

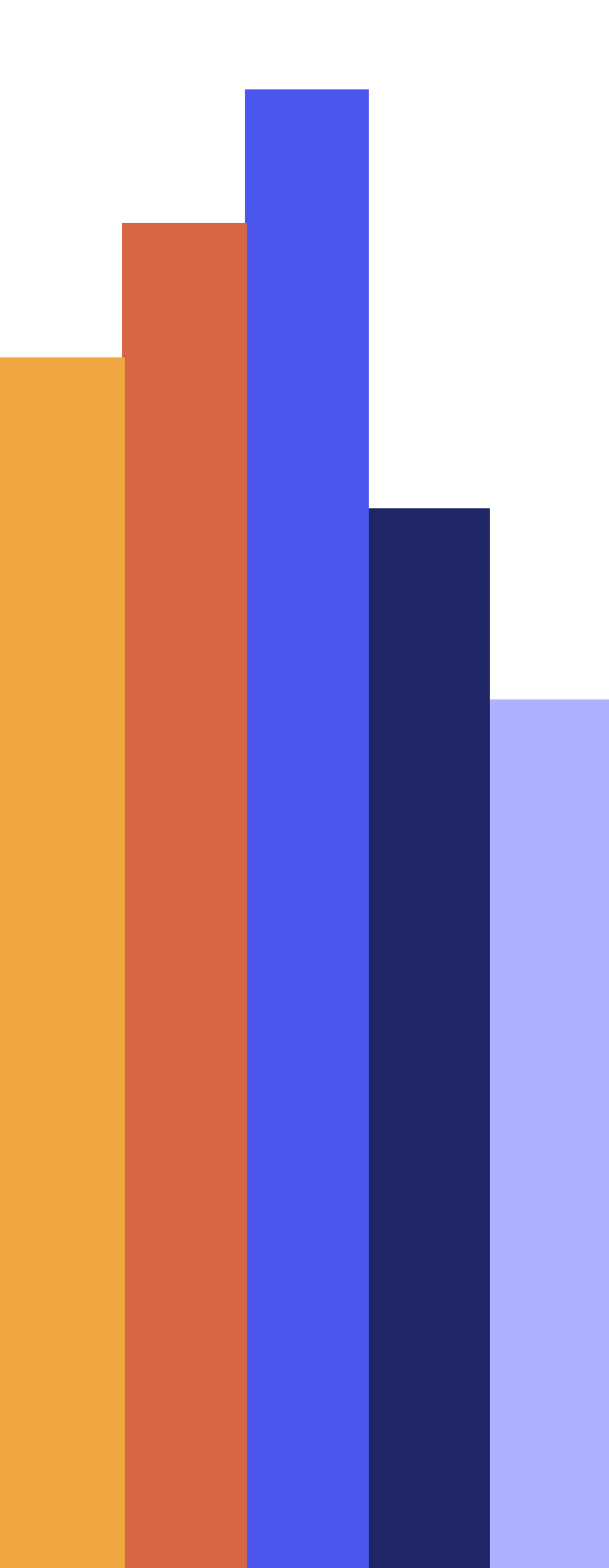


National Scorecard on Canada's Growth and Prosperity

Key Insights

2nd Edition
2022





A bigger, bolder Canada

There are two futures open to Canada.

If we stay on our present course, one possible future will come to pass.

One is a future of stagnation and decline. Our population is aging, our workforce is not growing fast enough, and our fertility rate is dropping. Due to Covid-19, our population growth rate is at its lowest point in a century. These trends mean fewer working-age people and more seniors drawing on public services. This is a recipe for strained budgets, strained workers, and shaky and unsustainable public services. It means less dynamic industries, slower growth, and a yawning competitiveness gap.

It means a country that does not have the resources—human or economic—to advance its social, economic, or environmental goals.

But another future is possible. One where Canada is populous, prosperous and diverse. Where our enterprises and workers thrive, generating the economic activity necessary to support strong public services.

A **bolder** Canada—and a **bigger** Canada.

Simply put: we need many more Canadians.

To achieve this future, Century Initiative has set an aspirational goal of achieving a population of 100 million people by 2100.

But growth is only part of this vision. We must grow – but we must **grow well**, by ensuring that population growth is sustainable and that its benefits are broadly shared by those who already call Canada home, and those who will join us.

This means building the infrastructure that will be needed for 100 million people to call Canada home: housing, roads, bridges, public transit, and strengthened education services.

This also means closing critical gaps in outcomes based on race, gender, Indigeneity, and immigration status.

To achieve this vision, we will need to work collaboratively with cities, provinces, territories and Indigenous people.

A bigger Canada tomorrow starts with bold action today.

Measuring progress towards a bolder Canadian future

This is Century Initiative's 2nd annual National Scorecard on Canada's Growth and Prosperity. It sets a bold economic vision for the country. The Scorecard assesses 38 indicators across six focus areas. It provides a strategic window, into where Canada leads, remains on track, needs to focus attention, or is falling behind on the issues that will influence Canada's future.

The indicators in the Scorecard are deeply interconnected, spanning across many traditionally siloed sectors and areas of policymaking and practice. Yet collectively they tell a powerful story, assessing the groundwork that we must lay to secure Canada's economic and social prosperity.

If we measure our progress, we can manage it, and make the strategic decisions we need to propel Canada forward.

Legend

Leading

Canada is a leader on this indicator, either ranking or rating among the best internationally or performing well against national goals.

On track

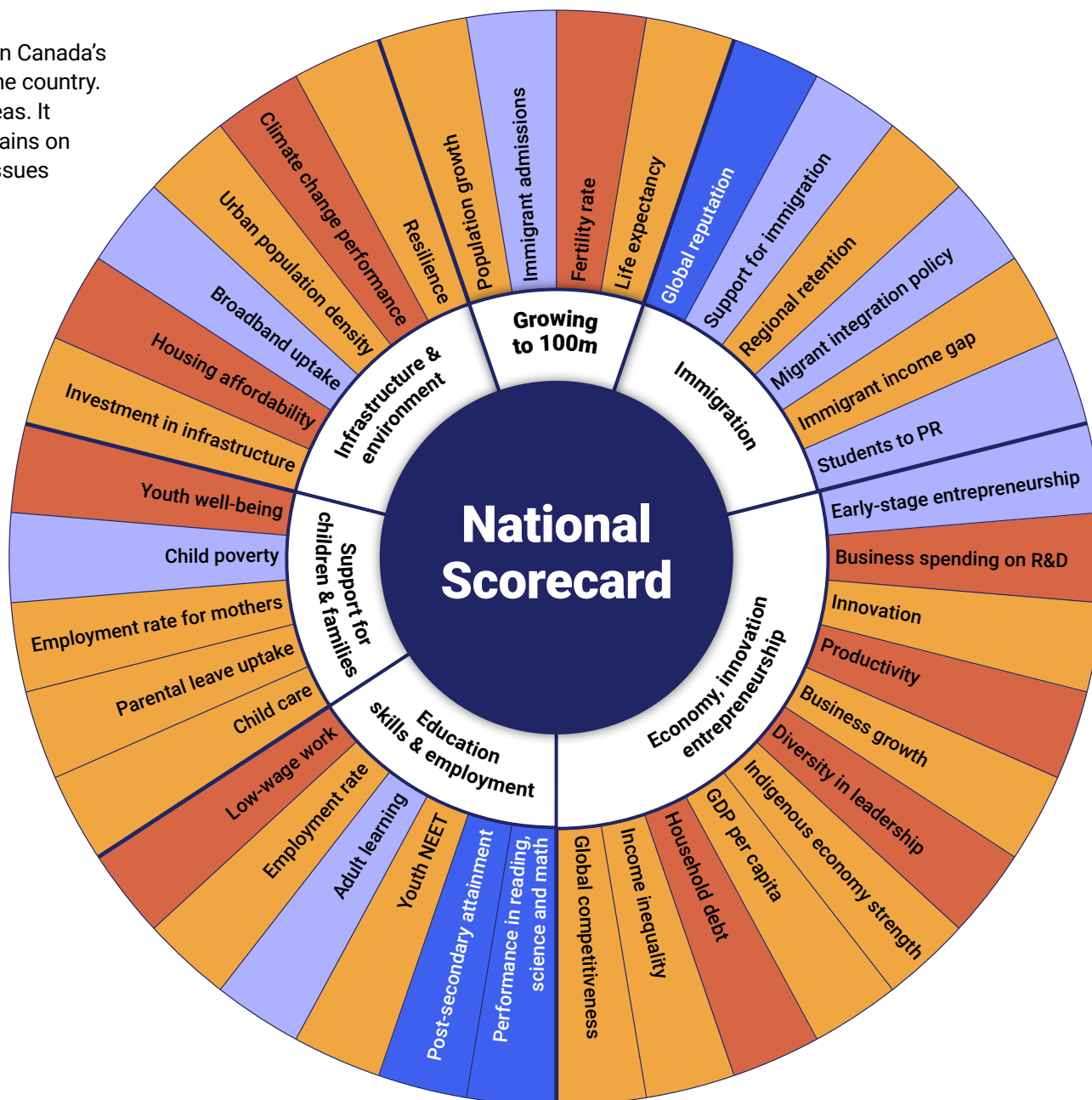
Canada has either met the target identified for the indicator or is expected to meet the target in the near-term.

Needs attention

Canada has not met the target identified for the indicator but is within a range where it could meet the target in future years with intervention and support.

Falling behind

Canada is lagging compared to similar countries or failing to meet the target identified for the indicator and significant work is needed to meet the target in future years.



The Scorecard's unique role

Century Initiative's *National Scorecard* has been designed to be used collaboratively by different actors and sectors. Building a bigger and bolder Canada will require work across Canadian society, with actors in the public, private and non-profit sectors doing their part to make that vision a reality. Everyone has a part to play.

This Scorecard should be seen as complementary – it was designed to both inform and be informed by other assessment tools, including those launched by the Senate Prosperity Action Group, Coalition for a Better Future, Conference Board of Canada, National Indigenous Economic Development Board, Canadian Index of Wellbeing, and other organizations.

The unique value proposition of Century Initiative's *National Scorecard on Canada's Growth and Prosperity* is its focus on Canada's progress toward growing well. Growing well means ensuring that population growth is sustainable and that the benefits of this growth are shared by everyone who calls Canada their home.

How to use this Scorecard

All Canadians should be at the table to build a better, more prosperous, inclusive and sustainable future. Making this Scorecard public and accessible allows more people from across sectors to join this conversation. Different stakeholders can use the Scorecard in a range of ways:

- | **Governments** can assess where Canada is performing well and where it is falling behind and to identify critical areas of focus for public policy change and investment. Governments can highlight the Scorecard in communicating with the public regarding the need for action on priority areas and the risks of maintaining the status quo.
- | **The business sector** can identify challenges and interconnections between key areas such as education, training, infrastructure, climate, and immigration. This knowledge can enable businesses to lead by improving business practices and advocating for policy change that will enhance Canada's investment environment and the country's global standing.
- | **The non-profit sector and labour** can mobilize community partners, donors, and stakeholders around local and national actions that can influence social and economic well-being and further Canada's ability to build a country founded on sustainability and shared prosperity.
- | **The academic community** can explore priority areas for research that will deepen understanding of key challenges to Canada's future prosperity. The research and academic community can also leverage the Scorecard to mobilize existing research that proposes solutions to challenges the Scorecard identifies.
- | **All Canadians** can engage with the Scorecard and its indicators to explore the role that growing Canada's population can play in building long-term, sustainable, and shared prosperity.

Key insights

Full Scorecard

A bigger, bolder, more prosperous Canada needs more Canadians, and the social and physical infrastructure required to allow them to live and thrive.

There are bright spots in the 2022 Scorecard: Canada is on track with respect to immigration and education, skills and employment, with high immigration targets and one of the world's strongest education systems. But challenges remain: fertility rates remain low, our infrastructure is aging, our productivity lags peer nations and our supports for families must be strengthened.

- | While Canada saw its slowest population growth in more than a century we are taking action through expanded immigration level targets, for which Century Initiative has advocated. Canada must also focus on increasing healthy life expectancy for all Canadians and on delivering policies that support Canadians' choices on family size.
- | Growing immigration must coincide with significant policy and systems changes to close gaps in educational opportunity, employment and infrastructure frequently experienced by Indigenous peoples.
- | Canada remains a destination for entrepreneurial and skilled immigrants worldwide. Work remains to be done in ensuring we retain the immigrants we attract, particularly in regions suffering from demographic challenges. We have successfully built systems that help us retain international students – this must be improved for other temporary residents.

- | The modern economy rewards innovation and creativity – but Canada lags its global competitors in both productivity and private sector R&D investment.
- | Canada's education system remains one of the best in the world – but supports for lifelong learning could be strengthened, through investment in skill-building, training and career navigation support.
- | The pandemic damaged Canadian mothers' employment rates. This harms women and their families but also the economy overall. Improving supports to families, through policies like a Canada-wide child care system, will better position Canada for long-term prosperity.
- | A Canada where more people live in denser, well-planned cities will be a Canada that is cleaner, greener, more prosperous and with a higher quality of life. At present, housing is becoming increasingly unaffordable for young Canadians and diminishes the country's value proposition to potential newcomers. That must change.
- | The status quo is unsustainable. Now is the time to take intentional and strategic action to set Canada on track for long-term growth and prosperity.

Growing to 100 million

A bolder Canada is a bigger Canada. With 100 million people, we will have the skills, ingenuity and drive to build a tax base and economy that can sustain our quality of life and grow our influence. Getting there means boosting both immigration and fertility rates.

- | Canada's commitment to increasing immigration levels, as outlined in the federal immigration levels plan, is an important foundation for a bigger and bolder Canada. But more work remains to be done.

- | We must secure long term commitments to increased immigration and ensure that all Canadians fully benefit from our population growth.
- | The Indigenous population in Canada is increasing at a rate four times greater than the non-Indigenous population and is a critical component of Canada's working-age population growth. Growing immigration must coincide with significant policy and systems changes to close gaps in educational opportunity, employment and infrastructure frequently experienced by Indigenous peoples. These policies must be co-developed with Indigenous peoples.
- | While immigration is currently high, population growth overall is low. This is because fertility rates are too low to sustain population growth and Canada's innovative approach to boosting immigration during the pandemic drew primarily from temporary residents already in Canada.
- | As a result of the pandemic, birth rates and life expectancy have both declined this past year. Canada must focus on increasing healthy life expectancy for all Canadians and on delivering policies like child care that support Canadians' choices on family size.

Immigration

New Canadians bring their drive, their grit and their ingenuity to meet Canada's labour market needs, catalyze innovation in our economy and strengthen the fabric of our society. Our immigration system must attract and select immigrants who will help meet the country's economic needs, while fulfilling Canada's family reunification and humanitarian commitments. The public and private sector must work together to ensure that immigrants are

supported when they arrived, and that they do not face barriers to success. This will allow them to fully contribute to the country's society and economy.

- | A majority of Canadians have confidence in Canada's immigration system. This has meant that public support for immigration has remained high, even throughout the worst periods of the pandemic.
- | Canada's international reputation is among the best in the world, which enhances our ability to attract talent – critically important in an economy driven by skilled individuals competing on a global market. This advantage cannot be taken for granted.
- | Immigrants' well-being and Canadians' continued support for ambitious immigration levels are contingent on successful integration of immigrants, irrespective of their immigration class.
- | Action is needed to ensure that Canada's economy and society are allowing immigrants to fully employ their skills. There is a persistent income gap for immigrants: many newcomers continue to face barriers such as discrimination and a lack of recognition of foreign credentials.
- | Many regions, particularly outside of Canada's large population centres, need increased immigration to bolster aging populations. But they face challenges when attempting to attract and retain immigrants. Canada's unique approach to local community involvement in immigration, settlement and integration can help solve this problem.
- | Canada has successfully built mechanisms for international students to remain in Canada. We must improve pathways to immigration for other temporary residents, so Canada can retain needed talent and skills.
- | Deep backlogs in Canada's immigration system have also developed during the pandemic. Recent

investments from the federal government will help to address these challenges so that newcomers can fulfill their vision of making Canada their home.

Economy, innovation & entrepreneurship

The modern economy rewards innovation, creativity and the willingness to build something new. This is a critical foundation for sustainable and shared prosperity.

- | The direction of the economy is uncertain given persistent pandemic-related challenges, such as supply chain issues, inflation, impacts of climate-related events, and business' ability to find needed workers.
- | Despite decades of discussion, the country continues to have difficulty making progress on key innovation and entrepreneurship related metrics such as private sector investments in R&D and the scaling of small and medium-sized firms.
- | Productivity continues to grow slowly in Canada, despite short-term pandemic improvements. High rates of household debt, income inequality and the lack of diverse private sector leadership limit future economic growth and productivity.
- | Building upon emerging Indigenous economic strength would contribute to growth for Indigenous communities, have transformational effects on Canada's economy and help to move Canada toward a path of reconciliation.
- | There are many levers that Canada must activate to improve economic performance. These include investing in infrastructure and technology, growing our talent pool through immigration and skills development, and closing education and opportunity gaps.

Education, skills & employment

Canadians need the skills that tomorrow's economy requires if Canada is to compete and prosper. And they need to be able to use them. This means high-performing education and training systems, supports for lifelong learning, and creating good jobs. Canada's long-term prosperity depends on our education system supporting lifelong learning, so that Canadian workers can adapt as the economy changes.

- | Canada remains a global leader in the academic performance of high school students and the proportion of the population with a postsecondary education. These achievements attract people, high skilled and high paid jobs, and investment to Canada and they help people participate in society and the economy.
- | To continue leading on education, we need to close gaps in education outcomes for Indigenous students and reduce the number of youth not in employment, education, or training (NEET). The number of NEET youth has been exacerbated by the pandemic, moving Century Initiative's assessment of the NEET youth indicator in this year's Scorecard to "needs attention" from last year's "on track".
- | The pandemic has the potential to affect long-term learning and employment pathways for many youth - particularly those who already face barriers, such as immigrants learning a new language.
- | We need greater employer investment in skill-building and training. We also need greater access to life-long learning and career navigation support for everyone, including for internationally educated and trained immigrants.
- | The labour market is undergoing many changes that impact job quality, including digitization, increased demand for care workers, and increasing

precarity. Policy and practice must adapt to these changes to better support workers across the labour market.

Support for children & families

A growing Canada needs supports for Canadian families who choose to have children. Robust family supports mean more people working, more jobs, and more economic growth.

- | The pandemic substantially affected well-being and support structures for children and families. The disadvantages conferred by the pandemic were laid atop existing barriers for equity-seeking groups such as women, immigrants, Indigenous peoples, Black Canadians, and racialized Canadians.
- | Access to childcare became challenging, pushing many parents—and mothers of young children in particular—out of the workforce.
- | The historic drive to create a Canada-wide early learning and childcare system in 2021 has moved Century Initiative's childcare indicator assessment in this year's Scorecard to "needs attention" from last year's "falling behind." Maintaining momentum to implement the new system will help fuel Canada's recovery from Covid-19 and build long-term prosperity.
- | Canada still has work to do to build a system of parental leave that connects seamlessly with childcare. This is necessary to provide certainty to all parents that leave and care needs will both be met.
- | Canada needs to continue making progress in reducing child poverty and taking action to address youth well-being to ensure that this country remains an attractive place to stay and raise a family.

- | Improving support for children and families will help build a positive future for children, enable more labour force participation, create jobs, improve quality of life for families, help attract and retain newcomers, and support Canadians' choices on family size.

Infrastructure & environment

A bigger and bolder future for Canada requires infrastructure to support it. It must keep pace with a growing population and be resilient to climate change. This includes all kinds of infrastructure, such as affordable housing, digital infrastructure, climate adaptation and urban infrastructure like public transit.

- | Canada has been struggling with long-running underinvestment in infrastructure, as municipalities own much of the country's infrastructure but lack financing and revenue tools to fund new infrastructure and to maintain existing infrastructure. Recent initiatives, including the federal government's introduction of permanent public transit funding, are signs of positive change.
- | The pandemic has further exacerbated housing challenges as greater proportions of Canadians reported problems with paying the rent or mortgage or accessing home ownership, moving Century Initiative's assessment in this year's Scorecard to "falling behind" from last year's "needs attention". Costs are aggravated by high demand for housing in Canada's highly productive urban centres, coupled with a lack of adequate supply.
- | A Canada growing in population requires denser cities that are well-planned to improve urban quality of life, more population growth outside large cities, and an expansion of family-oriented and affordable housing supply.

- | While important progress is being made, there are gaps in rural and Indigenous populations' access to infrastructure, which includes broadband internet with sufficient speed, quality and affordability. These gaps place many at an economic and social disadvantage and reduce the attractiveness of smaller communities.
- | Significant new investments are needed to transition Canada to a net-zero economy and to protect key infrastructure from climate-related risks. As highlighted by the detrimental impacts of flooding, wildfires and heat waves in 2021, Canada needs to ensure core infrastructure resilience.

The way forward

2021 was a stress test of Canada's resilience in the face of a storm. The Covid-19 pandemic has transformed Canada's economy, labour market, and living standards and introduced constant uncertainty and disruption into Canadians' lives. The realities of climate change, like extreme weather, affected more Canadians than ever, and the country reckoned again with the unfinished path toward Reconciliation with Indigenous peoples following tragic discoveries at former residential schools.

At the same time, notable victories have been achieved: after generations of advocacy, Canada is on a path to implementation of a national plan for childcare and there have been some improvements on infrastructure investment in areas such as public transit. Additionally, during a time of crisis, Canada chose not to turn inward, but instead to commit to significant increases in immigration levels.

As we continue to grapple with current challenges and build on victories, we must keep our goal of growing well in mind. By acting today, we can build a bigger, bolder and brighter tomorrow for all Canadians – those already living here, and those yet to come.

For more information, visit
centuryinitiative.ca/scorecard/home





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About Century Initiative

Century Initiative is a national, non-partisan charity with a mission to enhance Canada's long-term prosperity, resiliency and global influence by responsibly growing the population of Canada to 100 million by 2100. Century Initiative delivers its mission by leading, enabling and partnering on initiatives that support long-term thinking and planning in immigration; infrastructure and environment; economy, entrepreneurship and innovation; support for children and families; and education, skills and employment. Century Initiative takes a network approach, prioritizing inclusion of diverse perspectives to inform and advance its work.

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