Toronto’s Third City

Dramatic Change in the Inner Suburbs

1970 to 2005

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THE THREE CITIES WITHIN TORONTO

Income Polarization Among Toronto’s Neighbourhoods, 1970-2005

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www.NeighbourhoodChange.ca
“Divided Cities”

• Socio-spatial polarization
• Income inequality
• Income polarization
• Ethno-cultural & skin colour segregation

Divided cities are not new.
Cities have always been divided.

What is new?

Today: A new socio-spatial order with stronger (more rigid) divisions, and greater inequality

“Those changes may be summarized as an increase in the strength of divisions in the city and the inequality among them.”

– Peter Marcuse & Ronald van Kempen, 2000, p.272
Neighbourhoods Matter

Research has found outcomes associated with neighbourhoods, such as

- school dropout rates;
- childhood achievement;
- transition rates from welfare to work;
- deviant behaviour;
- social exclusion; &
- social mobility

35 Year Trend in Toronto

A new socio-spatial polarization (partitioning of urban space) on the basis of income & SES & ethno-cultural origin

Three increasingly distinct “cities” within Toronto
City #3

40% of Toronto
370,000 dwellings
50% in highrise bldgs
41,000 social housing units
1,070,000 people; 66% vis-min
15% recent (2001-2006) immigrants

2006 Census
MAP 3: AVERAGE INDIVIDUAL INCOME, CITY OF TORONTO, Relative to the Toronto CMA, 2005

Census Tract Average Individual Income Relative to the Toronto CMA Average of $40,704 (estimated to 2001 census boundaries)

- **Very High**: More than 40% Above 7% Tracts, 15% of City Average = $90,000
- **High**: 20% to 40% Above 21% Tracts, 4% of City Average = $55,000
- **Middle Income**: 20% Below to 20% Above 72% Tracts, 29% of City Average = $35,000
- **Low**: 20% to 40% Below 20% Tracts, 40% of City Average = $28,000
- **Very Low**: More than 40% Below 6% Tracts, 14% of City Average = $20,000

1970

Average Individual Income

2005
From 19% of the City to 53% !

Not all of City #3 is low income: 12% of City #3 census tracts are middle income.

67% of Toronto’s low income census tracts are in City #3.

Low income = 80% or less of Toronto area 2005 average individual income.
If City #3 was a separate Census Metropolitan Area (CMA), it would be Canada’s 4th largest. It lacks the rapid transit and many services of a CMA.

Where does Toronto’s diversity live?
Segregation? White population, greater concentration in 9% of city, 1996-2006

Recent Immigrants, 1971 & 2006

Percentage of the Total Recent Immigrant Population in the Inner City, Inner Suburbs and Outer Suburbs and Percentage of the Population Recent Immigrant by Census Tract, Toronto CMA, 1971 and 2006

City #3  Black Population, 2006

64% of the City of Toronto’s Black Population Lives in City #3

City #3 Black Population = 133,775, (12% of the City #3 population)
CITY #3:
FOUR CLUSTERS

City #3: Four Groups of Neighbourhoods, 2006
City of Toronto, Census Tracts (2001 boundaries). Groups based on analysis using 31 variables.

LICO after tax, 2005
A & B = 19%
C & D = 31%
City = 19%

Four Groups of Neighbourhoods in City #3
- Group A (26% of City #3, 10% of Toronto)
- Group B (33% of City #3, 13% of Toronto)
- Group C (16% of City #3, 7% of Toronto)
- Group D (22% of City #3, 9% of Toronto)
City 3-A & 3-B

23% of Toronto

A = Predominantly large two parent households of higher socio-economic status living in newer owner-occupied housing. Many foreign-born non-whites, especially Chinese.

B = Predominantly two parent households, more seniors, of average socio-economic status living in older owner-occupied housing. Lower foreign born, higher white population.

City 3-C & 3-D

16% of Toronto

C = Predominantly two parent households of mixed socio-economic status, higher educated, living in rental apartments. More foreign born, recent immigrants, South Asians and other non-white visible minorities.

D = Predominantly two parent households and a relatively high proportion of single parent families of lower socio-economic status, blue collar jobs, lower education levels, living in rental apartments and social housing. More children, Blacks and non-white visible minorities.
TORONTO’S “GROWING GAP”
INCOME INEQUALITY

The “Growing Gap” from 30% to 250%

Average Individual Income in the Three Cities of Toronto, 1970 to 2005
Income of Persons 15 and Over from all Sources

City #1

City #2

City #3

Average individual income, City of Toronto ($40,000 in 2005)

Income Inequality -- The “Growing Gap”
Income: Trends & 2005 Comparisons

Average Individual Income 1970-2005
City #3: Four Groups of Neighbourhoods
Income of Persons 15 and Over from all Sources, Census Tracts

Number of Households (thousands) 2006 and Percent of City of Toronto Households

Group A: 90, 10%
Group B: 122, 13%
Group C: 94, 9%
Group D: 77, 8%
City #2: 336, 41%
TORONTO’S INCOME POLARIZATION

Change in Neighbourhood Income Distribution in City of Toronto
1970 to 2005 and Forecast to 2025

Middle Income →
(+/- 20% of avg.)
from 66% of city to 29% in 2005

Income Polarization: the decline of the middle income group
Similar Decline in # of MIDDLE INCOME neighbourhoods in the City & “905”

1970 to 2005 decline
City = -37%
905 = -25%

Cities 1,2,3 Income Distribution, 1970 to 2005

City #1
City #2
City #3
Trend: A new type of socio-spatial polarization in the neo-liberal, global era city

Toronto’s neighbourhoods increasingly segregated by market forces & government neo-liberal policies on the basis of

1. socio-economic status,
2. housing tenure, &
3. ethnicity & skin colour
1970 - 1990

1970s & 1980s, a transition period


UK – Similar Trends

Poverty, Wealth and Place in Britain, 1968-2005

• both poverty & wealth have become increasingly spatially concentrated since 1968.

• rich & poor households are increasingly clustering together in different areas

• the ‘average’ group of households has gradually diminished in size during this period.

• poor, rich and ‘average’ households became progressively less likely to live next door to one another between 1971 and 2001.
“Neither fully urban nor completely suburban, America’s older, inner-ring suburbs have a unique set of challenges — such as concentrations of elderly and immigrant populations as well as outmoded housing and commercial buildings — very different from those of the center city.”

Solid Trend: Greater inequality since 1980s
POLICY OPTIONS
WHAT CAN BE DONE?

Questions about the Divided City

1. What are the IMPLICATIONS for Toronto of growing income inequality?

2. What POLICY OPTIONS will help address income inequality (government plus the community and business sectors)?
Explaining the Divided City

1. The history & physical setting of a city
2. Economic development
3. Levels of inequality
4. ‘Race’ and racism
5. Political power (the shift to the right, neoliberal policies, the shift of the balance of power in the economic sphere from labour to capital; devolution of responsibilities to cities)
6. Governance (government has become governance; fragmentation in decision making via privatization, deregulation, partnerships, and multi-actor policy-making)

Why worry about more rigid socio-spatial divisions and greater inequality?

“Inequality promotes strategies that are more self-interested, less affiliative, often highly antisocial, more stressful, and likely to give rise to higher levels of violence, poorer community relations, and worse health.”

Implications of the Divided City

- Widening gap & spatial separation of rich and poor
- Guarded enclaves of the well off & well educated
- Highrise rental slums of the poor
- Sprawling suburbs of a declining middle-income group
- High crime working class and immigrant neighbourhoods
- Ghettos of the excluded, often overwhelmingly along racial and ethnic lines
- Increased conflict over public spaces and community control (e.g., NIMBY)

What to do? Policy options?

Income INEQUALITY
- the size of the gap between rich and poor in the distribution of income and wealth

Social POLARIZATION
- the decline of the middle; the movement towards the poles (a bimodal distribution) in income and wealth distribution

Spatial SEGREGATION
- the relative residential separation of population categories from each other; the formation of ‘outcast ghettos’ & ‘elite ghettos’
What can be done?

**Federal & Provincial** Policy Action

- Effective Anti-Discrimination Strategy
- Affordable Housing Strategy
- Income Support Strategy
- Labour Market Strategy

**ESSENTIAL** Government Policy Actions

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**Policy Options** for the Divided City

- **INCOME STRATEGY**
- **ANTI-DISCRIMINATION STRATEGY**
- **HOUSING STRATEGY**
- **LABOUR MARKET STRATEGY**

1. Inclusionary Zoning
2. Rental Housing Rehabilitation
3. Eliminate vacancy decontrol
4. Maintain existing rental buildings with 6 or fewer units
5. “Tower Renewal” initiative
Policy Options continued

6. Second suite incentive program
7. Encourage rooming houses, SROs, supportive housing
8. Reduce parking requirements & related reg. reforms
9. Prov. share of land transfer tax to municipalities
10. Energy program for low-income households
11. Support small independent neighbourhood businesses
12. Active social / community development planning
13. ____________________________
14. ____________________________

1,200 rental high-rise buildings in Toronto
Built from 1950s to early 1990s
Most are in clusters of 5 or more
280,000 apartments
Half of Toronto’s rental housing
Few community services
Aging buildings
Often overcrowded
Energy inefficient

SOLUTION
Tower Neighbourhood Renewal

www.towerrenewal.ca
era.on.ca/blogs/towerrenewal
www.cigr.ca
**Priorities: + $1.4 Billion**

City's hopes rest with PanAm bid

Published On Wed Nov 04 2009

A favourable outcome is by no means assured, regarding the odds of hosting the 2015 Pan Am Games. Peterson has made everything right – a good working relationship with key decision-makers, some involving not just Toronto but also the province's finances.

“...,” said before leaving for Guatemala today, for a meeting that culminated in a four-hour session with the Pan Am bid committee.

Peterson is being joined by Ontario Premier Dalton McGuinty, Mayor David Miller and a host of other local Pan Am boosters. They have a convincing story to tell.

The municipalities, province and country are ready to invest $1.43 billion to build facilities and stage the Games for 10,000 athletes and officials from more than 40 countries in the Western Hemisphere.

An entire athletes' village is to be constructed in the West Don Lands area of Toronto's waterfront. A new stadium is to be built in Hamilton. And a host of other brand new sports facilities are to be built, including Olympic-sized swimming pools and a velodrome.

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**Priorities: - $4 Billion**

Truncated Transit City is 'wrong,' Miller says

May 18, 2010

Mr. Miller contends everything after 2015 may as well be unfunded because the promised money isn't there yet, and that the province is effectively denying transit to inner suburbs that need it most. Metrolinx president Bob Pichard argues that's not the case, and that Metrolinx is investing too.
Toronto: Justice Denied

Mark Kingwell: A just city ...

A just city demands

“over and over, that all development be, at some level, in the service of everyone.”


For further information
www.NeighbourhoodChange.ca
The four groups within City #3 were created using K-means cluster analysis in SPSS with 31 variables from census 2006 data. Cluster analysis is a statistical technique that groups observations, in this case, City #3 census tracts, together based on their common housing and socio-economic characteristics. The objective is to create groups containing census tracts that are similar as possible to each other and as different to each other as possible from tracts in the other groups. Many different cluster solutions were run and a four group solution (condensed down from a seven group solution by re-classifying a few outliers) was deemed to be a reasonable, logical, comprehensible summary of neighbourhood variation within City #3.

Census 2006 variables used in the cluster analysis:

1. Population per sq km
2. Dwelling per sq km
4. Rented housing percentage
5. Single detached housing percentage
6. Apartment housing percentage
7. Children 8 or younig under 20 years of age percentage
8. Seniors 65 years and over percentage
9. Persons per household (same as persons per dwelling)
10. Lone parent families as a percentage of family households
11. Canadian born population percentage
12. Recent immigrant percentage (arrived 2001-2005)
13. Visible minority population percentage
14. Chinese visible minority population percentage
15. South Asian visible minority population percentage
16. Black visible minority population percentage
17. Other visible minority non-Chinese non-Black non-South Asian pop percentage
18. Population 25 years and over with a university degree percentage
19. White collar professional occupations percentage of the workforce
20. Blue collar occupations percentage of the workforce
21. Sales and service occupations percentage of the workforce
22. Self-employed percentage of the workforce
23. Unemployment rate
24. Average monthly rent
25. Average dwelling value
26. Average household income
27. Median family income from government transfers percentage
28. Dwellings built before 1971 percentage
29. Dwellings built after 1971 percentage
30. Latitude of census tract geographic centre (the x-coordinate of the centroid)
31. Longitude of census tract geographic centre (the y-coordinate of the centroid)

Sources:
2. Statistics Canada. Custom Tabulations: EH085, EH086, E01171

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