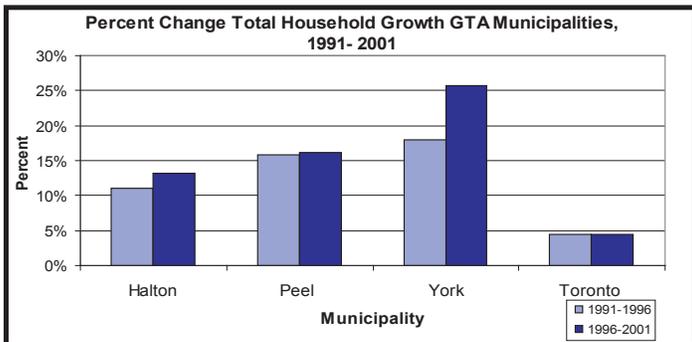


This bulletin provides an overview from a Peel perspective of the latest report from the Federation of Canadian Municipalities (FCM) titled 'Growth, the Economy and the Urban Environment'. The FCM consists of a group of 21 municipalities from across Canada. The FCM report makes it clear that negative environmental impacts associated with economic growth must be curtailed. Canada's increasingly urban population is experiencing expanding wealth and employment opportunities. This is putting more pressure on air, water and soil quality. The environment, economic growth and resource consumption must be balanced to maintain a high quality of life. The report examines trends from 1991 to 2002 regarding:

- Household Growth Numbers, Density and Sprawl
- Low Income and Economic Growth
- Municipal Solid Waste Management
- Commuting and Air Quality
- Water Supply, Collection and Treatment

### 1. Introduction and Overview

FCM recognizes the fundamental role of the environment and its necessity in economic growth. The Ecological Footprint Analysis (which measures the sustainability of demands humans make on the environment) is an example of this. Of the 21 municipalities surveyed, Peel has the sixth largest ecological footprint per capita at 7.83 ha. FCM points out that the role of municipal government is to invest in environmentally efficient services. This will enable citizens to reduce the demand they put on their natural environment. Municipal investment and policy have had some early successes, however, a collaborative effort of all levels of government is needed. In this report, the FCM analyzes economic and environmental indicators in tandem, recognizing pressures of rapid growth and the importance of the environment to long term quality of life. The September 2004 Peel Data Centre Ecological Footprint bulletin (which is available from the Region of Peel website) contains a detailed description of the Ecological Footprint Analysis.

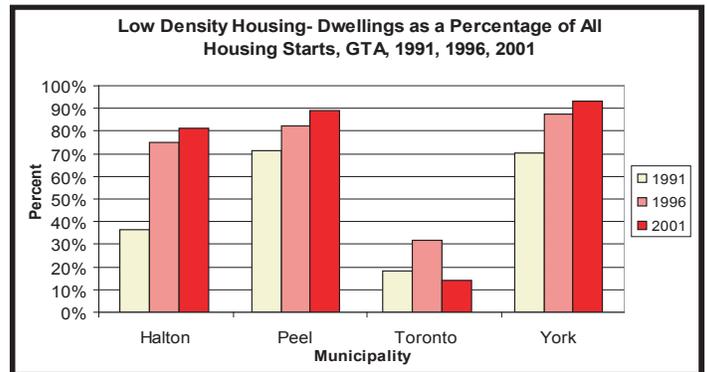


### 2. Population and Household Growth

In Peel, the growth rate of households exceeded the overall population growth rate from 1991 to 2001. Household size decreased from 2.7 people in 1991 to 2.6 people in 2001, a result of an aging population, more singles living alone and a larger presence of households with few or no children.

This trend has created high levels of growth in housing development resulting in an increase in low density housing starts. Sprawling low density development has been a widespread trend for the past ten years. In 2001, 75% of all new housing starts in Ontario were low density dwellings.

Despite low density dominance, there is evidence in select areas (such as the Mississauga City Centre), that new development is taking higher density forms. Peel is noted as having concerns about traffic congestion, emissions impacting air quality, high costs of low density infrastructure, loss of downtown and city centre vitality, development on agricultural or naturally significant areas, as well as car dependent and physically inactive neighbourhoods. All of these concerns stem from sprawl and low density development. FCM examines planning policies to control sprawl and encourage 'Smart Growth', with Peel's '2021 Regional Urban Boundary' as an example. FCM notes that municipal growth management in Ontario is now guided by provincial legislation, such as the recently passed 'Greenbelt Act' and the proposed 'Places to Grow Act'

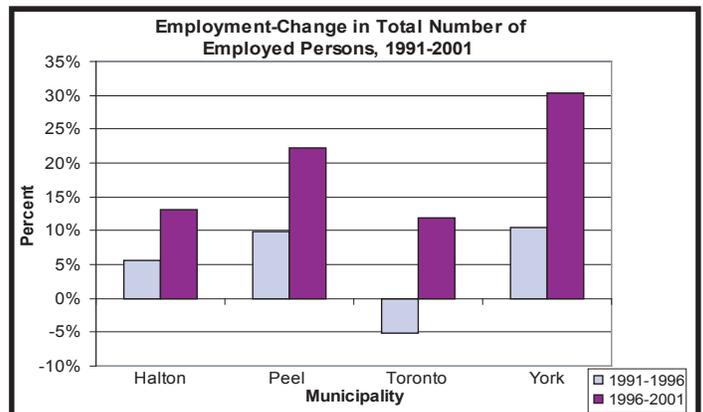


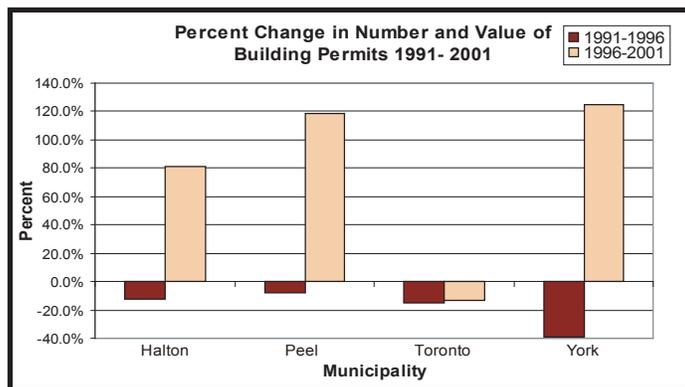
\* Low density dwellings include: detached, semi-detached and townhouse dwellings

### 3. Income and Economic Growth

The economic climate in the last ten years reflected a period of economic contraction from 1991 to 1996, followed by strong growth from 1996 to 2001.

In Peel, rapid expansion of residential construction activity occurred from 1996 to 2001, with the number of units created and the value of building permits increasing by 118.3% (the second highest increase in the GTA). During the same time period, Peel also had the second highest employment growth at 22.2%, (behind York at 30.4%).



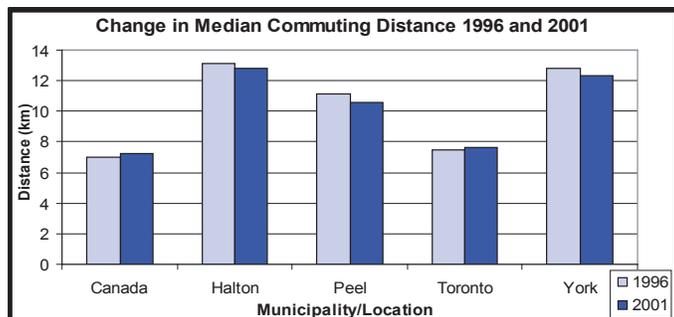


#### 4. Municipal Solid Waste Management

According to FCM, less Canadian waste was sent to landfills as a result of more diversion; however, due to growth, more waste was being produced. More waste production forces municipalities to find management and diversion solutions. The percent of total waste recycled grew by 7% from 1991 to 2002, while the percentage of total waste diverted for all surveyed municipalities grew by over 11% from 1991 to 2002. Peel collected 392kg/yr in 1996 and 400kg/yr of solid waste per capita in 2001, and is noted as one of many municipalities streamlining recycled waste. Peel had the highest municipal diversion rate of 44.7% in solid residential waste in 2001, which was a significant increase from 28.5% diverted in 1996.

#### 5. Transportation and Air Quality:

Personal vehicles accounted for at least 80% of all commuting trips in most Canadian municipalities. Peel was one of three municipalities where citizens relied least on cycling and walking for commutes. Peel's median commuter distance (10.6 km) was among the longest of all municipalities surveyed. This figure fell slightly between 1996 and 2001. Slight decreases in commuting distances were accompanied by increases in the proportion of Peel residents utilizing the public transit network. Public transit usage grew 6.4% from 1996 to 2001.



Air quality is a serious health issue in Ontario. FCM states that poor air quality causes 1,900 premature deaths a year. High levels of ground level ozone exist in the Quebec-Windsor corridor; however, 50% of it comes from the United States. Ozone fell between 1991 and 1996, but rose between 1996 and 2001. There was an increase in smog alerts in the GTA during the latter period; however, Peel and York had the lowest increases. FCM notes that in the past decade of strong economic growth, levels of several air pollutants remained within acceptable levels.

#### 6. Municipal Water Supply and Quality

Due to increased population, total municipal water use increased by 5%; however, per capita municipal consumption decreased 4% from 1991 to 1999 across Canada. Municipalities improved their wastewater treatment from 1991 to 1999, where the percent of communities receiving water from primary treatment declined to less than 10%. There was a trend of deteriorating recreational water quality in the surveyed municipalities, as well as water shortages in a quarter of Canadian municipalities between 1994 and 1999 due to drought, infrastructure or increased consumption. Overall water efficiency and conservation programs are suggested for reducing the need for investment in water supply and wastewater management.

#### Conclusion:

The third FCM report included challenges that municipalities face with regard to maintaining the environment in the face of economic growth. Given that Peel has the sixth largest municipal ecological footprint in Canada, it faces significant challenges to reduce future impact on the natural environment. Strong municipal growth in the past decade has presented challenges surrounding growth and low density development. In the last decade, Peel experienced strong economic growth reflected in household growth, increased employment, income, and housing construction (especially from 1996 to 2001). The Region of Peel is addressing issues stemming from sprawl through the Liveable Peel Initiative.

Peel is a municipal leader in solid residential waste diversion and in supporting alternatives to the automobile as a mode of travel. Peel must continue to embrace strategies to decrease its ecological footprint, practice 'Smart Growth' planning, encourage shorter commutes, support the use of bicycles or walking to work, and maintain water supply and wastewater facilities. Balancing economic growth and protecting the natural environment are essential aspects of achieving a high quality of life.

*Note: All Charts and Graphs are based on data provided by the Federation of Canadian Municipalities (FCM) Quality of Life Reporting System Issues Report, prepared by Acacia Consulting and Research for FCM.*