

THE FEDERATION OF CANADIAN MUNICIPALITIES QUALITY OF LIFE REPORTING SYSTEM



The FCM Quality of Life
Reporting System

Highlights Report 2004

Quality of Life in Canadian Municipalities



Federation
of Canadian
Municipalities

FCM's Quality of Life Reporting System

This is the third in a series of reports on quality of life prepared by the Federation of Canadian Municipalities (FCM) using information derived from a variety of national and municipal data sources. The first report, published in 1999, addressed the social effects of the severe economic recession of the early 1990s, focusing on the period 1991 to 1996. A second report, published in 2001, identified the beginning of an economic recovery that took place in the second half of the 1990s.

The statistics used in this report are drawn from a larger reporting system containing hundreds of variables that measure changes in social, economic and environmental factors. These variables are structured into 75 indicators of the quality of life in 20 Canadian municipalities from 1990 to 2002. Taken together, these data form the Federation of Canadian Municipalities' Quality of Life Reporting System (QOLRS).

The 20 Canadian municipalities participating in the QOLRS account for 40 per cent of Canada's total population. These municipalities comprise some of Canada's largest urban centres, many of the suburban municipalities surrounding them, as well as small and medium-sized municipalities in seven provinces.

By providing a method to monitor quality of life at the local level, the QOLRS is intended to establish municipal government as a strong partner in public-policy debates in Canada. This volume, the first of a series making up the 2004 FCM Quality of Life Report, provides highlights of an analysis of six Quality of Life factors in 20 Canadian municipalities [Table 1] from 1991 to 2001. Developed by FCM and municipal staff, the report is intended to serve as a planning tool for municipalities. It looks at Quality of Life issues from a municipal perspective and uses data segregated by municipal boundaries, not Census Metropolitan Areas as is often the case in other similar studies.

The reporting system is equally important as a tool for community organizations, research institutes, and other orders of government, allowing them to:

- identify and promote awareness of issues affecting quality of life in Canadian municipalities;
- better target policies and resources aimed at improving quality of life;
- support collaborative efforts to improve quality of life; and
- inform and influence decision-makers across Canada.

Subsequent volumes in the 2004 report will examine in more detail issues such as affordable housing and homelessness; municipalities and the environment; income security and social inclusion; and community safety and security.

The Federation of Canadian Municipalities

The Federation of Canadian Municipalities (FCM) has been the national voice of municipal governments since 1901. The organization is dedicated to improving the quality of life in all communities by promoting strong, effective, and accountable municipal government. FCM membership includes Canada's largest cities, small towns, rural municipalities, and the 19 major provincial and territorial municipal associations.

PRESIDENT'S MESSAGE

This third report in FCM's series on the quality of life in Canada's communities comes at a critical time in the history of municipal government.

At no time has it been more important to have reliable data on municipalities to support our call for a New Deal.

As we strive to secure the New Deal, we frequently point to the stresses and strains in our communities, the shortfalls in services and infrastructure where quality of life is threatened.

But because the experience of quality of life is personal, problems in a community may be hidden from many of the people who live there. If our circumstances are comfortable, it takes obvious, community-wide problems like air pollution, traffic jams or blackouts to register.

Objective data is needed to inform citizens and policy makers in all orders of government of the true state of those factors that contribute to quality of life.

Canadians know what they want for their communities. But where we hope to see clean, green, productive and well-run municipalities and towns, we see a growing gap between what is and what could be. We see the signs of decline, the wear and tear that signals trouble.

This is troubling to anyone who is committed to their community, especially when we know the problem is growing. It is time to look at the quality shortfall—the gap between our vision and our reality, where we are and where we should be.

And it's time for all orders of government to come together to invest where we live, because short-changing municipalities does have a cost—in damage to our quality of life.

Since the release of the first report in May 1999, interest has grown in quality of life issues. We remain on the leading edge of this research and we are committed to ensuring that the information provided is useful to all orders of governments.

We hope that as governments sit down to make the New Deal a reality, the information in this report will help to inform the discussion and shape effective policy action.

Our thanks go to the mayors and chairs of the 20 participating municipal governments for their support; to the FCM Standing Committee on Social Infrastructure for its contribution; and to the members of the Quality of Life Technical Team for their participation in preparing the report.

Yves Ducharme
President, Federation of Canadian Municipalities

CHAIR'S MESSAGE

Canadians believe their country is the best place in the world to live, an impression bolstered by our generally high standard of living and the amenities still available in our communities.

But beneath that confidence, awareness is growing that not everyone shares in this prosperity, and that problems are mounting that may soon challenge our ability to cope with them. In some locations, social, environmental and infrastructure problems intrude on this sense of well-being with increasing frequency.

This third report of the Quality of Life Reporting System (QOLRS) identifies where our communities continue to deliver on their promise and where they are fraying.

The first report in May 1999 identified trends that showed that income disparities in Canada's urban communities were larger than provincial and national averages. The second report re-affirmed that analysis.

This report finds that despite a recovery from the recession of the early 1990s, progress on quality of life has been mixed. While quality of life remained stable for many during the period studied, it deteriorated significantly for a growing number of people. As a result, quality of life in the 20 communities remains fragile.

How does this fit with Canadians' vision of their country as prosperous, fair and welcoming to newcomers?

The Federation of Canadian Municipalities (FCM) created the Quality of Life Reporting System (QOLRS) in 1996 to help answer this question and point the way toward effective policy actions.

This report provides important information that will help us understand the factors that contribute to quality of life, so we can lay the foundation for a New Deal for all municipalities.

The 20 participating municipal governments will use the information provided by the QOLRS to improve quality of life in their communities. We encourage policy-makers and program-developers in all orders of government to use this information to improve policies and programs for communities across the country.

My thanks to all those who assisted in the preparation of this report: FCM staff, the members of the Quality of Life Technical Team, and consultants Michel Frojmovic, Director of Acacia Consulting and Research, and Professor Allan Moscovitch of Carleton University's School of Social Work.

Councillor Michael Phair
Chair, Quality of Life Technical Team

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Technical Annexes and supplementary charts for this report are available in the Quality of Life Reporting System section of FCM's Web site at <http://www.fcm.ca>.

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SUMMARY

The 2004 Quality of Life report finds that quality of life in the 20 municipalities is at risk, as pressures continue to mount on income, the environment and people living on the margins. Despite improvements in rates of post-secondary education, employment growth and home-ownership, quality of life has deteriorated for a growing number of people. Improvements in income and poverty rates since 1996 have been offset by a growing income gap, housing affordability problems and changes to social programs.

Definition of Quality of Life

FCM defines¹ quality of life as being enhanced and reinforced in municipalities that:

1. Develop and maintain a vibrant local economy;
2. Protect and enhance the natural and built environment;
3. Offer opportunities for the attainment of personal goals, hopes and aspirations;
4. Promote a fair and equitable sharing of common resources;
5. Enable residents to meet their basic needs; and
6. Support rich social interactions and the inclusion of all residents in community life.

Quality of life in any given municipality is influenced by interrelated factors, such as: affordable, appropriate housing; civic engagement; community and social infrastructure; education; employment; the local economy; the natural environment; personal and community health; personal financial security; and personal safety.

Demographic Profile

The 20 municipalities included in the FCM Quality of Life Reporting System (QOLRS) account for 40 per cent of Canada's total population. Population growth is most concentrated in the eight largest municipalities and particularly within the Greater Toronto Area (GTA).

Population growth of new Canadians—immigrants arriving within the past 10 years—is a major demographic force affecting the QOLRS municipalities. As a group, these 20 municipalities are growing faster and becoming more ethnically and culturally diverse than the rest of Canada. Immigration is altering the ethnic, linguistic, and cultural personality of larger Canadian municipalities, and visible minority populations in several Canadian municipalities will soon be at or near the “majority”.

These demographic changes are affecting many aspects of quality of life in Canadian municipalities. Communities are benefiting from the talents and cultural richness that comes with diversity. However, the concentration of newcomers in specific areas has resulted in sustained pressure on urban services to keep pace with the rapidly changing needs of the population and growing stress on the natural environment.

¹ This definition was developed and endorsed by the QOLRS Technical Team, which includes representatives of FCM and each of the 20 QOLRS municipalities.

Developing and Maintaining Vibrant Local Economies

Indicators show that, overall, the QOLRS municipalities have seen improved economic performance, especially in the latter part of the decade. There has been strong growth in the number of new business establishments, decreasing bankruptcies between 1998 and 2002, a falling average unemployment rate, and significant growth in most areas in the inflation-adjusted value of building permits, reflecting increasing levels of investment in residential, commercial, and industrial real estate.

A potential long-term threat to the vibrancy of local economies is the shrinking number of young people who will be entering the labour force in comparison to those who will be leaving it during the next 15 years. This threat will heighten the importance of immigration and internal migration.

Protecting and Enhancing the Natural and Built Environment

Strong population and economic growth places considerable pressure on the environment in the 20 QOLRS municipalities. For the most part, municipal governments have responded to this pressure through a range of investments in public transit, wastewater treatment, and solid-waste management. Nevertheless, indications of progress are mixed.

Although increased use of public transit is widely recognized as a means to improve air quality, the automobile remains the dominant mode of transport for commuters in all QOLRS municipalities. Air quality in QOLRS municipalities is generally within the acceptable range, with the important exception of ground-level ozone concentration. Ozone is a chief component of summertime smog and motor-vehicle emissions are a major source.

Despite rapidly expanding populations, the overwhelming majority of residents in QOLRS municipalities are served by a centralized sewerage system. Wastewater receives secondary and tertiary treatment in most municipalities.

Offering Opportunities for the Attainment of Personal Goals, Hopes, and Aspirations

In general, the trends for attainment of key aspirations, such as higher education, better employment and incomes, and home ownership, are positive, although household income gains have been concentrated at the upper end of the scale.

Post-secondary attainment levels of residents of QOLRS municipalities improved consistently for the entire decade. Employment growth expanded along with population growth. The rate of homeownership increased, and average family and household inflation-adjusted income growth during the second half of the decade reversed the significant declines that had taken place between 1991 and 1996.

This positive assessment, however, is moderated by the fact that improvement in incomes was the result of rapid growth at the highest end of the income scale. Median (i.e., “typical”) family incomes grew significantly in only a limited number of medium-sized municipalities during this time and declined in half of the 20 QOLRS municipalities. Median family income declined significantly in the two largest urban centres: Toronto and Vancouver.

Promoting a Fair and Equitable Sharing of Common Resources

While average inflation-adjusted incomes have grown in most QOLRS communities, a closer look confirms that middle and lower-income households have lost ground and that households from “minority” or “vulnerable” populations have not shared in the benefits of economic growth. Only the wealthiest 30 per cent of families and 20 per cent of individuals in the 20 QOLRS municipalities enjoyed any increase in before-tax inflation-adjusted income between 1990 and 2000. In contrast, the before-tax incomes of low- and modest-income individuals—the bottom 30 per cent on the income scale of all unattached individuals—decreased by 10 per cent or more during this time. Median-income families saw their before-tax inflation-adjusted income decrease by 6.2 per cent.

In general, income growth among “minority” or “vulnerable” groups was substantially lower than their “majority” counterparts. Female-headed lone-parent families were an exception, with this group experiencing income growth that exceeded the rate for all families.

Enabling Residents to Meet their Basic Needs

The general picture is positive, with the majority of families and individuals living in the 20 municipalities having sufficient income to meet their basic needs for shelter, food, and clothing. Significantly, improvements over the decade were seen for female-headed lone-parent families with young children.

Many individuals and families, however, are facing a combination of stagnant or declining incomes, rapidly growing shelter costs, and reductions in social assistance. The result is vulnerability, pushing these individuals and families to the margins of society and to homelessness.

Supporting Rich Social Interactions and the Inclusion of All Residents in Community Life

This dimension of quality of life is changing. In the QOLRS communities, trends show a move away from traditional means of social involvement, including rates of volunteerism and voter participation. Moreover, new immigrants and Aboriginal people appear to face barriers to inclusion in the labour force, as evidenced by both employment and labour-force participation rates.

Conclusion

In general, this report finds that progress on quality of life has been mixed, with the benefits not shared by all. Despite a recovery from the recession of the early 1990s, there are clear indications of continuing income inequality and social exclusion, as well as pressure on the environment. As a result, quality of life in these communities remains fragile. This fact must be incorporated into public policy thinking. Concerted policy action by all orders of governments is urgently needed to establish sustainable foundations for quality of life in these municipalities and in our country.

Table 1 FCM QOLRS Members—2003

Municipality	Short Name used in QOLRS Tables and Charts	Province	Population (2001)
Calgary (City)	Calgary	Alberta	878,870
Edmonton (City)	Edmonton	Alberta	666,105
Halifax (Regional Municipality)	Halifax	Nova Scotia	359,185
Halton (Regional Municipality)	Halton	Ontario	375,230
Hamilton (City)	Hamilton	Ontario	490,265
Kingston (City)	Kingston	Ontario	114,195
London (City)	London	Ontario	336,540
Niagara (Regional Municipality)	Niagara	Ontario	410,575
Ottawa (City)	Ottawa	Ontario	774,075
Peel (Regional Municipality)	Peel	Ontario	988,945
Quebec (Metropolitan Community)	CMQ	Quebec	674,700
Regina (City)	Regina	Saskatchewan	178,225
Saskatoon (City)	Saskatoon	Saskatchewan	196,810
Sudbury (City of Greater)	Sudbury	Ontario	155,220
Toronto (City)	Toronto	Ontario	2,481,495
Vancouver (City)	Vancouver	British Columbia	545,670
Waterloo (Regional Municipality)	Waterloo	Ontario	438,515
Windsor (City)	Windsor	Ontario	208,405
Winnipeg (City)	Winnipeg	Manitoba	619,545
York (Regional Municipality)	York	Ontario	729,255

DEMOGRAPHIC PROFILE OF THE 20 QOLRS MUNICIPALITIES

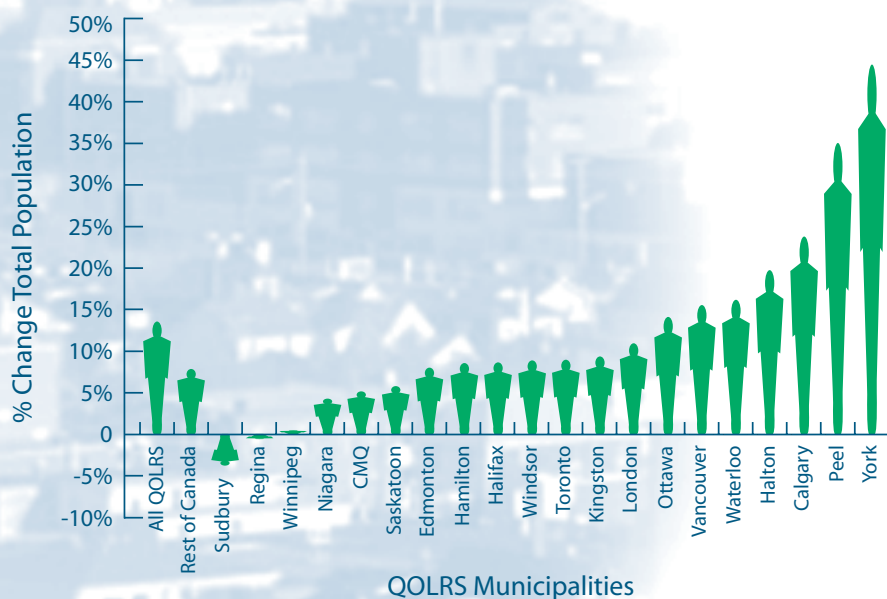
Underlying demographic factors that relate to all aspects of quality of life

The 20 municipalities included in the FCM Quality of Life Reporting System (QOLRS) account for 40 per cent of Canada's total population. As a group, these 20 municipalities are growing faster and becoming more ethnically and culturally diverse than the rest of Canada.

Rapid Population Growth is Concentrated in Canada's Larger Urban Regions

Population growth is generally most concentrated in those municipalities with the largest populations. The Greater Toronto Area (GTA)² municipalities of York, Peel, and Halton, and the City of Calgary, grew about four times faster than the rest of Canada between 1991 and 2001. At the same time, six of the 20 municipalities grew at rates that were lower than the rest of Canada, with two of these experiencing negative growth.

Chart 1 Total Population Growth
Percent change in total population, QOLRS municipalities – 1991-2001



Source: Statistics Canada, 1991, 2001 Census

Immigration is Increasing Ethnic and Cultural Diversity

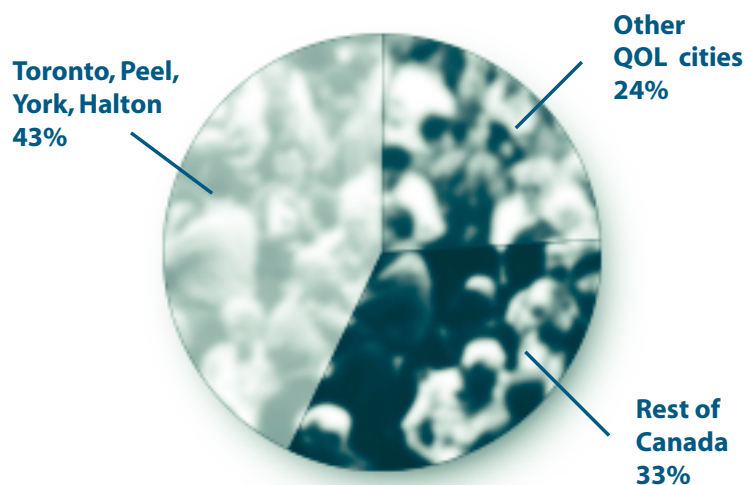
Population growth of new Canadians—immigrants arriving within the past 10 years—is a major force affecting the 20 QOLRS municipalities that were the destinations of nearly 70 per cent of recent immigrants between 1991 and 2001. The four QOLRS municipalities in the GTA—Toronto, Peel, York, and Halton—accounted for 43 per cent of recent immigrants to Canada. The cities of Vancouver, Calgary and Ottawa accounted for an additional 13 per cent of all recent immigrants.

² The GTA includes the City of Toronto and the surrounding regional municipalities of York, Halton, Peel and Durham. The QOLRS includes all of these, except Durham.

Immigration is altering the ethnic, linguistic, and cultural personality of larger Canadian municipalities. Due to a large influx of immigrants from Asia, Africa, and the Caribbean, the visible minority population now accounts for 24 per cent of the total population of the 20 QOLRS municipalities. However, as indicated in Chart 3 Ethnic and Cultural Diversity below, this transformation is more prevalent in larger municipalities. What had been the visible minority population in several Canadian municipalities will soon make up the largest part of the total population. In 2001, 49 per cent of the City of Vancouver's residents were considered visible minority. Municipalities like Toronto (43 per cent in 2001) and Peel (39 per cent) will see these populations approaching 50 per cent over the next five years.

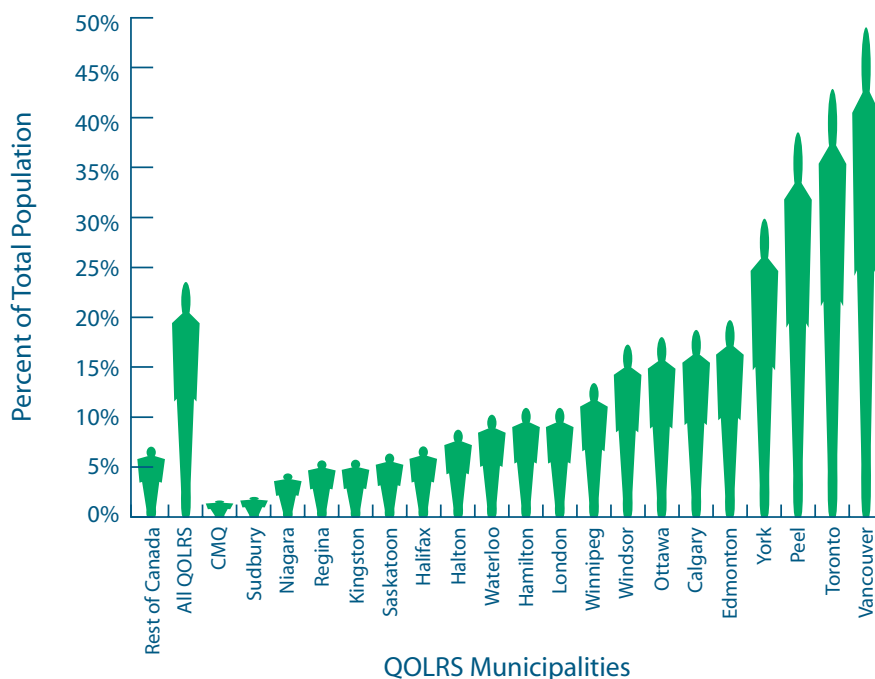
“Immigration and Diversity” *The term immigrant refers to people who are, or have been, landed immigrants in Canada. A landed immigrant is a person who has been granted the right to live in Canada permanently by immigration authorities. Recent immigrants are those who have arrived in Canada within the past 10 years. Immigration to Canada is increasingly dominated by families and individuals originating from countries in South and Southeast Asia, China, Africa and the Middle East, Latin America and the Caribbean. Immigration from China, India, the Philippines, Pakistan, Hong Kong, Sri Lanka, and Iran accounted for close to 50 per cent of all new immigrants to the 20 QOLRS Municipalities arriving between 1991 and 2001.³*

Chart 2 Destination of Recent Immigrants to Canada
Distribution of all recent immigrants between QOLRS municipalities in the GTA, other QOLRS Municipalities and the rest of Canada, 2001



Source : Statistics Canada, 2001 Census

Chart 3 Ethnic and Cultural Diversity
Population of visible minorities as proportion of total population, all QOLRS municipalities – 2001



Source : Statistics Canada, 2001 Census

³ More detailed definitions are available from the Statistics Canada Census Dictionary at <http://www.statcan.ca/english/census2001/dict/index.htm#dictionary>

Visible Minorities Statistics Canada defines **visible minority** as persons who are non-Caucasian in race or non-white in colour. The concept of visible minority was first introduced to the National Census in 1996. As a result, no visible minority data is available for 1991. While Aboriginal persons are not considered a visible minority, they represent a significant and growing proportion of the population in Saskatoon, Regina, Winnipeg, and Sudbury, where the size of the Aboriginal population is close to or greater than the size of the visible minority population.

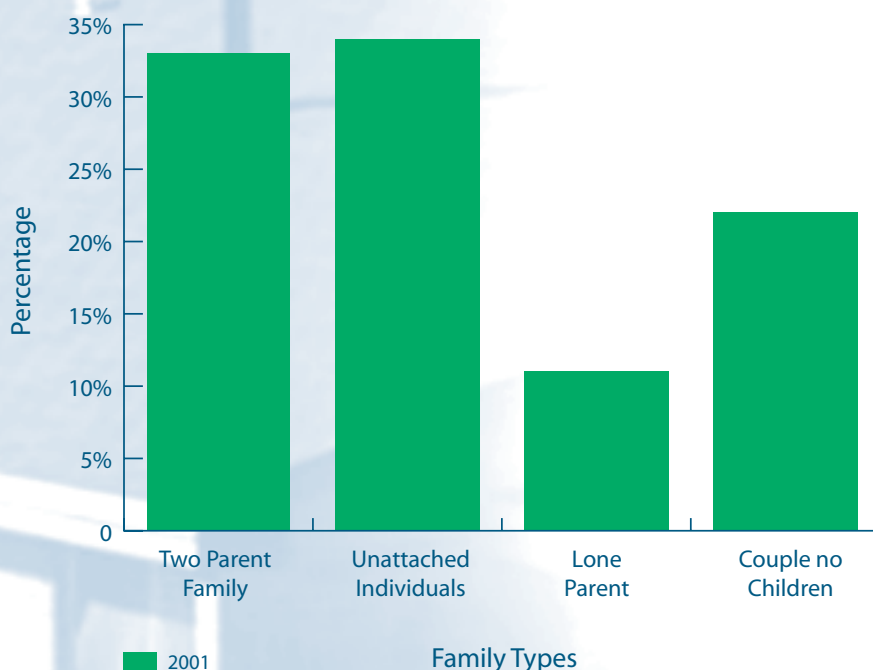
Family Composition is Varied

Long-term changes in family structure that have been underway for the past 30 to 40 years represent another important demographic feature of Canadian municipalities.⁴ Divorce, declining birth rates, an aging population, and the greater involvement of women in the labour force are all contributing factors. Some of these changes include a higher proportion of single-parent and predominantly female-headed families, single-person households, and childless two adult couples.

By 2001, unattached individuals who were not living with any other family member accounted for 34 per cent of QOLRS municipality households.

Similarly, the 526,000 lone-parent families in the 20 QOLRS municipalities comprised one-quarter of all families with children. These numbers

Chart 4 Family Composition
Family types as % of census families plus single non-family persons, QOLRS average



point to the large number of adults living without immediate family support, a phenomenon associated with greater vulnerability at all ages, especially if the person is disadvantaged in other ways.

These demographic changes are having a profound influence on many aspects of quality of life in Canadian municipalities. On the one hand, communities are benefiting from the new talent and cultural richness that diversity brings. However, the concentration of newcomers in specific areas has resulted in high rates of population growth, which has contributed to sustained pressure on urban services to keep pace with the expanding and changing needs of the population.

⁴ While the long-term changes are significant, there was little change in household structure during the 1991-2001 period.

QOL FACTOR 1

LOCAL ECONOMY

Developing and maintaining a vibrant local economy

The strength of the local economy represents one of six factors that make up quality of life in Canadian municipalities. Indicators show that the QOLRS municipalities have seen improved overall economic performance, although the results were not positive for all.

More New Businesses, Lower Unemployment

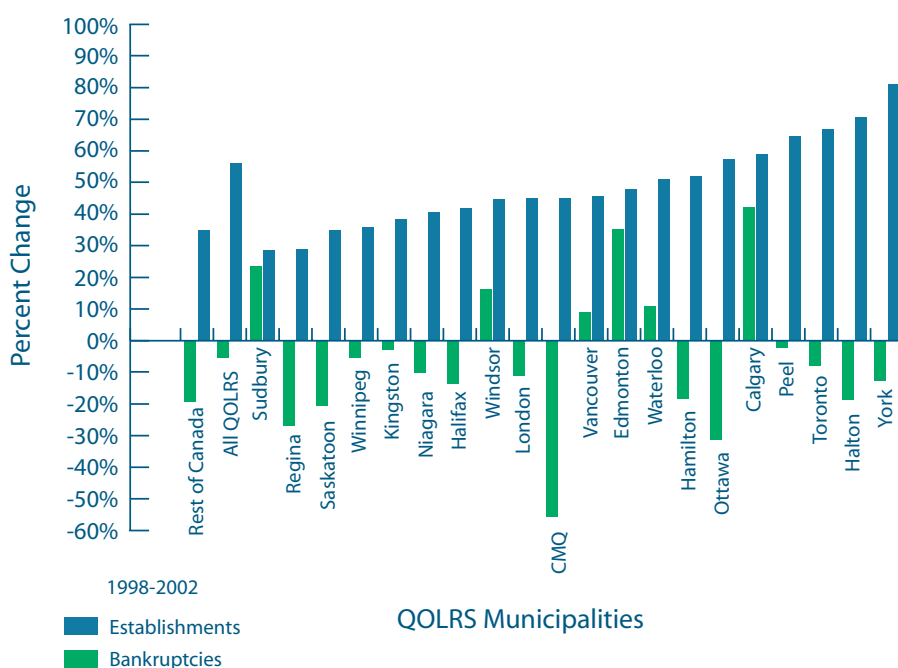
Economic indicators related to new businesses and unemployment point to positive local economic development in the 20 QOLRS municipalities. As a group, the 20 QOLRS local economies experienced strong growth in the number of new business establishments, combined with decreasing numbers of bankruptcies between 1998 and 2002 [Chart 5]. Similarly, the average unemployment rate among all QOLRS municipalities fell from just under 9 per cent to 6.1 per cent between 1991 and 2001. Unemployment rates in all but two of the 20 QOLRS municipalities were below the rates in the rest of Canada [Chart 6].

Rise in the Value of Building Permits but Fewer Construction Projects

The period from 1991 to 2001 saw significant growth in the inflation-adjusted value of building permits, reflecting increasing levels of residential, commercial and industrial construction [Chart 7]. In particular, the 1996-2001 period saw the value of permits surge by 57 per cent, following a decline of 18 per cent during the previous five years [Supplementary Chart 7a]. However, while the overall value of permits grew during this time, the absolute number approved in 2001 was lower than 1991.⁵

At the same time, this economic growth was not shared equally. Although seven municipalities saw the value of building permits grow by 50 per cent over the 10-year period, an equal number experienced negative or near-negative growth.

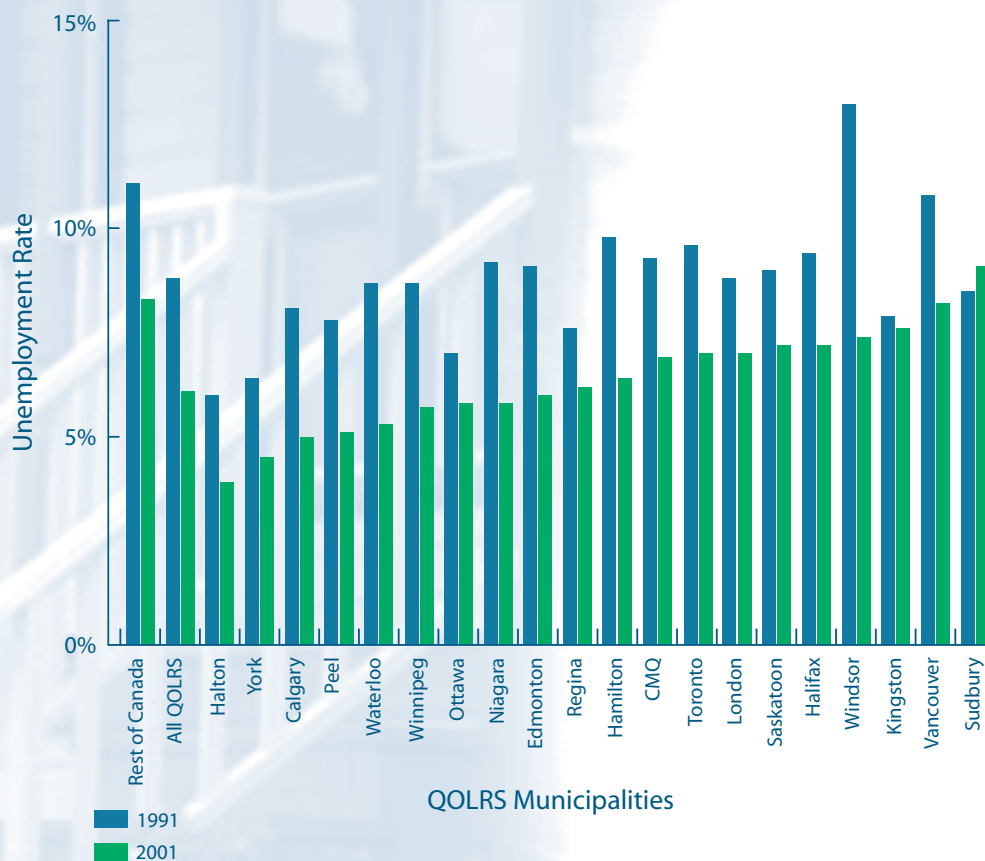
Chart 5 New Business Establishments
Percent change in the number of bankruptcies and the number of business establishments, all QOLRS municipalities – 1998-2002



Source: Industry Canada, Office of the Superintendent of Bankruptcy, Year to Date Major Urban Centres Report, 1998-2002

⁵ There were 5,466 fewer building permits approved in the 20 QOLRS municipalities in 2001 compared with 1991. The decrease in number of permits occurring at the same time as an increase in their value—after adjusting for inflation—can be explained by the approval of larger-scale construction projects.

Chart 6 Unemployment Rate
Unemployed as % of labour force, (population
15 years+), all QOLRS municipalities –1991, 2001

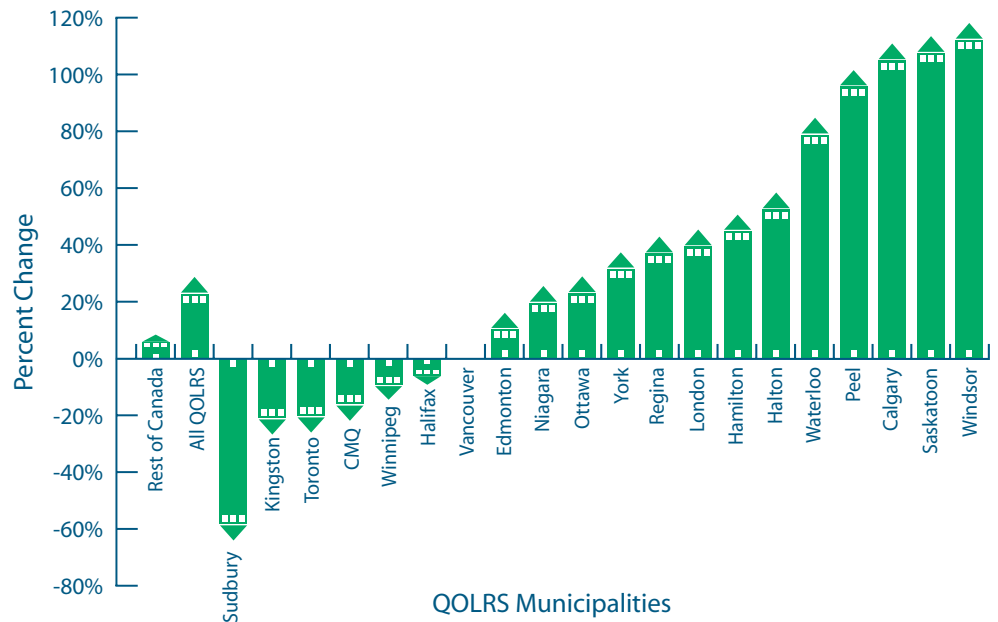


Source : Statistics Canada, 1991, 2001 Census – Custom Tabulation

Long-Term Trend Toward a Shrinking Labour Force

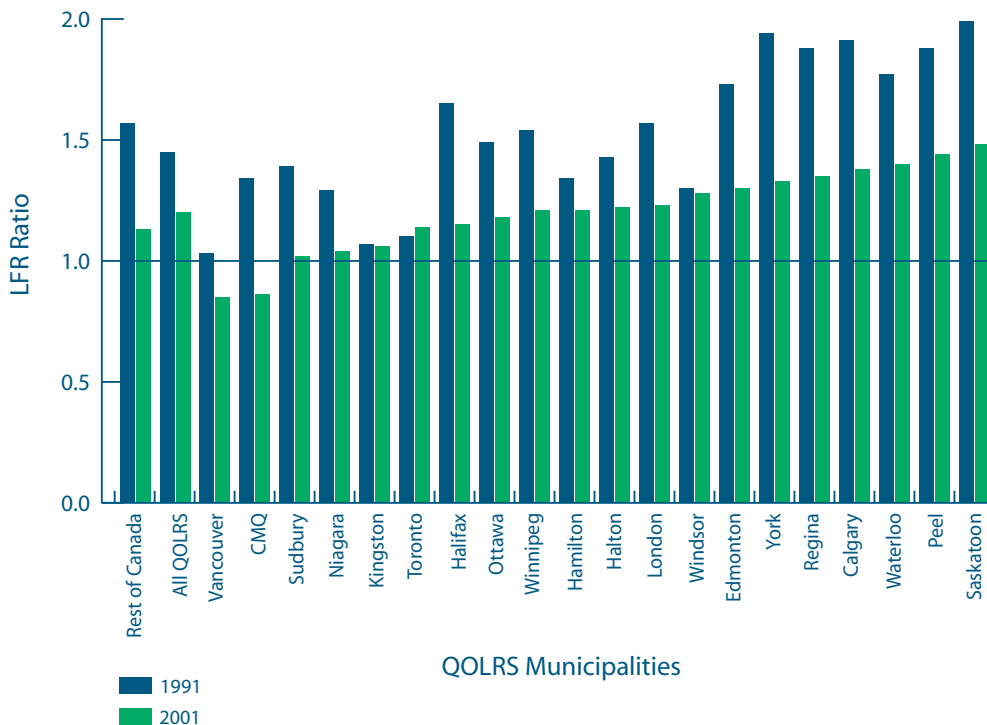
A potential long-term threat to the vibrancy of local economies is posed by fewer people entering the work force than leaving it. The Labour Force Replacement (LFR) ratio is steadily declining and is approaching the crucial replacement ratio of 1.00, where fewer people will be ready to enter the labour force than leave it. While this does not pose an immediate threat to Canadian municipalities, an aging population and low birth rates will heighten the importance of immigration and internal migration. Those municipalities not already benefiting from strong in-migration will face the greatest challenges in maintaining their labour force. The decline in the replacement ratio in the 20 QOLRS municipalities, however, was far slower than the rate of decline occurring in the rest of Canada.

Chart 7 Building Permits
% Growth in real value of building permits (1991\$),
all QOLRS municipalities – 1991-2001



Source : Statistics Canada, Building & Demolitions Permits Monthly Survey, 1991, 1996-2002

Chart 8 Labour Force Replacement (LFR) Ratio
Ratio of population aged 0-14 to population aged 50-64,
QOLRS municipalities – 1991 and 2001



Labour Force Replacement Ratio The labour force replacement ratio measures the change in the ratio of the population under 14 to the number of people between the ages of 50 and 64. This refers to the ratio of people entering the work force to the number of people expected to leave the workforce over the next 15 years. A ratio of less than 1.00 indicates the long-term inability to sustain the size of the labour force.

Source : Statistics Canada, 1991, 2001 Census

QOL FACTOR 2

NATURAL ENVIRONMENT

Protecting and enhancing the natural and built environment

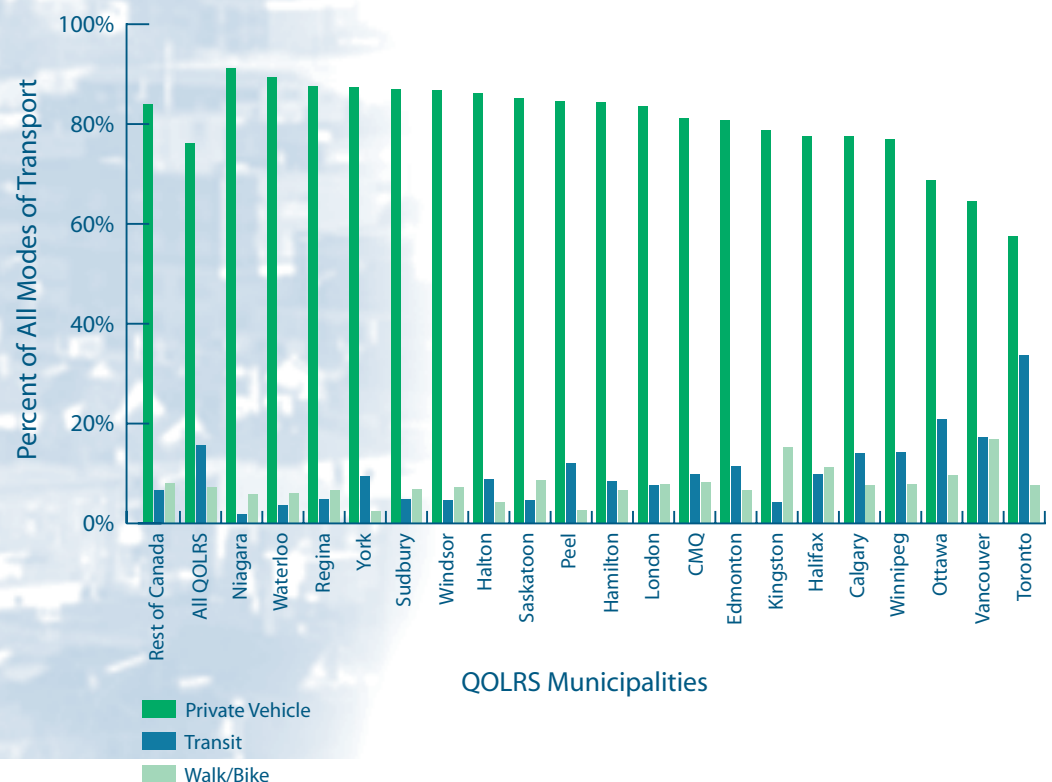
Strong population and economic growth places considerable pressure on the natural environment in Canadian municipalities. Municipal governments have responded to this pressure through a range of investments in public transit, wastewater treatment, and solid-waste management.

The Quality of Life Reporting System includes a series of indicators measuring the quality of the environment in the 20 QOLRS municipalities. These indicators measure changes in air quality, transit usage, water consumption, wastewater treatment and waste recycling. Analyses of these and other indicators of the natural environment are available on the FCM Web site.

Greater Reliance on Cars, Lower Usage of Public Transit

While increased public transit is widely recognized as a crucial means to address air quality concerns, the automobile remains the dominant mode of transport for commuters in all QOLRS municipalities [Chart 9]. It is the mode of choice for a full 75 per cent of all commuters. However, this dominance varies substantially among the 20 QOLRS municipalities.

Chart 9 Mode of Transportation to/from Work
Commuting modal split to/from work, all QOLRS municipalities, 2001



Source: Statistics Canada, 1996, 2001 Census

Modes of Transport Refers to the mode of transportation to work used by residents 15 years of age and over who worked during the census period. Persons are asked to identify the mode of transportation they most frequently use to commute from home to work. “Private Vehicle” includes cars, vans, light trucks, SUVs and motorcycles.

There was little change in commuting patterns between 1991 and 2001 [Chart 10]. While reliance on the car for commuting declined marginally for the 20 QOLRS municipalities as a group, automobile usage actually increased in 11 of 20 municipalities. At the same time, walking and cycling declined as a share of commuter travel in 14 of 20 municipalities, while transit usage was down in 11 of 20 municipalities.⁶

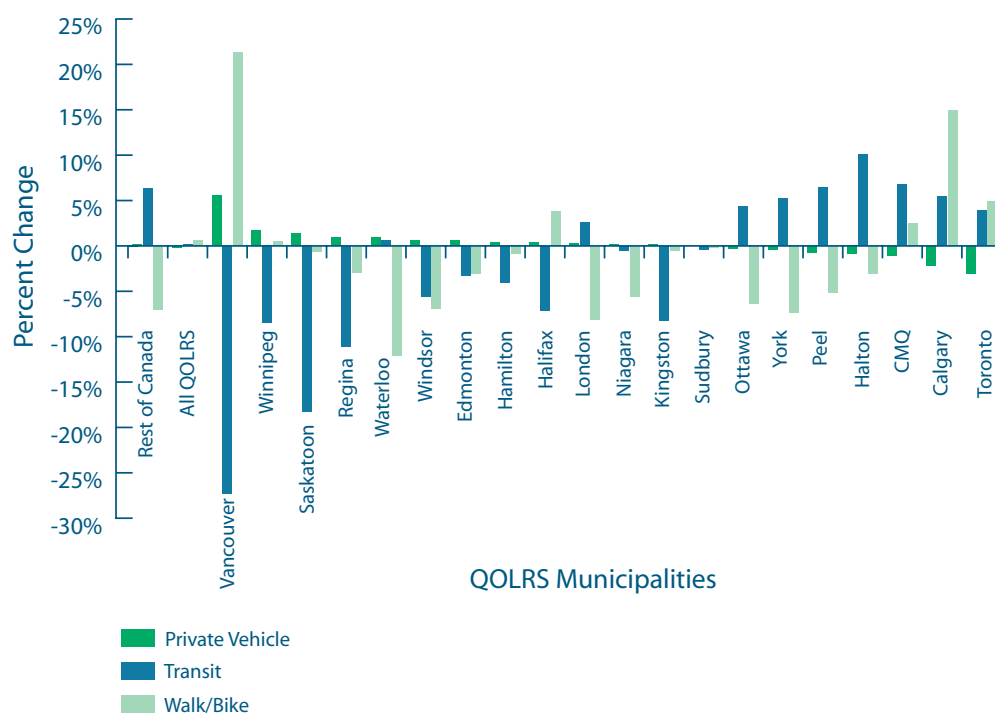
Air Quality: Ground Level Ozone a Concern

Air quality in QOLRS municipalities is generally within the acceptable range, with none of the air pollutants monitored by Environment Canada exceeding air quality objectives associated with one-hour peak concentrations. One-year average concentrations for most air pollutants were also well within acceptable standards. An important exception was the concentration of ground-level ozone (O₃), which exceeded nationally defined “maximum acceptable levels of concentration” for the entire period [Chart 11]. The City of Vancouver was the one exception, with ground level ozone concentrations well within acceptable ranges for all years. Vancouver is located in a larger region where the geography and prevailing weather patterns drive most of the pollution created by cars and other sources into other areas.

Facts on Ozone Ground-level ozone is formed in the lower atmosphere by nitrogen oxide (NO_x) and volatile organic compounds (VOC), which react in the presence of heat and sunlight. As a result, ozone is typically a summertime pollutant and a chief component of summertime smog. Motor vehicle emissions are the single largest source of the pollutants that cause ozone. High concentrations of ozone are also the result of

Chart 10 Change in Commuter Modal Split

% Change in proportion of population using private vehicle, transit, walk/bike – ranked by private vehicle, all QOLRS municipalities – 1996-2001

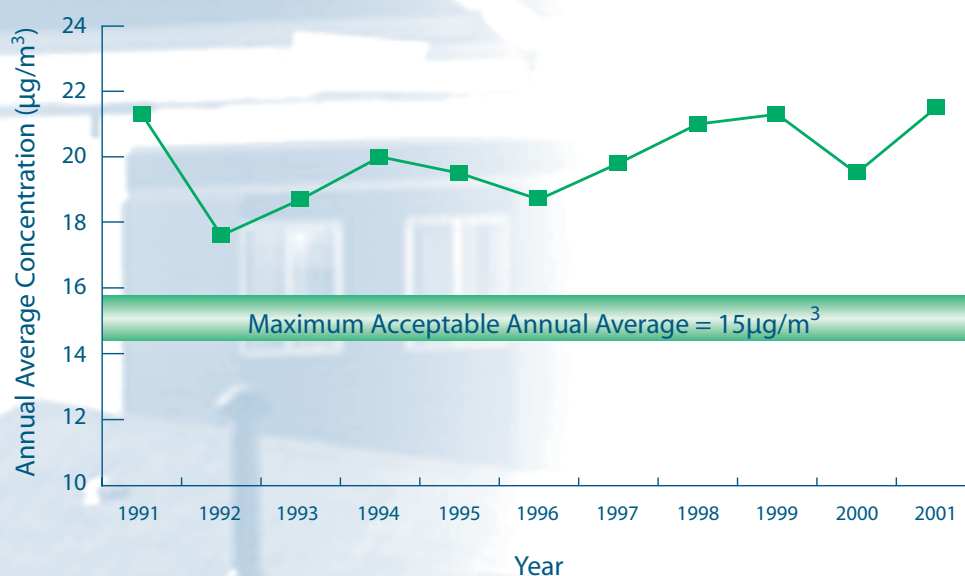


Source: Statistics Canada, 1996, 2001 Census

⁶ A bus strike at the time of the census could explain some of the decline in transit use shown for Vancouver. For more information see: <http://www12.statcan.ca/english/census01/Products/Analytic/companion/pow/publictrans.cfm>

industrial activity or power generation. Ozone can irritate the respiratory system, aggravate asthma and chronic lung diseases including, emphysema and bronchitis, and cause permanent lung damage. These effects can be worse in children and exercising adults. During periods of widespread elevated levels of ozone, it is estimated that more than 50 per cent of Ontario's ground-level ozone comes from the United States.⁷

Chart 11 Air Quality – Ozone (O₃)
Annual average ozone concentration, average for all QOLRS municipalities (µg/m³) – 1991-2001⁹



Source: Environment Canada, National Indicators & Assessment Office, National Air Pollution Surveillance Network, 1991-2001

Canada's Municipalities well-served by Municipal Wastewater Systems

Despite rapidly expanding populations, the majority of residents in QOLRS municipalities are served by a centralized sewerage system⁸ [Chart 12]. In addition, use of secondary and tertiary treatment of wastewater is common and increasing. Coastal municipalities were an exception to this trend, characterized instead by a far higher reliance on primary wastewater treatment [See Supplementary Chart 12a].

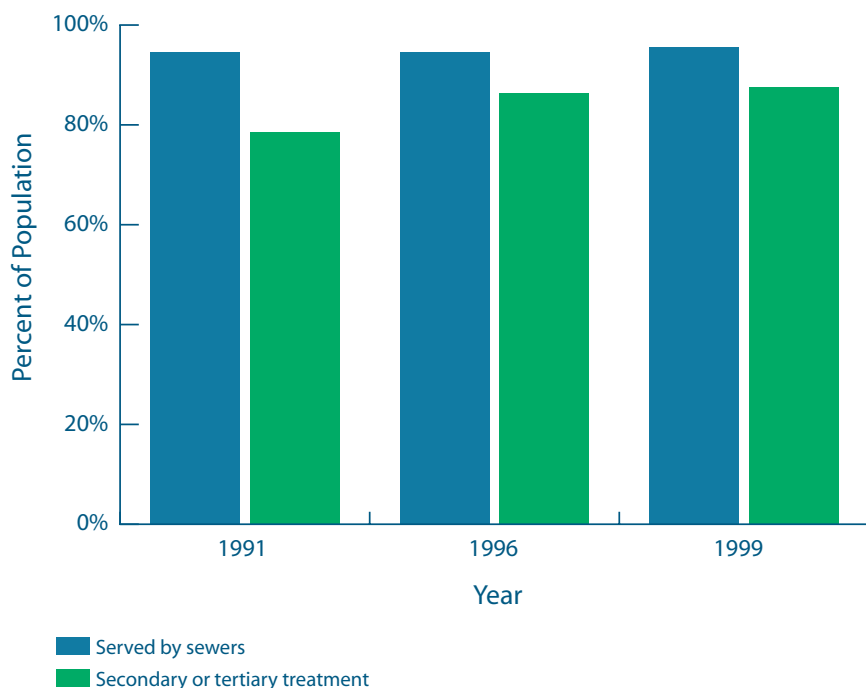
⁷ More information on ozone is available at the following websites: <http://www.airqualityontario.com/science/pollutants/ozone.cfm>;
<http://www.airqualityontario.com/press/publications.cfm>

⁸ Note that several QOLRS municipalities include rural areas serviced by on-lot sanitation systems rather than centralized wastewater collection and treatment systems.

⁹ (µg) refers to a microgram, which is equal to one millionth of a gram.

Chart 12 Sewage Collection and Treatment

Percent of population served by sewers and population receiving secondary or tertiary treatment, QOLRS average, 1991, 1996, 1999



Source: Environment Canada, Indicators and Reporting Division, Municipal Water Use Database, 1991, 1996, 1999

Not all wastewater is treated

equally Primary treatment removes about half of organic waste, while secondary treatment removes close to 100 per cent. Tertiary treatment is used to respond to particular water quality problems.

Rates of Municipal Waste Recycling and Diversion are on the Rise

Rates of recycling and diversion have been rising steadily since 1991 across all municipalities. Recycling rates grew from an average of 11 per cent in 1991 to more than 18 per cent by 2002 [Chart 13]. At the same time, rates of waste diversion grew from 20 per cent in 1991 to 32 per cent by 2002 [Chart 14].

These increases are due to new programs that cover a broader range of recyclable or recoverable materials. Municipalities have also succeeded in expanding the coverage of existing programs to reach a wider proportion of the population, including households living in multi-unit

buildings. [See Supplementary Charts 13a and 14a on the FCM Web site for the range of rates of recycling and diversion across the 20 QOLRS municipalities].

While the total amount of municipal waste sent to landfill each year has continued to increase, municipal efforts to reduce landfill waste have helped delay the need for additional investment in expanding existing facilities or developing new landfill sites.

Municipal Waste Collection, Recycling, and Diversion There are various terms related to municipal solid waste management.¹⁰ This report addresses the residential component of municipal waste management.

Waste Collection refers to all waste collected by the municipality from dwellings where residential activities are the source of the waste.

Waste Recycling refers to the process of diverting materials (e.g., glass, metal, plastic, paper) from the waste stream to the manufacturing process. Municipal waste recycling includes curbside collection of recyclables from single family and multi-family residences as well as residential drop-off of recyclables at depots.

Waste diversion includes a much broader set of municipal actions aimed at reducing the amount of waste entering landfills. In addition to recycling, waste is diverted through municipal leaf and yard-waste collection programs, curbside collection of household organics, drop-offs of household organics at depots, municipally sponsored backyard composting, and product-reuse initiatives.

For a complete glossary of terms, see the 2003 Manual on Generally Accepted Principles (GAP) for Calculating Municipal Solid Waste System Flow, available at <http://www.csr.org>

¹⁰ It has been virtually impossible to compare municipal waste generation and diversion in Canada because the types of materials municipalities include in waste-diversion measurements vary significantly. For example, some municipalities include waste from commercial establishments while others do not. A Canada-wide team was established in 2000 to examine municipal waste flow and diversion and to determine how to apply standardized principles and practices to measuring waste flow. The team developed generally accepted principles (GAP) for measuring municipal waste flow in a consistent manner across Canada. The GAP protocol was finalized for wide application and adoption in early 2001. More information on the GAP is available at Corporations Supporting Recycling website <http://www.csr.org>.

Chart 13 – Municipal Solid Waste Recycling
Residential waste recycled as a percentage of total residential waste collected, QOLRS average, 1991-2002



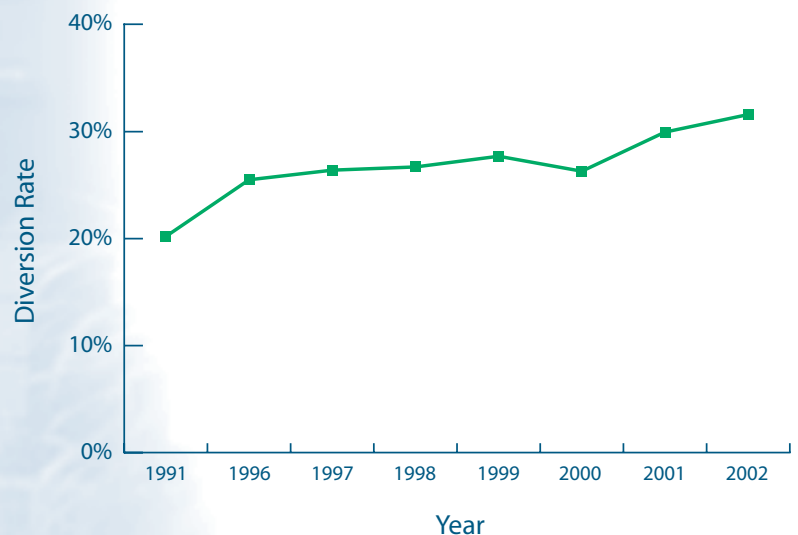
Source : Federation of Canadian Municipalities, Municipal Survey Database, 2003

Post-industrial countries that have achieved the highest rates of waste diversion from municipal landfills include Denmark (83 per cent), Japan (73 per cent), the Netherlands (69 per cent), and Sweden (67 per cent). These countries are characterized by low per capita rates of municipal waste generation and a reliance on a mixed strategy of recycling, composting, and incineration with energy recovery. National diversion rates for Canada were not available.

Source: Organization for Economic Cooperation and Development (OECD). *Environmental Data Compendium 2002: Environmental Performance and Information Division*.

<http://www.oecd.org/dataoecd/53/43/2958188.pdf>

Chart 14 – Municipal Solid Waste Diversion
Residential waste diverted as a percentage of total residential waste collected, QOLRS average, 1991-2002



Source : Federation of Canadian Municipalities, Municipal Survey Database, 2003

QOL FACTOR 3

PERSONAL GOALS AND ASPIRATIONS

Offering opportunities for the attainment of personal goals, hopes, or aspirations

The general trends for attainment of key aspirations, such as higher education, better employment and incomes and homeownership are positive, although household income gains have been concentrated at the upper end of the income scale, leaving many unable to reach their goals. The section on Fairness and Equity will discuss this in more detail.

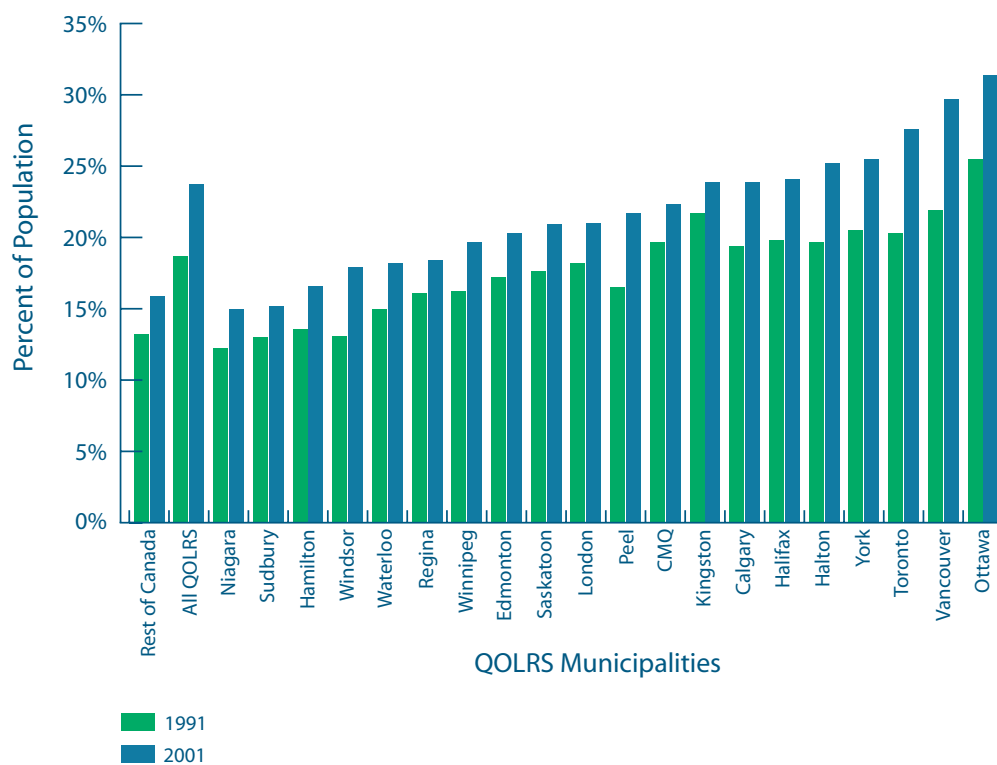
Levels of Education are Rising Consistently

Entry into well-paid, challenging employment in the Canadian urban labour market demands advanced and specialized educational qualifications. Post-secondary attainment levels of residents of QOLRS municipalities improved consistently for the entire 1991-to-2001 time period, reflecting a growing concentration of a highly educated labour force in Canadian municipalities and urban regions [Chart 15]. By 2001, the proportion of QOLRS municipality residents who had completed a post-secondary certificate, diploma, or degree program was approaching 25 per cent, well above the rate in the rest of Canada (16 per cent in 2001).

Facts on Illiteracy In Canada, people older than 15 with less than a Grade 9 education are considered illiterate. Fewer than 3 per cent of the QOLRS population

aged 25-34 fell into this category in 1991. By 2001, this number had fallen to 1.6 per cent (3.1 per cent in the rest of Canada). Illiteracy for all QOLRS residents above age 15 fell from close to 11 per cent to under 8 per cent during the same period. The rate of illiteracy in the 15+ age group in the rest of Canada fell from 16 per cent to 11 per cent during this time [See Supplementary Chart 15a on the FCM Web site].

Chart 15 Educational Attainment
Percent of Population aged 15+ with post-secondary certificate/
diploma/degree, all QOLRS municipalities – 1991, 2001



Source : Statistics Canada, 1991, 2001 Census

While advanced educational attainment is a prerequisite for achieving many career goals, it also raises expectations. Municipalities with a highly educated labour force and a weak local economy may not fulfill these expectations and risk losing their highly skilled labour force. Adding to this problem, many newcomers to the country are unable to fulfill their employment goals because their academic credentials are not immediately recognized.

As discussed in the next section, some evidence of this phenomenon is already apparent in the form of education levels rising while employment levels remain largely the same. The rapid changes in educational attainment suggest a need to examine more closely changes in the “human capital” of municipalities—a measure of the combination of qualifications, skills, experience and knowledge and the opportunities to use that capital.

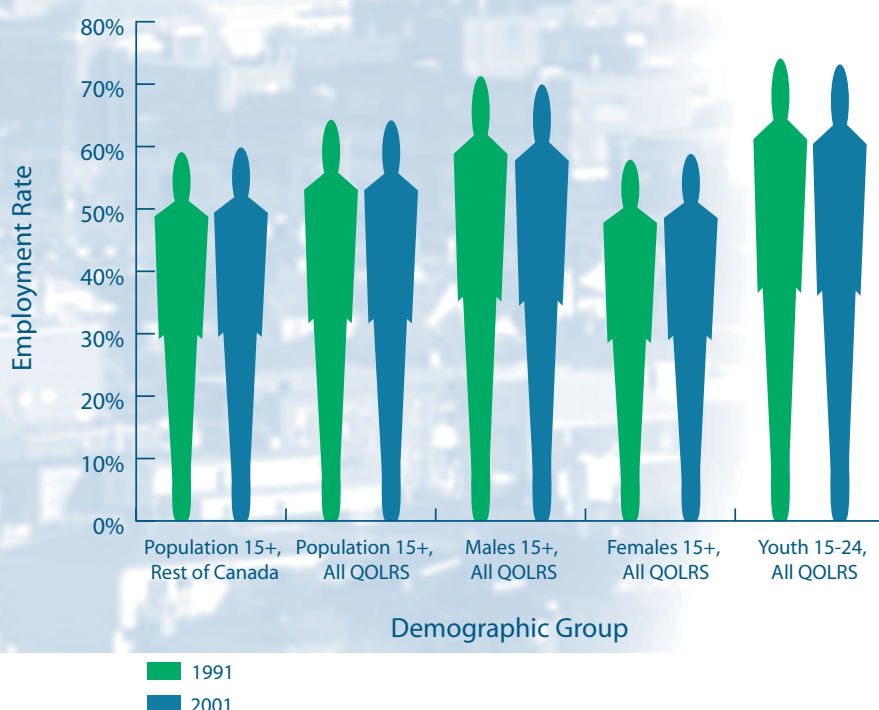
Employment Growth Expanded along with Population Growth

Central to attaining goals and aspirations is the ability to gain access to paid employment. The rate of employment growth during the period 1991 to 2001 was generally at the same level as the rate of population growth. The result was constant rates of employment for the QOLRS population as a whole, with slight declines in participation rates for males and youth [Chart 16].

Average employment rates in the QOLRS municipalities during this period were more than four percentage points higher than the rest of Canada. Another positive indicator was a slightly shrinking gender gap within the labour force. While

employment rates among males in the 20 QOLRS municipalities fell to just under 70 per cent by 2001, the employment rate within the female labour force rose to a level just below 59 per cent.

Chart 16 Employment Rate
QOLRS average for population aged 15 years+, males, females, youth;
and rest of Canada average for population aged 15+, 1991, 2001



Employment Rate The Employment Rate is the percentage of the total population 15 years and older who have jobs. This measure includes those not in the labour force (neither employed nor actively seeking employment).

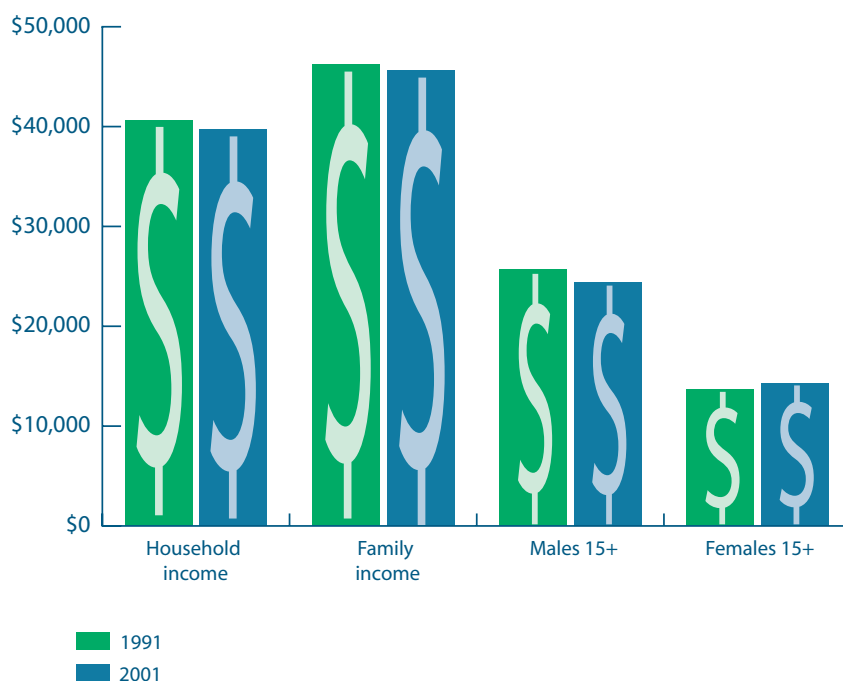
Source: Statistics Canada, 1991, 2001 Census - Custom Tabulation

Less Available Income for Families and Individuals

Median family income growth during the second half of the 1990s did not make up for the significant decline in incomes between 1990 and 1995 [Chart 17a]. After adjusting for inflation, median pre-tax *family* income in the 20 QOLRS municipalities fell slightly by 0.7 per cent during the 1990-2000 period. At the same time, median *household* income in the QOLRS municipalities fell in real terms by 4.0 per cent during the same 10-year period.

Families and Households *Family Income* excludes the incomes of single unattached individuals, while *Household Income* captures incomes from all persons older than 15 occupying a housing unit. If all families were in one long list according to income, the median family would be the one with an income that puts it in the middle. The median average is less likely than the mean average to be affected by a small number of extremely high-income families and resultant false conclusions about the “average” income.

Chart 17a Change in Median Pre-Tax Income
QOLRS median income (1990\$) for households, families, males 15 years+, females 15 years+ – 1990, 2000



Source : Statistics Canada, 1991, 2001 Census

Pre-Tax and After-Tax Income *Pre-tax* and *after-tax* income statistics are based on information provided in federal/provincial income tax returns. *Pre-tax* income, which is also called *gross* income, includes all sources of income—including government transfer payments—before the deduction of income taxes. *After-tax* income includes all sources of income, less federal and provincial income taxes, and accounts for the impact of tax credits.

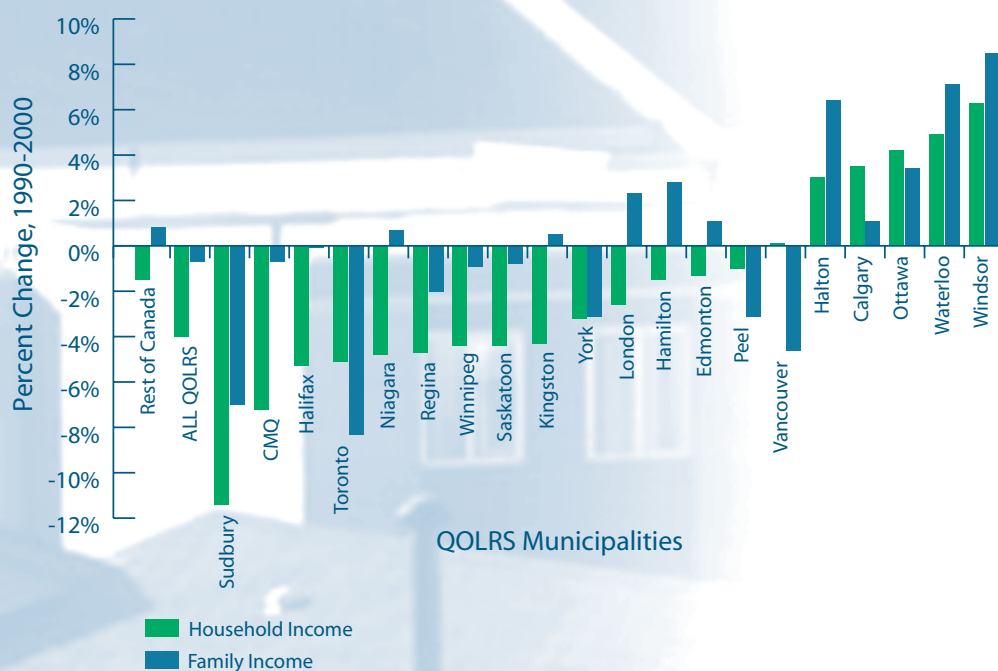
Median income growth varied considerably across the 20 QOLRS municipalities [Chart 17b]. Median family income grew significantly in only a limited number of medium-sized municipalities during this time, and declined in half of the 20 QOLRS municipalities. Median family income declined significantly in the two largest urban regions, with families in Vancouver, Toronto, York, and Peel experiencing declines of between three and eight per cent of income. Significant income declines were also experienced in Sudbury. Median household incomes increased in only six of the 20 QOLRS municipalities during this period.

Rates of Home Ownership Grew Rapidly

Owning a home is a goal shared by many Canadians¹¹. Home ownership represents an important and valuable long-term asset to households across the income spectrum. While residents of QOLRS municipalities have traditionally relied more heavily on rental housing than the rest of Canada, during the past ten years there has been a trend towards increased urban home ownership [Chart 18]. The six percentage point increase in

¹¹ As used here, home ownership includes owning and occupying single detached houses, freehold townhouses and condominium apartments.

Chart 17b Change in Median Pre-Tax Income
% Change in median family and household income (1990\$),
all QOLRS municipalities – 1990-2000



Source : Statistics Canada, 1991, 2001 Census

non-rental tenure—from less than 56 per cent of all QOLRS households in 1991 to 62 per cent in 2001—represented a 26 per cent growth in this tenure type during this period. This growth in ownership was considerably faster than in the rest of Canada, which experienced a 19 per cent increase during the 10-year period and saw the proportion of owners rise by two percentage points to 68 per cent [See Supplementary Chart 18a on the FCM Web site for a measure of ownership by municipality].

Chart 18 QOLRS Dwellings by Tenure
Per cent total dwellings owned and rented, QOLRS Average – 1991, 2001



Source : Statistics Canada, 1991, 2001 Census

QOL FACTOR 4

FAIRNESS AND EQUITY

Promoting a fair and equitable sharing of common resources

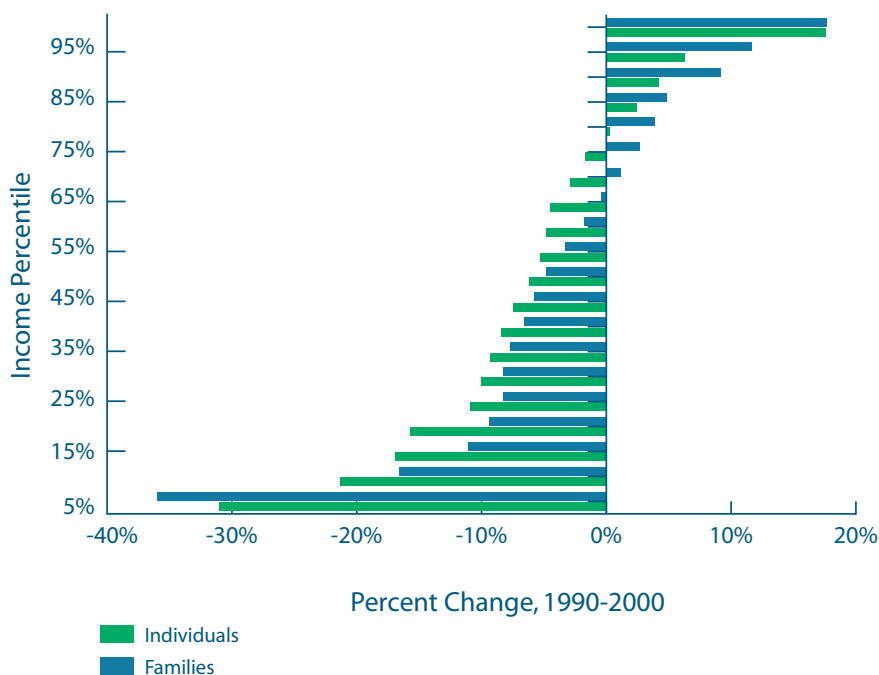
While average inflation-adjusted incomes have grown in most QOLRS municipalities, a closer look confirms that middle and lower income households have lost ground over the past decade. Furthermore, households from “minority” or “vulnerable” populations have not shared in the benefits of economic growth.

A Trend toward Greater Inequality in Income and Employment

An important factor in measuring quality of life is the extent to which the benefits of income growth and employment are shared equally [Chart 19]. This, in turn, influences the opportunity for all residents to achieve their goals and aspirations. The tax filer data confirms that only the wealthiest 30 per cent of families and 20 per cent of individuals in the 20 QOLRS municipalities enjoyed any increase in before-tax income between 1990 and 2000. In contrast, the before-tax incomes of low and modest income individuals—the bottom 30 per cent on the income scale of all unattached individuals—decreased by 10 per cent or more (after adjusting for inflation) during this time.¹²

Income Percentile *As used in this report, Income Percentiles represent the total population ranked from highest to lowest in terms of either individual or family income. For example, if the 25th percentile of family income is shown as \$30,000, then 75 per cent of families under review have a total income greater than \$30,000 and 25 per cent of families have a total income less than or equal to \$30,000. The information in the percentiles table relies on data contained in personal income tax forms.*

Chart 19 Income Inequality
Change in before-tax income by percentile, individuals and families (1990\$), QOLRS median, 1990-2000



Source: Statistics Canada, Small Area and Administrative Databank, 1990, 2000

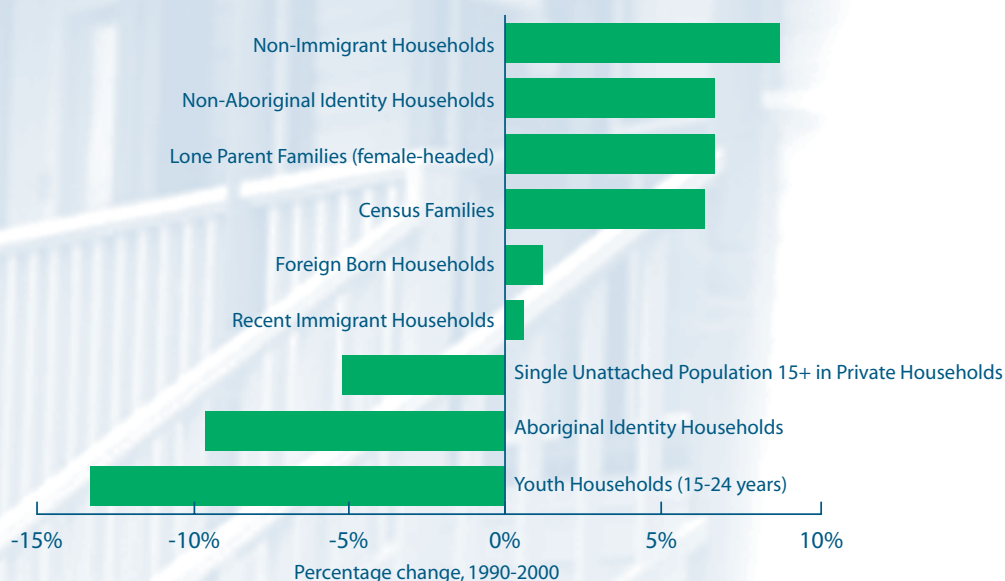
Growing Income Divisions between “Majority” and “Minority” Populations

Another measure of income equality relates to the difference in income growth and total income between different demographic and ethnic groups [Chart 20; Table 2]. In general, income growth of “minority” or “vulnerable” groups was substantially lower during the period 1991-2001 than their “majority” counterparts. Female-headed lone-parent families were an exception, with this group experiencing income growth that exceeded the rate for all families.

¹² Both Chart 17b and Chart 19 make reference to the change in pre-tax median family income. However, the 6.2 per cent decline in median family income for the QOLRS communities indicated in Chart 19 is different from the 0.7 per cent decline found in Chart 17b. This discrepancy is due to the different data source used for each of these charts. Chart 19 relies on Statistics Canada’s Small Area and Administrative Division Taxfiler data while Chart 17a relies on Census Division data. While relying exclusively on a single data source would be preferable, each of these sources provides different views of income. For example, the tax filer data is the only source for measuring income distribution by percentile.

Table 2, below, illustrates the significant income differences among these groups. For example, the average income of all families was nearly twice that of lone-parent family incomes. Similarly, the incomes of non-Aboriginal identity households were 1.7 times higher than those of Aboriginal identity households.

Chart 20 Income Inequality – Vulnerable Populations
Percentage change in average (mean) household and family real income (1990\$)
by demographic and ethnic group, QOLRS average – 1990-2000



Source: Statistics Canada, 1991, 2001 Census - Custom Tabulation

A Growing Income Gap between the Wealthiest and Poorest

A simple measure of the distribution of resources is the ratio of society's highest to lowest income earners. The growing size of this ratio is referred to as the "Income Gap" and corresponds to a growing inequality in the distribution of income and wealth. A report prepared for FCM and released in November 2003 provides additional analysis of the growing income gap in Canadian municipalities. *Falling Behind: Our Growing Income Gap* builds on one of the key findings of the 2001 Report on Quality of Life in Canadian Municipalities, which stated that "the income gap between Canada's wealthiest and poorest urban residents is growing." One of the report's main findings is that an increase in this gap ultimately diminishes quality of life for all residents at both ends of the income spectrum.

Table 2 Average Household Income, 2000	Rest of Canada	ALL QOLRS
A. Census Families	\$61,006	\$74,608
B. Lone-Parent Families (female-headed)	\$32,112	\$37,995
C. Single Unattached Population 15+ in Private Households	\$33,265	\$42,746
D. Youth Households (15-24 years)	\$36,624	\$39,856
E. Non-immigrant Households	\$51,354	\$79,888
F. Foreign Born Households	\$61,375	\$70,997
G. Recent Immigrant Households	\$63,241	\$58,495
H. Non-Aboriginal Identity Households	\$63,303	\$78,012
I. Aboriginal Identity Households ¹³	\$45,136	\$46,838
J. Non-Visible Minority Households	\$62,461	\$80,427
K. Visible Minority Households	\$60,771	\$68,343

¹³ The Aboriginal identity population refers to those who identified themselves as Aboriginal in the national census.

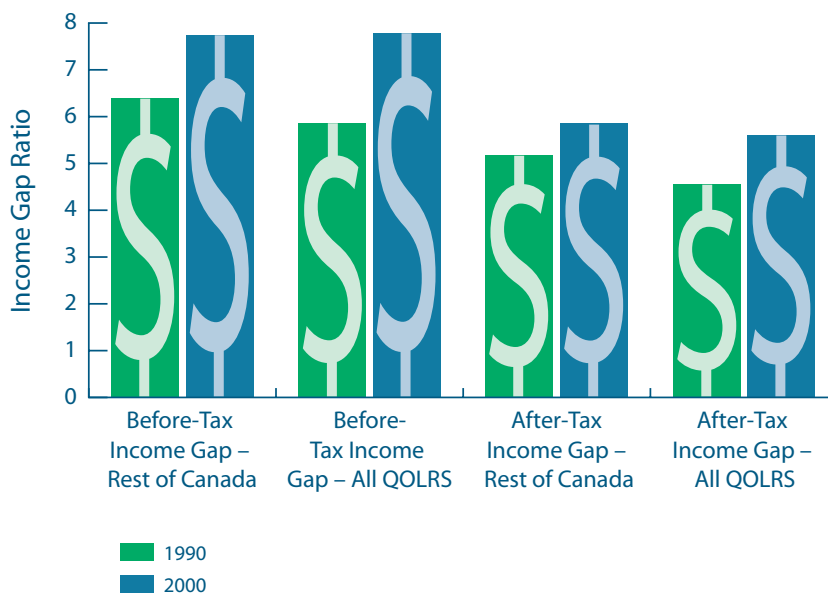
The Income Gap report points to studies in Europe and the United States that suggest that, while levels of income are important determinants of poverty, it is the level of inequality that may be more important to understanding the implications for individuals and the broader community. In particular, the growing gap between high and low incomes is understood to have implications for individual and community health, crime, education, political stability and governance, and social cohesion. Furthermore, changes to government transfer payments and the erosion of public services during the 1990s have meant that these mechanisms are less able to reduce inequality. Instead, strong social infrastructure has taken on an increasingly important role in moderating the effects of growing inequality.

Charts 21 and 22 illustrate the change in the income gap in relation to individuals and families in all 20 QOLRS municipalities as a group. In all cases, the income gap grew during the 10-year period and was widest among individuals. In the case of the QOLRS average for before-tax year 2000 income, the 90th percentile *family* income was close to eight times higher than the 10th percentile family income (\$123,250 versus \$16,100). In comparison, the ratio between the 90th and 10th percentile individual income was more than 13 times higher (\$63,200 versus \$4,700) in 2000. The income gap was marginally wider in the rest of Canada for both individuals and families.

The federal and provincial income tax system includes a combination of taxes taken from individuals and families and tax credits transferred to individuals and families. In a progressive tax system, higher income earners experience relative losses in income, while lower income earners enjoy relative gains. In fact, Charts 21 and 22 indicate that the federal and provincial income tax systems reduced the size of the 2000 income gap from close to eight to less than six in the case of QOLRS families, and from more than 13 to less than 11 in the case of individuals. [See Supplementary Charts 21a-b and 22a-b on the FCM Web site for income gaps by municipality.]

Chart 21 Family Income Gap

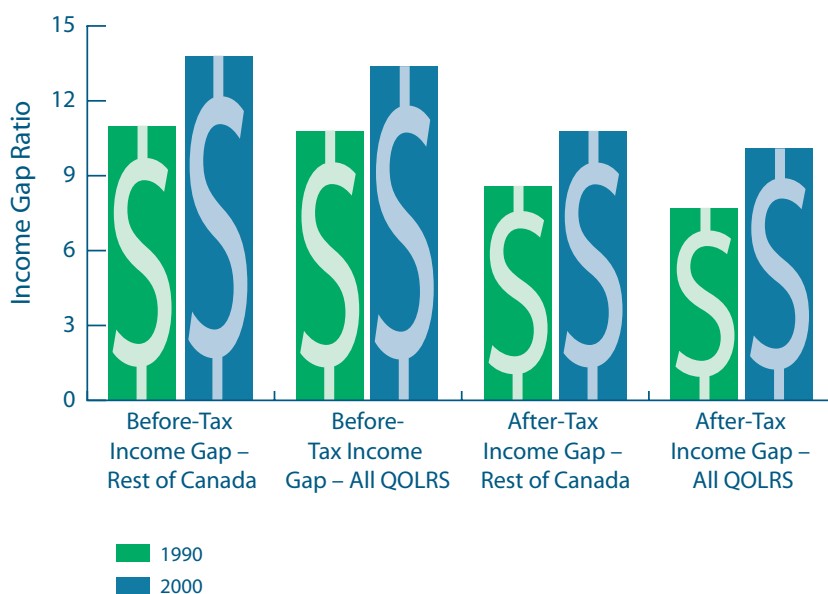
Ratio of 90th family income percentile to 10th family income percentile, before- and after-tax, Canada and QOLRS averages, 1990, 2000



Source : Statistics Canada, Small Area and Administrative Data – 1990, 2001

Chart 22 Individual Income Gap

Ratio of 90th individual income percentile to 10th individual income percentile, before- and after-tax, Canada and QOLRS averages, 1990, 2000



Source : Statistics Canada, Small Area and Administrative Data – 1990, 2001

QOL FACTOR 5

BASIC NEEDS

Enabling residents to meet their basic needs

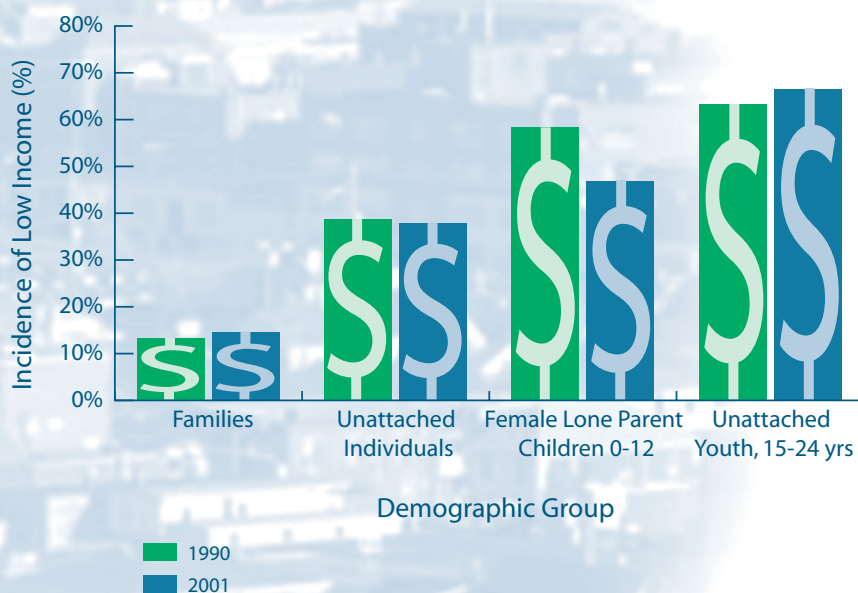
The majority of families and individuals living in the 20 QOLRS municipalities had sufficient incomes to meet their basic needs of shelter, food and clothing. However, many individuals and families are facing a combination of stagnant or declining incomes, rapidly growing costs of shelter, and reductions in the size of social assistance. The result is extreme vulnerability pushing these individuals and families toward the margins of society.

Rates of Poverty Were Largely Unchanged, but Remained High for Certain Groups

Rates of poverty for the QOLRS population as a whole measured in terms of the Low Income Cut Off (LICO) remained largely unchanged between 1991 and 2001 [Chart 23]. LICO rates for both families and individuals did decline substantially between 1996 and 2001. However, this decline did not make up for increases between 1991 and 1996. While family poverty was marginally lower in 2001 as compared to ten years earlier, poverty among single unattached individuals was marginally higher in 2001. Furthermore, poverty among individuals—accounting for 35 per cent of urban population—remained at three times the rate of family poverty. Within this group, urban poverty was highest among youth (ages 15-24).¹⁴ Female-headed lone-parent families with young children under 12 were an important exception to this trend. Changes to National Child Benefit

programs targeting lowest income families were likely one important factor as rates of poverty for this group fell from 60 to 50 per cent of all female-headed lone-parent headed families.

Chart 23 Income Security – LICO
Proportion of families and individuals living below the low income cut off (LICO) as % of each family/household type, QOLRS average – 1991, 2001



Source: Statistics Canada, Small Area and Administrative Data – 1990, 2001

Basic Needs and Poverty The Low Income Cut-off (LICO) is a measurement of poverty based on the percentage of income spent on food, shelter, and clothing. Families or unattached individuals with incomes below the LICO spend at least 20 per cent more of their income than the average on food, shelter, and clothing. The LICOs are calculated according to family size and the extent of urbanization.

The Low Income Measure (LIM) is a measure of poverty similar to the LICO, but providing a single

¹⁴ While the relationship between household types living below LICO as described here is similar across the 20 QOLRS municipalities, there is substantial variation in terms of overall levels of poverty (5-21 per cent for families, and 28-43 per cent for individuals). Please refer to Supplementary Charts 23a-d on the FCM Web site.

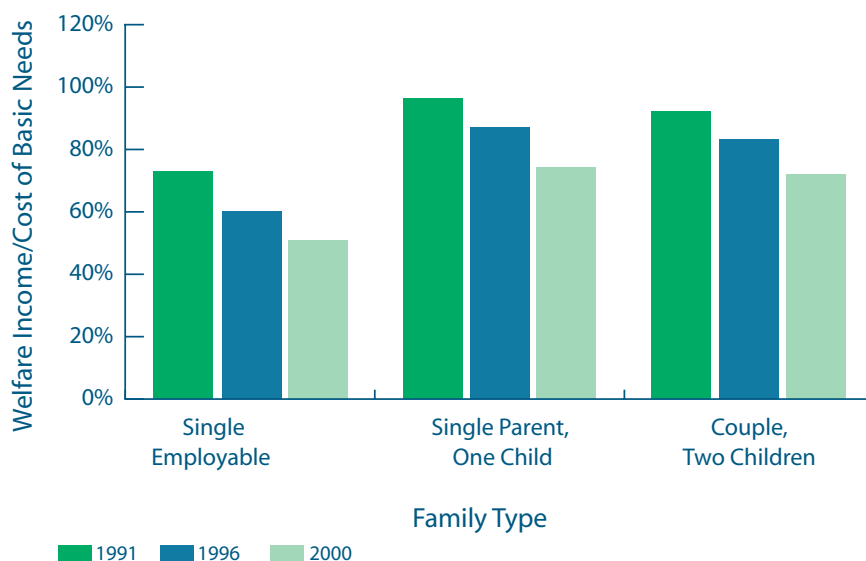
income threshold for different household sizes. The LIM does not take into account the size of individual municipalities or their cost of living.

The Market Basket Measure (MBM), developed by Human Resources Development Canada, includes estimates of the cost of food, clothing and footwear, shelter, transportation, and other goods and services related more to actual local costs of living. Using the MBM, households are considered to be living in poverty when they do not have sufficient income to purchase the goods and services that make up the MBM basket.

Another factor affecting those living in poverty was changes to social assistance rates established by provincial governments

[Chart 24; Table 3]. In 2000, 11 per cent of all QOLRS households received Social Assistance benefits. A family on social assistance in 2000 was able to afford only 72 per cent of their basic needs, as defined by the Low Income Measure (LIM).

Chart 24 Social Assistance and Basic Needs
Social assistance income as a % of the cost of basic needs, by family type – 1991, 1996, 2000



Source : National Council of Welfare, Welfare Incomes Report 1991, 1996, 2000/2001
Source : Human Resources Development Canada, Report of the Market Basket Measure, 2003
Source: Statistics Canada Income Statistics Division. 2002. Low Income Cut-offs from 1992 to 2001 and Low Income Measures from 1991 to 2000.

Significant Declines in Overall Affordability for Low and Modest Income Earners

While municipalities remain affordable for the majority of families and individuals, low and modest income individuals in 19 of 20 QOLRS municipalities were not able to afford their basic needs [Chart 25]. In addition, the cost of basic needs in the two largest urban centres of Toronto and Vancouver was greater than the incomes of families at the 25th percentile [See Supplementary Charts 25a-b on the FCM Web site for measures of affordability by municipality.] This affordability gap is not limited to those on social assistance. Also represented are individuals relying on minimum wage jobs or those falling in and out of employment.

Table 3—Basic Needs and Social Assistance, 2000

Family Type	Low Income Measure	Social Assistance Income
Single	\$12,468	\$6,323
Couple, Two Children	\$24,936	\$17,964
Single Parent, One Child	\$17,455	\$13,172

Community Affordability The measure of community affordability used in Chart 25 provides a ratio of prevailing income levels to the local cost of living using the Market Basket Measure (MBM). The report measures the level of affordability for modest-income families and individuals (at the 50th income percentile), as well as low-income families and individuals (at the 25th income percentile).

Chart 25 Income and Basic Needs

Income as a percentage of basic needs, as defined by the Market Basket Measure, for low and modest income families and individuals, QOLRS average – 2000



Source : Statistics Canada, Small Area and Administrative Data, 2001

Source : Human Resources Development Canada, Report of the Market Basket Measure, 2003

Major Concerns related to the Rental Housing Sector

The affordability gap individuals and vulnerable families face can be best explained in terms of the cost and supply of rental accommodation in Canadian municipalities. More than 40 per cent of households in the QOLRS municipalities were living in rental housing in 1991. However, construction of new rental units came to a near halt in the subsequent 10-year period, falling from 31 per cent of starts to 8 per cent [Chart 26]. This phenomenon was pronounced in the QOLRS municipalities. In contrast, rental

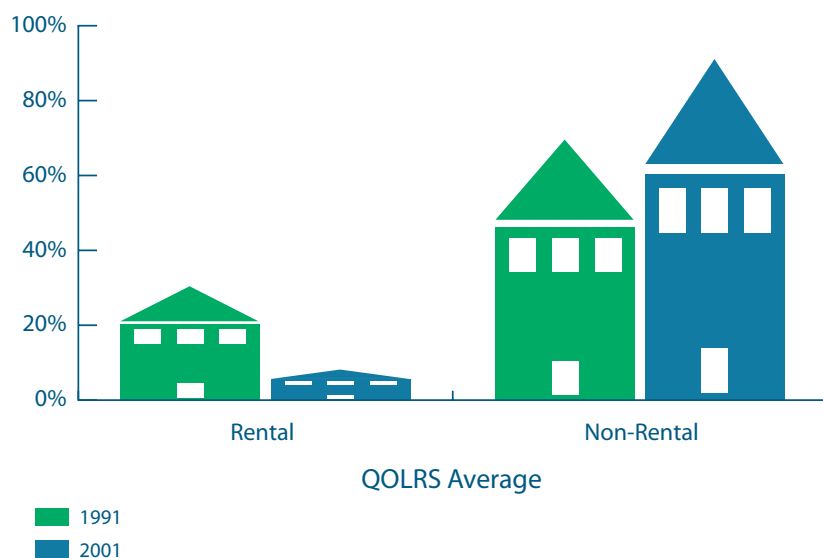
starts in the rest of Canada changed far less dramatically, falling from 19 per cent of total starts in 1991 to 13 per cent of total starts by 2001. While not all rental starts offer affordable housing, the rental market offers a relatively affordable entry point to the housing market.

One consequence of this gap was that rents at the lowest end of the rental market increased at rates considerably faster than the overall rental market. During the same period, the poorest 20 per cent of the population were experiencing significant declines in their inflation-adjusted incomes [Chart 27], so incomes did not keep up with rents. A common measure of housing affordability is the proportion of households spending more than 30 per cent of their income on shelter. Between 1991 and 2001, the proportion of renter households in the 20 QOLRS municipalities spending 30 per cent or more of their income on shelter grew from 35 per cent to 41 per cent. During that same time, the proportion of renter households spending 50 per cent or more of their income on shelter grew to 20 per cent from 16 per cent.¹⁵

¹⁵ Source : Statistics Canada, Census Division, 1991 and 2001 Censuses.

Chart 26 Housing Security

Rental housing starts as a percentage of total housing starts, QOLRS average – 1991, 2001

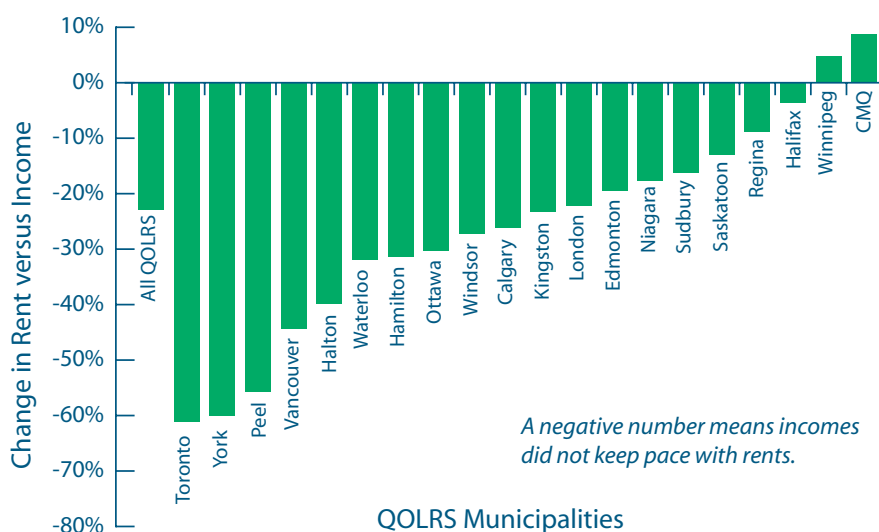


In addition to placing a burden on individuals and families, the affordability gap threatens the labour supply of the growing urban service industries that depend on low-wage workers.

Source: Canada Mortgage and Housing Corporation, Canadian Housing Observer, Housing Market Indicators, Canada, 1990-2002

Chart 27 Income versus Rents¹⁶

The difference between the change in low incomes and change in low-end rents, all QOLRS municipalities, 1991-2001



Source: Canada Mortgage and Housing, Rental Market Survey, 1991, 2001; Statistics Canada, 1991, 2001 Census

¹⁶ Calculations based on the difference between inflation-adjusted changes in 20th percentile rents (1991-2001) and 20th percentile after-tax individual incomes (1990-2000). A negative number indicates that the change in income did not keep pace with the change in rents. Typically, rents rose while incomes declined.

Growing Challenges Facing Municipal Governments

Municipal governments, with the federal and provincial/territorial governments, face a variety of challenges in the delivery of human services intended to support vulnerable urban populations. The challenge is acutely evident in times of fiscal restraint and economic recession, when resources may be stretched while even more people turn to social supports for their needs. In many instances, municipalities are being forced to deal with the negative consequences of provincial/territorial and federal policy changes and budget cuts, but lack the resources to adequately address these increasingly difficult problems. While the economy has shown signs of rebounding, there are still numerous challenges ensuring that services adapt to reflect new or changing needs.

Individual residents are finding it increasingly difficult to meet their basic needs in a number of areas where access to local services is required. A national survey of municipal governments conducted by FCM has indicated that budget cuts have made accessibility and affordability the two primary challenges for municipal service delivery.¹⁷

The result is that many individuals are finding it harder to enroll, for example, in an education program they require, or are paying much higher fees.

In contrast to the majority of families in the QOLRS municipalities, low and modest income families in Toronto and Vancouver are increasingly unable to afford their basic needs. This inability is having a measurable impact on homelessness among families. While the largest group using the City of Toronto's emergency shelter system remains single men, admissions of youth, couples, and single-parent and two-parent families are growing at a faster rate than those of singles, according to the City's Community and Neighbourhood Services Department. The 2003 survey of the 20 QOLRS municipalities collected information on the types of emergency shelters now in place to address homelessness. In the case of Toronto, approximately one-third of the city's 80 emergency shelters are now devoted to single-parent or two-parent families experiencing homelessness. In Vancouver, under 30 per cent of shelters serve single men exclusively. These changing demographics pose new challenges to municipal service providers, as the needs of families are significantly different than those of single men.

The QOL Technical Team has developed a series of indicators addressing the issue of homelessness in Canada's municipalities. These indicators focus on the role of emergency shelters in responding to the needs of homeless men, women, families and youth.

The indicators also measure the risk of homelessness represented by a combination of inadequate incomes and high shelter costs. The full set of indicators of absolute homelessness and the risk of homelessness can be found on the FCM Web site.

¹⁷ A survey of the 20 QOLRS municipalities was conducted in 2003 by the QOLRS Project Team. Survey questions addressed a broad range of quality of life issues and challenges facing Canadian municipalities. This qualitative survey reflected several indicators prepared for FCM's Quality of Life Reporting System and covering a broad range of community and social infrastructure. These indicators relate to the role of municipal government in building social cohesion and enhancing social networks through services such as daycare, social assistance, public transit, and social housing. These and other indicators of community and social infrastructure can be found on the FCM Web site.

QOL FACTOR 6

SOCIAL INCLUSION

Supporting rich, social interactions and the inclusion of all residents in community life

The strength of Canadian municipalities cannot be measured strictly in terms of overall trends in income and economic growth. Quality of life is also a function of active social networks and public spaces and services that support the inclusion of all residents in city life. The loss of government-sponsored social safety nets and the decline of the two-parent family as the “social core” of society require a greater role for private citizens in contributing to social networks. Observed changes in family structures resulting in more single people, single parents and childless couples call for more study on how the traditional nuclear family is being replaced with other social support networks.

Traditional Measures of Civic Engagement are on the Decline

Several trends during the period 1991 to 2001 suggest deterioration in civic engagement. Voter participation rates for federal elections were on a downward trend, with federal election voter participation among QOLRS municipality residents consistently lower than the national average, and municipal election turnouts hovering at a consistently low level [Chart 28a]. Both the proportion of people making charitable donations and the number of volunteers fell consistently during the 10-year period in almost all QOLRS municipalities. While fewer residents were making donations, the QOLRS municipalities experienced overall increases in the total amount of donations (even after accounting for inflation) [Chart 28b]. This was due to fewer donors making larger donations and suggests that fewer people are taking on more responsibility.

New Immigrants and Aboriginals Face Barriers to Inclusion

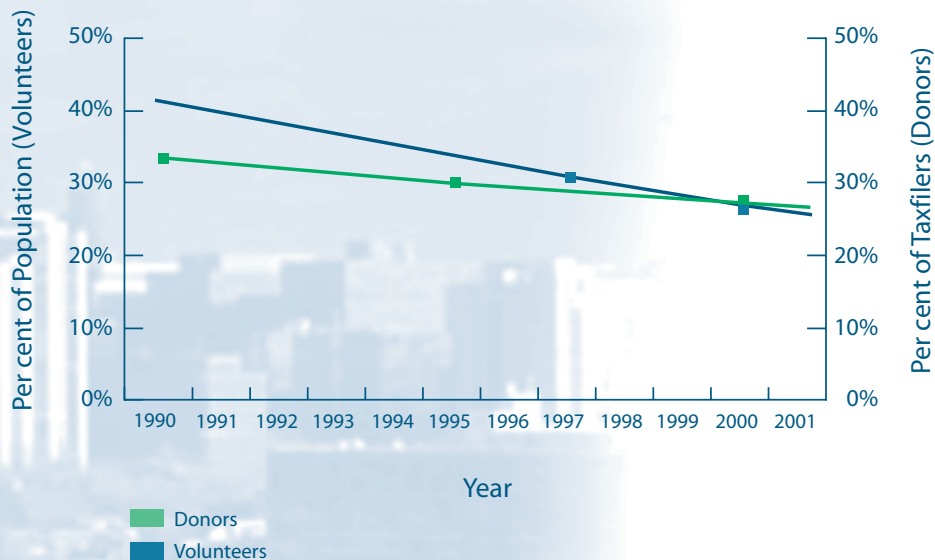
A second dimension of social inclusion is the importance of promoting meaningful interaction among an increasingly diverse and potentially divided population. This interaction is necessary to avoid social isolation among groups like single seniors and single parents and social divisions between the historical “majority” population and the rapidly growing ethnic, cultural, and linguistic minorities. One important form of interaction occurs within the context of labour force participation [Chart 29]. Participation rates for new immigrants failed to rise between 1991 and 2001; remained a full 8 percentage points lower than non-immigrants; and fell significantly in several larger urban centres.

Chart 28a Civic Engagement – Elections
Voter Participation in Federal and Municipal Elections,
QOLRS average – 1991-2001



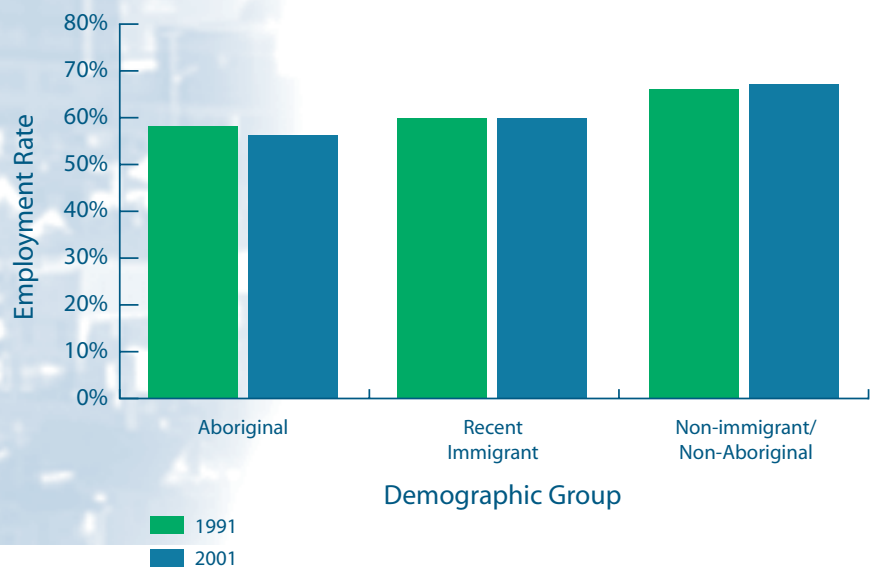
Source: Elections Canada, 1993, 1997, and 2000; Federation of Canadian Municipalities, Municipal Survey Database, 2003

Chart 28b Civic Engagement – Volunteerism and Charitable Donors
Percentage of population volunteering and percentage of taxfilers making charitable donations, QOLRS average – 1990-2001



Source: National Survey of Giving Volunteering and Participating, 1997, 2000
Source: Statistics Canada, Small Area and Administrative Data – 1990, 1995, 2000

Chart 29 Inclusion of Recent Immigrant and Aboriginal Populations
Employment rates for Aboriginal, recent immigrant, and non-immigrant/non-Aboriginal populations, QOLRS average – 1991, 2001



Source: Statistics Canada, 1991, 2001 Census - Custom Tabulation

Unemployment rates among new Canadians also remained measurably higher than among non-immigrants. This suggests that immigrants need more help integrating into the economy and society. More analysis is required to determine the quality of employment for recent immigrants including the occupations and educational attainment of recent immigrants living and working in Canada's municipalities. Although there is a shortage of physicians and other specialists, many foreign-trained professionals are unable to gain recognition for their foreign accreditation.

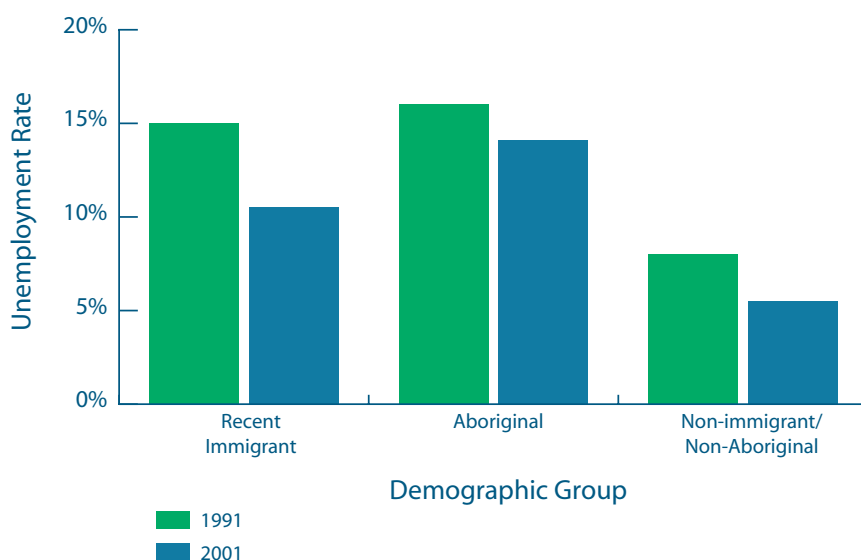
Difficulty in finding affordable rental housing is an important barrier to entry into the labour force faced by recent immigrants. A stable base is necessary before an individual can effectively look for work. This link between immigration and affordable housing also reflects the importance of understanding the relationships between the various factors of quality of life described in this report.

Of similar concern was the low level of inclusion of the Aboriginal population in the Canadian urban labour force [Chart 30]. Employment rates among the Aboriginal population fell between 1991 and 2001, moving to a full eight percentage points below the overall QOLRS average by 2001. Overall unemployment rates among the Aboriginal identity population living in the QOLRS municipalities were more than twice the rate of the QOLRS average for the non-Aboriginal identity population.

Conclusion

In general, this report finds that progress on Quality of Life has been mixed, with the benefits not shared by all. Despite a recovery from the recession of the early 1990s, there are clear indications of continuing income inequality and social exclusion, as well as pressure on the environmental. As a result, Quality of Life in these communities remains fragile. This fact must be incorporated into public policy thinking. Concerted policy action by all orders of governments is urgently needed to establish sustainable foundations for Quality of Life in these municipalities and in our country.

Chart 30 Inclusion of Recent Immigrant and Aboriginal Populations
Unemployment rates for recent immigrant, Aboriginal and non-immigrant/non-Aboriginal populations, QOLRS average – 1991, 2001



Source : Statistics Canada, 1991, 2001 Census – Custom Tabulation

