

Report card says Canada's standing slipping

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Canada, which turns a year older Tuesday, is not aging well, according to an annual report card that finds it is slipping further behind its peers economically, environmentally and with regard to the health and quality of life of its citizens.

The Conference Board of Canada, in its annual report card, notes that it's a lagging performance that has eroded Canada's economic standing among the 17 most advanced economies to 11th from third in the 1970s.

It's a continuing deterioration that, in recent years, is being masked by high prices for the commodities that Canada produces and exports, it said.

It's a "myth" that Canada has one of the highest living standards in the world, the board said, noting that living standards here have fallen to ninth in the world from fourth in 1990, citing as other myths the idea that Canada has a highly educated population and that it is a world leader in science and technology.

"The BlackBerry is the exception, not the rule," it said. "Over seven million Canadians do not have the literacy skills to cope with the demands of everyday life and work in modern society.

"Canada is losing ground to other countries that are better at exploiting their own advantages," said conference board president Anne Golden, adding that it's something the think-tank has been pointing out for a dozen years.

"We appear to be riding high due to global demand for our resources, but this is not a sustainable course for our country," she said.

In five of the six broad categories assessed, Canada's performance ranks in the bottom half of the 17 countries.

While the findings are disappointing, Golden said in an interview she is not discouraged because the message the board has been issuing for years, such as the need for Canada to be more productive and innovative, has been getting out. She cited last week's Competition Policy Review Panel report.

The biggest reason for the slide in Canada's economic performance is its low productivity, where it ranks 15th, the conference board said, adding that Canada has also failed to keep pace in the growing competition for global investment.



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Canadian Prime Minister Stephen Harper.

While the way to raise Canada's productivity is to improve its innovation performance, which too is an area where Canada has consistently fared poorly since the 1980s and ranks 13th in this year's report.

Canada has many of the elements needed to be innovative, but research is not successfully commercialized and taken advantage of to help companies compete for global market share, it said.

Its environmental performance is no better, with Canada again ranking 15th out of 17, with poor performances in greenhouse gas emissions, smog and waste generation, it said. It charged that Canadians generate more waste per person than any other country, and that only Australia produces greater per capita greenhouse gas emissions.

The quality of life in Canadian society is also in the bottom half of the rankings at 10th, ahead of the U.S. but well behind the leading countries.

"Some of Canada's results -- such as rates of burglary and assault, and levels of child poverty -- are shockingly poor," it said.

In terms of the health of its population, Canada ranks a notch higher but is still in the bottom half, at ninth place.

"High levels of mortality due to heart disease and increasing levels of mortality from diabetes should raise alarm bells," it said. "Furthermore, with soaring child diabetes and obesity rates, this may be the first generation of children in more than a century to have worse health outcomes than their parents."

Even where Canada ranks highly -- in education and skills, where it is second, behind only Finland, and where Canada earns top marks for high school and college completion rates -- there are "problem areas."

Not only do four in 10 Canadian workers lack the basic literacy skills to cope with the demands of work in the modern economy, Canada does not produce enough graduates in fields that underpin innovation -- such as science, math and engineering -- and it produces too few PhD graduates, it said.

"The answers are not encouraging," the conference board said, noting that in the most recent report card, Canada receives B grades on its economic, education, health and social performance, but a C on environmental performance, and a D on innovation.

"Canada needs to do better not only in absolute terms but also relative to others," it said, noting that global trade and investment competition is increasing with companies spreading production around the globe in search of higher efficiency and lower costs for each component of the final product.

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