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FAST FACTS

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Canada's Best Cities?

Since the NDP was elected in 1999, the Manitoba Chambers of Commerce, the Manitoba branches of the Canadian Federation of Independent Business and the Canadian Taxpayers Federation have conducted a relentless campaign to discredit the government. Amongst other things, the leaders of this campaign allege that the policies of the present government are undermining Manitoba's economy and quality of life.

A recent article by Phil Froats and Duncan Hood in the April 2007 issue of *MoneySense Magazine* offers a contrary view on the state of Manitoba's cities, and therefore the province as a whole. Froats and Hood seek to identify the best places to live in Canada by ranking 123 Canadian cities with populations greater than 10,000. They rank cities on the basis of *economic* variables: average family income, unemployment rate, population growth rate, discretionary income, percentage of new cars owned by citizens, and the average price of houses. And they use *quality of life* factors: the weather, the availability of public amenities, and the presence of entertainment attractions, for example. They suggest that, based on these criteria, the ideal Canadian city "would have the buzz, the prosperity and the amenities of a metropolis and the rolling lawns, safe neighbourhoods and lower living costs of a small town."

The top 25 cities in their list include small cities, very large cities and cities in between. For example, Ottawa-Gatineau with a population of 860,928 is ranked 1st, while Gander, Newfoundland with a population of 9,410, and Toronto, with a population

of 4,753,120, are ranked 10th and 12th respectively. There are three big surprises in the top 25 on the list.

First, Ontario cities dominate with 13 of the top 25 places. British Columbia, in contrast, has just Victoria and Vancouver in the top 25. At the other end of the scale, British Columbia has fifteen cities among the bottom 25, while Ontario has just one.

Second, Alberta, the province with the hottest economy and the highest rate of population growth, doesn't place a single city in the top 25. Calgary is the first Alberta city to crack the list of 123 at number 28, followed by Edmonton at 31, Lloydminster at 35 and Lethbridge at 36. Further down the list we find Red Deer at 60, Medicine Hat at 95, and Wood Buffalo and Grand Prairie, two cities experiencing super growth on most counts, at 98 and 99, respectively.

Third, Manitoba has three cities in the top 25, which is more than all provinces except Ontario. The cities and their ranks are: Winnipeg (13), Brandon (19) and Thompson (25). The results relating to Alberta and Manitoba cities are somewhat paradoxical in that they contradict much of the popular wisdom prevalent in both Manitoba and Alberta about comparative conditions in the two provinces and their cities.

As a way of trying to better understand these results, it might be useful to compare the results for some of the economic and social criteria for Winnipeg and Brandon with the results for Edmonton and Lethbridge.

These data suggest that the reason Winnipeg and Brandon finish ahead of Alberta cities in the list of Canada's best places to live is because people are,



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CANADIAN CENTRE
for POLICY ALTERNATIVES
MANITOBA OFFICE

309 - 323 Portage Avenue
Winnipeg, MB R3B 2C1
T 204.927.3200 F 204.927.3201
ccpamb@policyalternatives.ca
www.policyalternatives.ca

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FASTFACTS continued ...

on balance, better off both in economic terms and in the quality of amenities available to them in their communities.

Business organizations critical of provincial and civic governments in Manitoba cite tax rates as a key factor dragging down economic conditions and the quality of life in Manitoba relative to more "prosperous" provinces and cities. The Froats and Hood study challenges the validity of these claims.

comparative data used in the Froats and Duncan survey obscure the fundamental problems that plague city life. These include the great inequalities and grinding poverty that victimize significant segments of the populations in most Canadian cities, including Winnipeg, Edmonton, Brandon and Lethbridge, and that can be seen in the people living in the streets or trapped in inferior housing, the adults and children lining up at food banks to get their daily bread, and

A Comparison of Selected Data for Winnipeg, Edmonton, Brandon and Lethbridge				
Variable	Winnipeg	Edmonton	Brandon	Lethbridge
Average Household Income	\$66,100	\$85,500	\$57,300	\$71,500
Discretionary Income (Proportion of household income left after payment of fixed costs of household members)	25.73%	18.19%	25.09%	16.99%
New cars as a % of cars on the road	11.7%	13.8%	9.8%	10.6%
Population growth rate	2.7%	10.4%	4.3%	8.9%
Unemployment rate	4.2%	4.2%	4.2%	4.2%
Average House Price	\$161,528	\$294,155	\$110,205	\$182,707
Ratio Average House Price/Average Household Income	2.4437	3.4404	1.9233	2.5553
Percentage of Population that walk or bike to work	7.5%	5.9%	11.0%	5.9%
Doctors per thousand Population	4.632975	4.403736	3.776803	3.562152

Source: Phil Froats and Duncan Hood, "Canada's Best Places to Live 2007," *MoneySense Magazine*, April 2007.

the people in inner city neighbourhoods who live in terror because of thugs and gangs. This latter problem, for example, is reflected in the much higher homicide rates in Winnipeg and Brandon than most other Canadian cities,

Moreover, a comparison of the 2006 property tax levy on a sample house in 25 Canadian cities prepared by the City of Edmonton (and expanded to include Brandon by the City Treasurer) indicates that for residential properties the net property tax levy (property tax levy minus provincial homeowner grants/credits) in Winnipeg and Brandon is lower than in many other Canadian cities and about the same as the levies in Alberta cities. For the cities used in the comparison in the table the net property tax levies and rank in the list of 25 cities were as follows: Winnipeg \$2,099, 11; Edmonton \$1,901, 9; Brandon \$1,671, 3; and Lethbridge \$1,848, 7.

Taken together these data suggest that, contrary to popular beliefs, Winnipeg, Brandon, and Manitoba as a whole provide average citizens with the means and conditions required to create decent lives for themselves and their families.

However, it is important to recognize that the

as shown in Froats and Duncan's data.

No means of comparing quality of life in different cities is perfect, and the *MoneySense* survey no doubt has its own flaws. But to the extent that it is accurate, it suggests that those who repeatedly use an Alberta/Manitoba comparison to demand further tax cuts and smaller governments in Manitoba have it wrong. For the majority in Manitoba cities, life is good by comparison with most other Canadian cities. Rather than calling for tax cuts and smaller governments, we should focus our efforts on policies and programs that enable all citizens, including the growing numbers suffering from poverty, to share in the benefits of economic and social progress.

- Errol Black

Errol Black is a retired professor of Economics at Brandon University and a member of the CCPA-MB Board of Directors.



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