



summary

the divided prairie city

**Income Inequality Among Winnipeg's
Neighbourhoods, 1970–2010**

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This handout summarizes findings from *The Divided Prairie City* released by the Institute of Urban Studies (IUS) at The University of Winnipeg.

The IUS is part of a Neighbourhood Change Research Partnership (NCRP) funded by the Social Sciences and Humanities Research Council of Canada (SSHRC). Led by the Cities Centre at the University of Toronto, this study examines income inequality in Halifax, Montreal, Toronto, Hamilton, Winnipeg, Calgary, and Vancouver.

1 Income inequality is growing in Canada.

Canadians believe that we live in a middle-class country, yet research points to a growing income gap between rich and poor neighbourhoods while the middle-income group shrinks.

“Fourteen per cent of all income in Canada is now received by the top one per cent, up sharply from eight per cent in the 1980s. For every \$1 increase in national earnings over the past 20 years, more than 30 cents have gone to the top one per cent, while 70 cents have had to be shared among the bottom 99 per cent.”

-Broadbent Institute. (2015). *Income Inequality*.
www.broadbentinstitute.ca/en/issue/income-inequality

2 Income inequality harms our economy and divides cities.

“Widely unequal societies do not function efficiently, and their economies are neither stable nor sustainable in the long term.”

-Joseph E. Stiglitz. (2012). *The Price of Inequality*. New York, NY: W.W. Norton & Company Ltd. p. 104.

Social division and inequality are hardly new issues in Winnipeg and our neighbourhoods have consistently been home to various groups of people. However, for cities in the 21st century, increasing income inequality is creating new and powerful geographic divisions.

3 We study how inequality impacts neighbourhoods.

Neighbourhoods matter: where we live influences our quality of life and the services we receive. Some neighbourhoods provide us with advantages and social connections that allow us to thrive. Other neighbourhoods can make existing gaps worse because they lack resources and opportunities. Studying the geography of inequality shows how ideas, processes, and policies work together to create our city while also informing program and policy.

4 Incomes are growing less equal in Winnipeg.

From 1970 to 2010, income inequality in Winnipeg grew by 20%.

- 40% of Winnipeg's neighbourhoods experienced declining incomes from 1980 to 2010—only 16% of Winnipeg's neighbourhoods experienced increasing incomes.
- Income inequality has not grown in Winnipeg to the same extent that it has in Toronto, Calgary, or Vancouver. Instead, Winnipeg resembles cities like Edmonton and Halifax because of lower concentrations of ultra high-income individuals.

5 Middle-income neighbourhoods are disappearing.

- From 1980 to 2010, one quarter of Winnipeg's middle and upper middle-income neighbourhoods saw incomes decline to below average amounts. Incomes grew in only 13% of middle-income areas to above-average levels.
- The middle-income group is getting progressively smaller in older suburban neighbourhoods in West Kildonan, East Kildonan, North Kildonan, Transcona, St. Vital, and Fort Garry.

6 Winnipeg remains a divided city.

This study confirms what many people already know about Winnipeg: there is a growing geographic divide between different socio-economic and ethno-cultural groups as residential life, work, commercial activities, and recreational services are separated.

- **Poverty remains concentrated in the inner-city.** These population-dense neighbourhoods are characterized by low home ownership rates, low educational attainment, high unemployment rates, and high government transfer rates. Residents are mainly employed in the manufacturing, trades, sales, and services sectors. While Aboriginal Peoples and recent immigrants compose 11% and 6%, respectively, of Winnipeg's overall population, they represent 20% and 10% in the inner-city.
- **Wealth continues to move towards the city's edges.** Constructed in the last 11 years, these edge areas are characterized by a highly educated population that is largely employed in managerial, administrative, and professional positions. Houses are large, single-family dwellings with little need for repairs. These neighbourhoods are moderately diverse (31% visible minority status) but have a minimal number of recent immigrants or people with Aboriginal ancestry.

Are poor neighbourhoods getting poorer?

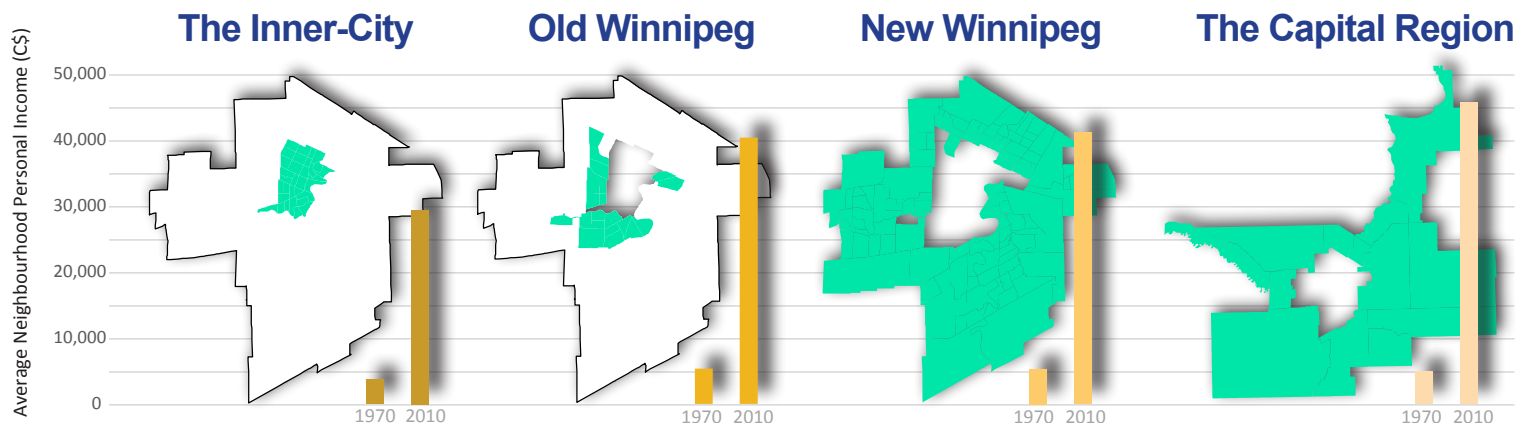
Yes. Of the 39 neighbourhoods that had below average incomes in both 1980 and 2010, 85% fell even further below the average in 2010 than they were in 1980.

Are rich neighbourhoods getting richer?

Yes. Of the 30 neighbourhoods that had above average incomes in both 1980 and 2010, 73% rose even further above the average in 2010 than they were in 1980.

7 Winnipeg's neighbourhoods fall into four groups; each group shares similar histories, populations, and needs.

- 1. The Inner-City:** Neighbourhoods immediately surrounding the downtown core.
- 2. Old Winnipeg:** Neighbourhoods surrounding the inner-city that belonged to the City of Winnipeg prior to municipal amalgamation in 1972.
- 3. New Winnipeg:** Rural Municipalities added to the city with the 1972 amalgamation.
- 4. The Capital Region:** Rural Municipalities that are politically independent from the City of Winnipeg but that are part of the Census Metropolitan Area.

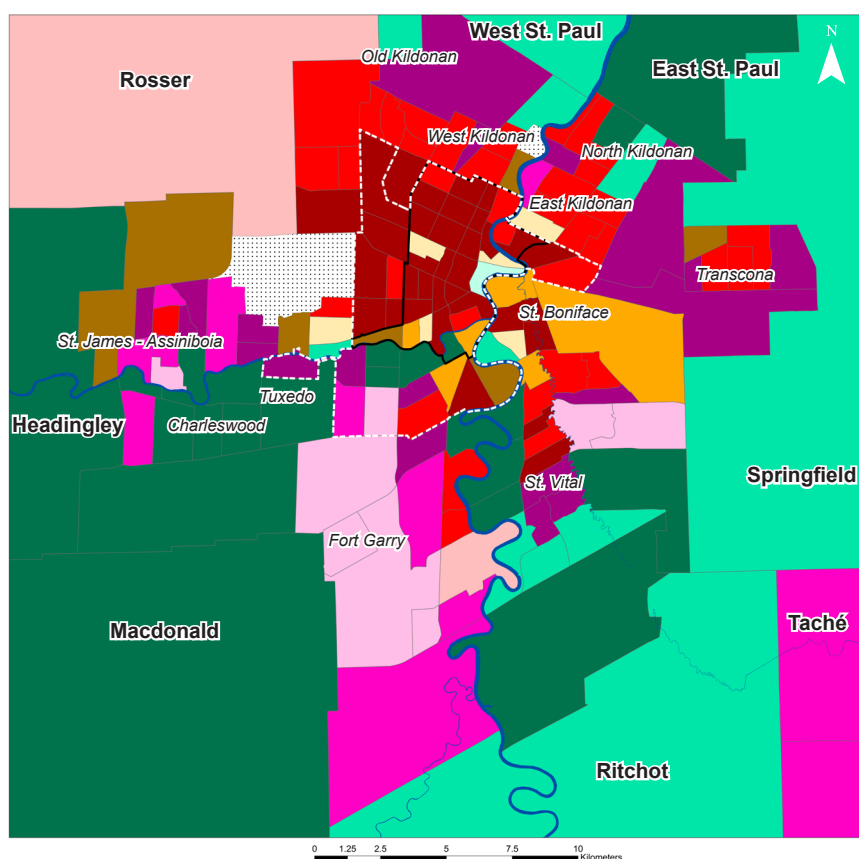


There is a growing income gap between Winnipeg's inner-city and the three other neighbourhood groups.

- In 2010, inner-city neighbourhoods in Logan, West Alexander, and Centennial reported the lowest average incomes while Tuxedo reported the highest average income.
- By 2010, Winnipeg's Capital Region had average incomes 1.5 times that of the Inner-City.

Some neighbourhoods defy these trends.

- The East Exchange District thrives:** average incomes jumped from 1/2 of the city's average in 1980 to nearly double the city's average in 2010.
- There are struggling suburban neighbourhoods:** low income suburban neighbourhoods in St. Boniface, St. Vital, St. James, Inkster West, and Lord Roberts are getting poorer.



Neighbourhood Income Change*, 1980–2010

Declining Incomes (# of Census Tracts)

- Declined farther below average (33)
- Declined from neutral** to below average (37)
- Declined from above to below average (2)
- Declined but still neutral** (19)
- Declined from above average to neutral** (12)
- Declined but still above average (8)

Rising Incomes (# of Census Tracts)

- Rising but still below average (6)
- Rising from below average to neutral** (6)
- Rising but still neutral** (6)
- Rising from below to above average (1)
- Rising from neutral** to above average (10)
- Rising farther above average (22)

- Not Classified
- Former City of Winnipeg (1971)
- Inner-City Boundary
- Major Rivers

* Relative to Winnipeg CMA Average
**Neutral: within 10% of CMA average

Data Source: CHASS, Canadian Census Analyser, 2006 Canadian Census Survey Profile Files, Profile of Census Tracts, University of Toronto; Canada Revenue Agency Taxfiler Data 2010.
Spatial Data Source: Data Liberation Initiative (2006).

Slow-growth and municipal amalgamation have shaped Winnipeg's neighbourhoods.

Emerging from a history of great growth, Winnipeg faced significant challenges beginning in the 1950s. Winnipeg's inner-city fell into decline while the suburbs grew by 133% from 1951 to 1971. Rapid suburbanization in the 1960s was followed by population growth rates of less than 1% per year between 1986 and 2010. Slow-growth entrenched existing neighbourhood inequalities in a city marked by a symbolic line separating the affluent suburban city from a cluster of inner-city neighbourhoods.

The 1972 Unicity project has had two lasting impacts on Winnipeg. First, the push for equitable service provision not only encouraged continued growth in former suburbs, but also in exurban municipalities. Second, suburban dominance of city council led to inner-city issues being ineffectively addressed.

8 Neighbourhood inequality aligns with race.

Winnipeg is a city geographically divided not just by income, but also by immigration and ethnic status, family and housing status, and residential mobility and housing opportunity.

- White populations are concentrated in the affluent south, suburban, and fringe areas of the city, while the inner-city has a clustering of non-white and Indigenous populations. However, recent figures point to small and growing suburban Aboriginal populations.
- While Aboriginal Peoples represented 10% of the total population in 2006, they represented 28% of the population living in high poverty areas.
- Segregation and ghettoization do not occur to the same extent in Winnipeg as in many American cities (e.g. Baltimore or Chicago). Yet, the structure of neighbourhood types in Winnipeg reveals that the gap between rich and poor neighbourhoods falls along ethnic lines.

“Winnipeg is physically divided by the CP rail yards, which cut the primarily Aboriginal North End from the rest of the city. North End Winnipeg looks nothing like the idyllic, tree-lined, middle-class neighbourhoods to the south. It is the poorest and most violent neighbourhood in urban Canada. Many white Winnipeggers have never visited.”

-Nancy Macdonald. (2015, January). Welcome to Winnipeg: Where Canada's racism problem is at its worst. *Maclean's*.

9 The divide impacts already marginalized populations.

- Income inequality limits seniors' participation in mainstream economic and social life. Winnipeg's downtown area and the Selkirk-Point Douglas corridor, along with Osborne Village and St. Vital, contain the core concentration of older adults living in poverty. The least disadvantaged neighbourhoods are River Heights, Tuxedo, Lindenwoods, and Crescentwood.
- Immigration has been a driver of population growth in Winnipeg, but the geographic concentration of newcomers contributes to existing social and economic inequality. Many refugees are resettled into declining inner-city neighbourhoods, which aggravates their integration challenges. Three years after settling, average refugee income was 60% of the city's average.

10 Winnipeg does not have to be a divided city.

- Neighbourhood level inequality can be reversed. The story about neighbourhood change in Winnipeg is really about community resiliency in the face of adversity.
- There have been 30+ years of localized policy responses aimed at addressing neighbourhood decline through cooperative efforts between all three levels of government (The Winnipeg Core Area Initiative, The Winnipeg Development Agreement/Winnipeg Partnership Agreement, and the Winnipeg Housing and Homelessness Initiative).
- Community-based organizations, which utilize the principles of community-economic development, have been a force of neighbourhood resilience for inner-city neighbourhoods.

We need your help to continue this conversation.

This study does not tell the entire story of income inequality and neighbourhood change in Winnipeg, but expands recent conversations by examining the geography of its divisions. As this study continues, we will explore how growing income inequality impacts the people, places, and spaces of Winnipeg. We want to hear your thoughts on our research and any ideas you have about what we should explore in the future.

We invite you to continue this discussion online:

Twitter: @ius_uwinnipeg #DIVIDEDCITY.

Facebook: Institute of Urban Studies Library

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