency; transition toward no/low carbon energy; and use carbon sequestration (which prevents carbon from being emitted into the atmosphere or, if it has already been emitted, removes it from the atmosphere). However, all these approaches are highly dependent on the availability of new sustainable technologies.

Canada's Place in the World

Canada's Economy

Society, Culture and Democracy

Aboriginal Peoples

The Health of Canadians

The Canadian Environment

What is the Government of Canada doing?

Leading by example, the Government of Canada has committed to reducing the GHG emissions from its own operations by 31 per cent from 1990 to 2010. It has already reduced them by 24.4 per cent between 1990 and 2001.

In addition, Canada officially ratified the Kyoto Protocol to the United-Nations Framework Convention on Climate Change (UNFCCC) on December 17, 2002. Under this protocol, Canada is required to reduce its greenhouse gas emissions to 6 per cent below 1990 levels in the period from 2008 to 2012. To meet this obligation, the government developed the Climate Change Plan for Canada, which aims to reduce GHG emissions while, at the same time, enhancing Canada's competitiveness and improving the quality of life of Canadians.

Since 1997, the Government of Canada has committed $3.7 billion, including $2 billion in Budget 2003 alone, to understand and minimize the risk of climate change. For example, it supports programs to raise awareness of climate change impacts, encourage Canadians to adopt environmentally friendly behaviours, and reduce greenhouse gas emissions. It also supports research to improve climate change science and accelerate

the development and commercialization of cleaner technologies. The results of these endeavours will not be fully reflected in emissions data for a few years. In the October 2004 Speech from the Throne, the Government of Canada committed to place increased focus on energy efficiency and energy research and development.

Measures to Track Progress

The following indicator contributes to measuring Canada's efforts in *Minimizing the Risk of Climate Change:*

▶ **Climate change** as measured by Canadian GHG emissions and energy efficiency improvements in secondary energy use. Secondary energy use is the energy used by final consumers for residential, agricultural, commercial, industrial and transportation purposes. In other terms, it is the energy that Canadians use to heat and cool their homes and workplaces and to operate their appliances, vehicles and factories.

Climate Change: Greenhouse Gas Emissions

Current Level and Trends

Since 1990, Canadian GHG emissions have increased by 20.1 per cent. From 2000 to 2001, emissions dropped by

1.2 per cent, mainly due to warmer temperatures, and then increased again between 2001 and 2002 by 2.1 per cent.
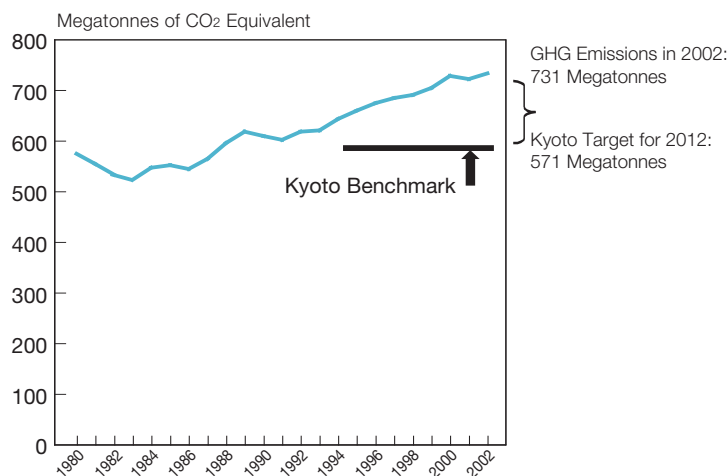
In 2002, Canadians contributed approximately 731 megatonnes of CO_2 equivalent of GHGs into the atmosphere, equating to about 2 per cent of total global GHG emissions, while comprising only 0.5 per cent of the global population.

However, Canada's emissions intensity — the amount of GHGs emitted per unit of economic activity — has been declining by an average of 1 per cent per year since 1990.

International Comparison
There is no question that reaching our Kyoto targets is a challenge. Canada is one of the largest per capita emitters of greenhouse gasses in the world (Canada ranks third according to OECD Key Environmental Indicators 2004). Its high energy consumption is due to vast travel distances, a cold climate, an energy-intensive industrial-based economy, relatively low energy prices, and a high standard of living. For these reasons, the challenge for Canada is especially great. The Government of Canada will respect its commitment to the Kyoto protocol on climate change in a way that produces long-term and enduring results while maintaining a strong and growing economy.

Canada's Place in the World

Canada's Economy

Society, Culture and Democracy

Aboriginal Peoples

The Health of Canadians

The Canadian Environment

Figure 6.5
Canadian Greenhouse Gas Emissions, 1980 to 2002

Megatonnes of CO_2 Equivalent

GHG Emissions in 2002: 731 Megatonnes

Kyoto Target for 2012: 571 Megatonnes

Kyoto Benchmark

Source: Environment Canada, Canadian Greenhouse Gas Inventory, 2004.

Climate Change:
Energy Efficiency

Canada's secondary energy use increased by 18 per cent between 1990 and 2002. Had it not been for significant ongoing improvements in energy efficiency, the increase would have been another 13 per cent, or 880.7 petajoules, higher (one petajoule is the amount of energy consumed by a town of 3800 people in one year).

Figure 6.6
Canadian Secondary Energy Use, With and Without Energy Efficiency Improvements, 1990 to 2002
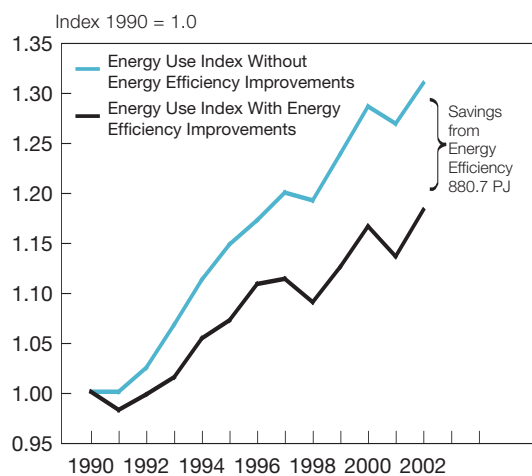
Source: Energy Efficiency Trends in Canada and Energy Use Data Handbook, Office of Energy Efficiency, Natural Resources Canada, 2004.
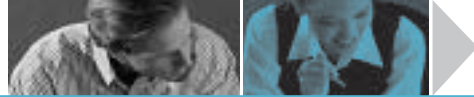
Supplemental Information

For additional information on what the Government of Canada is doing to minimize the risk of climate change, please see the Horizontal Results database at www.tbs-sct.gc.ca/rma/eppi-ibdrp/hrdb-rhbd/profil_e.asp

While weather-related hazards are part of a normal weather pattern, the occurrence of extreme weather events is expected to increase with climate change. Weather-related hazards affect the health and safety of Canadians, businesses, the economy, and the environment. The Government of Canada provides information to Canadians on weather; monitors and conducts research on climate and atmospheric science to enhance our ability to predict weather and the occurrence of hazardous and severe weather events; and provides warnings of extreme weather in order to reduce the risks to Canadians, so that they can take appropriate actions.

The number of weather-related disasters in Canada is one measure of the Government of Canada's efforts to minimize the risk of weather-related hazards. The change in Canadian and global temperatures are measures of the status of climate change. For more information, please see the *Environmental Signals* report published by Environment Canada.

The Government of Canada's Performance

Several departments and agencies contribute to the pursuit of *Minimizing the Risk of Climate Change* through their respective departmental strategic outcomes. In the electronic version of the report, clicking on the links in the table below will lead the

reader to planning, performance and resource information, which is contained in the organizations' Departmental Performance Reports and Reports on Plans and Priorities.

The Database, which can be found at http://www.tbs-sct.gc.ca/rma/krc/cp-rc_e.asp, also leads to relevant audits and evaluations.

Government of Canada Outcome	Department/Agency
The risk of climate change is minimized	Agriculture and Agri-Food Canada Canadian International Development Agency Environment Canada Foreign Affairs Canada Indian and Northern Affairs Canada Industry Canada Infrastructure Canada National Research Council Canada National Round Table on the Environment and the Economy Natural Resources Canada Natural Sciences and Engineering Research Council of Canada Social Sciences and Humanities Research Council of Canada Transport Canada

Canada's Place in the World

Canada's Economy

Society, Culture and Democracy

Aboriginal Peoples

The Health of Canadians

The Canadian Environment

Government of Canada outcome: Canada has a sustainable approach to its natural resources and healthy ecosystems

Why Is It Important?

Healthy ecosystems are important to the quality of life of all Canadians as they benefit their health, the environment and the economy. Ecosystems support an abundance of plants, wildlife and other organisms, and perform essential functions such as maintaining the earth's climate, cleaning air and water, maintaining nutrient cycles, pollinating crops, and helping to control floods and pest infestation. Canada's mosaic of ecosystems on land and sea, and along coastlines, is home to more than 71,500 known species of wild animals, plants and other organisms.
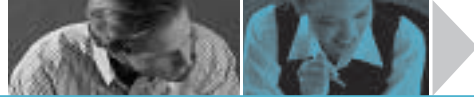
Despite Canada's seeming abundance of species and despite the appreciation of Canadians for nature and wildlife, our natural capital is at risk.

Ecosystem health and biodiversity are threatened by air and water pollution and human-induced habitat loss and fragmentation, mainly as a result of urbanization, agricultural intensification, and resource extraction. For example, agricultural practices such as tillage, wetland drainage, grazing, and the use of fertilizers and pesticides can negatively affect biodiversity. It is difficult to generalize about the effects of timber harvesting, since these depend on scale, intensity and method of harvest, and since animal and plant species respond differently to harvesting. However, harvesting economically valuable species while leaving others diminishes overall levels of biodiversity.

Other human activities also threaten ecosystem health. For example, in addition to commercial fishers, recreational boaters, ecotourists, cruise ship operators, off-shore oil and gas developers, and marine transport companies also compete for oceans resources. The growth of coastal and marine activities has resulted in ecosystem imbalances, reduction of fish and shellfish stocks, degradation of the marine environment, and the introduction of potentially harmful species.

While natural-resource-based industries can affect the health of ecosystems, they are important to Canada's economy. The forestry and commercial fisheries, for example, respectively employ about 360,000 and 50,000 people. In 2001, there were about 346,200 farm operators in Canada. Adopting a sustainable approach to the management of natural resources will help

natural-resources-based industries to be economically viable while maintaining healthy ecosystems.

What is the Government of Canada doing?

The Government of Canada is working toward a more integrated approach to the protection, conservation and sustainable use of Canada's natural resources. The priority areas are wild living resources, stewardship of public and private lands, science and protected areas. In order to better protect land and marine ecosystems and ensure the sustainable use of marine resources, the government is also currently working on the establishment of ten new marine protected areas under the *Oceans Act*, five new national marine conservation areas and ten new national parks, and the expansion of three national parks. In the October 2004 Speech from the Throne, the government committed to introduce legislation that will strengthen the focus on the ecological integrity of national parks.

As a signatory to the United Nations Convention on Biological Diversity, Canada is committed to the sustainable use of its biological resources and to protecting biodiversity. To further this objective, the Government of Canada in collaboration with provinces and territories developed the Canadian

Biodiversity Strategy (CBS), and proclaimed the *Species at Risk Act* to ensure the protection of Canada's species at risk and their critical habitat. The government also promotes forest sustainability and supports programs that aim at maintaining forest productivity and health and at protecting biodiversity. In the October 2004 Speech from the Throne, the Government of Canada committed to enhance the rules governing oceans and fisheries; including rules governing straddling stocks.

Measures to Track Progress

The following indicators contribute to measuring Canada's progress in the area of a *Sustainable Approach to its Natural Resources and Healthy Ecosystems*:

▶ **Biodiversity** as measured by the change in status of reassessed species at risk. Biodiversity is defined as the diversity among living organisms; this includes diversity within species, between species and of ecosystems;

▶ **Natural resources sustainability** as measured by the status of commercial fish stocks.

Other measures are currently being developed and could be used in the future to report on natural resources sustainability. For example, the Canadian Council

Canada's Place in the World

Canada's Economy

Society, Culture and Democracy

Aboriginal Peoples

The Health of Canadians

The Canadian Environment

of Forest Ministers is developing criteria and indicators of sustainable forest management. The Government of Canada is also developing indicators on the environment and sustainable development. Two proposed indicators are Forest Cover and Extent of Wetlands. For more information, please visit the Canadian Council of Forest Ministers and the National Round Table on the Environment and the Economy Web sites.

Natural resources sustainability is defined as the management and use of natural resources to satisfy the needs of present generations without compromising the ability of future generations to meet their own needs and to improve the quality of human life.

Biodiversity: Species at Risk

Current Level 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
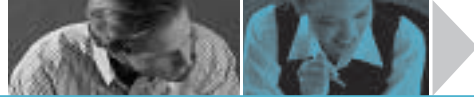
Figure 6.7
Change in Status of Reassessed Species at Risk in Canada, 1985 to 2004

Number of reassessed species
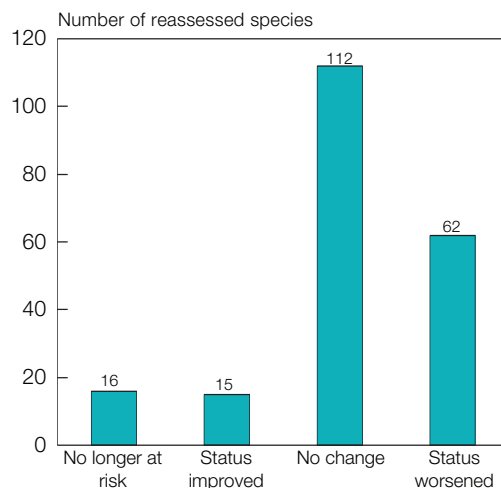
Note: (a) The data are based on the status reassessments conducted by COSEWIC. Reassessments based on existing reports were not included. Existing reports were re-evaluated using quantitative criteria and not based on new information. (b) Changes in status (i.e. species placed in a lower risk or higher risk category) could be the result of new information gathered rather than an actual improvement or deterioration in status of species.
(c) Reassessments of species that have been assigned to a different designatable unit than previously (i.e. designatable units that have been split) were not included.
Source: Committee on the Status of Endangered Wildlife in Canada (COSEWIC), 2004.

being at risk.[9] Under the *Species at Risk Act*, COSEWIC was designated as the independent body of scientific experts responsible for advising the Government of Canada on the status of species at risk. It comprises members from the federal, provincial and territorial governments, as well as non-government representatives.

9. The following are status definitions as determined by COSEWIC: *extinct* (X) — a wildlife species that no longer exists; *extirpated* (XT) — a wildlife species no longer existing in the wild in Canada but occurring elsewhere; *endangered* (E) — a wildlife species facing imminent extirpation or extinction; *threatened* (T) — a wildlife species likely to become endangered if limiting factors are not reversed; *special concern* (SC) — a wildlife species that may become a threatened or an endangered species because of a combination of biological characteristics and identified threats; *not at risk* (NAR) — a species that has been evaluated and found to be not at risk of extinction given the current circumstances. (*Source:* COSEWIC, May 2004)

By May 2004, COSEWIC had assessed 640 species, 444 of which are determined to be at risk (extirpated, endangered, threatened or of special concern). Between 1985 and May 2004, the status of 205 species has been reassessed. Of these, 16 are no longer at risk, 15 have been placed in a lower risk category, 112 have shown no change in status, and 62 have been placed in a higher risk category. This illustrates that, despite some successes, the state of biodiversity overall has deteriorated.

Natural Resources Sustainability: Commercial Fish Stocks Status

Current Level and Trends

The Government of Canada assesses commercial fish stocks on a multi-year basis. The status of fish stocks is based, when possible, on the current status of the mature portion of the stock relative to its historic status. For many types of species, however, mature biomass is difficult to estimate, and more appropriate indicators of trends in stock status are used. Species assessed vary every year and assessments exclude aquaculture production.

Among 102 commercial fish stocks assessed between 2001 and 2003, compared with their status in the

Figure 6.8
Canadian Commercial Fish Stocks Harvested and Assessed, 2001 to 2003
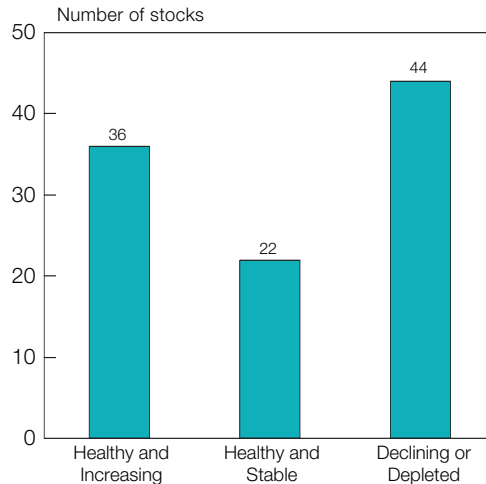
Note: The assessment process for commercial fish stocks is different from the assessment process for species at risk.
Source: Canadian Science Advisory Secretariat, Fisheries and Oceans Canada, 2004.

early 1990s, 36 stocks were healthy and increasing; 22 were healthy and stable; and 44 were declining or depleted and not yet recovered.

Figure 6.8 is not a balanced representation of all Canadian fish stocks, because stocks in the North and Pacific Salmon stocks are under-represented due to their assessment schedules.

Supplemental Information
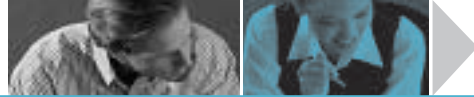
For more information on the protected areas, please see the *Environmental Signals* report published by Environment Canada.

Canada's Place in the World

Canada's Economy

Society, Culture and Democracy

Aboriginal Peoples

The Health of Canadians

The Canadian Environment

The Government of Canada's Performance

Several departments and agencies contribute to the pursuit of a *Sustainable Approach to Canada's Natural Resources and Healthy Ecosystems* through their respective departmental strategic outcomes. In the electronic version of the report, clicking on the links in the table below will lead the reader to planning, performance and resource information, which is contained in the organizations' Departmental Performance Reports and Reports on Plans and Priorities. The Database, which can be found at http://www.tbs-sct.gc.ca/rma/krc/cp-rc_e.asp, also leads to relevant audits and evaluations.

Government of Canada Outcome	Department/Agency
Canada has a sustainable approach to its natural resources and healthy ecosystems	Agriculture and Agri-Food Canada Canadian Environmental Assessment Agency Canadian Food Inspection Agency Environment Canada Fisheries and Oceans Canada National Round Table on the Environment and the Economy Natural Resources Canada Parks Canada Agency

Annex A: Government of Canada Outcomes and Indicators by Theme

Government of Canada Outcome	Indicators
Canada's Place in the World	
1. A Prosperous and Sovereign Canada in a Safe and Secure North America	Total Trade (New) Perceptions of Security (New)
2. A Canada Committed to Multilateral Cooperation	Trust in International Institutions (New)
3. A Canada Committed to Peace, Human Development and Human Security	Official Development Assistance (New)
4. A World Where Canada has a Positive Influence and Profile	*Indicator under development*
Canada's Economy	
5. An Innovative and Knowledge-Based Economy	Innovation Educational Attainment Literacy
6. Income Security and Employment for Canadians	Employment Rate Income Security (New)
7. A Secure and Fair Marketplace	Barriers to Entrepreneurship (New)
8. Strong Regional Economic Growth	Gross Domestic Product per capita
Society, Culture and Democracy	
9. Diversity as a Fundamental Canadian Value	Attitudes Toward Diversity
10. Safe Communities	Safety
11. Caring Communities	Volunteerism
12. Vibrant Canadian Culture and Heritage	Participation in Culture and Heritage Activities
13. Sustainable Cities and Communities	*Indicator under development*
14. An Informed and Engaged Canadian Public	Political Participation

Canada's Place in the World

Canada's Economy
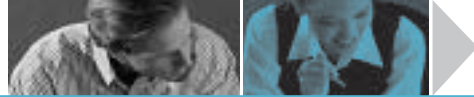
Society, Culture and Democracy

Aboriginal Peoples

The Health of Canadians

The Canadian Environment

Government of Canada Outcome	Indicators
Aboriginal Peoples	
15. Full Aboriginal Participation in Life-Long Learning	Educational Attainment (New)
16. Strong Aboriginal Economic Self-Reliance	Employment Rate (New) Median Income (New)
17. Healthy Aboriginal Communities	Health Status (New) Housing (New)
18. Effective Democracy and a Strengthened Aboriginal Relationship with Canada	*Indicator under development*
The Health of Canadians	
19. A Healthy Population	Life Expectancy Self-Rated Health Infant Mortality Healthy Lifestyles
20. A Strong Health Care System	Waiting Times (New) Patient Satisfaction (New)
The Canadian Environment	
21. Canada's Environment is Protected and Restored from Pollution	Air Quality Water Quality
22. The Risk of Climate Change is Minimized	Climate Change
23. Canada has a Sustainable Approach to its Natural Resources and Healthy Ecosystems	Biodiversity Natural Resources Sustainability (New)

Note: "New" identifies indicators that were added to the 2004 version of *Canada's Performance* report.
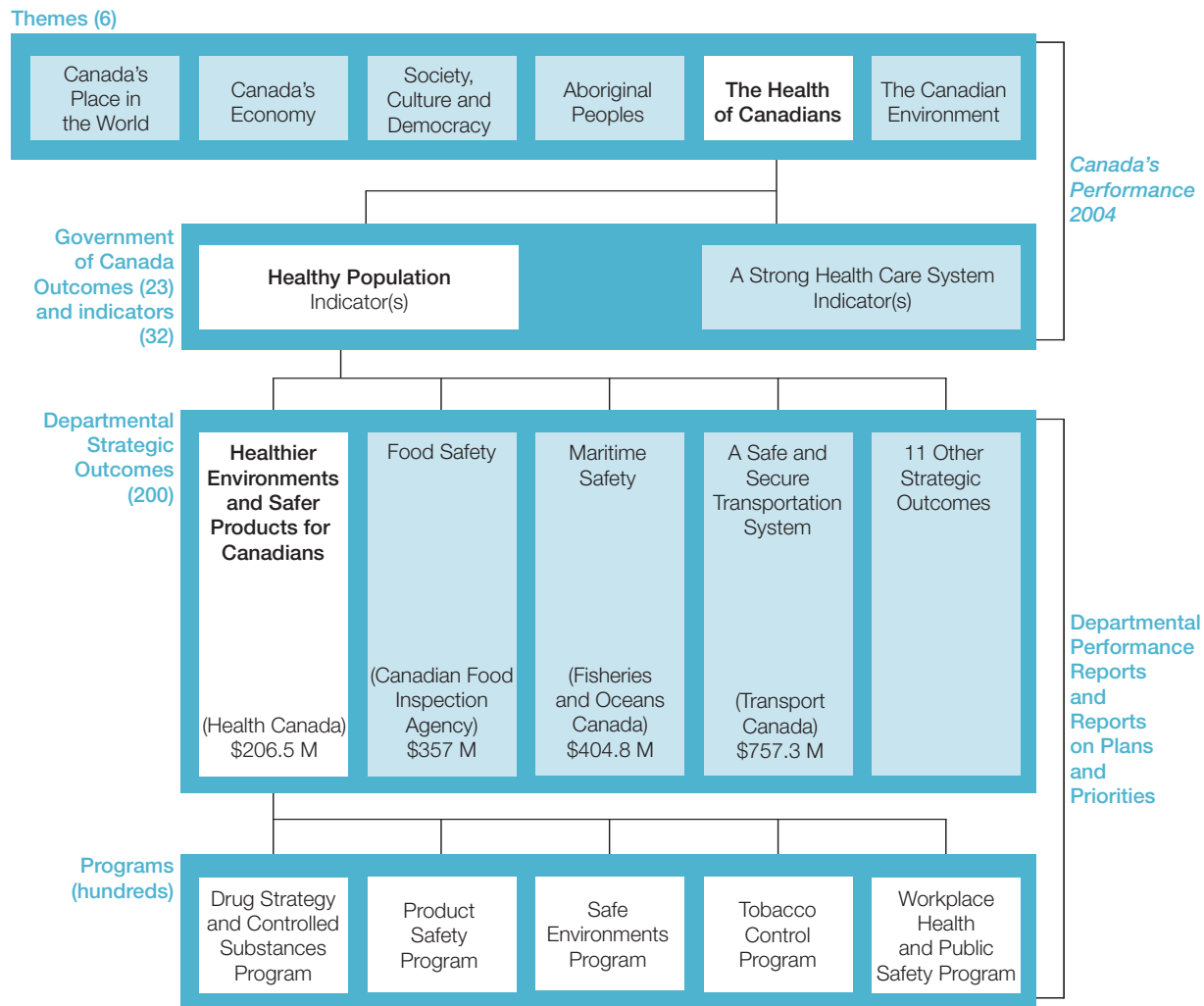
Annex B: Whole of Government Perspective

The electronic version of *Canada's Performance 2004*

The electronic version of *Canada's Performance 2004* allows the reader to drill down to specific information on departmental plans, performance, expenditures and programs that can be found in the Reports on Plans and Priorities and Departmental Performance Reports.

The figure below illustrates the framework used by *Canada's Performance 2004* to report on a whole of government perspective.

Themes (6)

Canada's Place in the World	Canada's Economy	Society, Culture and Democracy	Aboriginal Peoples	**The Health of Canadians**	The Canadian Environment

Canada's Performance 2004

Government of Canada Outcomes (23) and indicators (32)

Healthy Population Indicator(s)	A Strong Health Care System Indicator(s)

Departmental Strategic Outcomes (200)

Healthier Environments and Safer Products for Canadians (Health Canada) $206.5 M	Food Safety (Canadian Food Inspection Agency) $357 M	Maritime Safety (Fisheries and Oceans Canada) $404.8 M	A Safe and Secure Transportation System (Transport Canada) $757.3 M	11 Other Strategic Outcomes

Departmental Performance Reports and Reports on Plans and Priorities

Programs (hundreds)

Drug Strategy and Controlled Substances Program	Product Safety Program	Safe Environments Program	Tobacco Control Program	Workplace Health and Public Safety Program

Canada's Place in the World

Canada's Economy

Society, Culture and Democracy

Aboriginal Peoples

The Health of Canadians

The Canadian Environment

In addition to the departments and agencies supporting the Government of Canada outcomes in each theme, the electronic version also links the planning, results and resource information of federal organizations that provide support to all departments and agencies (i.e. the Treasury Board of Canada Secretariat, the Public Service Commission of Canada, Statistics Canada, and Public Works and Government Services Canada).

The electronic version of the report can be found at: http://www.tbs-sct.gc.ca/report/govrev/04/cp-rc_e.asp