



MEASURING SUSTAINABLE DEVELOPMENT

APPLICATION OF THE GENUINE PROGRESS INDEX TO NOVA SCOTIA

DEVELOPING A COMMUNITY
GENUINE PROGRESS INDEX:
MATERIALS FOR
COMMUNITY DEVELOPMENT PLANNERS

VOLUME 1
KINGS COUNTY & GLACE BAY
PILOT PROJECTS

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GPI Atlantic gratefully acknowledges the following partners in the Community GPI process:

- N.S. Citizens for Community Development Society
- National Crime Prevention Centre (Business Action Program)
- Rural Secretariat
- Human Resources Development Canada
- Population Health Research Unit, Department of Community Health and Epidemiology, Faculty of Medicine, Dalhousie University
- Enterprise Cape Breton Corporation
- Cape Breton County Economic Development Agency
- Kings Community Economic Development Agency
- Central Kings Community Health Board
- Eastern Kings Community Health Board
- Kentville Rotary Club
- NS Community College - Kingstec campus
- Peers Helping Peers, Glace Bay

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Thank you to all the project partners for their vision and commitment to action, without which the community GPI would not be happening.

Foreword

The Nova Scotia Genuine Progress Index

What we measure is literally a sign of what we value as a society. If critical social and ecological assets are not counted and valued in our measures of progress, they receive insufficient attention in the policy arena.

The current reliance on economic growth statistics alone as the basic measure of prosperity and progress implicitly devalues the importance of our natural and social capital, including natural resource wealth and environmental quality, unpaid voluntary and household work, leisure time, health and knowledge. This practice also fails to distinguish economic activities that contribute to well-being from those, like crime and pollution, that cause harm. The need for better measures of progress is universally acknowledged.

To remedy these flaws, the Genuine Progress Index can provide a practical, policy-relevant measure of progress that is more comprehensive and accurate than current measures based on the Gross Domestic Product. GPI Atlantic was founded in 1997 as a non-profit research group that is currently constructing such an index of sustainable development for Nova Scotia. Statistics Canada sees the Nova Scotia GPI as a potential pilot project for Canada, and provides ongoing assistance, advice, and access to data sources. The Nova Scotia GPI consists of the following social, economic and environmental components:

Time Use:

- * Economic Value of Civic and Voluntary Work
- * Economic Value of Unpaid Housework and Childcare
- * Costs of Underemployment
- * Value of Leisure Time

Natural Capital:

- * Soils and Agriculture
- * Forests
- * Marine Environment/Fisheries
- * Nonrenewable Subsoil Assets

Environment:

- * Greenhouse Gas Emissions
- * Sustainable Transportation
- * Ecological Footprint Analysis
- * Air Quality
- * Water Quality
- * Solid Waste

Socioeconomic:

- * Income Distribution
- * Debt, External Borrowing, and Capital Movements
- * Valuations of Durability
- * Composite Livelihood Security Index

Social Capital:

- * Health Care
- * Educational Attainment
- * Costs of Crime
- * Human Freedom Index

Eight detailed reports have been published so far – *Measuring Sustainable Development* (135 pages), an overview of the GPI project design, framework, indicators and methodologies; *The Economic Value of Civic and Voluntary Work in Nova Scotia* (68 pages); *The Economic Value of Unpaid Housework and Child Care in Nova Scotia* (120 pages); *The Cost of Crime in Nova Scotia* (223 pages); a 67-page application of the GPI methodology to a full-cost accounting analysis of greenhouse gas reduction strategies; two population health reports (62pp and 50pp); and *The GPI Water Quality Accounts: Nova Scotia's Water Resource Values and the Damage Costs of Declining Water Resources and Water Quality* (242pp; includes the 62-page case study *The Costs and Benefits of Sewage Treatment and Source Control for Halifax Harbour*)

Three natural capital accounts (soils and agriculture, forests, and fisheries), an ecological footprint analysis, the water quality section, and the complete greenhouse gas component of the GPI are all in the first draft stage and will be publicly released before the end of this year. Work is also currently under way on four other modules - income distribution, costs of unemployment, value of leisure, and sustainable transportation. The entire index is scheduled for completion in 2001.

Rather than rushing towards a "bottom-line" overall index of sustainable development, the Nova Scotia GPI is being constructed on a sector-by-sector basis since that approach is most useful for policy purposes. In other words, the project must produce twenty well-regarded and acceptable sets of indicators to produce one well-regarded and acceptable general index.

Each component attempts to make use of the best available methodologies in each area and to integrate existing data from accepted sources. First drafts are subjected to an extensive review process by Statistics Canada staff, and by government, academic and independent experts, whose feedback and comments are integrated into the final reports.

The Nova Scotia GPI is not intended as a rigid final formula or fixed set of methodologies, but as an ongoing work in progress that can be continuously improved as better methodologies and data sources become available.

The components are being constructed to provide annual benchmarks of progress and to be easily replicable by other jurisdictions. By valuing a wide range of social, economic and environmental assets, and recording any depletion or depreciation in their value, the GPI is intended to provide policy makers with accurate information on provincial strengths and early warning signals of potential weaknesses that can allow timely and rational responses to emerging needs.

For more information, please see the GPI Atlantic web site: www.gpiatlantic.org or email info@gpiatlantic.org

Why GPI? - A Global Perspective

The quest for more comprehensive measures of progress is not new. The time has come to test these newer measures in a full-scale, practical and policy relevant application.

"Unfortunately, (GDP figures) are generally used without the caveat that they represent an income that cannot be sustained. Current calculations ignore the degradation of the natural resource base and view the sales of nonrenewable resources entirely as income. A better way must be found to measure the prosperity and progress of mankind."

Barber Conable, former president of the World Bank, 1989

"Too much and too long, we seem to have surrendered community excellence and community values in the mere accumulation of material things....The GNP counts air pollution and cigarette advertising and ambulances to clear our highways of carnage....Yet the gross national product does not allow for the health of our children, the quality of their education, or the joy of their play....It measures neither our wit nor our courage; neither our wisdom nor our learning; neither our compassion nor our devotion to our country; it measures everything, in short, except that which makes life worthwhile."

Robert F. Kennedy, 1968

"Since the GNP/GDP measures only the quantity of market activity without accounting for the social and ecological costs involved - it is both inadequate and misleading as a measure of true prosperity. Policy-makers, economists, the media and international agencies should cease using the GNP/GDP as a measure of progress and publicly acknowledge its shortcomings. New indicators of progress are urgently needed to guide our society: ones that include the presently unpriced value of natural and social capital in addition to the value of conventionally measured economic production. The GPI is an important step in this direction."

Statement signed by over 400 leading economists, including Nobel laureates, and many other prominent political, business and international leaders.

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DRAFT

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Introduction

Since the launch of the Nova Scotia Genuine Progress Index in 1997, the strongest interest in the project has been expressed by local communities who are urgently looking for ways to assess their well-being accurately, and to measure their progress genuinely.

It is at the level of local community that "the rubber really hits the road" in terms of quality of life. Communities *know* viscerally if they are getting safer or not, if job security is growing or not, if people in need are being cared for, if the quality of their air is improving or getting worse. They also know that the economic growth measures conventionally used to assess well-being don't tell the whole story. And they yearn for community development strategies that address the issues that matter to them.

In 1998, Nova Scotia Citizens for Community Development Society, a non-profit group, approached GPI Atlantic to assist in developing community-level genuine progress indicators. As a result, a GPI project was launched in **Kings County**, Nova Scotia as a pilot for other communities.

Representatives of more than 40 community organizations met for more than a year, under the auspices of Kings Community Economic Development Agency, to determine appropriate indicators, and to develop a questionnaire to gather the data needed for the index. That questionnaire is now complete, and includes many questions on employment, voluntary work and care-giving, population health, peace and security, and impacts on the environment.

In February, 2000, the National Crime Prevention Centre recognized that the GPI indicators could help communities identify the social and economic causes, costs and impact of crime, and develop annual benchmarks of progress towards creating more peaceful and secure communities. With funding from the NCPC's Business Action Program, a second community-level GPI has now been launched in **Glace Bay**, a former coal-mining town with very high unemployment, in industrial Cape Breton.

Having undergone detailed review by Statistics Canada experts, and having been tested in the community, both Kings County and Glace Bay are now poised to administer this questionnaire and to collect the data for their Genuine Progress Indices. Nine Glace Bay residents, and nine Kings County residents are working full-time through the summer of 2000 gathering the necessary data.

We anticipate the data input to occur in the winter and spring of 2000-1, after which the results will be analyzed and reported back to both communities. From that process a set of annual benchmarks of progress will be developed, and the community GPI will be ready for "export" to other interested communities. The Population Health Research Unit in Dalhousie University's Medicine Faculty is collaborating with GPI Atlantic in creating a database, and will help process the data for analysis by both communities. The surveys will provide information on the determinants of health not previously available at the community level.

In the second year of the community GPI project (2001-2002), GPI Atlantic, the NS Citizens for Community Development Society, and local residents will bring proposals and recommendations to policy planners and development agencies based on the GPI results. This information will assist in crafting development strategies that build on local strengths and overcome identified weaknesses revealed by the data.

Put simply, the GPI can assist communities in planning a better future for their children, and in measuring their progress towards that goal.

GPI Atlantic, the N.S. Citizens for Community Development Society, and residents of Glace Bay and Kings County, are willing to assist any other community interested in developing local community-level Genuine Progress indicators.

This volume contains:

- materials for community development planners
- a summary of the Community GPI work-in-progress (notes prepared for community development practitioners and students interested in developing more comprehensive measures of progress and sustainable development at the community level);
- progress reports to community meetings between March 1999 and June 2000 that reveal the community process undertaken to select indicators and to develop the questionnaire;
- brochures distributed to residents of Glace Bay and Kings County to tell them about the GPI in advance of the questionnaire;
- the 105-page questionnaire for Kings County Residents- Personal Information, Employment/Underemployment, Household, Volunteer and Health, Peace and Security, Ecological Footprint, Household Food Consumption, and Time Use sections. The questionnaire distributed to Kings County residents was identical to the Glace Bay questionnaire, with the exception of five additional questions on agriculture; and
- a draft *Report of the Preliminary Farmer Survey and Statistical Review*
- the Survey Development Phase Final Report