

Canada has maintained a high level of national well-being, as reflected in our first-place ranking in the 1996 United Nations Human Development Index. We have made progress in addressing many issues. We recognize that a sound economy supports essential investments in social and environmental programs. A natural environment that is conserved and managed sustainably is fundamental to economic and social well-being. Community decisions to raise health and education levels can create long-term social and economic benefits.

However, in some areas, we have fallen short of our expectations. As the recent Organisation for Economic Co-operation and Development (OECD) Environmental Performance Review noted, Canada continues to show high per capita levels of waste, energy and water use, and carbon dioxide emissions. There is much more to be done.

The purpose of this report is to identify and describe important trends in Canada over the last quarter century, which taken together provide a snapshot of Canada's progress toward sustainable development. These trends include

- safeguarding natural capital through environmental conservation and protection and the efficient and effective use of resources;
- maintaining and improving the standard of living and quality of life for Canadians; and
- strengthening and building the social fabric of Canadian life.

Details on issues and specific initiatives can be found in the list of selected readings at the end. This report is not a comprehensive scorecard. It is intended to illustrate how conditions in Canada have changed, to demonstrate how issues, priorities, thinking, and responses have evolved during a dynamic quarter century, and to highlight challenges that remain in our quest for a sustainable future.

SAFEGUARDING CANADA'S ENVIRONMENT

Environmental conservation and protection and the responsible use of our natural resources are an integral part of sustainable development. Canada's social and economic development relies on the stewardship of the natural capital represented by resources such as freshwater, forests, wildlife, soils, minerals and metals, and energy. We also depend on our environment for nonmarket benefits such as health, recreation, and leisure. Therefore, the environment must be fully incorporated into the economic and social decision-making process as a forethought, not an afterthought.

During the past twenty-five years, environmental awareness, conservation, and protection have grown in sophistication and priority. In the early years of this period, Canadians' environmental focus centred on specific issues, such as the preservation of individual species and pollution in specific places or from particular sources. Legislative and technical solutions were our primary responses.

Science is one of the most important forces shaping the environmental agenda. Scientific findings are helping us to identify the dynamics of the natural world and its complexity and increasingly recognize the need to address issues based on an ecosystem approach.

In response, Canadian governments expanded their use of alternatives to legal and regulatory mechanisms. We began to foster government-industry-community cooperation, encourage public education and action, and develop economic instruments and voluntary codes of conduct.

This section of the report considers major trends in a number of key environmental issues and sectors and examines how our understanding of the issues and our responses have changed. It notes trends