

# Toronto's Growing Social-spatial Divide

An Update on the  
'Three Cities in Toronto' Trend,  
1970-2012

David Hulchanski, University of Toronto

City Planning Department, City of Toronto, 20 November 2015

## The research

Initiated in 2005  
with focus on  
Toronto

In 2012 extended  
to other metro  
areas

Funded by the  
Social Sciences &  
Humanities  
Research Council  
of Canada



**NEIGHBOURHOOD CHANGE  
RESEARCH PARTNERSHIP**

Trends | Processes | Consequences | Policy Interventions

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Two key national income trends — the growing gap between the rich and the poor and the progressively smaller middle-income group — have major social implications at the neighbourhood level that we are only beginning to identify, understand, and explain.



Social Sciences and Humanities  
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Conseil de recherches en  
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Canada

# DIVIDED CITIES

Cities have always been divided

Rich & poor & in-between areas

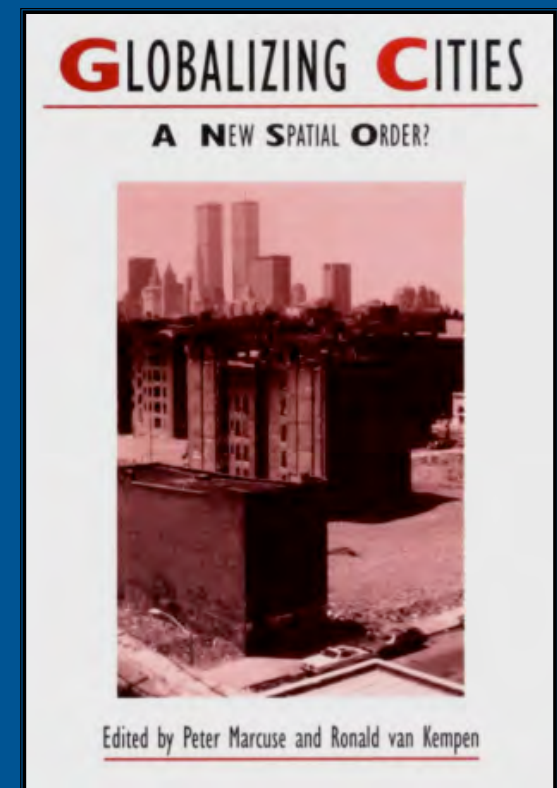
So ...

What is new or different?

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



# Socio-spatial change in metropolitan areas

What are the

TRENDS, PROCESSES, CONSEQUENCES, POLICY INTERVENTIONS

The logo features a stylized city skyline in shades of blue and teal. Overlaid on this background is the text 'NEIGHBOURHOOD CHANGE' in large, bold, white capital letters. To the right of 'CHANGE' is a vertical line, followed by the words 'Research Partnership' in a smaller, white, sans-serif font.

**NEIGHBOURHOOD  
CHANGE** | Research  
Partnership

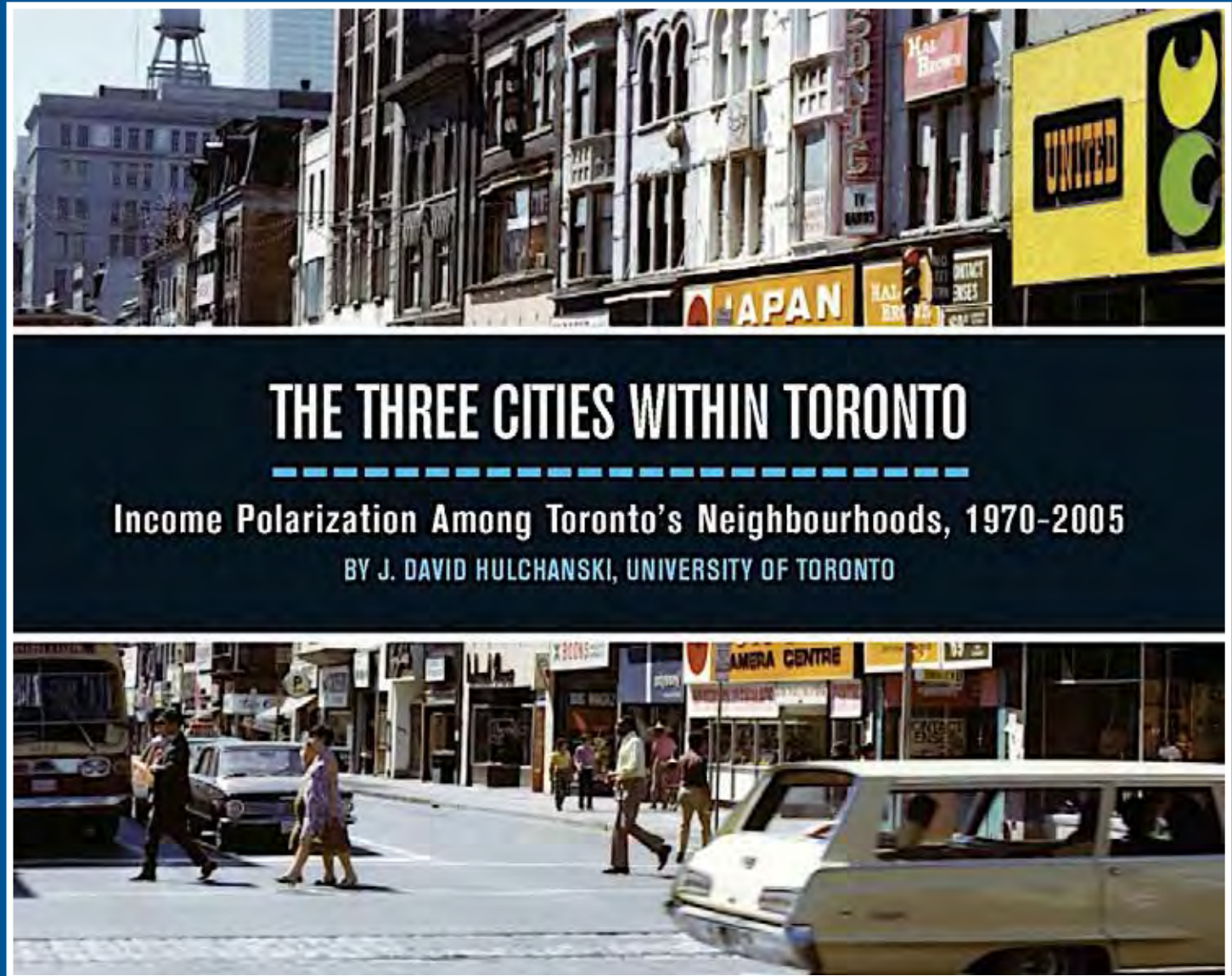
Trends | Processes | Consequences | Policy Interventions

[www.neighbourhoodchange.ca](http://www.neighbourhoodchange.ca)



# 2010 REPORT

The 2010  
report has  
a web  
version  
with many  
related  
resources



<http://3cities.neighbourhoodchange.ca>

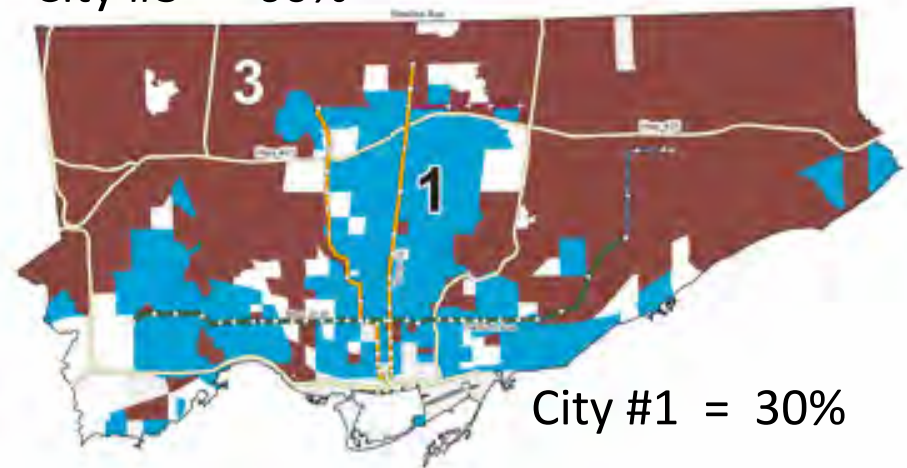
# 2010 REPORT: If Nothing Changes (last page)

## IF NOTHING CHANGES: TORONTO IN 2025

### PROJECTION OF THE “THREE CITIES” IN TORONTO TO THE YEAR 2025

[Map 1](#) in this report shows trends in average individual income for Toronto’s neighbourhoods (census tracts) from 1970 to 2005. What happens to the spatial patterns of the “Three Cities” in Map 1 if we project these trends forward in time — say by 20 years, to 2025? Do more neighbourhoods within the City of Toronto show either a downward or upward trend in income relative to the Toronto CMA? [Map 7](#) indicates clearly that this is what would happen under the assumptions outlined below.

City #3 = 60%

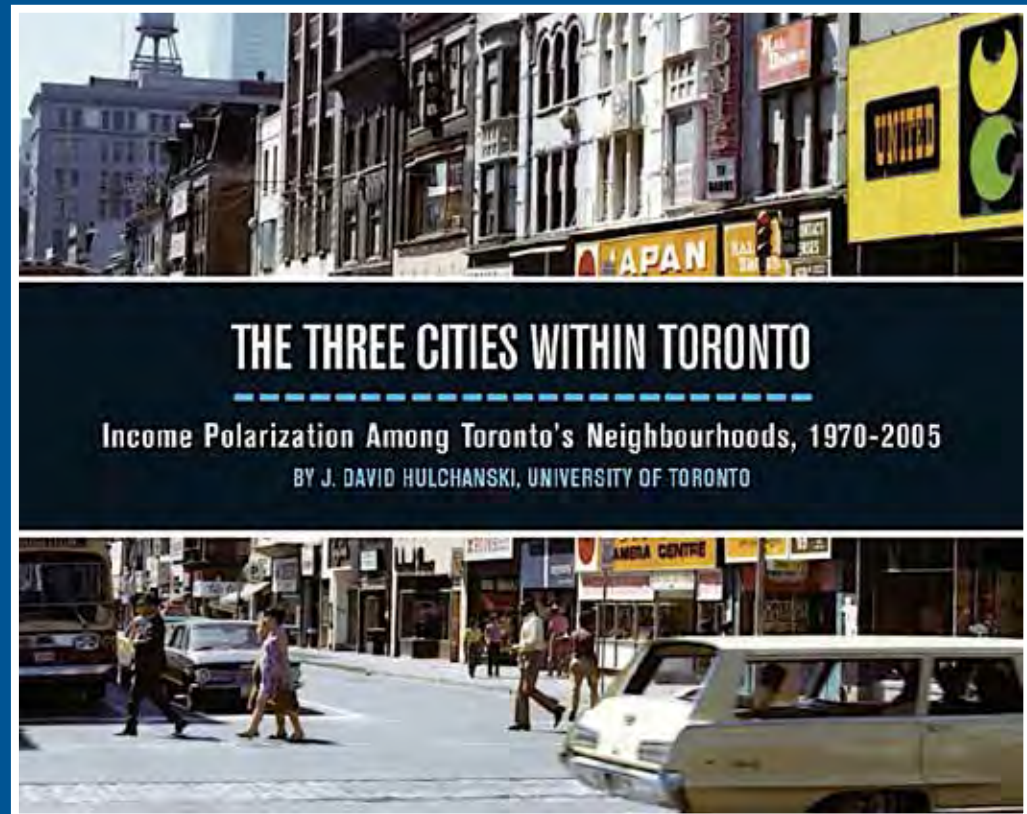


City #1 = 30%



# UPDATE of the “Three Cities” Trend

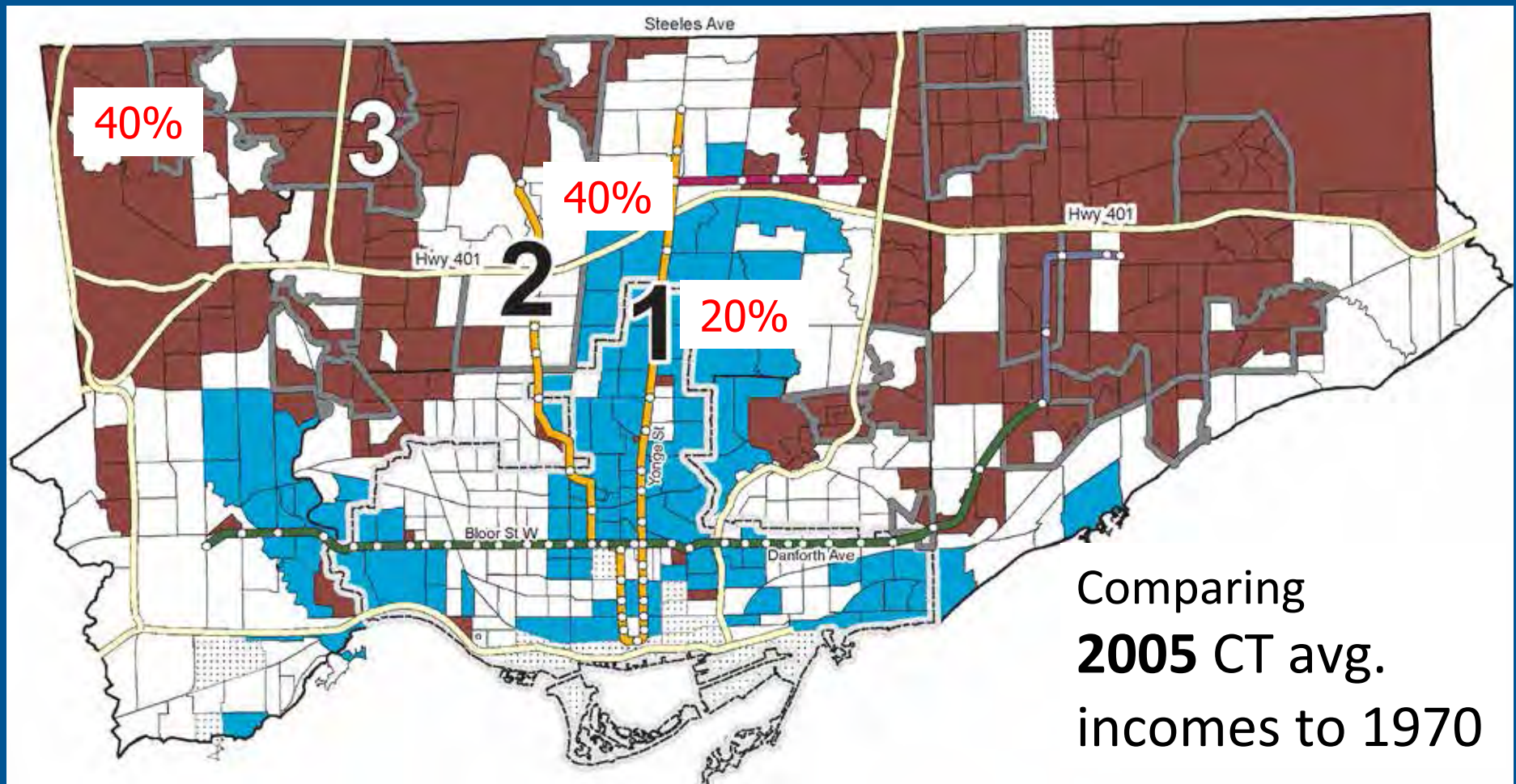
from  
1970 – 2005  
to  
1970 – 2010  
1970 – 2012





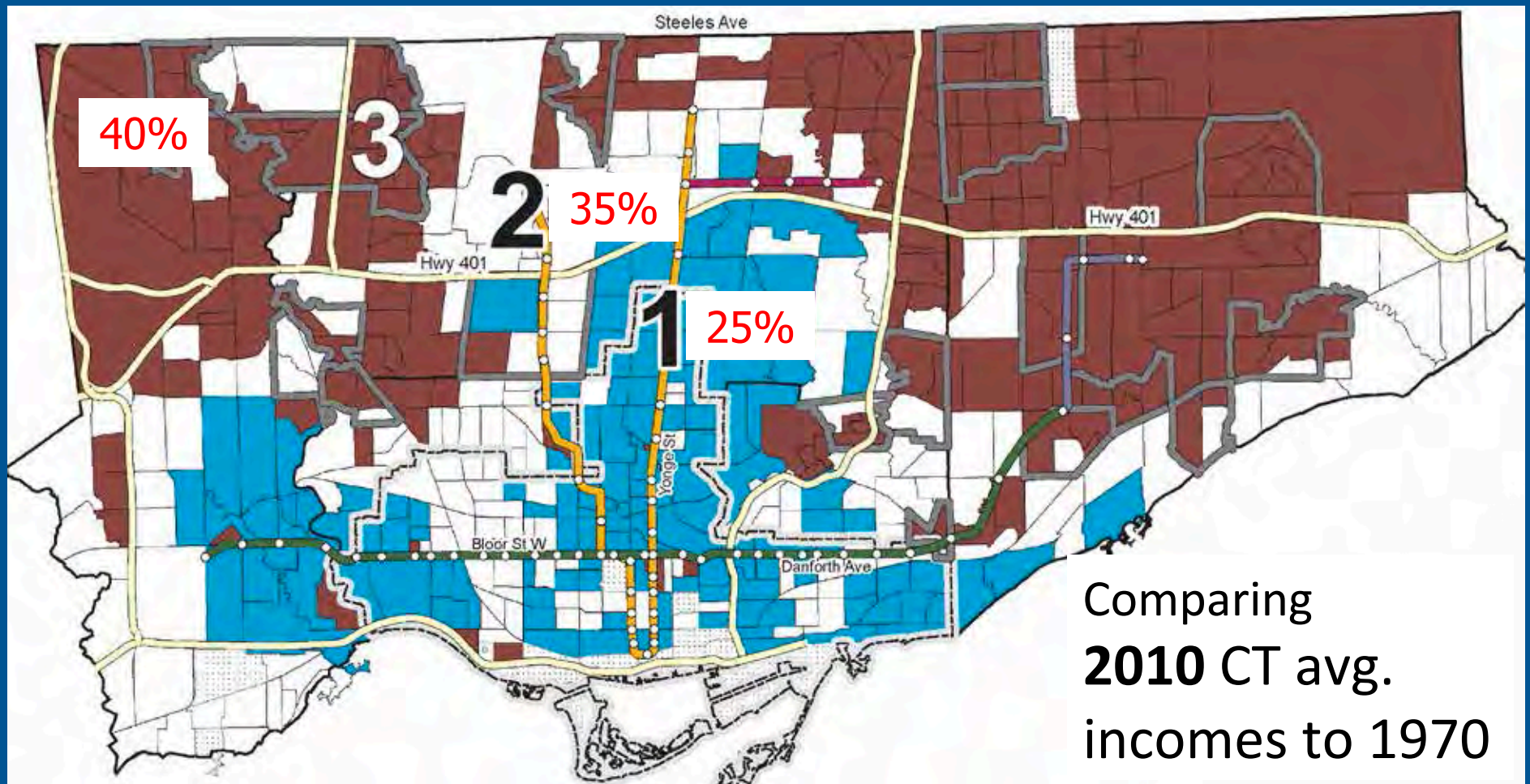
# 35 Year Trend, Toronto, 1970-2005

Change in census tract average individual income  
compared to the Toronto CMA average, 2005 versus 1970



# 40 Year Trend, Toronto, 1970-2010

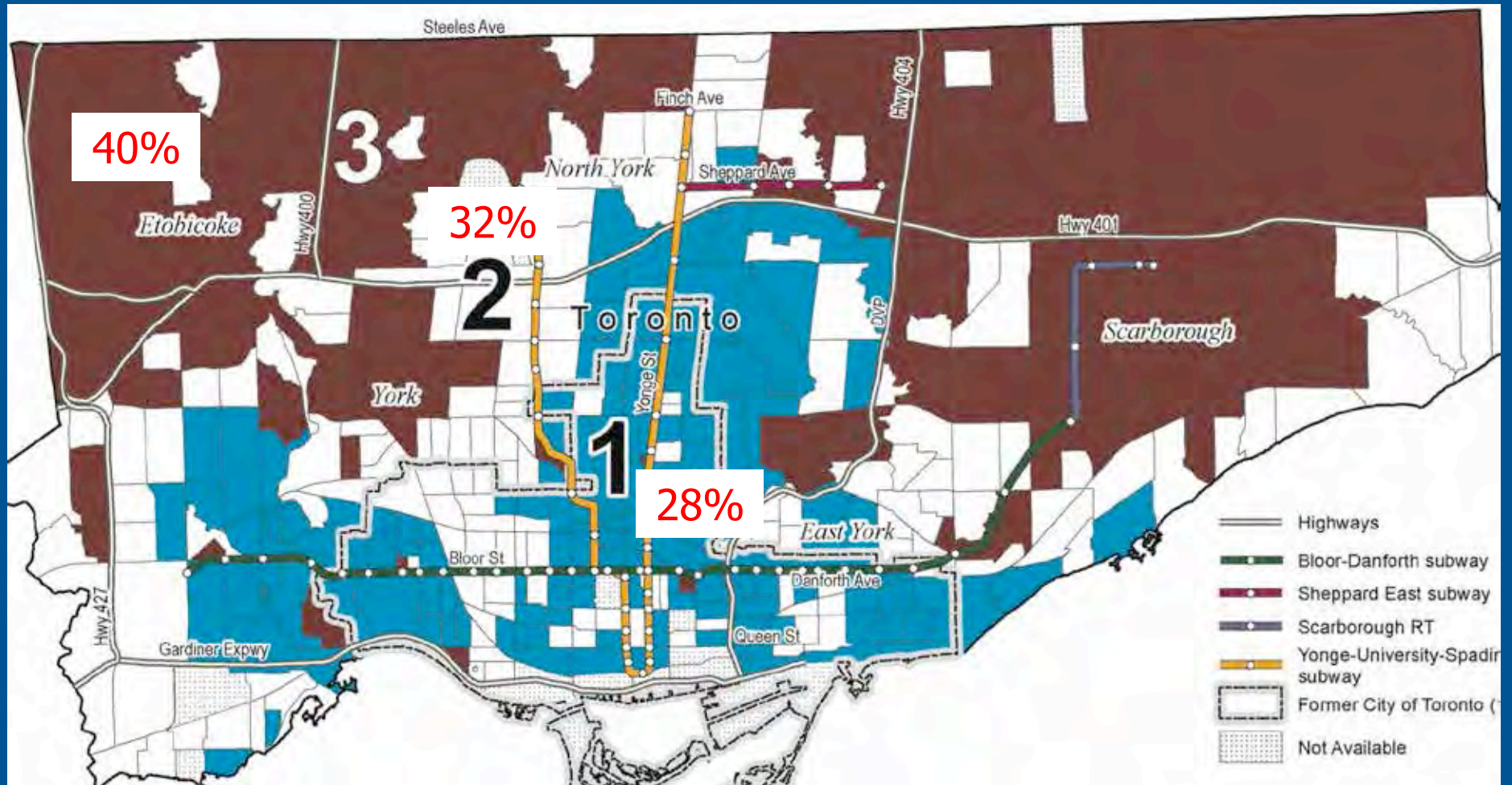
Change in census tract average individual income  
compared to the Toronto CMA average, 2010 versus 1970





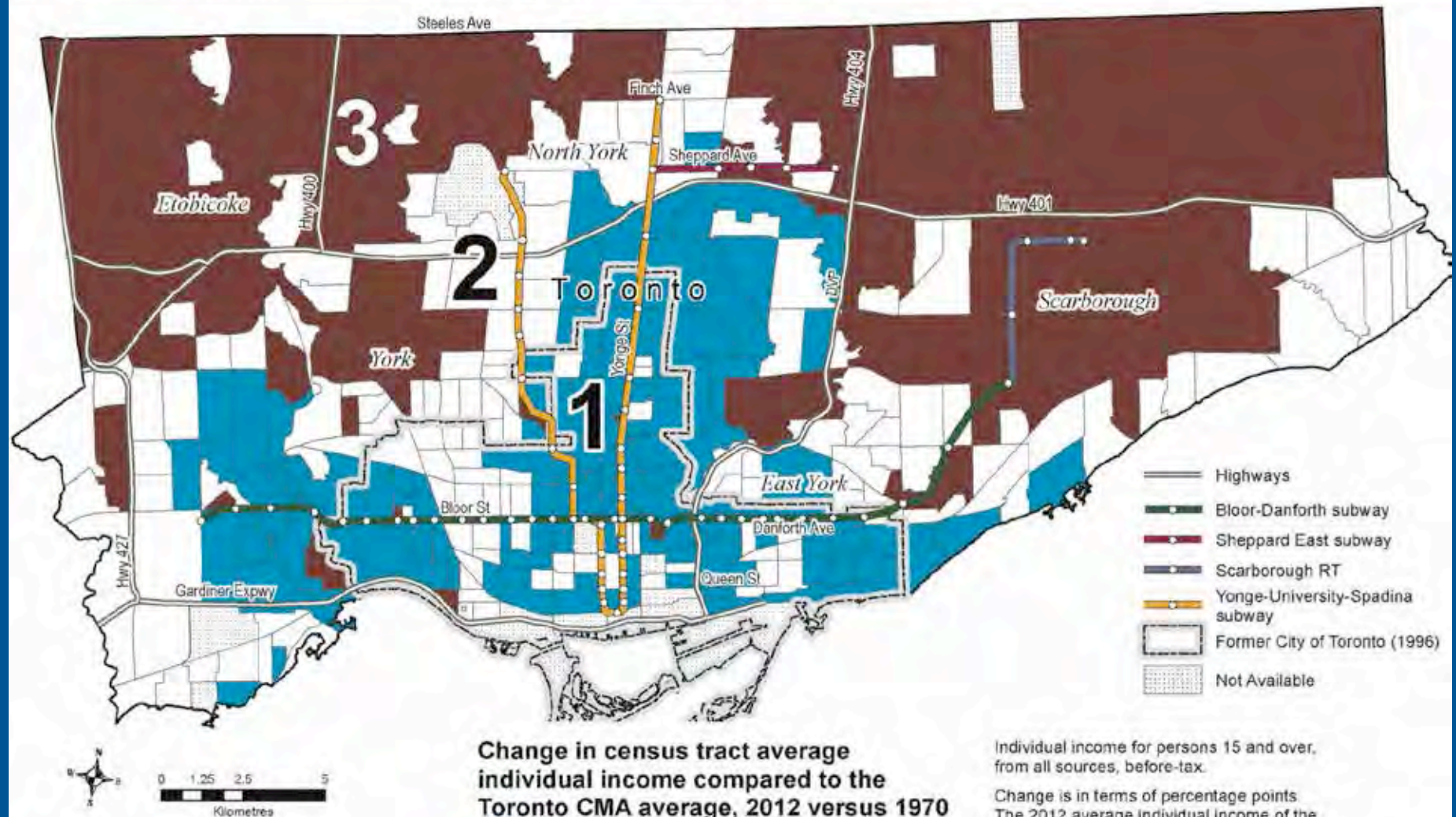
# 42 Year Trend, Toronto, 1970-2012

Change in census tract average individual income compared to the Toronto CMA average, 2012 versus 1970





# Neighbourhood Income Change: City of Toronto, 2012 vs. 1970



## Change in census tract average individual income compared to the Toronto CMA average, 2012 versus 1970

- Increase of 20% or More (146 CTs; 28% of the City)
- Increase or Decrease is Less than 20% (165 CTs; 32% of the City)
- Decrease of 20% or More (207 CTs; 40% of the City)

Individual income for persons 15 and over, from all sources, before-tax.

Change is in terms of percentage points. The 2012 average individual income of the census tract is divided by the metropolitan area average for that year and the same is done for 1970. The difference (2012 minus 1970) is multiplied by 100 to produce the percentage point change for each census tract.

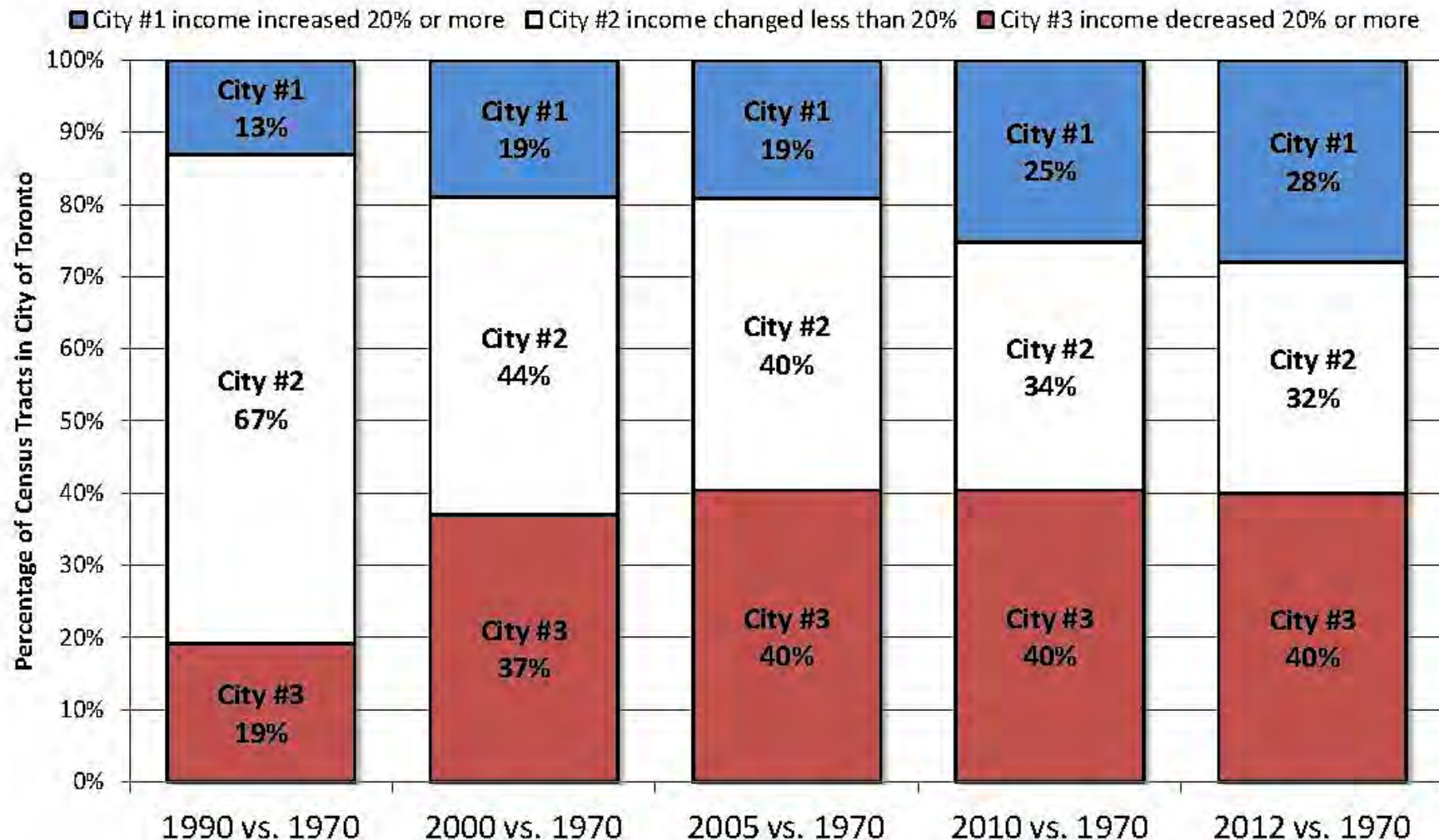
Census tract boundaries are held constant to Census 2001 (518 CTs).

Data Sources:  
Statistics Canada, Census Profile Series 1971  
Canada Revenue Agency, Taxfiler data, 2012

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CHANGE** Research Partnership



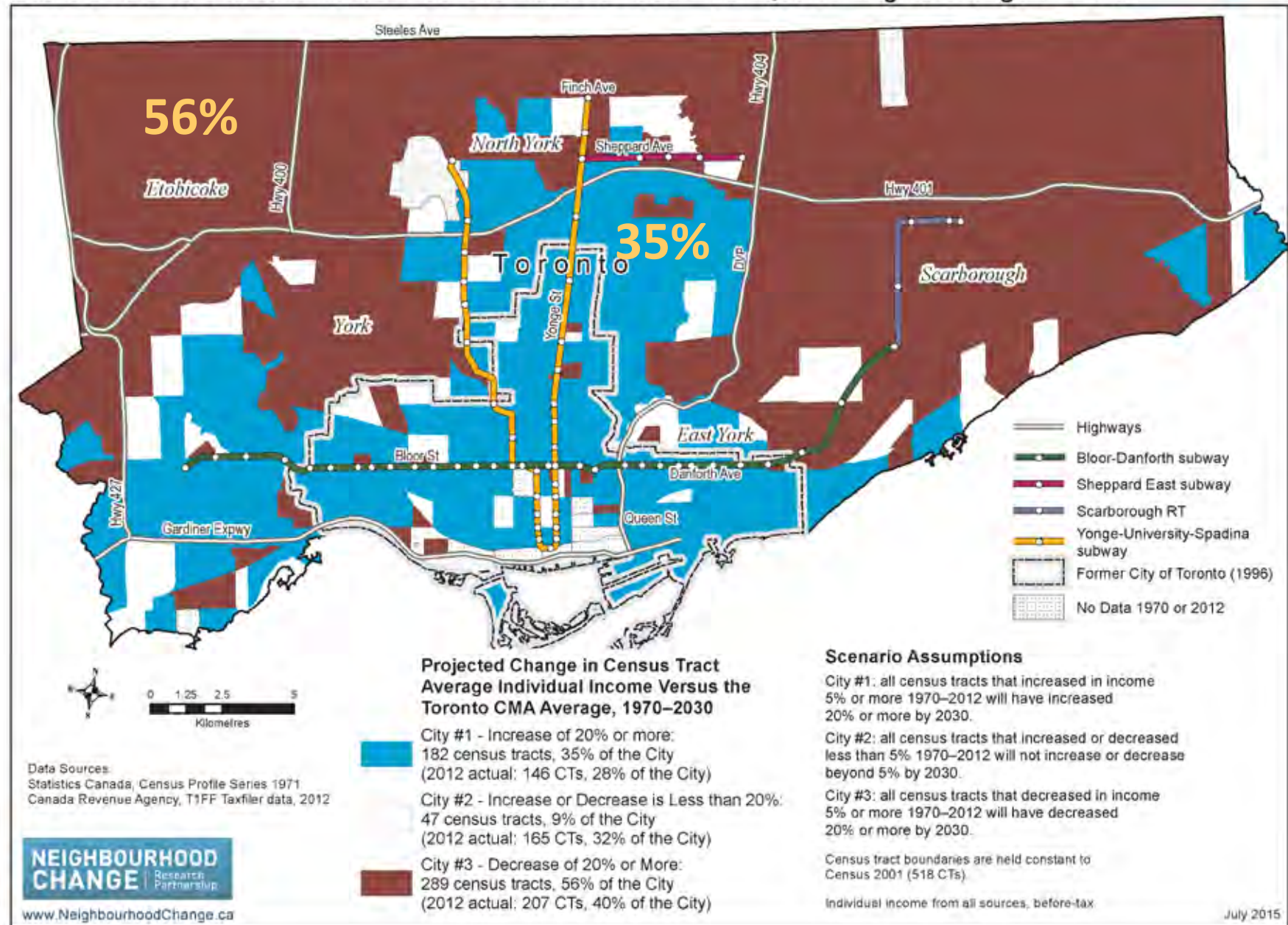
## Neighbourhood Income Change: City of Toronto Three Cities, 1990 Versus 1970 Up to 2012



Based on census tract average individual income from all sources, before-tax. City #1 defined as census tracts which increased in average individual income relative to the metropolitan average by 20 percentage points or more. City #2 census tracts changed less than 20 percentage point increase or decrease. City #3 census tracts decreased by 20 percentage points or more. Census tract boundaries are held constant to census 2001 for all years. Taxfiler incomes used for 2010 and 2012.

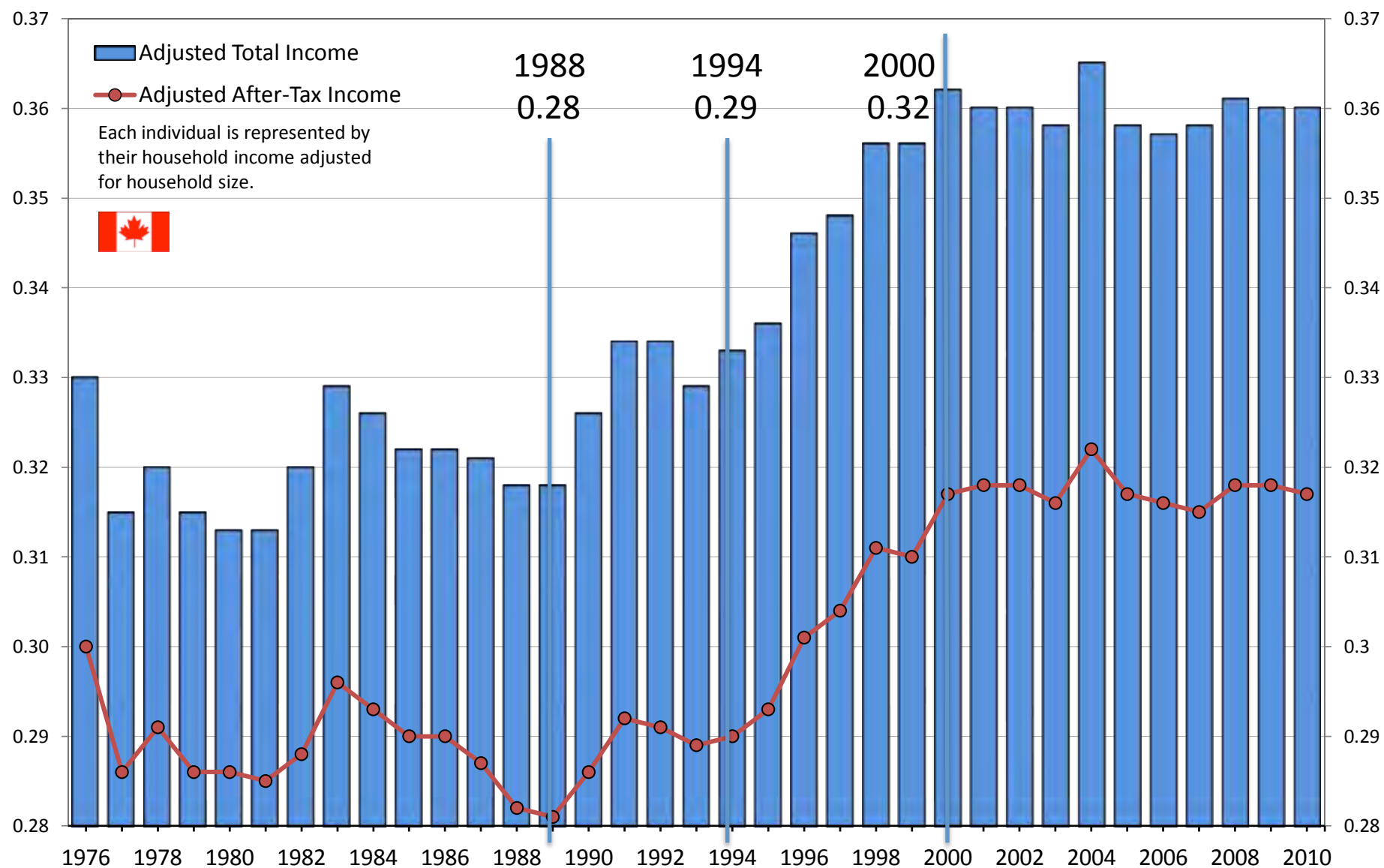
# Projection of the "Three Cities" in the City of Toronto to 2030

Based on the 1970 to 2012 Trends in Census Tract Individual Income, Assuming No Change in Trends



## GINI Coefficient for Canada, 1976-2010

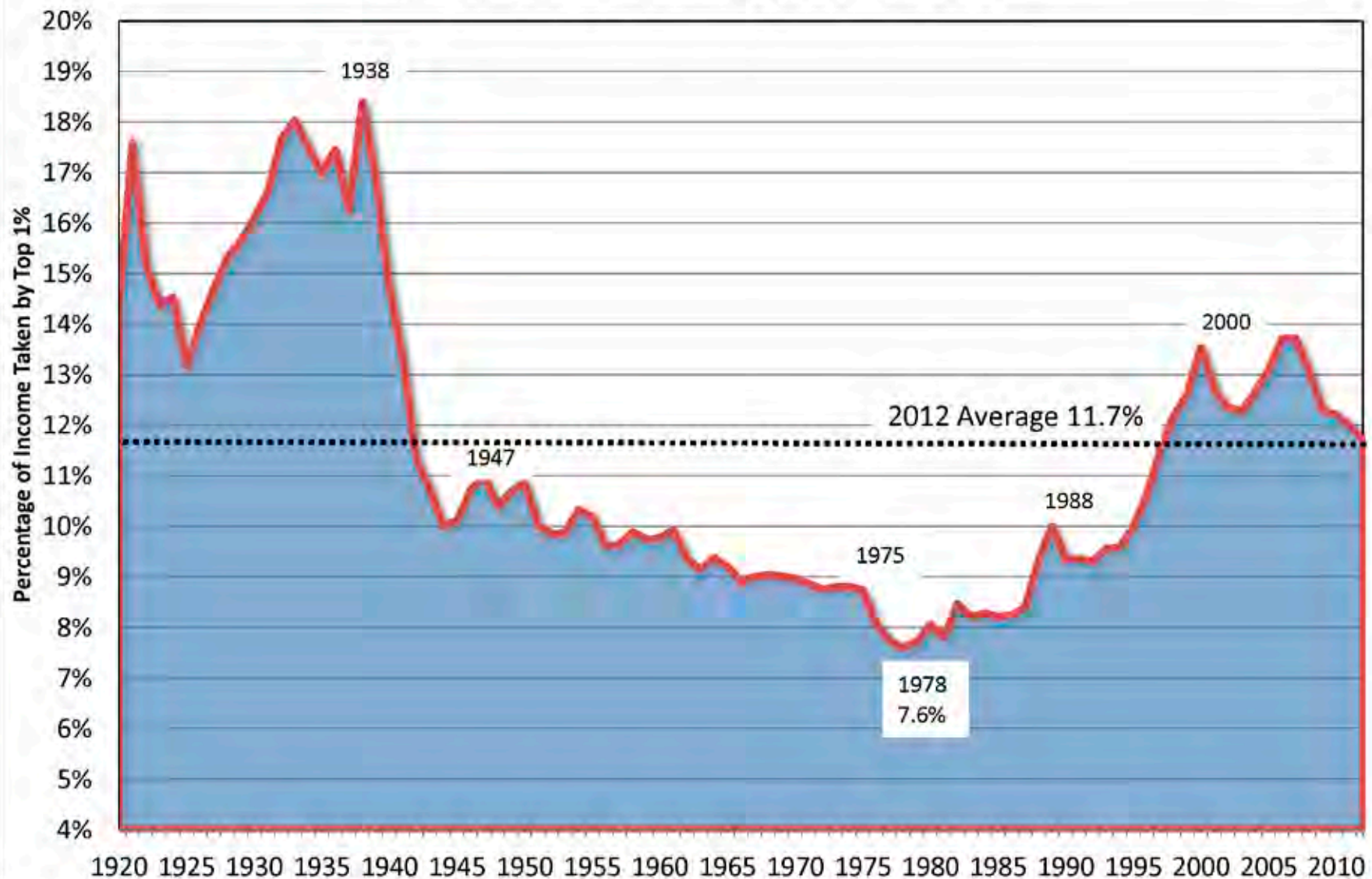
### Adjusted Total & After-Tax Income, All Family Units





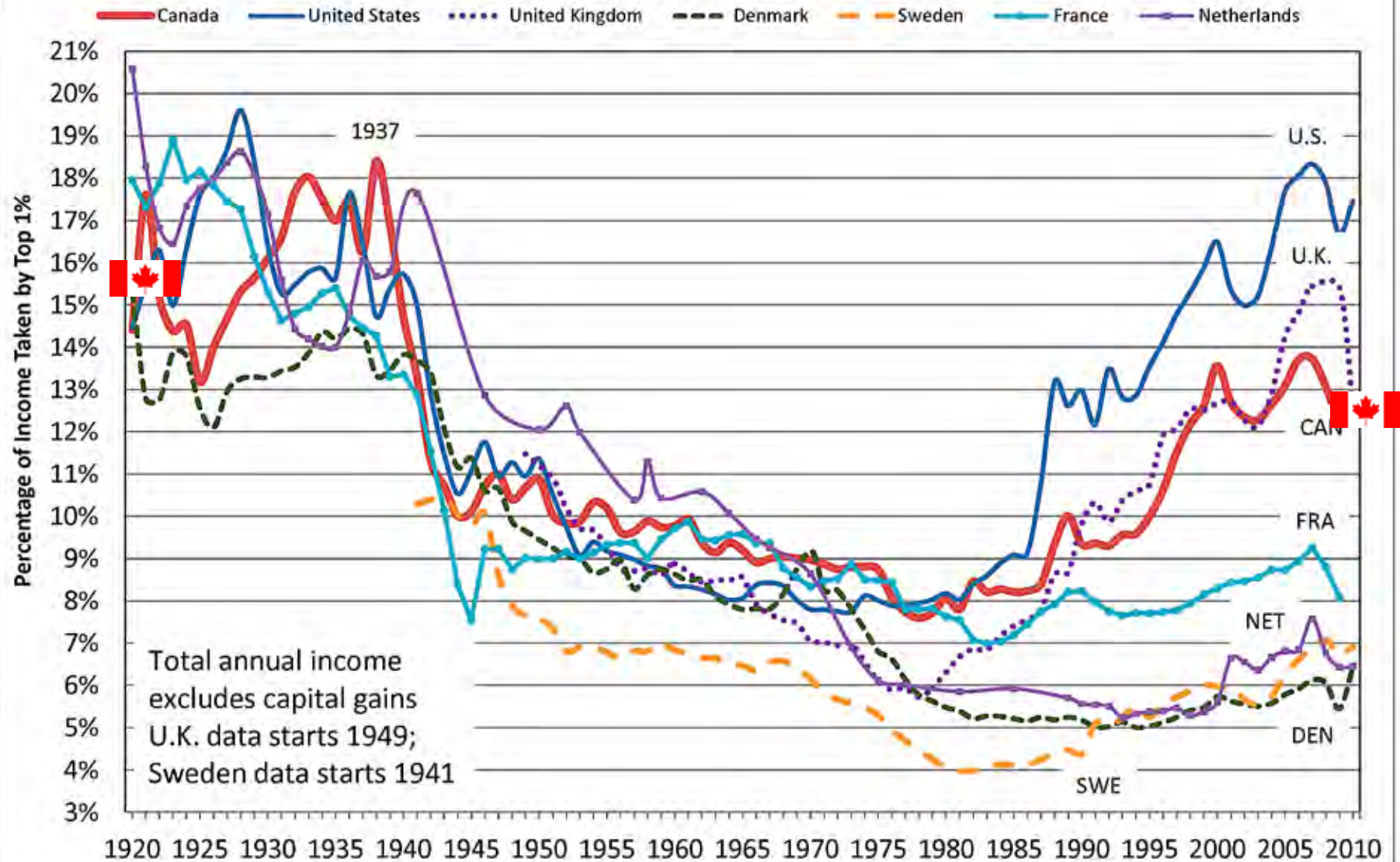


## Share of Annual Income Taken by Top 1% of Canada's Taxfilers, 1920–2012

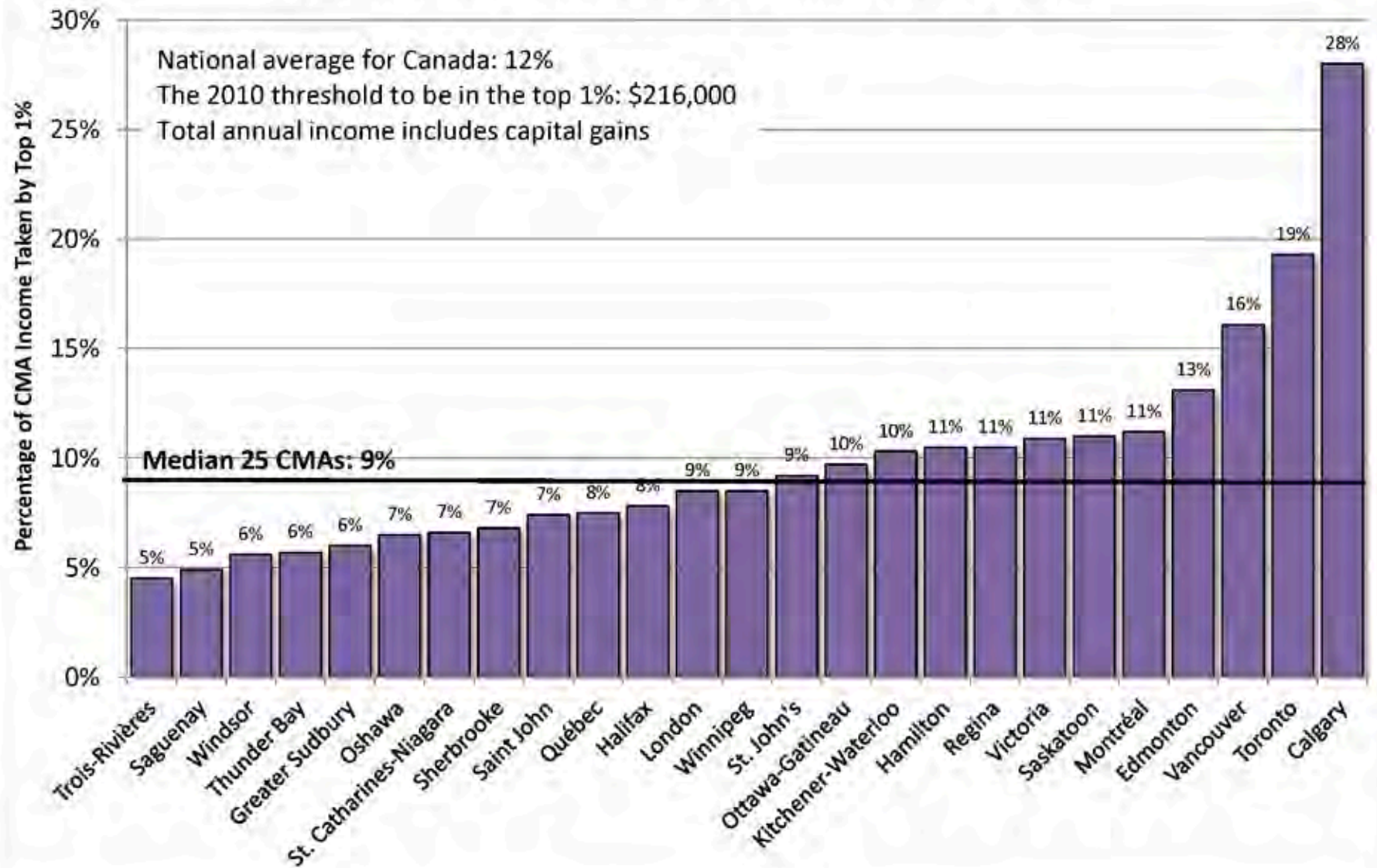




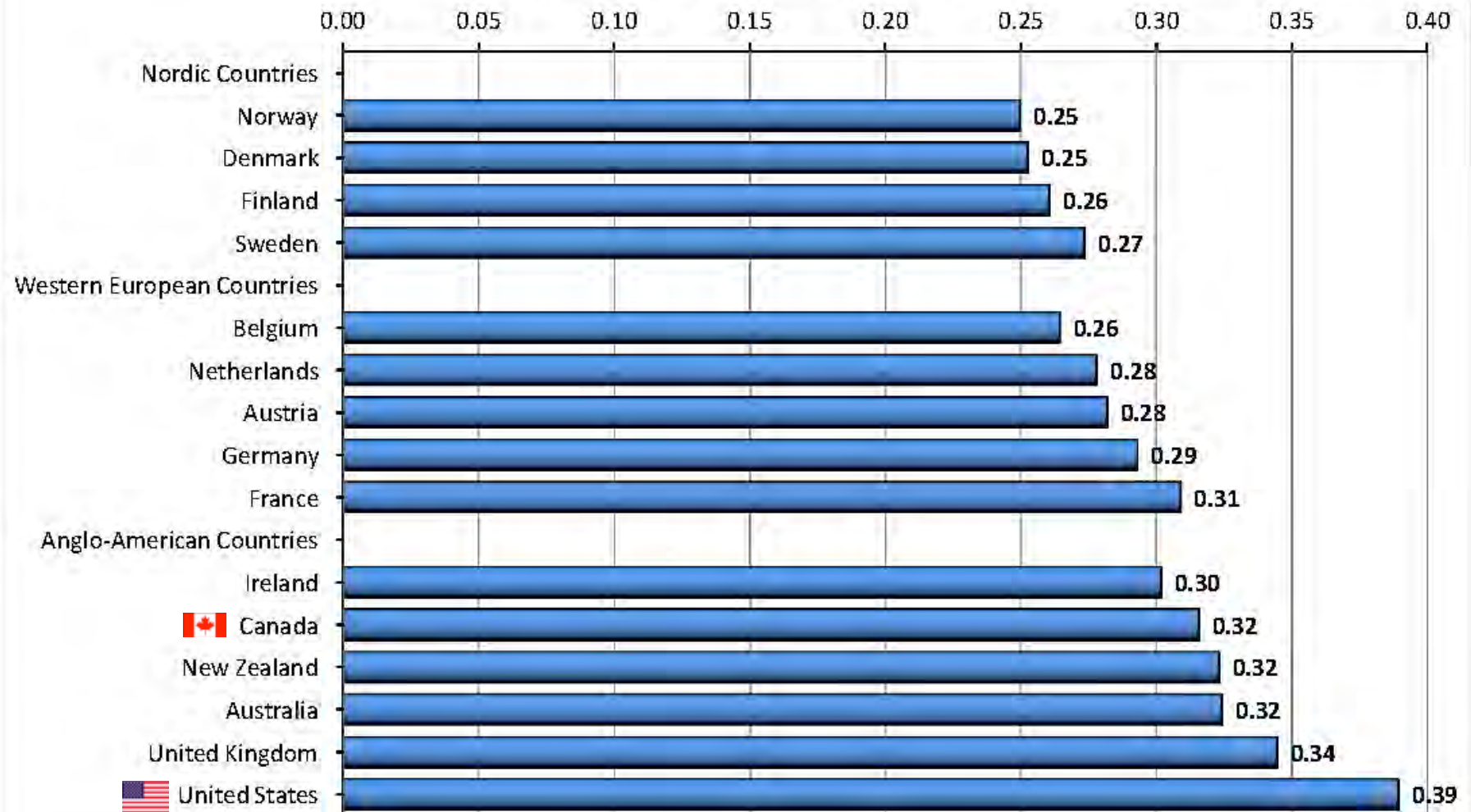
## Share of Annual Income Taken by Top 1% Canada and Selected Countries, 1920-2010



## Share of Annual Income Taken by Top 1% of Canada's Taxfilers Twenty Five Census Metropolitan Areas, 2010



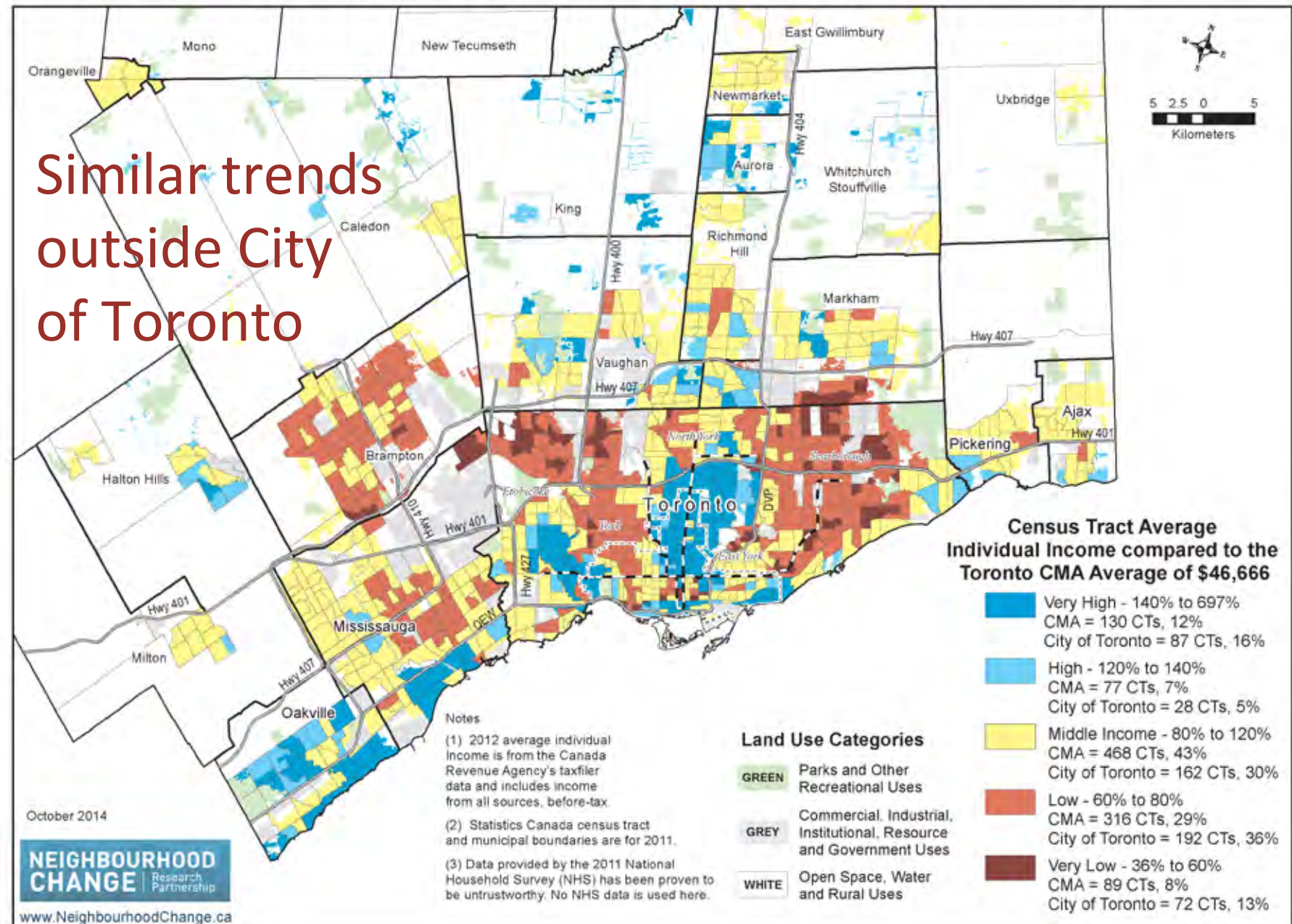
## Gini Coefficient for Fifteen OECD Countries in Three Groups, early 2010s



**The Gini coefficient** takes values between 0 for a perfectly equal income distribution where every person has the same income, and 1 which refers to a situation of maximum inequality where all income goes to one person. OECD average = 0.30.

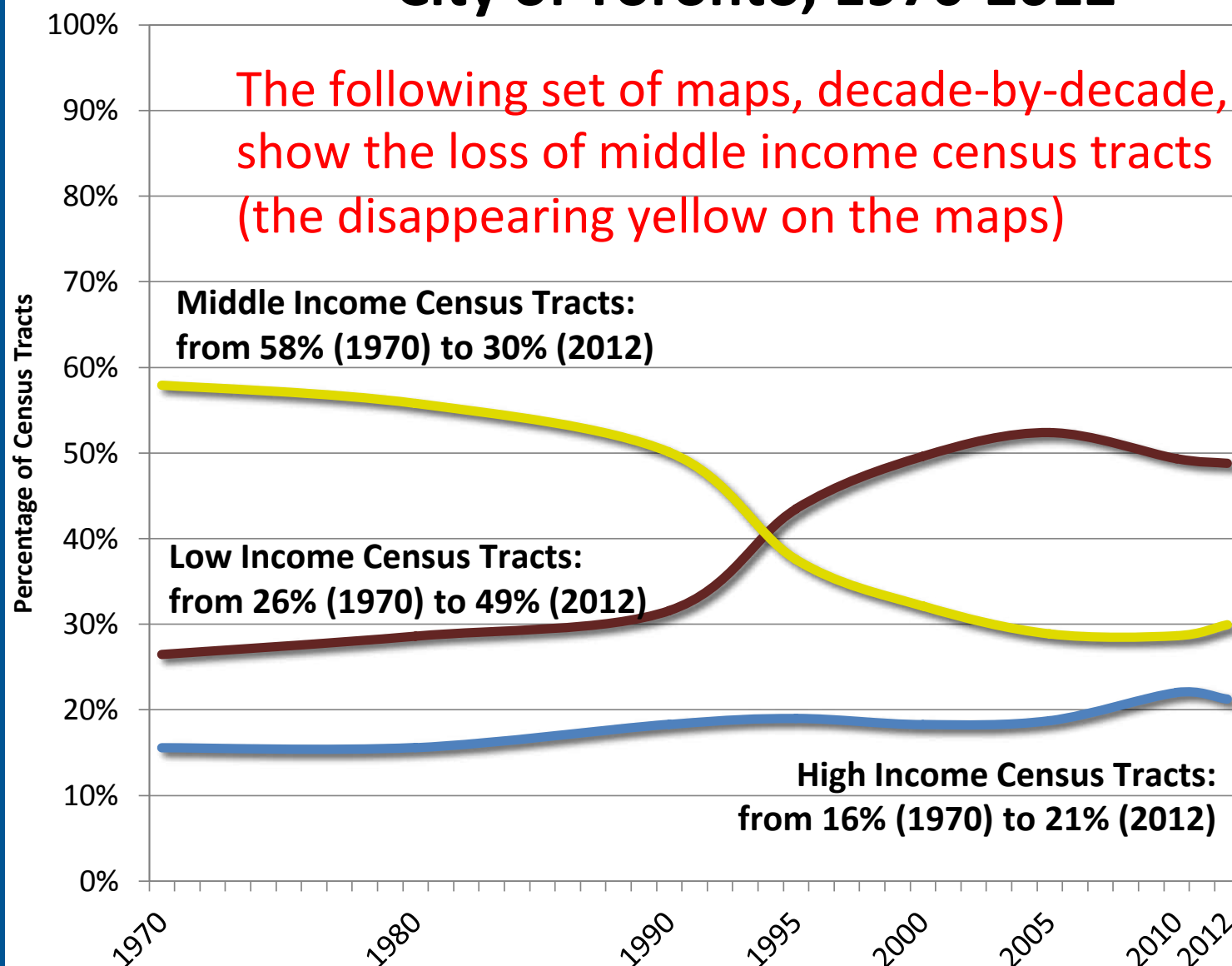


## Average Individual Income, Toronto Census Metropolitan Area, 2012





# Changing Income Distribution in the City of Toronto, 1970-2012



## Income Categories

**Low income:** more than 20% below the Toronto average

**Middle income:** within 20% of the Toronto average

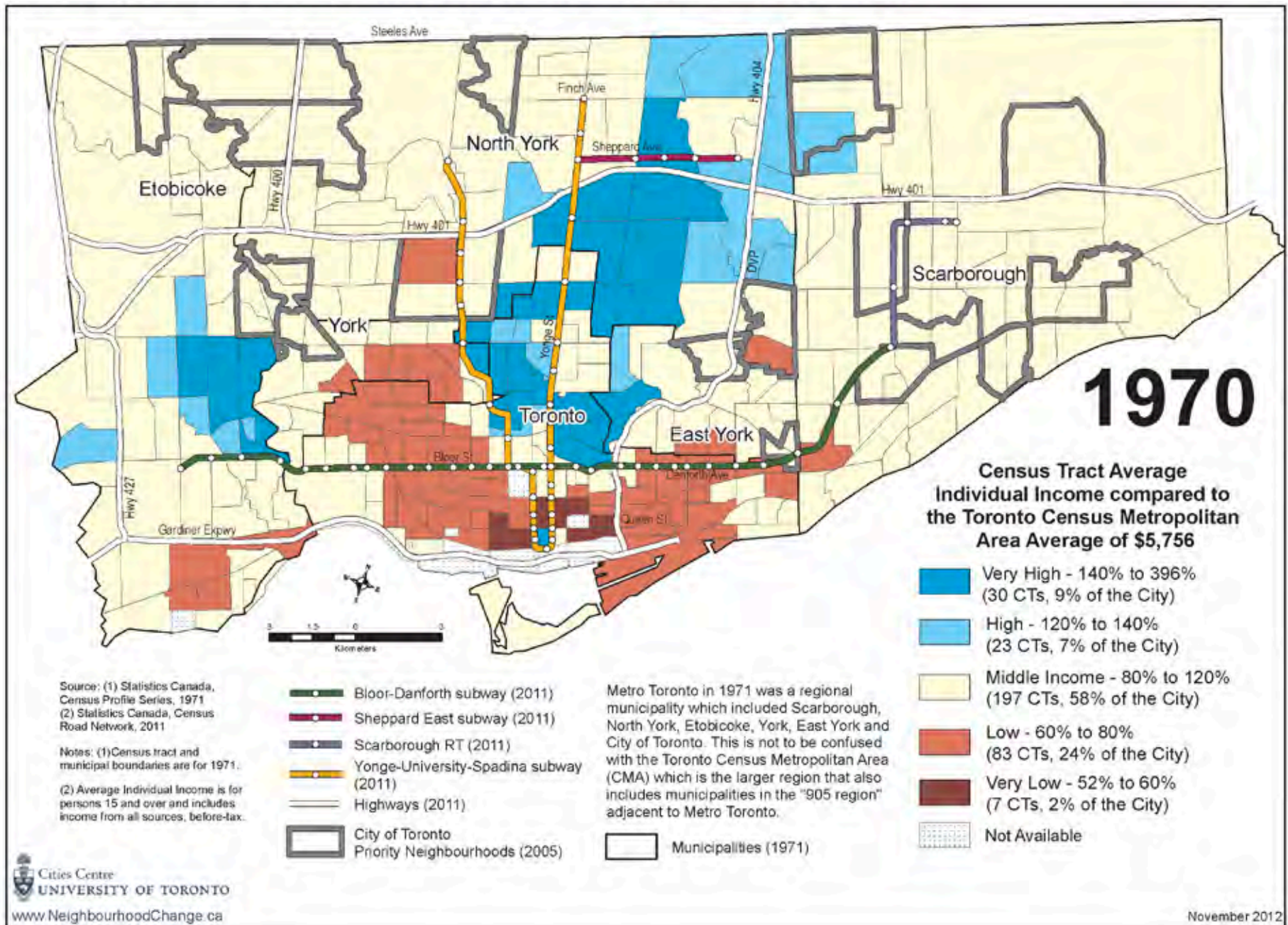
**High Income:** more than 20% above the Toronto average

## Notes

Census tract average individual income from all sources, before-tax. Income is measured relative to the Toronto metropolitan area average each year. Income 1970-2005 is from the Census. Income for 2010-2012 is Canada Revenue Agency taxfiler data.

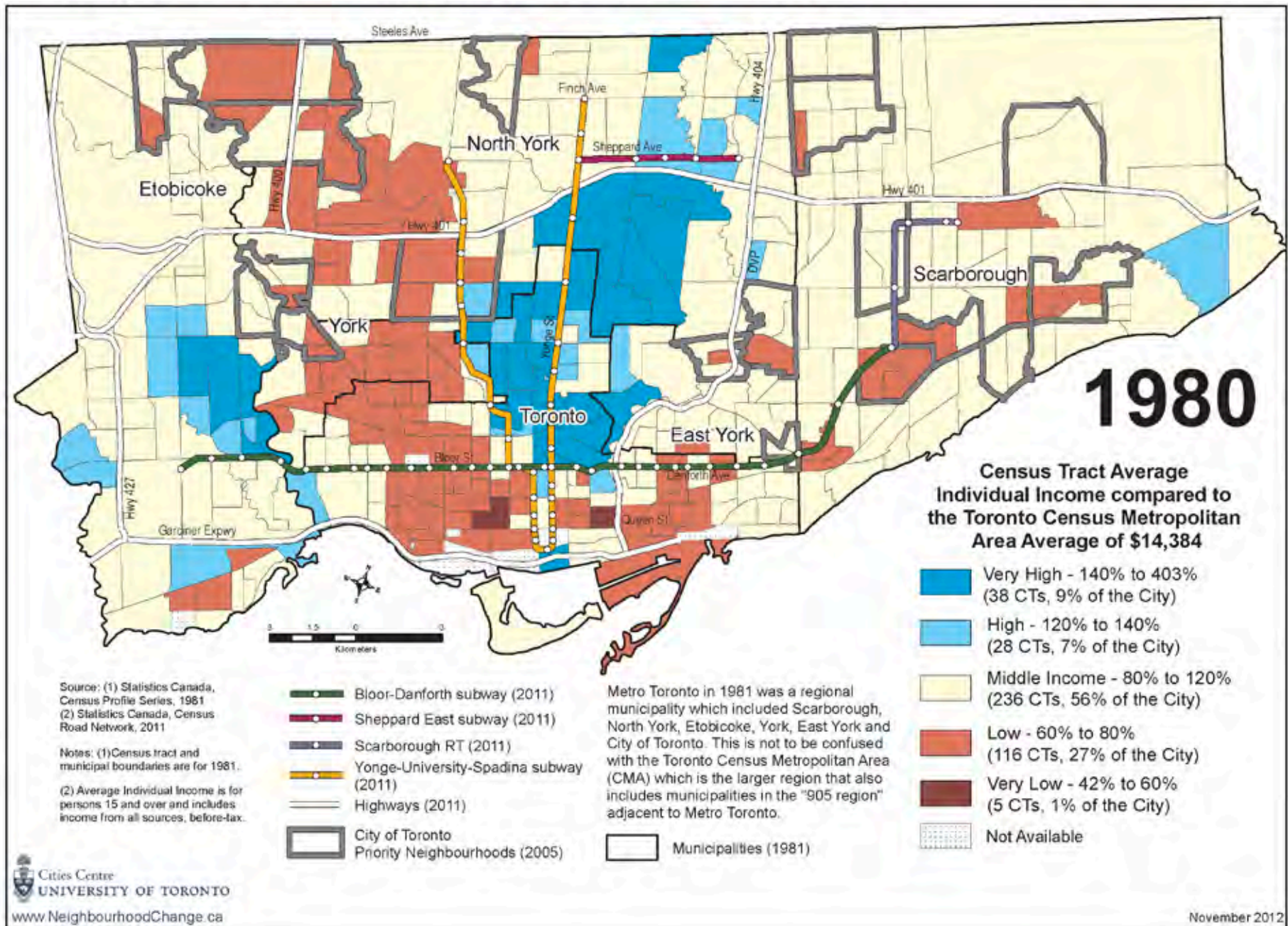
Data provided by the 2011 National Household Survey (NHS) has been proven to be untrustworthy. No NHS data is used here.

# Average Individual Income, Metro Toronto, 1970



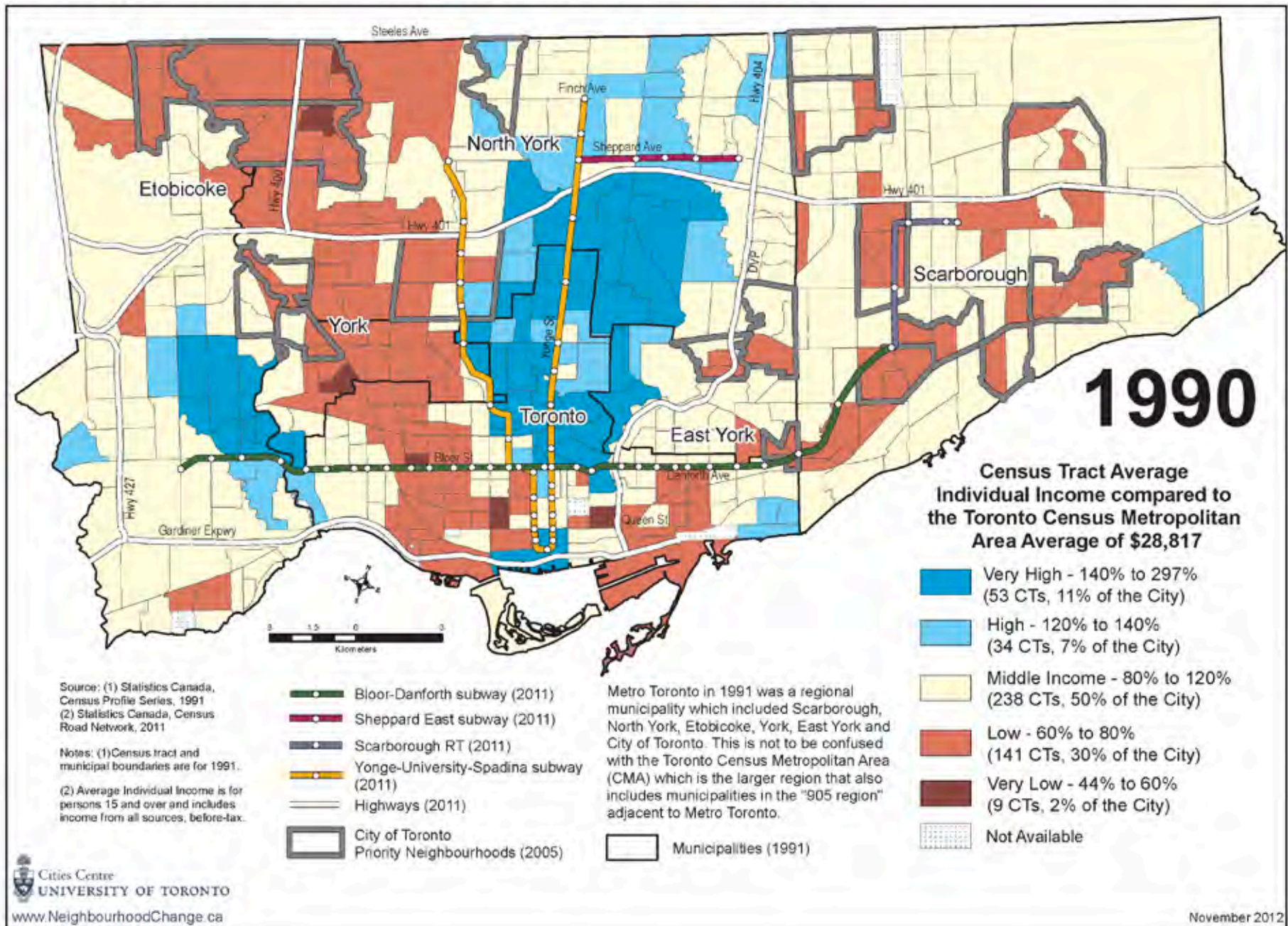


# Average Individual Income, Metro Toronto, 1980



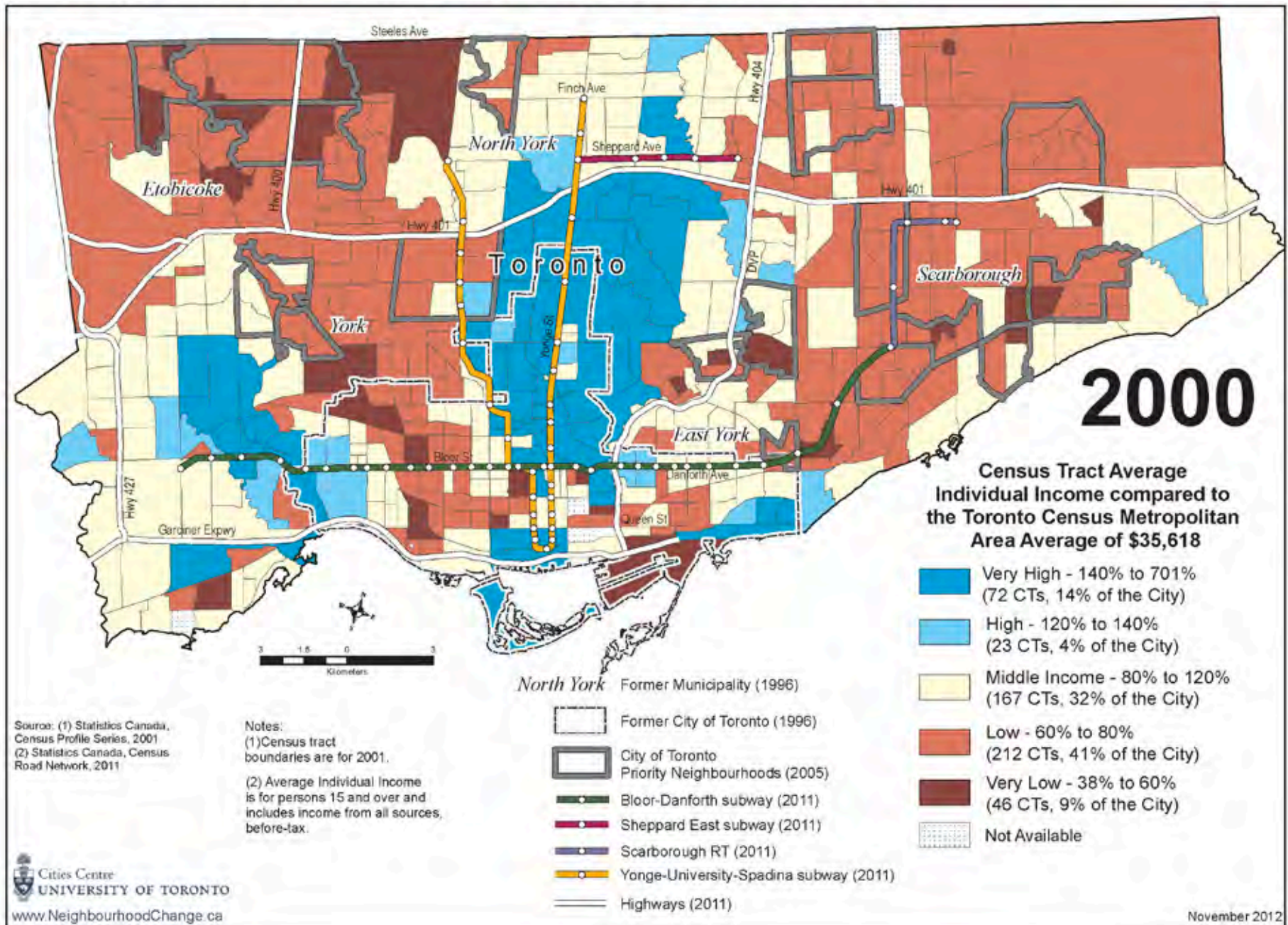


# Average Individual Income, Metro Toronto, 1990



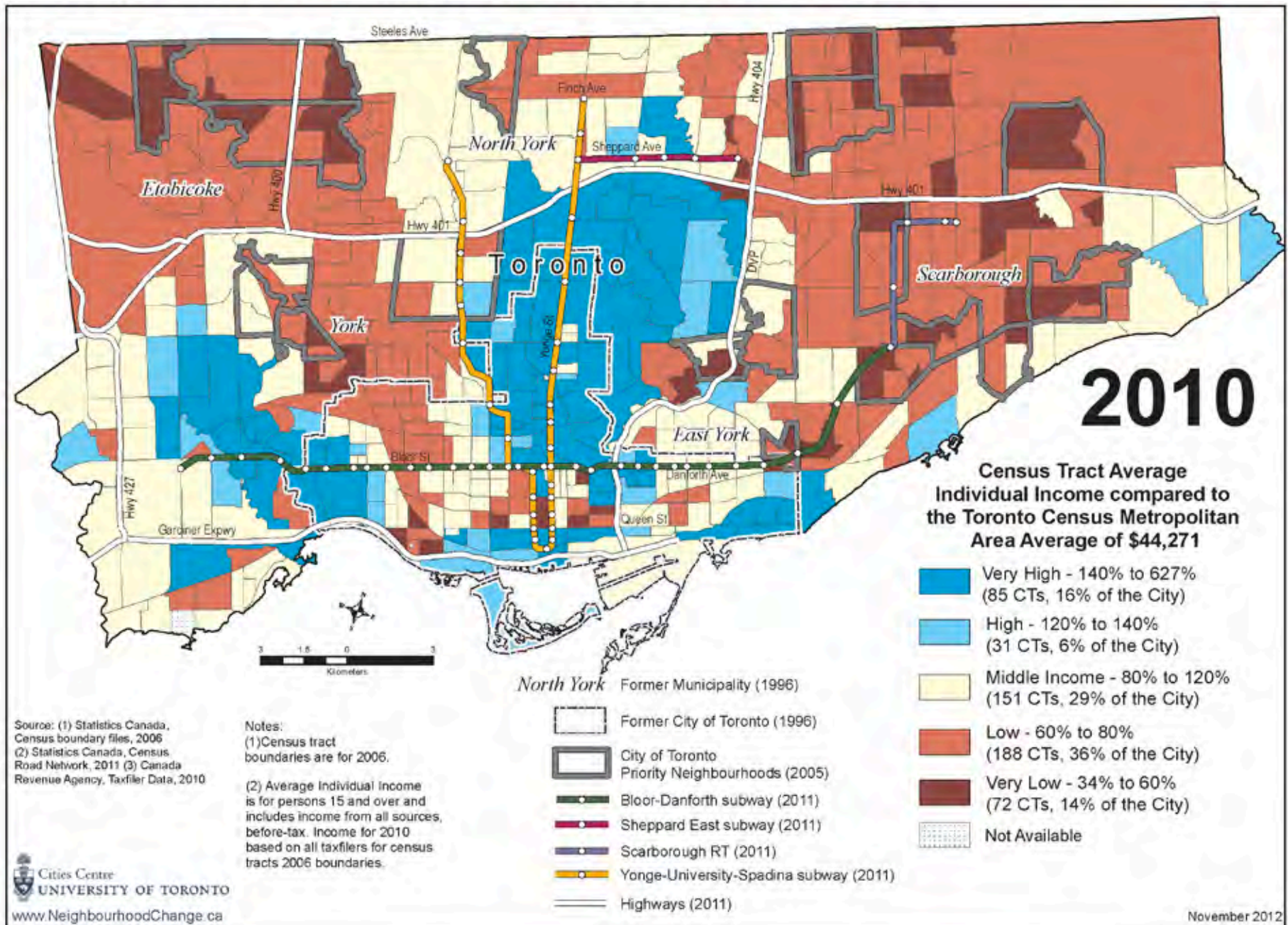


# Average Individual Income, City of Toronto, 2000



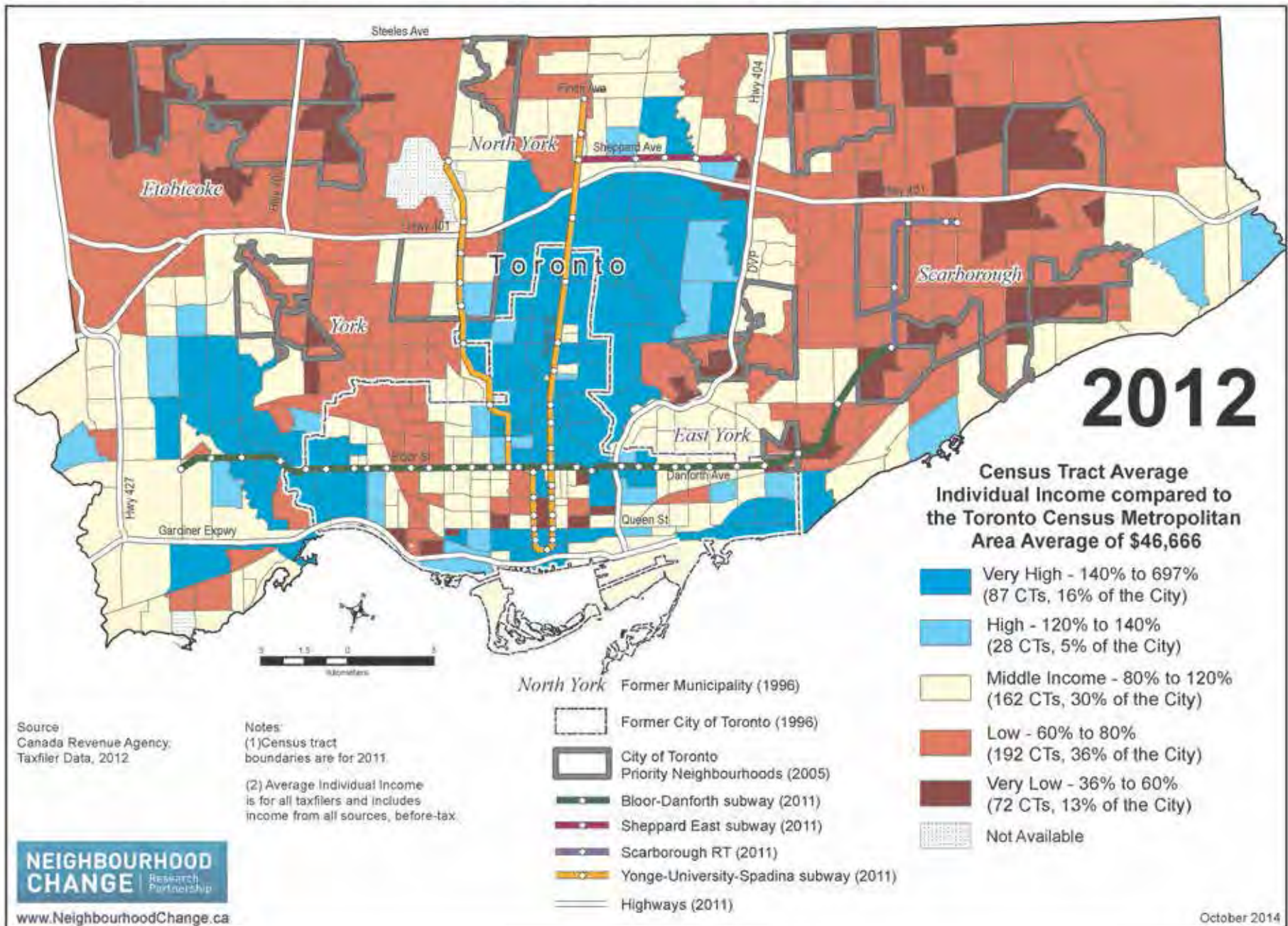


# Average Individual Income, City of Toronto, 2010



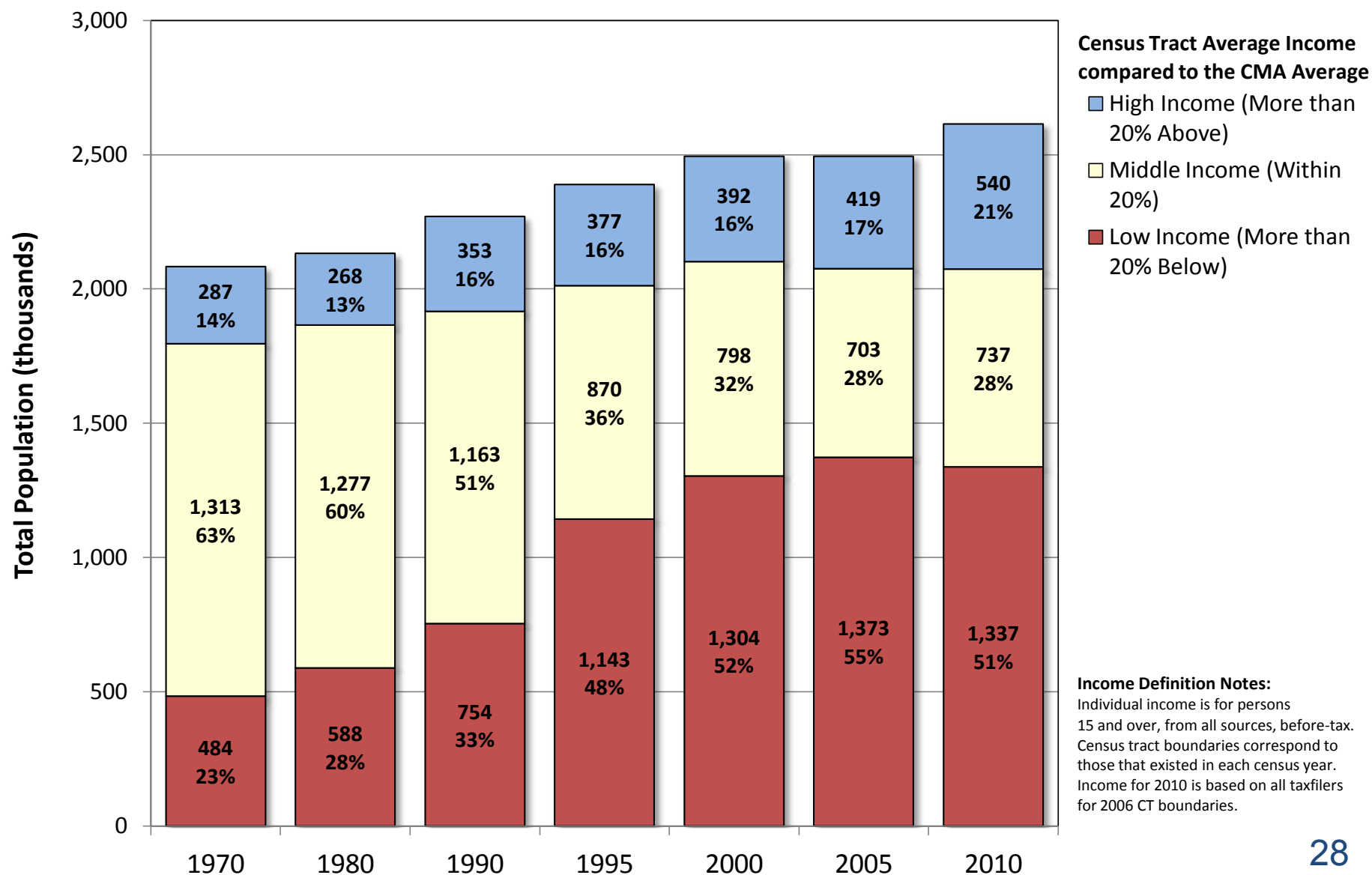


# Average Individual Income, City of Toronto, 2012

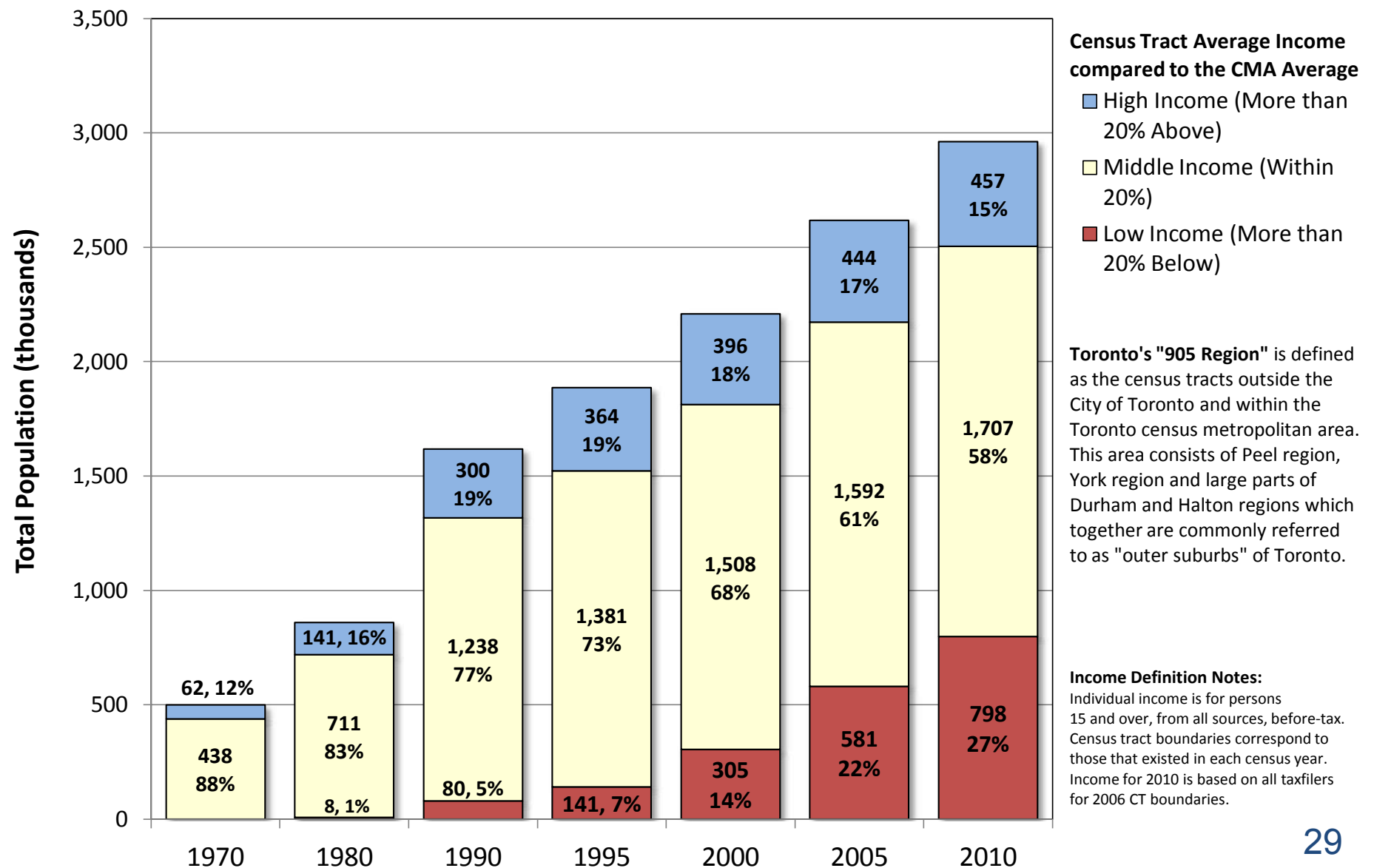




## Neighbourhood Income & Population, City of Toronto, 1970-2010

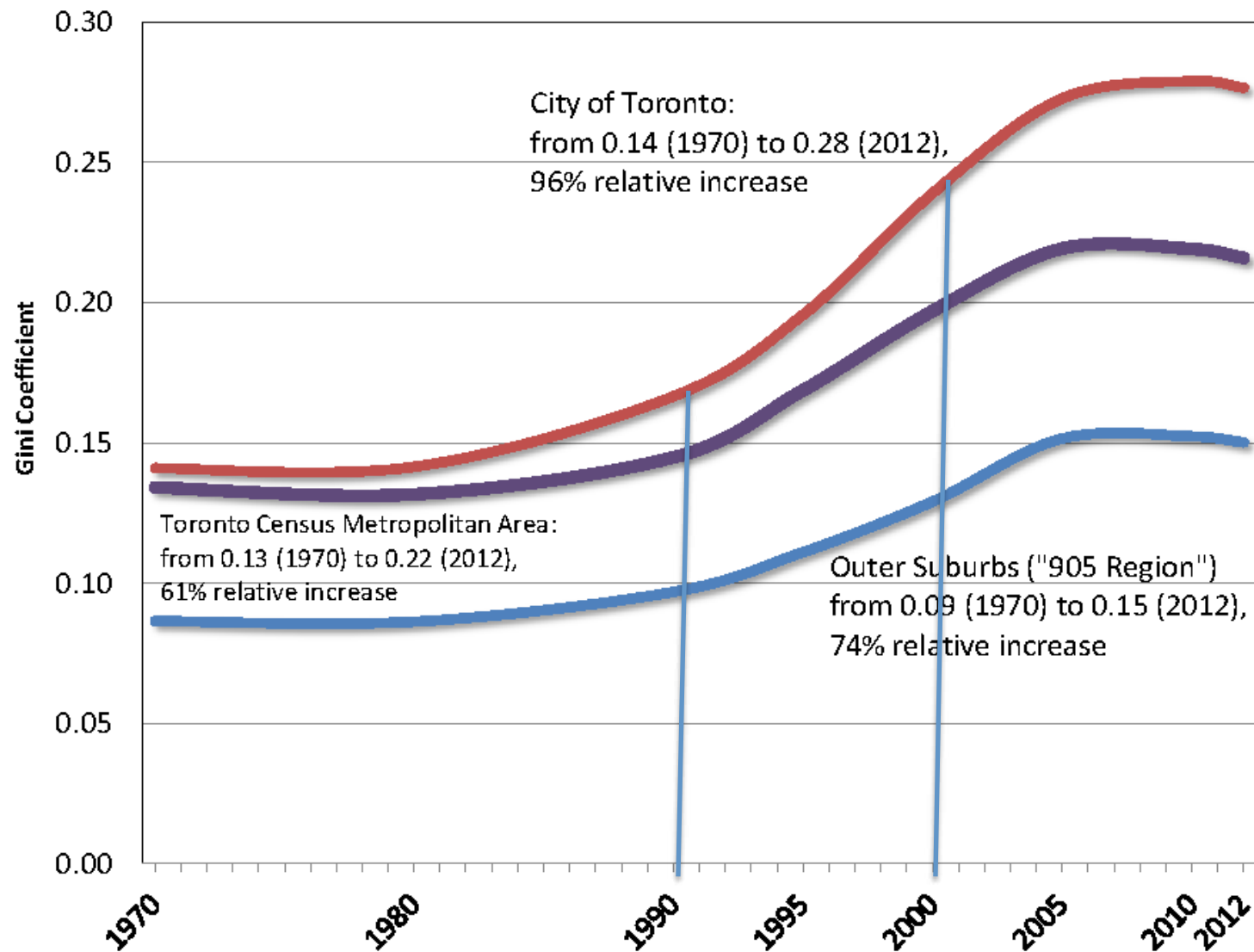


## Neighbourhood Income & Population, Toronto's "905 Region", 1970-2010





## Income Inequality Between Census Tracts: Gini Coefficient Toronto Census Metropolitan Area, 1970-2012



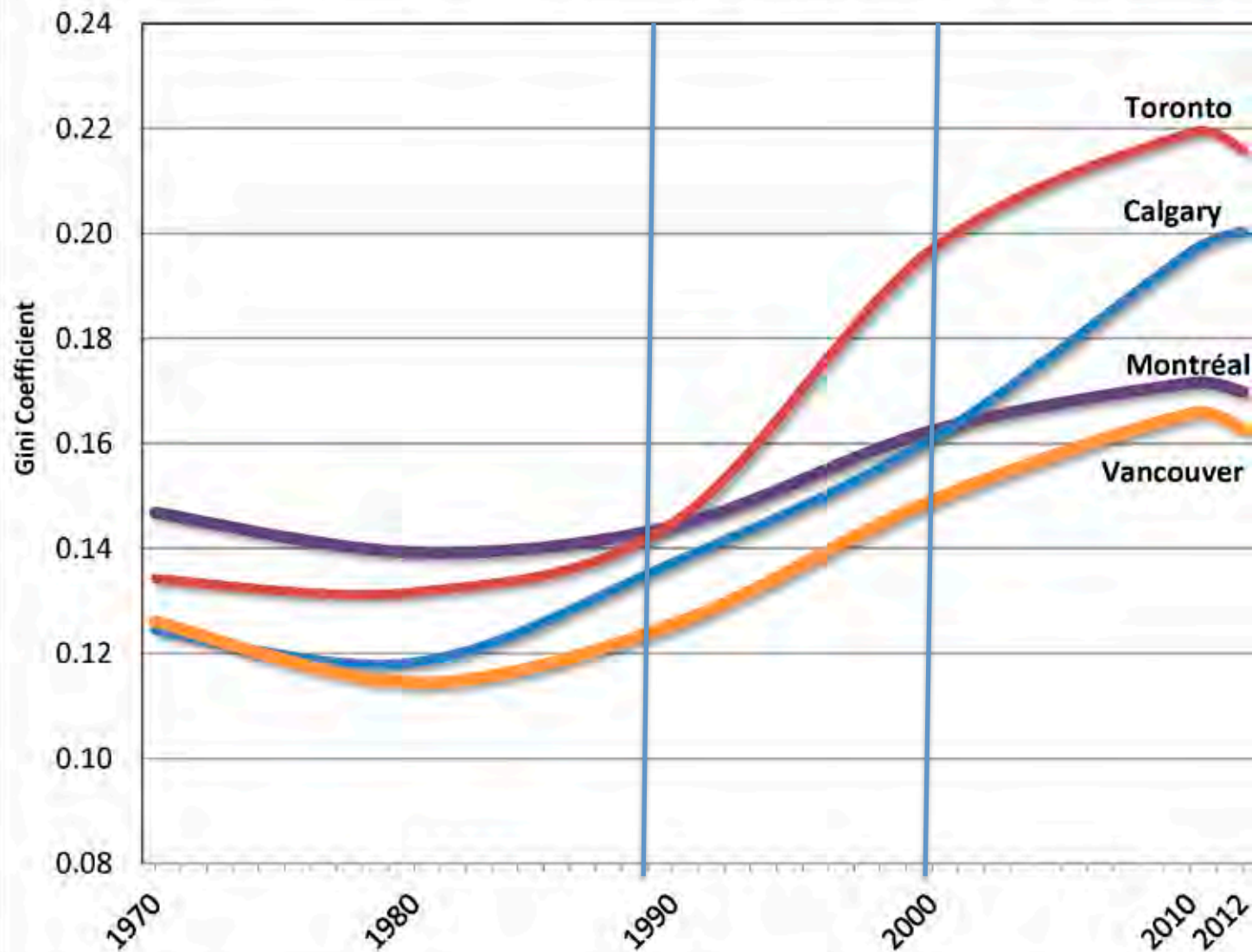
A Gini coefficient value of 0.0 represents perfect equality. All census tracts would have the exact same proportion of income relative to their share of the population. A Gini coefficient value of 1.0 represents perfect inequality. All of the income would be taken by one single census tract while others take none.

### Notes

Calculated from census tract average individual income from all sources, before-tax. Income 1970-2005 is from the Census. Income for 2010-2012 is Canada Revenue Agency taxfiler data.

Data provided by the 2011 National Household Survey (NHS) has been proven to be untrustworthy. No NHS data is used here.

## Income Inequality Between Census Tracts: Gini Coefficient Four Census Metropolitan Areas, 1970-2012



A Gini coefficient value of 0.0 represents perfect equality. All census tracts would have the exact same proportion of income relative to their share of the population. A Gini coefficient value of 1.0 represents perfect inequality. All of the income would be taken by one single census tract while others take none.

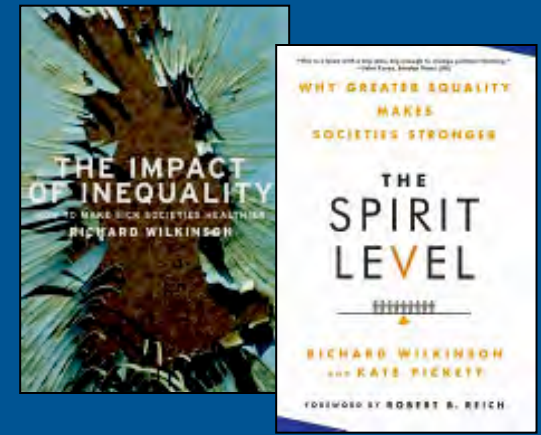
### Notes

Calculated from census tract average individual income from all sources, before-tax. Income 1970-2005 is from the Census. Income for 2010-2012 is Canada Revenue Agency T1FF taxfiler data.

Data provided by the 2011 National Household Survey (NHS) has been proven to be untrustworthy. No NHS data is used here.



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



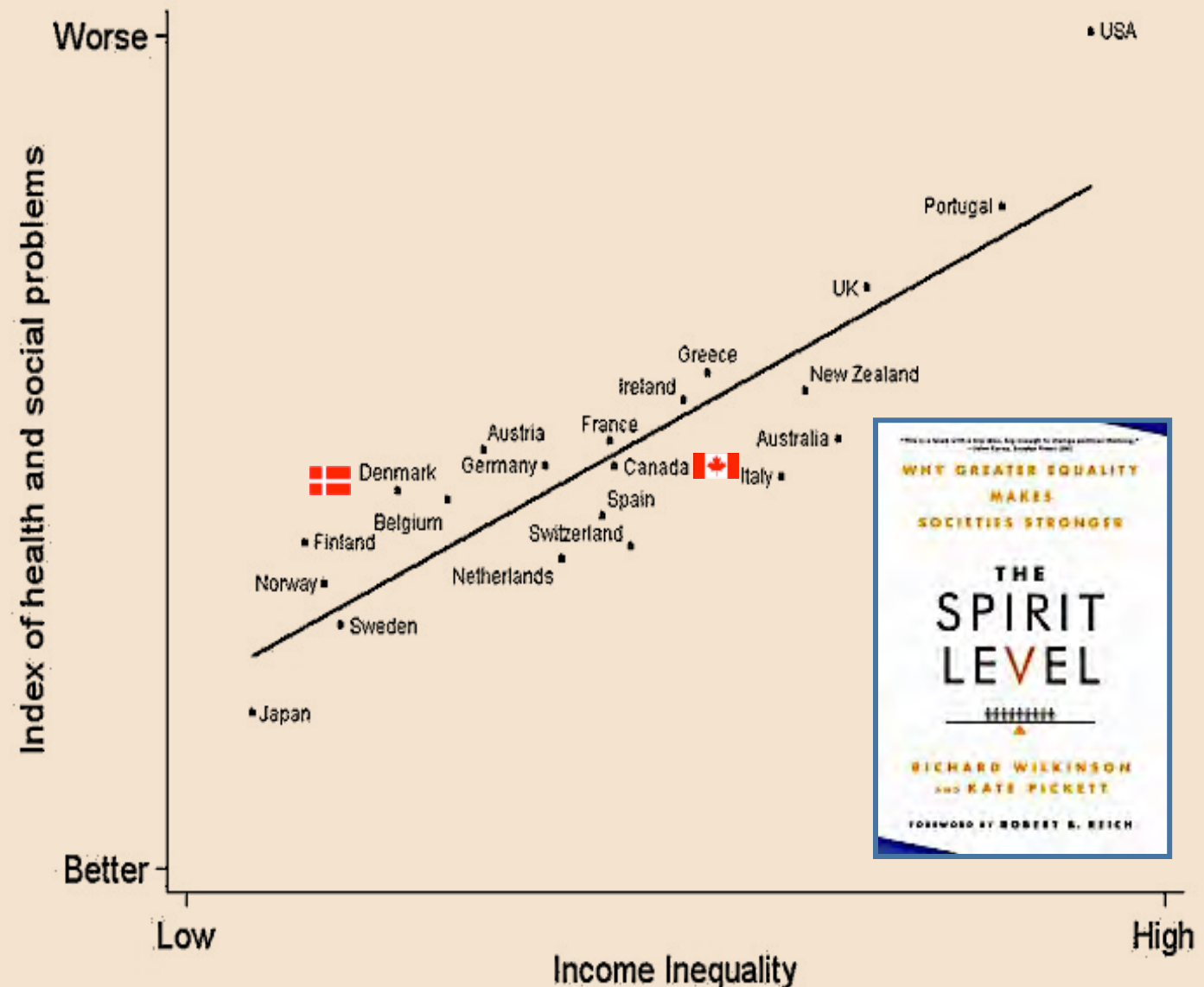
“Inequality promotes strategies that are more self-interested, less affiliative, often highly antisocial, more stressful, and likely to give rise to higher levels of violence, poorer community relations, and worse health.”

– Richard Wilkinson, *The Impact of Inequality*, 2005:22

# Why does Income Inequality Matter?

## Index of:

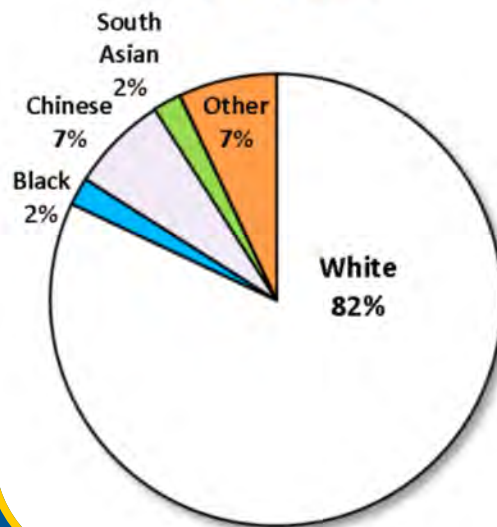
- Life expectancy
- Math & Literacy
- Infant mortality
- Homicides
- Imprisonment
- Teenage births
- Trust
- Obesity
- Mental illness – incl. drug & alcohol addiction
- Social mobility



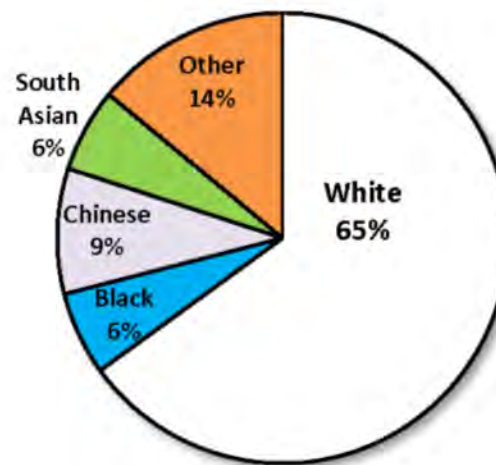


# Toronto's Segregated Ethno-Cultural Population, 2006

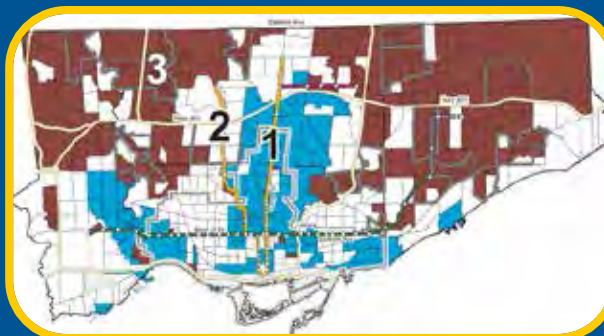
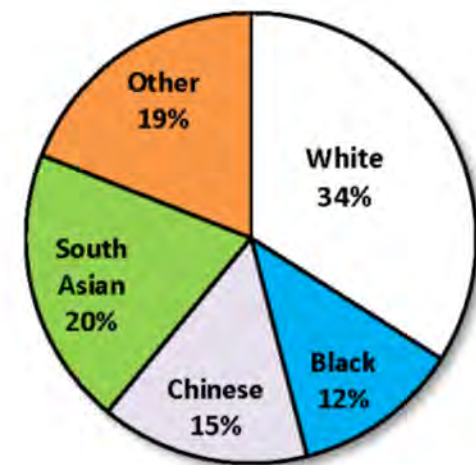
## City #1



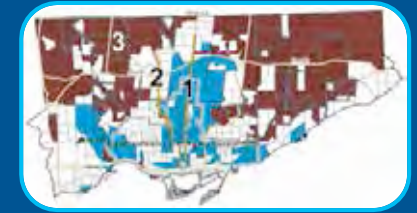
## City #2



## City #3



# What can be done?



## Policy options

**Economic INEQUALITY**

**Socio-spatial POLARIZATION / EXCLUSION**

**Spatial SEGREGATION & DISADVANTAGE**

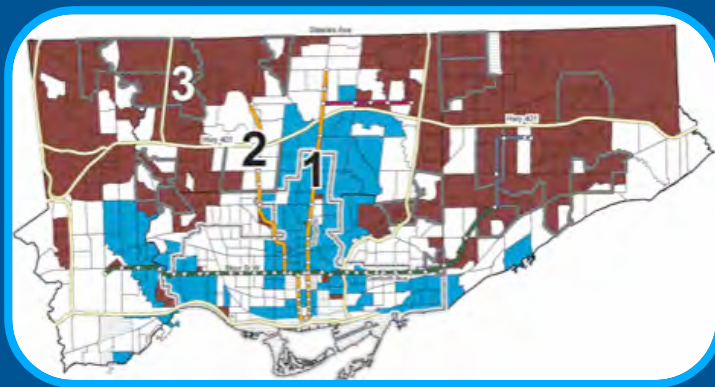
For some,

## Policy Options for the Divided City

Why policy options?

What is the problem?

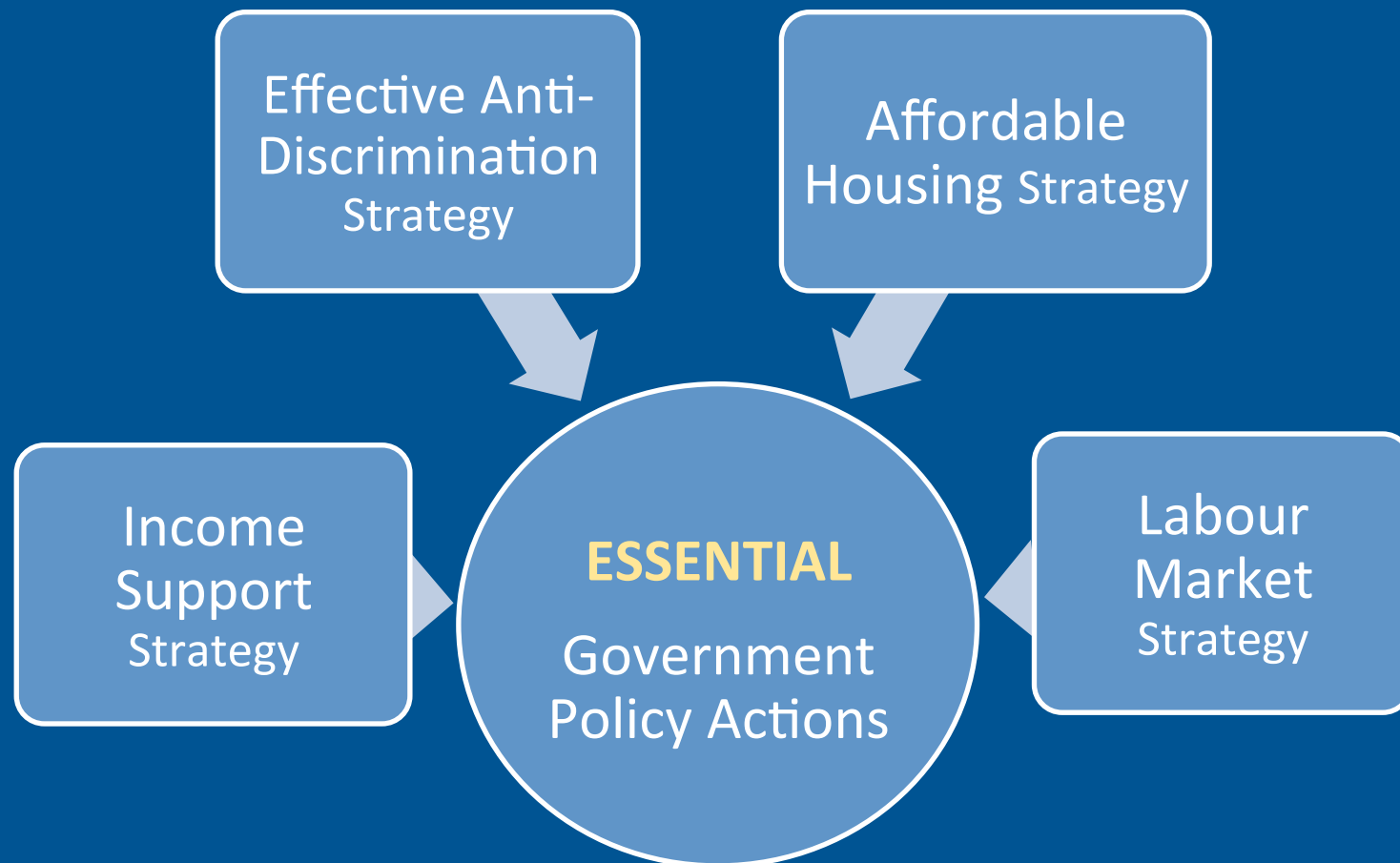
*"There is no problem."*

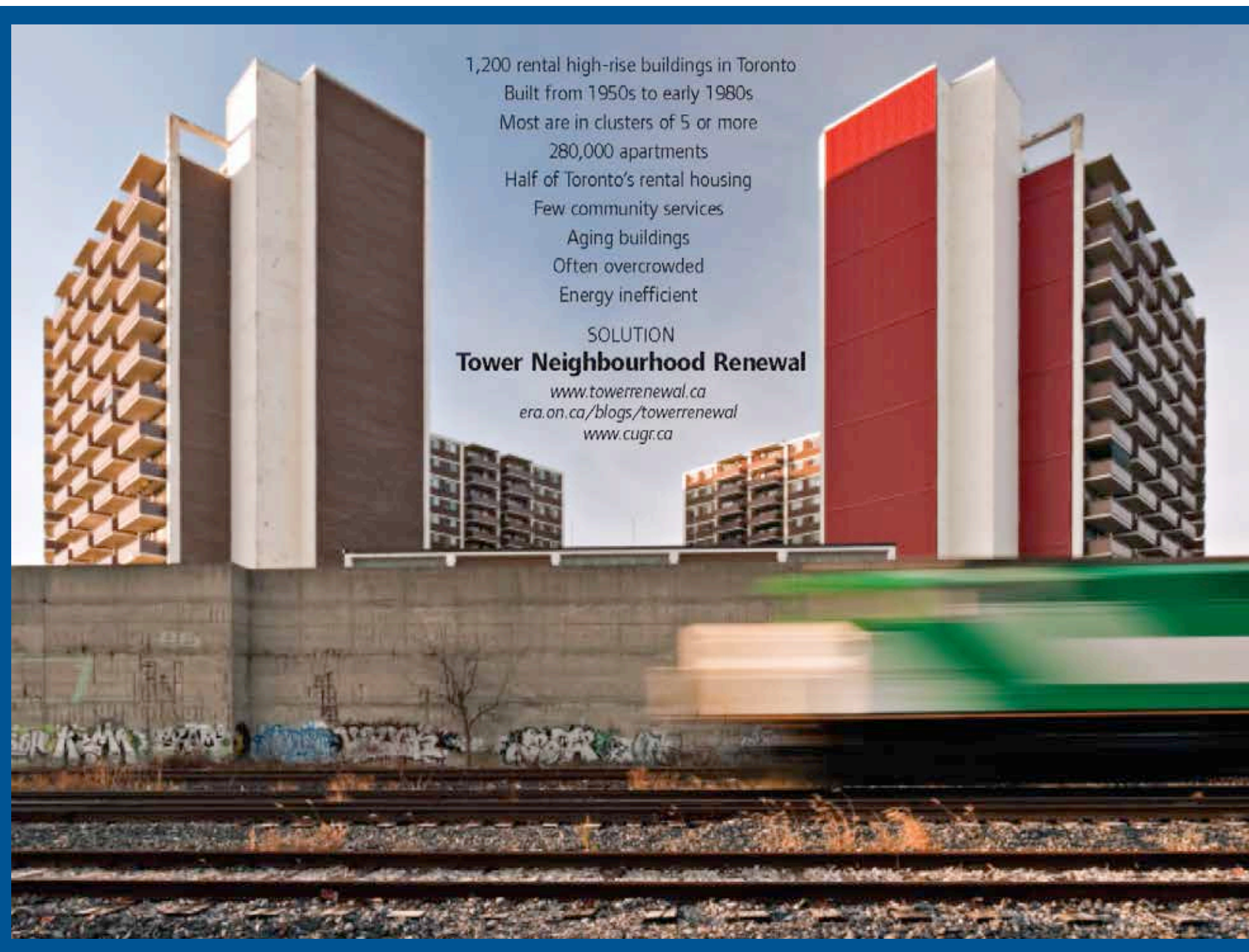




# What can be done?

## Federal & Provincial Policy Action



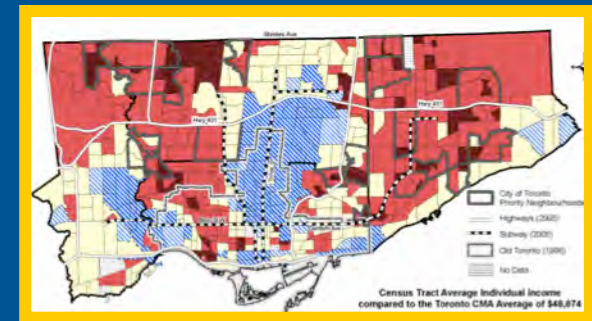


1,200 rental high-rise buildings in Toronto  
Built from 1950s to early 1980s  
Most are in clusters of 5 or more  
280,000 apartments  
Half of Toronto's rental housing  
Few community services  
Aging buildings  
Often overcrowded  
Energy inefficient

**SOLUTION**  
**Tower Neighbourhood Renewal**

[www.towerrenewal.ca](http://www.towerrenewal.ca)  
[era.on.ca/blogs/towerrenewal](http://era.on.ca/blogs/towerrenewal)  
[www.cugr.ca](http://www.cugr.ca)

“There is ... no justification for the level or condition of **poverty** that coexists with this wealth.”



“Poverty does not directly cause violence ...

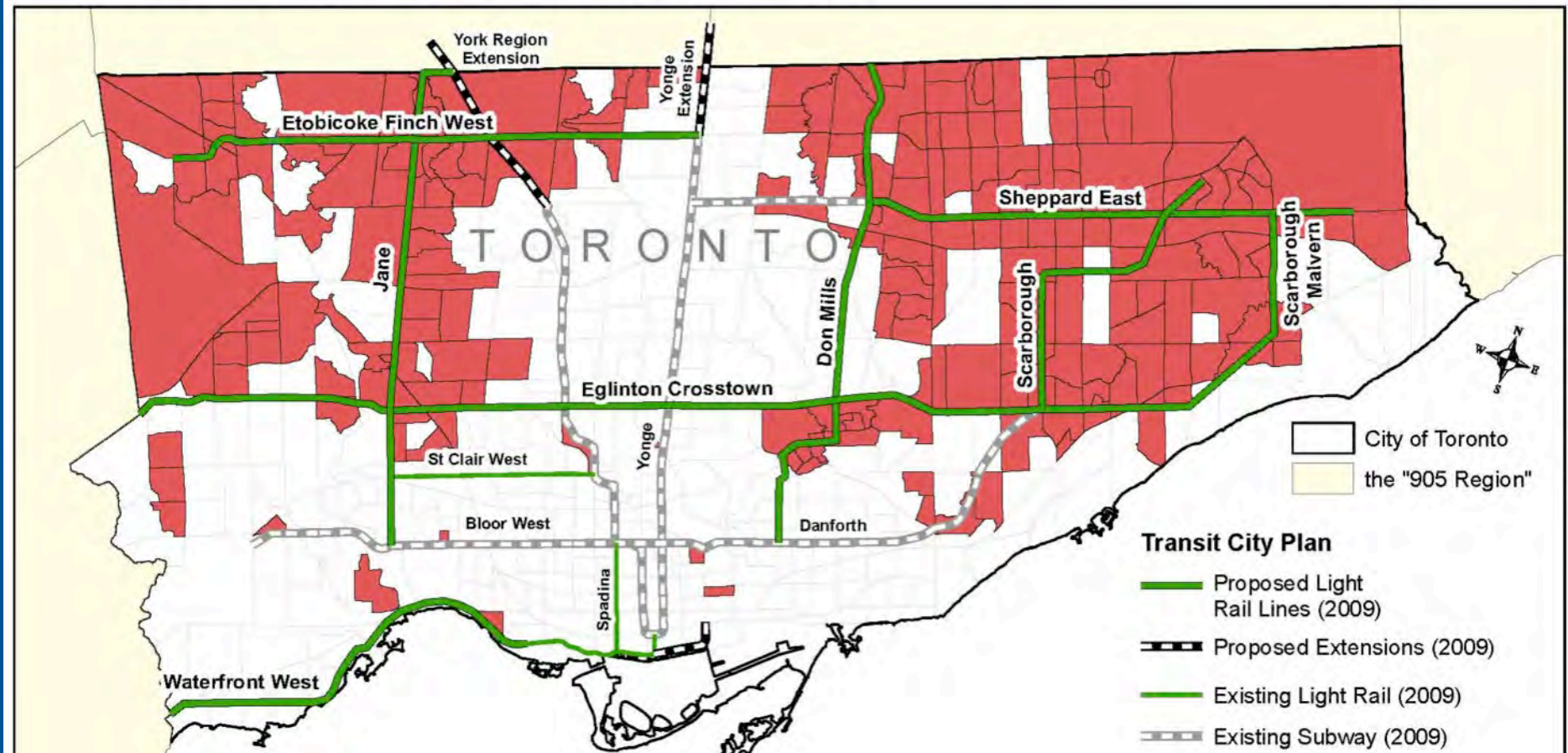
If not ameliorated it can nonetheless play a central role in generating

- alienation,
- a lack of hope or opportunity,
- low self-esteem,
- a sense of having no future, and
- other immediate risk factors”

1. The level of poverty
2. The concentration of poverty
3. The circumstances of poverty



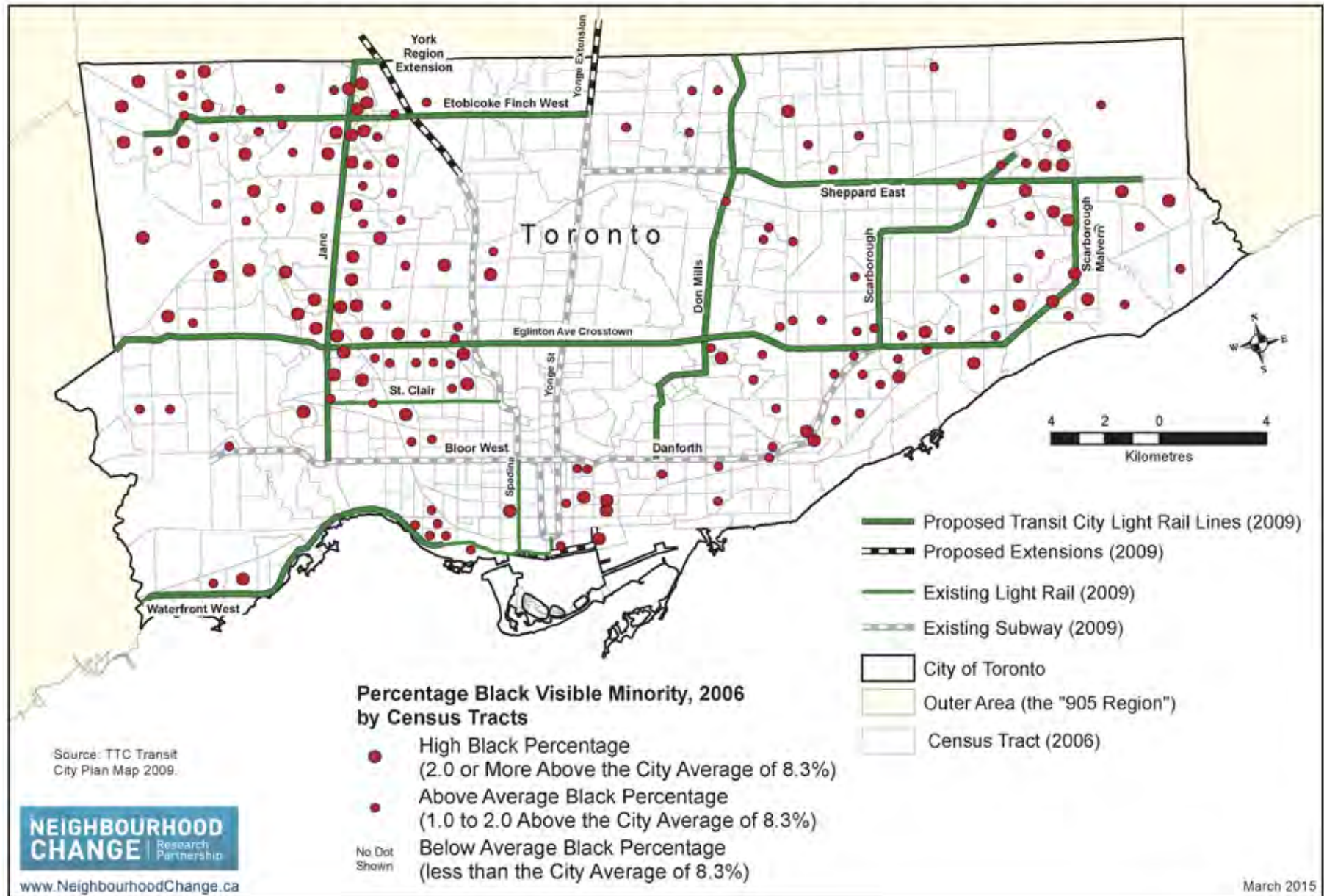
## Toronto's "City #3," Neighbourhoods with Declining Incomes, 1970-2005, and the Proposed Transit City Plan 2009



If City #3 was a separate Census Metropolitan Area (CMA), it would be Canada's 4<sup>th</sup> largest.

It lacks the rapid transit and many services of a CMA.

# Toronto's Transit City Plan 2009 and Black Population 2006





# What happened to Transit City?

## THE GLOBE AND MAIL | TORONTO

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### Truncated Transit City is 'wrong,' Miller says



Mayor refuses to accept province's plans as Metrolinx prepares to release proposal on which projects will go ahead

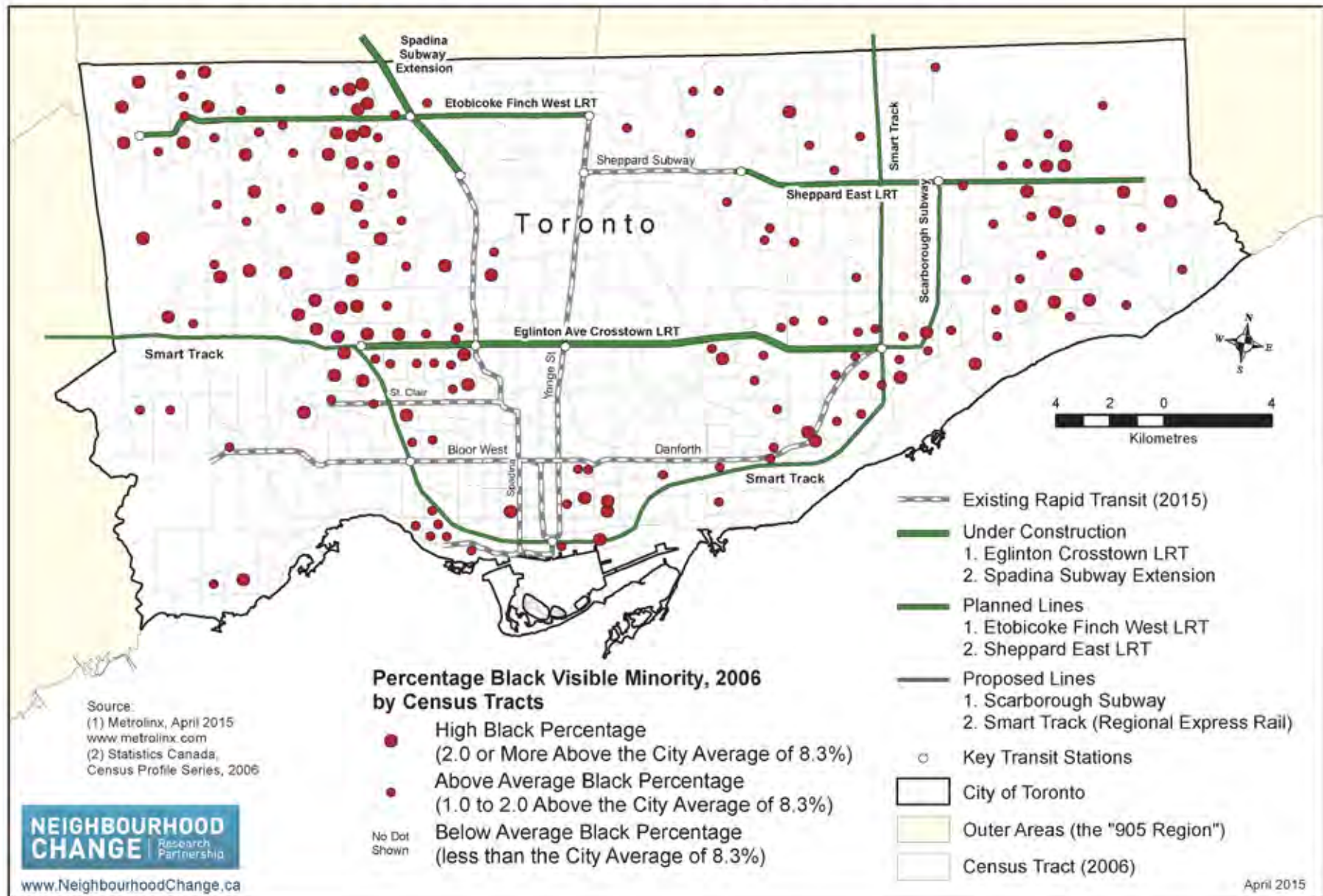
- \$4 Billion

18 May 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 Rob Prichard argued that's not the case, and that Metrolinx is investing too

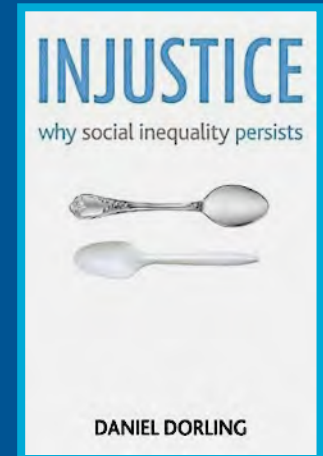
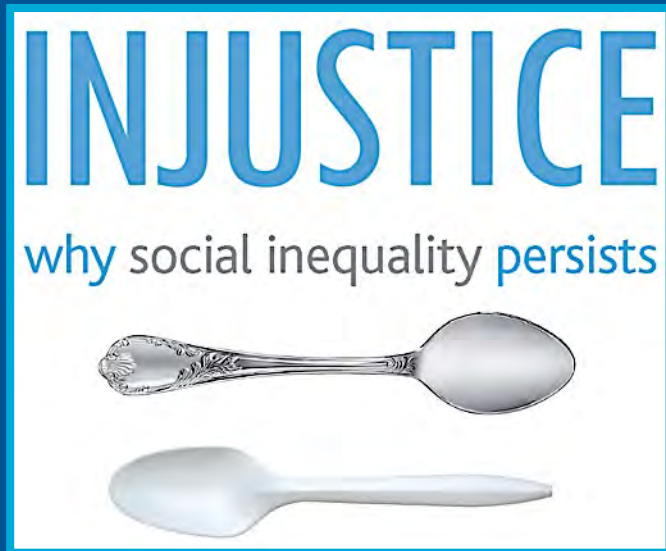
now to make it to make projects a real

# Toronto's Transit Plan 2015 and Black Population 2006





# SOCIAL INJUSTICE NOW “NORMAL”



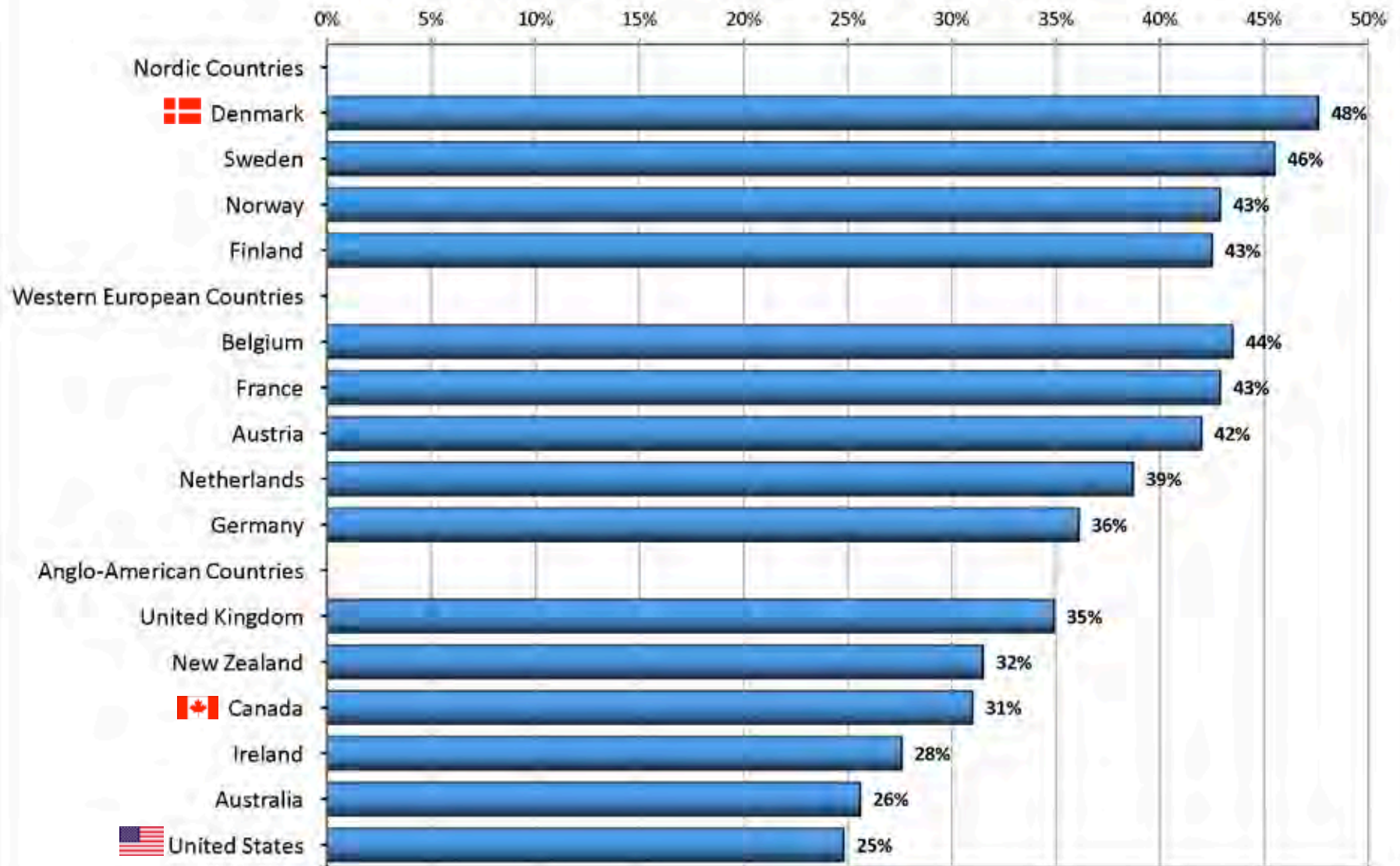
## Five new tenets of injustice

1. Elitism is efficient
2. Exclusion is necessary
3. Prejudice is natural
4. Greed is good
5. Despair is inevitable

Daniel Dorling  
University of Sheffield

## Total Tax Revenues as a Percentage of GDP, 2010

### Fifteen OECD Countries in Three Groups



## Neighbourhood Income Change: Cities of Chicago & Toronto, 2010 vs. 1970

**Income:** Individual income for persons 15 and over, from all sources, before-tax.




**Change:** Change is in terms of percentage points. The 2010 average individual income of the census tract is divided by the metropolitan area average for that year and the same is done for 1970. The difference (2010 minus 1970) is multiplied by 100 to produce the percentage point change for each census tract.

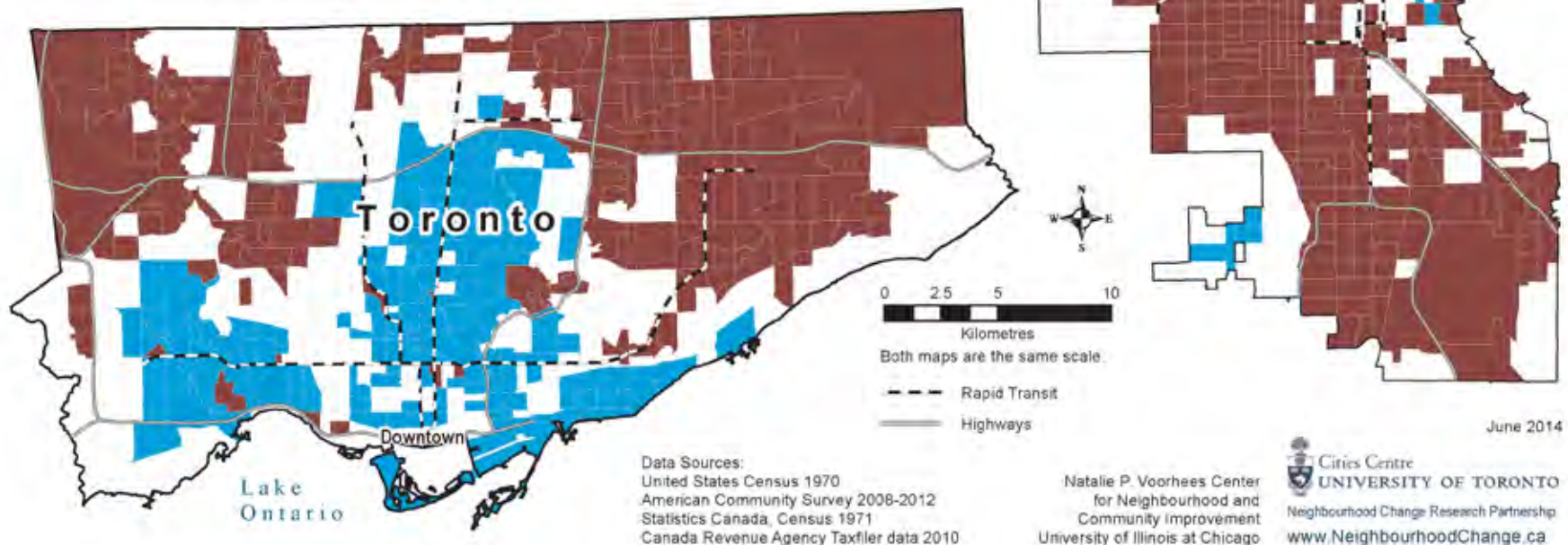
**Census tract boundaries:** Chicago census tract boundaries are held constant to Census 2010 (794 CTs); Toronto's are for Census 2001 (515 CTs).

**Population:** Chicago 2.7 million; Toronto 2.6 million (2010).

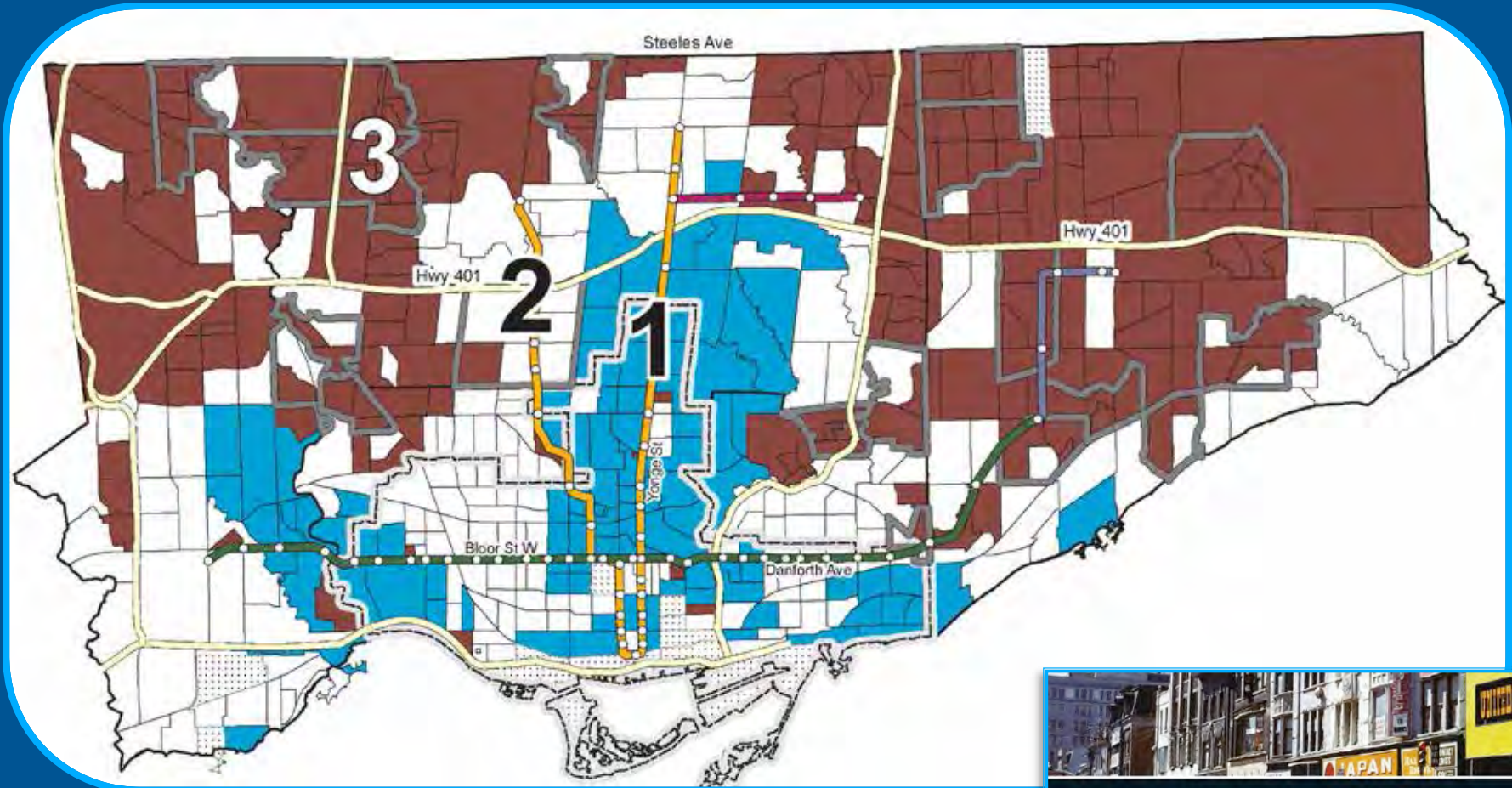
**Size:** Chicago 598 sq. km.; Toronto 686 sq. km.

### Change in census tract average individual income compared to the metropolitan area average, 2010 versus 1970

- |                |  |
|----------------|--|
| <b>City #1</b> |  Increase of 20% or More<br>Chicago 21% of CTs; Toronto 25% of CTs              |
| <b>City #2</b> |  Less than a 20% Increase or Decrease<br>Chicago 26% of CTs; Toronto 34% of CTs |
| <b>City #3</b> |  Decrease of 20% or More<br>Chicago 53% of CTs; Toronto 40% of CTs              |

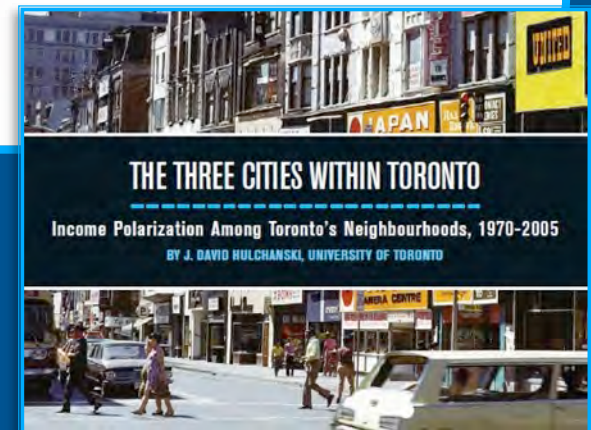






*For further information*

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Larry Bourne, David Ley, Richard Maaranen, Robert Murdie, Damaris Rose, Alan Walks

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