
Niagara  Region

REPORT TO: Chair and Members of the
Corporate and Financial Services Committee

SUBJECT: Federation of Canadian Municipalities
Quality of Life Reporting System

RECOMMENDATION

That this Committee recommend to Regional Council:

- 1) That this report be received for information.

PURPOSE

This report is to serve as an accompaniment to the release made on May 11, 2005 by the Federation of Canadian Municipalities (FCM) Quality of Life Issues Report on Growth, the Economy and the Urban Environment.

BACKGROUND

The FCM report on Growth, the Economy and the Urban Environment consists of information pertaining to 20 communities within Canada which make up approximately 40 per cent of Canada's total population. It is the third, and final, theme report developed by the FCM, the previous two having been addressed in CAO 1-2005 and CAO 5-2005, Niagara's Theme 2 Report. The statistics used in these reports are drawn from a reporting system consisting of hundreds of variables which measure changes in social, economic, and environmental concerns. This information was drawn from the findings of the 2004 highlights report released in April.¹ The Highlights Report selected a number of locally relevant indicators from the Quality of Life Reporting System to show progress in six categories representing quality of life between 1991 and 2001.

¹ Federation of Canadian Municipalities. 2004. *Quality of Life Reporting System. Highlights Report 2004*. Ottawa.

A definition of quality of life has been developed by the FCM, and serves as the base for measuring change in quality of life over time. Inherent within this definition is the fact that quality of life within a municipality is influenced by a number of interrelated factors including: 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.²

Through the use of this measurement framework, it was found within the Highlights Report released in April 2004 that quality of life in the 20 communities was at risk, and has been on the decline for a significant portion of the population between 1991 and 2001. While there have been general improvements in areas such as rates of post-secondary education, employment growth and home-ownership, such improvements are offset by a growing income gap, changes to social programs, and an increased strain on the urban environment. Also portrayed within the Highlights Report was a rocky period of economic declination between 1991 and 1996, followed later by recovering levels of income, falling incidences of poverty and reduced housing affordability problems between 1996 and 2001. Not all households, however, shared equally in this recovery.

The current FCM theme report goes into a greater amount of detail on a narrower set of trends which occur during the same ten year period, and the effects on the natural environment and local economy in the 20 Quality of Life Reporting System (QOLRS) municipalities. Discussed in the report are the pressures put on the natural environment in urban and rapidly urbanizing communities in the context of population, household income, and economic growth. Almost without exception, environmental pressure continues to expand in tandem with the expansion of the economy and population within a community. These issues most closely relate to two of the six factors included in the FCM's definition of quality of life: Develop and maintain a vibrant local economy, and protect and enhance the natural and built environment.

REPORT

Where Does FCM fit in the mix of Niagara Initiatives?

The FCM Quality of Life Reporting system is one of a number of measurement systems employed by the Region to gauge progress on selected community or organizational objectives, and forms a key component of the Balanced Performance Measurement Framework currently being developed. Our participation in such measurement systems is in keeping with the Melbourne Principle 10 calling us to, "Enable continual improvement, based on accountability, transparency and good governance." Council previously adopted report CAO 24-2004 which outlined the importance of our measurement systems to the sustainability of our community. Later this year Council can expect further reporting on a balanced performance measurement system.

² This definition was developed and endorsed by the QOLRS Technical Team, which includes representatives of FCM and each of the 20 QOLRS municipalities.

The assessment of the quality of life in a community should produce discussion among community stakeholders of where we want to be. The Quality of Life indicators highlight areas of strength and weakness both over time and relative to other municipalities. The participation in this study and collection and analysis of these indicators will not, in and of itself, improve the quality of life in Niagara. These indicators will form a part of a Balanced Scorecard that will assist in setting targets with respect to priority areas for Niagara. They will guide Council and senior management, in consultation with community stakeholders, through the evolution of the strategic plan to include specific targets for the community to work towards achieving.

Once the community has set some priorities, and the organization has identified the contributions required of it to assist in achieving the objectives the focus can then turn to the more specific outcomes that need to be pursued within the limited resources of the organization. This is done through our internal processes of strategic planning, service planning, budgeting, and assessments of the services we provide.

National Findings on Growth, the Economy, and the Urban Environment

A number of trends occurred across QOLRS communities relating to growth, the economy, and the urban environment.

There was a growth in the number of households that was exceeding population growth. There were a number of exceptions to this trend, however, for the most part, these trends corresponded with development of lower density housing units. This contributed to urban sprawl, increased infrastructure costs, traffic congestion, limited use of public transit and loss of downtown vitality across a number of QOLRS communities. Also, various indicators of growth such as construction activity, household income, employment growth, and consumer bankruptcies pointed towards a period of weak growth for the first half of the decade studied, and a strong period of recovery over the second half.

It was also found that commuters are relying overwhelmingly on private transportation, and are traveling progressively longer distances to get to work. While some of the trends related to air quality were positive, there was a general issue with the concentration of ground level ozone and associated smog alerts as a health hazard across QOLRS communities.

What does this Mean for Niagara?

The Region of Niagara is committed to working to mitigate the damaging effects that economic growth may have on the natural environment in Niagara. The Region discourages low density forms of development which creates urban sprawl, and instead prefers to focus on higher density development revolving around an urban core. Programs should be aimed at promoting diversion of solid waste and recycling. Also, promotion of transportation demand management and air quality initiatives is important to maximizing the environmental sustainability of Niagara.

Population and Household Growth

Across QOLRS communities, household growth on average experienced an increase. Overall, the amount of household growth in family households with children remained somewhat higher than that of households with no children. The rate of household growth for singles and couples without children rose substantially more than that of family households over the 1991 to 2001 period.

Niagara has a low rate of growth in family households with children, with overall growth rates showing very few increases during the period between 1991 and 2001. Niagara's rate of growth is significantly lower than the QOLRS average. For Niagara, the rate of growth of households with singles and couples without children was at about the average for QOLRS communities, although growth in this category did not receive as large an increase over the past 10 years (Chart X and Y).

Chart X

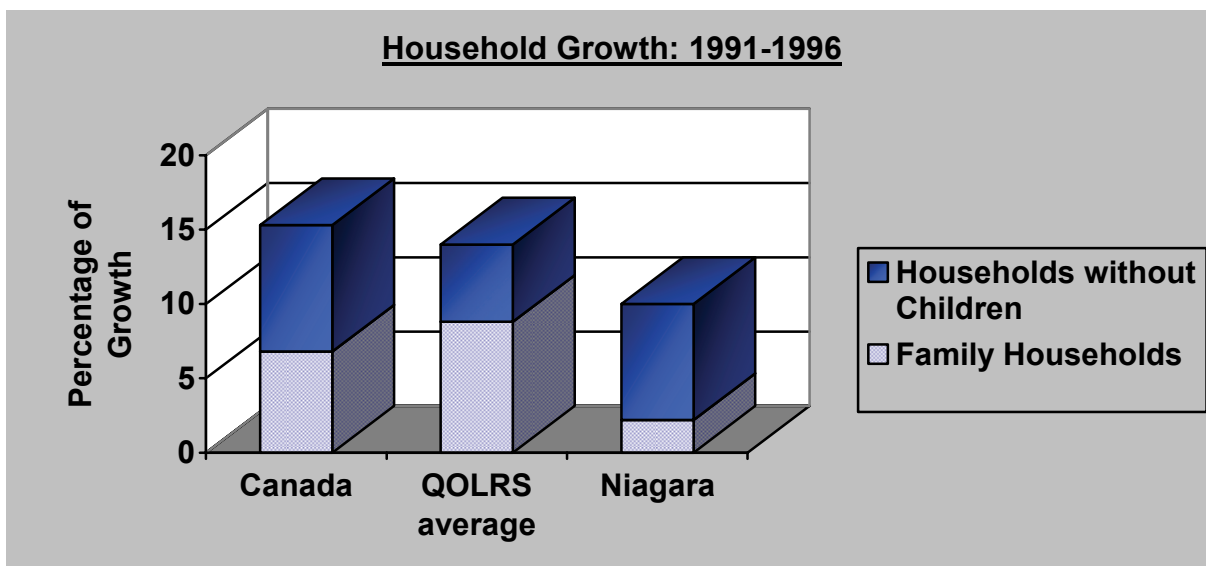
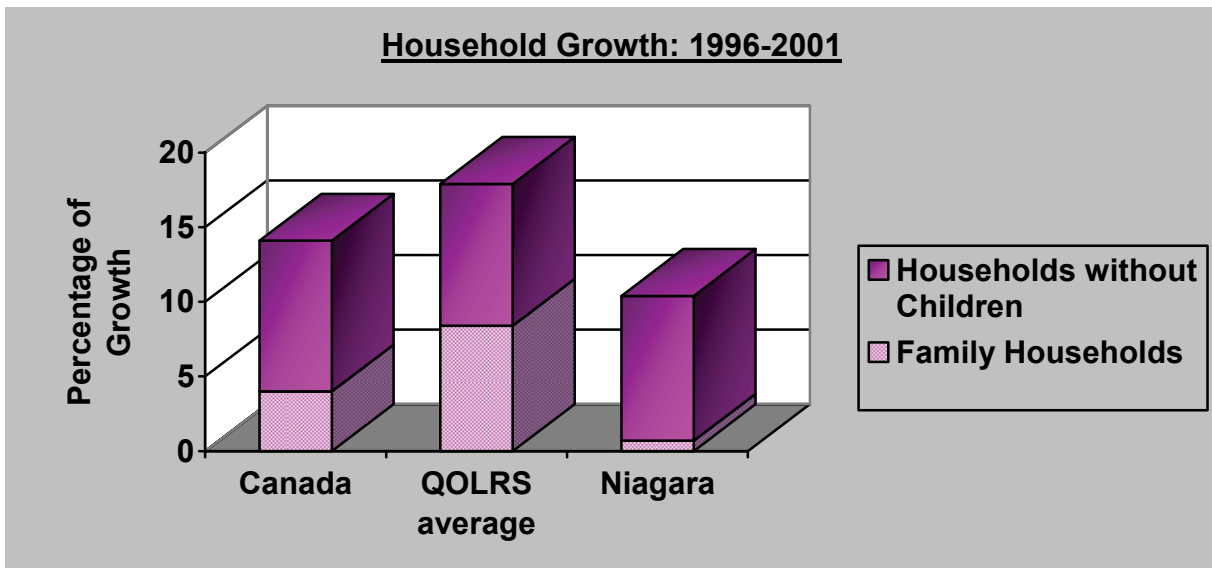


Chart Y



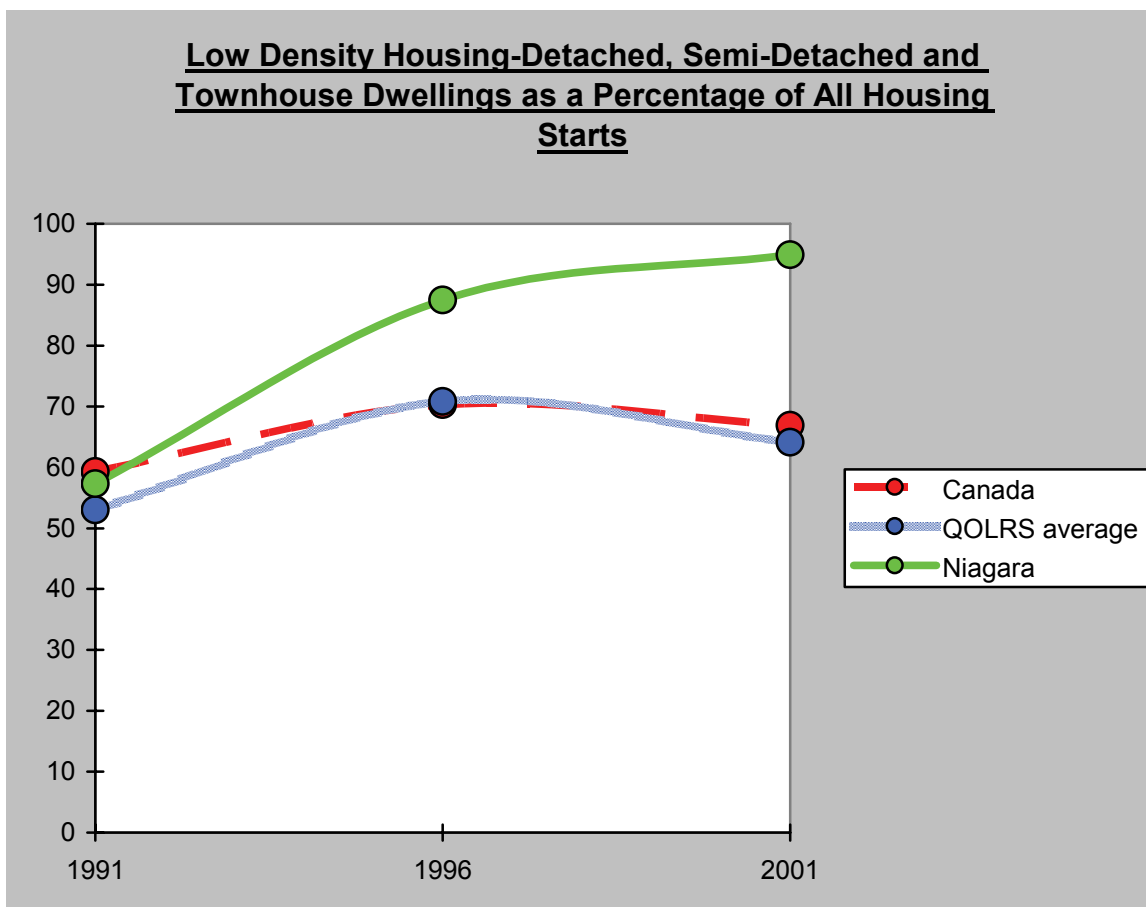
As can be seen, growth in Niagara is generally lower than the Canadian or QOLRS average. This is due to an already low and continually declining amount of growth in family households with children.

Predominance of Low Density, Single Family Housing

During the period between 1996-2001, there was a rapid expansion of housing starts in QOLRS communities. On average, reliance on single family dwellings grew significantly between 1991 and 2001, however it fell somewhat between 1996 and 2001. This reflects a shift towards the lower density development which is associated with suburban sprawl.

This trend was particularly evident in Ontario municipalities such as Niagara. On average, there was an growing dominance of development of single family homes in Ontario, which accounted for 75 per cent or more of all new housing starts across the province. The Niagara region had the second highest percentage of housing starts which consisted of low density housing at 94.9 per cent in 2001 (Chart Z).

Chart Z



This focus on low density housing has a number of significant effects which may be felt in Niagara. When suburban growth is accommodating the majority of population growth, it is usually accompanied by retail expansion on outer city limits. This leads to a deterioration of the retail downtown cores of a municipality. Fringe development also encroaches on agricultural lands and neighbouring communities, and this kind of expansion often takes place in areas that are inefficient and expensive to service with roads, water, and wastewater. This trend is being combated in Niagara through the Smarter Niagara initiative, which emphasizes strong urban centres rather than fringe urban sprawl. Additional information about Smarter Niagara can be accessed online at <http://www.regional.niagara.on.ca/living/smartgrowth/default.aspx>.

Income and Economic Growth

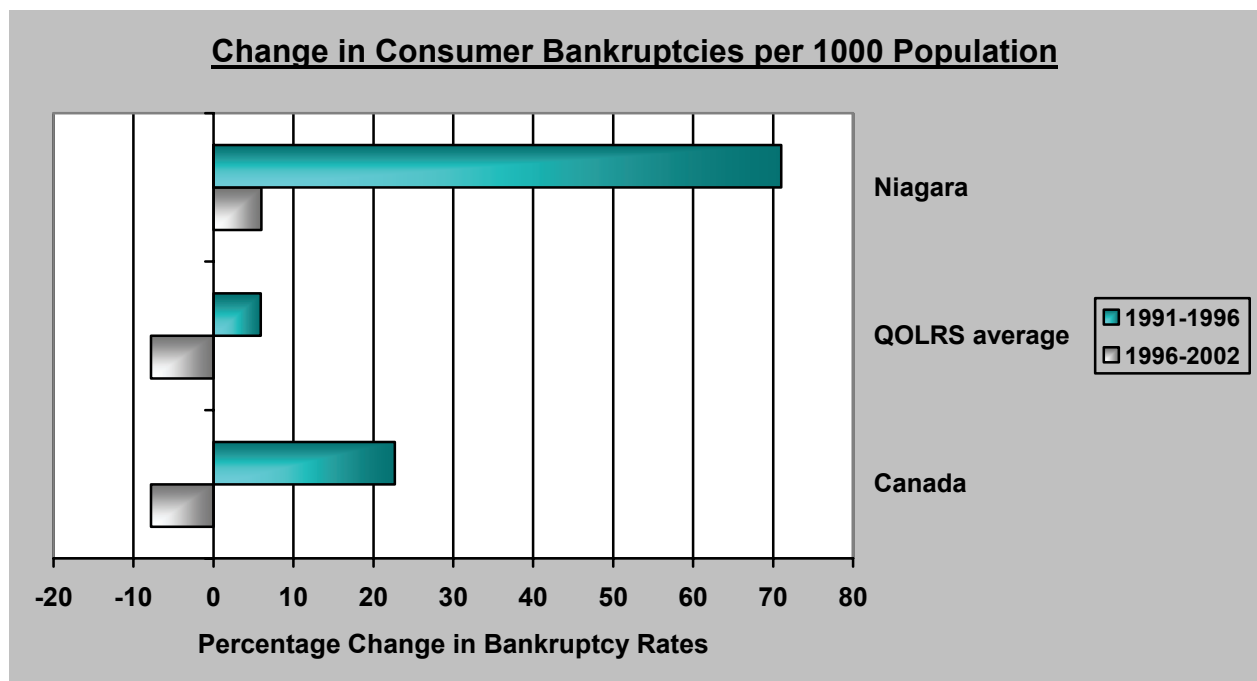
Change in Consumer Bankruptcies

The rate of consumer bankruptcies grew progressively higher during the earlier part of the 1990s, however started to show a level of improvement between 1996 and 2002. This trend extended to most QOLRS communities to varying degrees. For the most part, communities that enjoyed the strongest improvements in consumer bankruptcy

rates were those that also experienced high levels of income and employment growth. Six of the 20 communities continued to experience positive growth in consumer bankruptcies, however only three of these communities have seen an increase in the rate of consumer bankruptcies over this period.

Prior to the 1996-2002 period, Niagara was second in terms of consumer bankruptcy, with levels at 71 per cent. While some definite improvements were experienced, Niagara remained amongst the minority of QOLRS communities that continued to have growing consumer bankruptcy rates over the 1996-2002 period (Chart XX). While the rate of change certainly showed signs of slowing down, Niagara could not attain a negative rate of change for consumer bankruptcy. This is particularly significant in that the other QOLRS communities with high consumer bankruptcy rates in the 1991-1996 period generally experienced negative growth in 1996-2001, whereas Niagara has merely slowed their rate of growth of consumer bankruptcies. The following chart measures the change over time, and suggests that bankruptcy rates in Niagara remain high and continue to grow, albeit at a slower rate than before.

Chart XX



Transportation and Air Quality

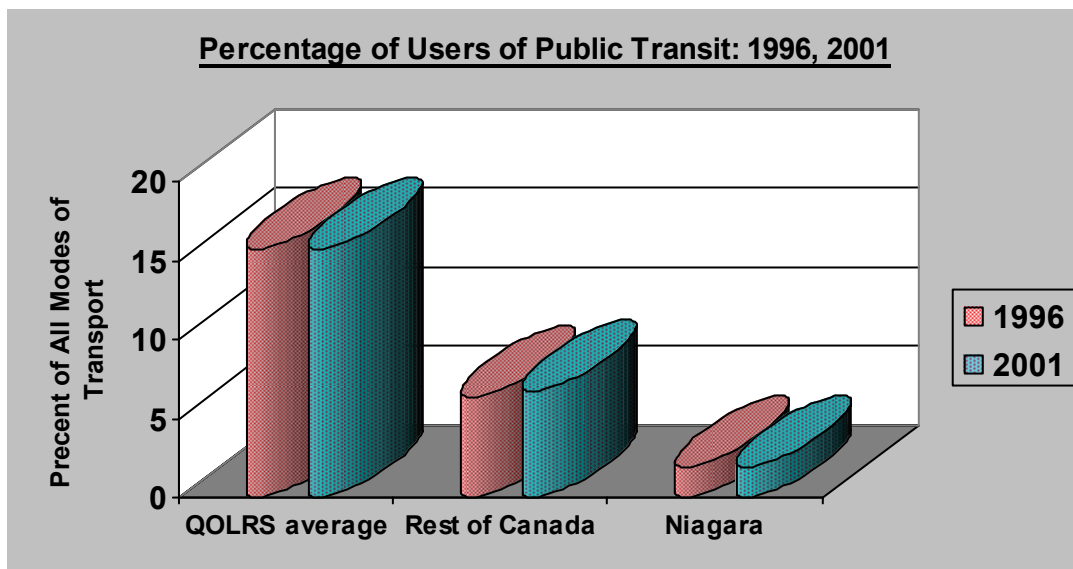
Little Change in Car-Dominated Commuting Patterns

When examining the proportion of commuters relying on public transit, it becomes evident that there is little reliance on modes of transportation other than the car. It is also evident that little to no change has occurred in the amount of public transit being used over the

study period. The use of private vehicles continued to account for close to 80 per cent of all commuting trips in most municipalities.

Cars are especially prevalent as a mode of transportation within the Niagara community. In 2001 Niagara had the highest percentage of private vehicle usage as a mode of transportation to/from work out of all QOLRS municipalities. Not surprisingly, Niagara was also ranked as having the lowest percentage of commuters using public transit within QOLRS communities in both 1996 and 2001. During that five year period, virtually no change was experienced in the percentage of public transit commuters (see Chart XY).

Chart XY



Niagara remained steady at 1.9 per cent usage of public transit. As such, it largely followed the trend occurring across QOLRS communities with progress remaining stagnant. However, such results are far more significant in Niagara considering the already drastically low utilization of public transportation. Also, whereas on average QOLRS communities experienced little to no change in the percentage of commuters who walk or bicycle to work, Niagara actually experienced a decline in the number of people utilizing these forms of transportation. This suggests an even greater reliance on the car as a means of transport than before.

This reliance on the car as the dominating form of transportation is being challenged in Niagara through the efforts of the Regional Niagara Transportation Strategy. Several of their infrastructure projects include extended train service to Niagara, expanded inter-city bus service, pedestrian traffic improvements, and other changes designed to mitigate the role of the car.

Smog Alerts on the Rise

Between 1996 and 2001, the number of annual smog alerts in QOLRS communities appears to have been steadily rising. This may be due in part to the lack of smog

monitoring systems in place during previous years, however the issue of smog is still significant.

The number of smog alerts issued in the Niagara region were the second highest amongst all QOLRS communities. In 2002, there were 21 days in the Niagara Region wherein citizens received smog alerts. This is more than double that of the QOLRS average for that year; a mere 10.2 days of reported smog alerts.

Reducing this figure will require diminishing traffic congestion on municipal roads. Strategic transportation plans must be set out to maximize the flow of vehicular traffic, encourage car pooling and public transit, and to focus on higher density development to drive down travel distances and maximize alternatives to the private car for commuting. Managing air quality issues also requires collaboration with a variety of other governments. Many of the sources of air pollution are beyond the scope of any one municipality, and often come from across the border. Minimizing air pollution must be a group effort on the part of municipal, provincial/state, and federal governments in both Canada and the United States.

FINANCIAL IMPLICATIONS

There are no immediate financial implications resulting from this report. However, tracking these indicators and acting upon identified trends could have financial implications for the Region in the future.

SUMMARY OR CONCLUSION

This report presents in summary form results of the FCM Quality of Life Reporting System Theme report on Growth, the Economy, and the Urban Environment. The report summarizes trends in 20 large Canadian municipalities related to environmental issues, changes in population density, and economic infrastructure. This report also provides highlights of results specific to Niagara.

This report is the final in a series of theme reports based on the 2004 FCM Highlights report released in April 2004. Staff of the participating municipalities will now turn attention to the refinement of indicators and identification of issues leading up to preparation of a new report in 2006.

Submitted by:

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