Income inequality and polarization in the City of Toronto and York Region

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Roadmap

- Broader project
- Report – focus & structure
- Part I – definitions & key findings
- Next steps
Broader project

- Project associated with the RDC Program of Research: Neighbourhood Change Research Partnership

- Builds on and rounds out a comprehensive package produced by NCRP and UWTYR:
  - A backgrounder to help readers interpret research and media commentary on income inequality and polarization (Dinca-Panaitescu and Walks, 2015)
  - A comprehensive review of key factors contributing to the growth of income inequality in Canada (Procyk, 2014)
  - A comprehensive portrait of income inequality and polarization in Canada’s largest Census Metropolitan Areas from 1971 through 2006 (Walks, 2013)
  - A report on the impact of growing income inequality on access to opportunity in the City of Toronto (UWTYR, 2015)
Report – focus & structure

Changes in income inequality and polarization in the City of Toronto & York Region:

- **Part I** – levels and trends of income inequality and income polarization in the City of Toronto and York Region, among individuals, households, and neighbourhoods

- **Part II** (under development) – portrait of the changing income distribution and income gaps among key socio-demographic groups in the City of Toronto and York Region
Part I – Definitions
Defining income inequality

- Income inequality describes how evenly or unevenly income is distributed. It exists when one group receives income that is disproportionate to its size. In other words, income inequality is a snapshot of who gets how much compared to others.
The difference between income inequality and poverty.

**Income inequality**
Disparities in living standards across a whole population.

**Poverty**
A particular standard of living in which income is too low to provide for an adequate standard of living.
Defining income polarization

- Income polarization describes a process in which income concentrates into two separate poles or groups, one rich and another poor.

- Rising polarization is associated with claims about the ‘disappearing middle class’.
Part 1 – Key findings
The Toronto Urban Region

Source: created by Richard Maaranen from shapefiles provided by Statistics Canada.
Non-spatial income inequality

Income inequality among individuals (left) and among households (right).

Non-spatial income inequality

Income inequality among individuals (left) and among households (right).

Non-spatial income polarization

Income polarization among individuals (left) and among households (right).

Socio-spatial income inequality

Income inequality among neighbourhoods (based on individual income) (left) and percentage change in inequality, 1980-2012 (right).

Socio-spatial income polarization

Income polarization among neighbourhoods (based on individual income) (left) and percentage change in polarization, 1980-2012 (right).

Next step

- **Part II** – Portrait of changing income distribution/income gap along various socio-demographic variables:
  - Age
  - Gender
  - Immigration
  - Visible minority
  - Family characteristics
  - Employment