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

Mihaela Dinca–Panaitescu, Alan Walks, Dylan Simone

Roadmap

▸ **Broader project**

▸ **Report – focus & structure**

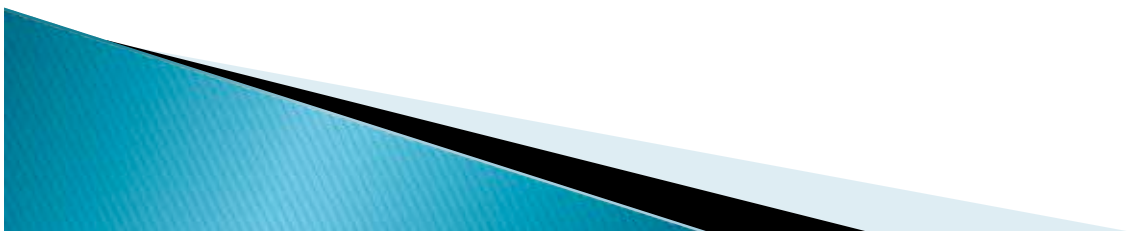▸ **Part I – definitions & key findings**

▸ **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
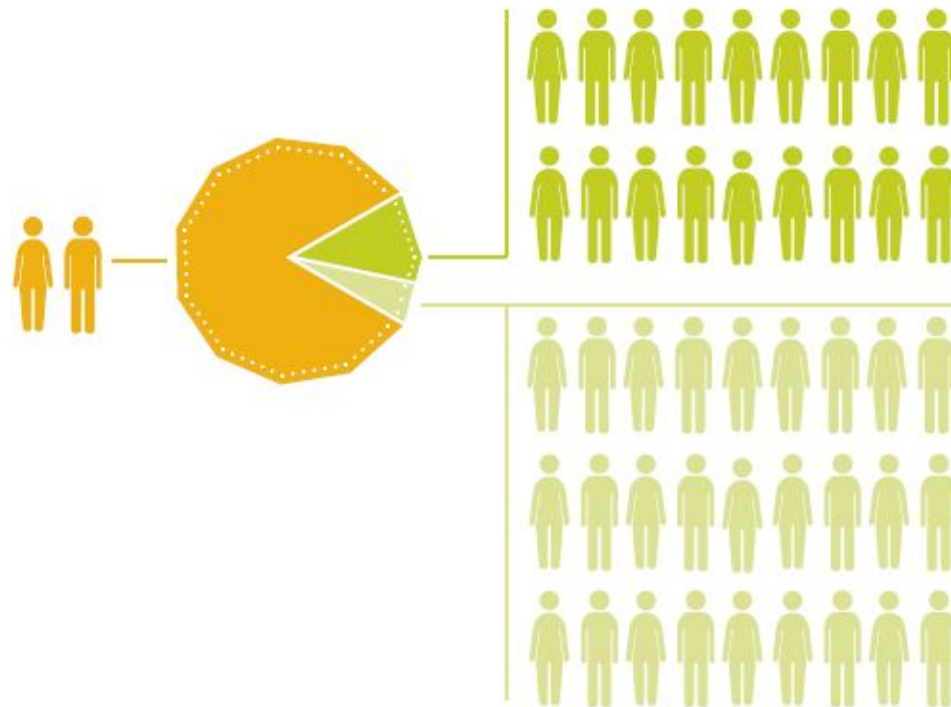
Part I – Definitions

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

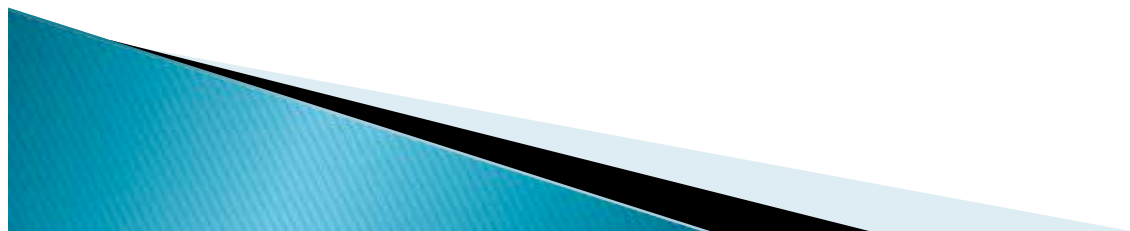A particular standard of living in which income is too low to provide for an adequate standard of living.
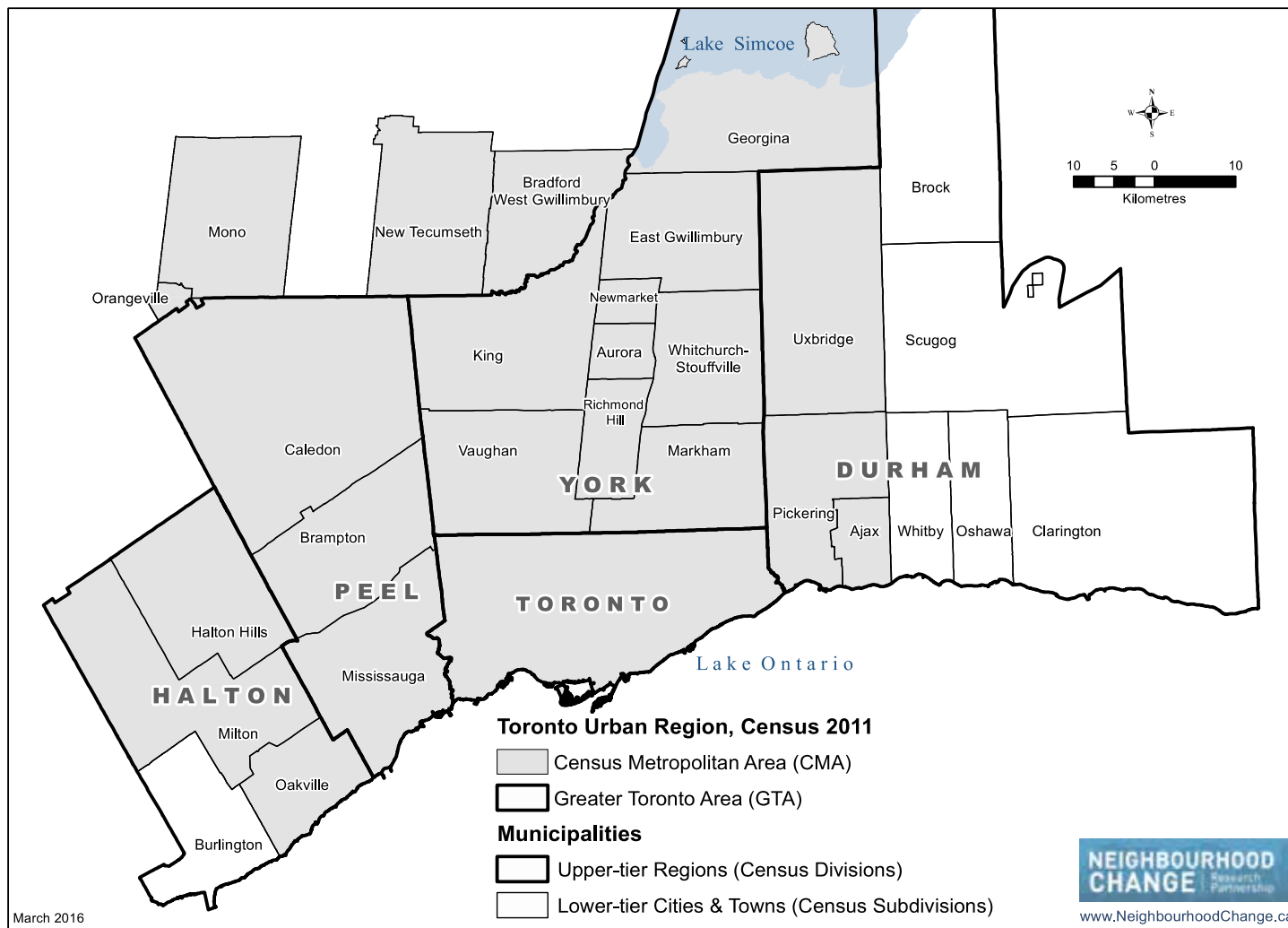
Defining income polarization

▸ 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'.
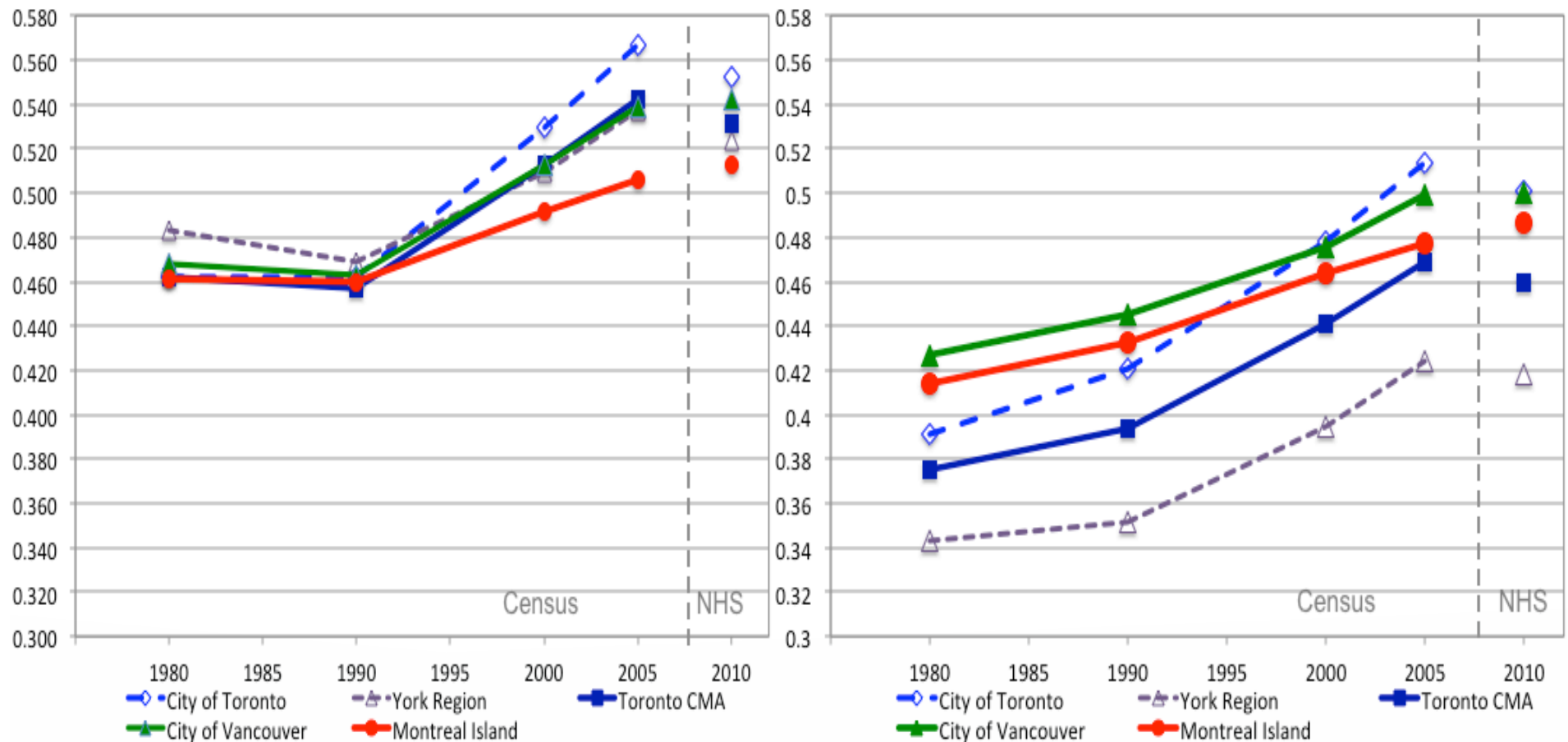
Part 1 – Key findings

The Toronto Urban Region

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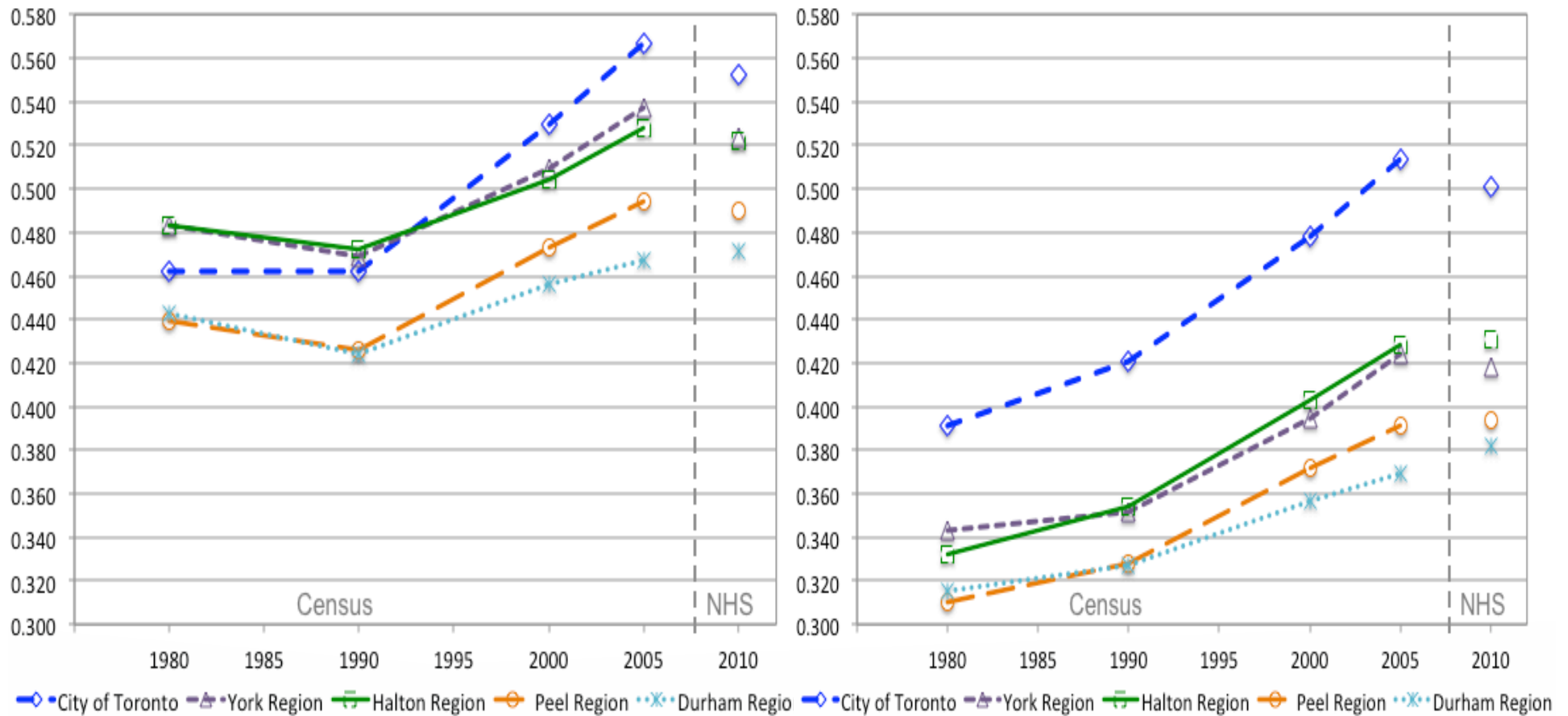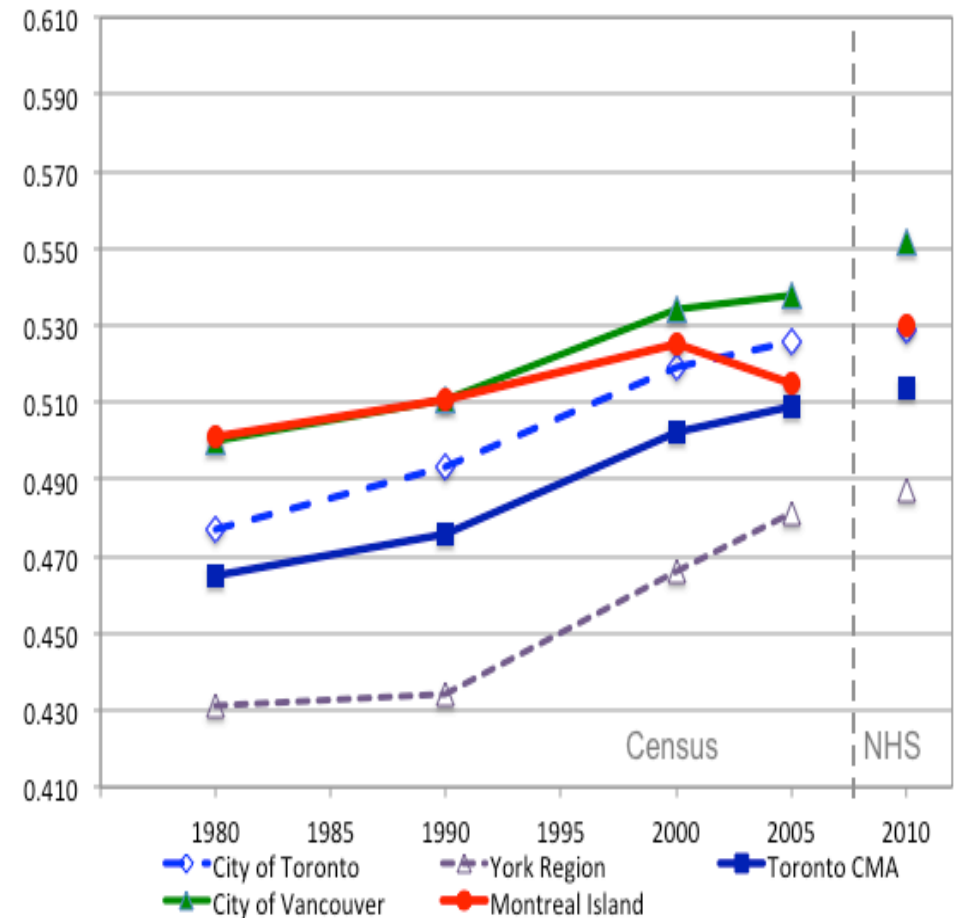
Non-spatial income inequality

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

Data source: Statistics Canada, Research Data Centre Toronto, Census 1980-2005 and NHS 2010.
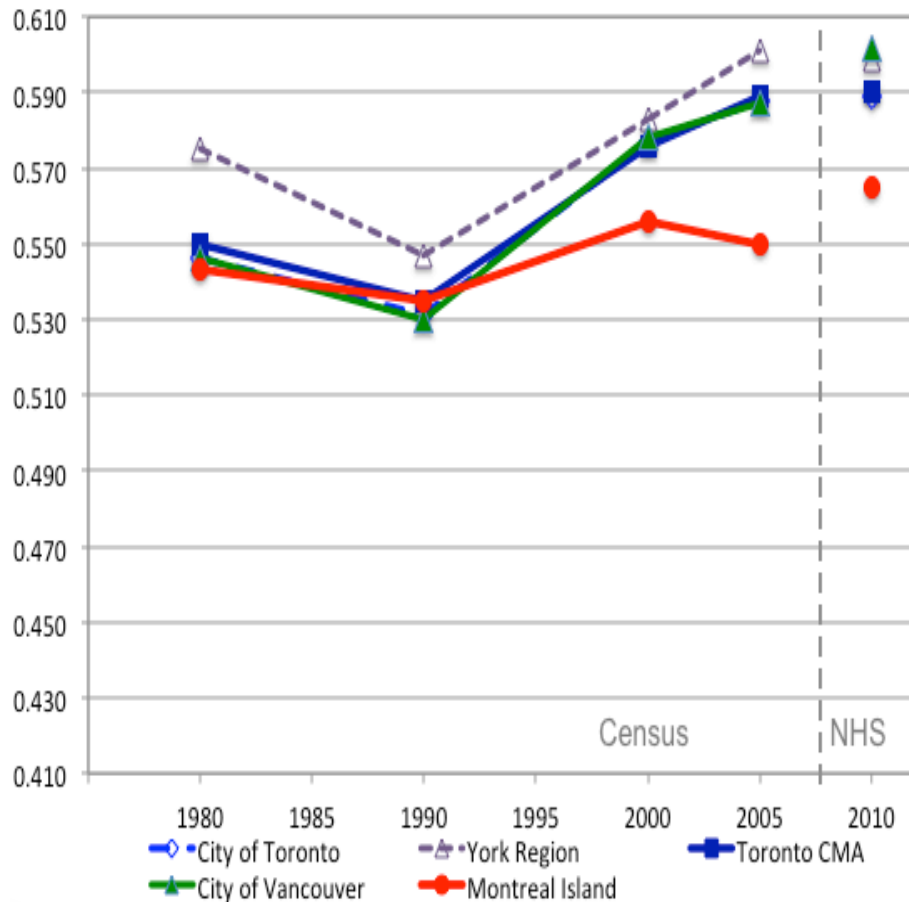
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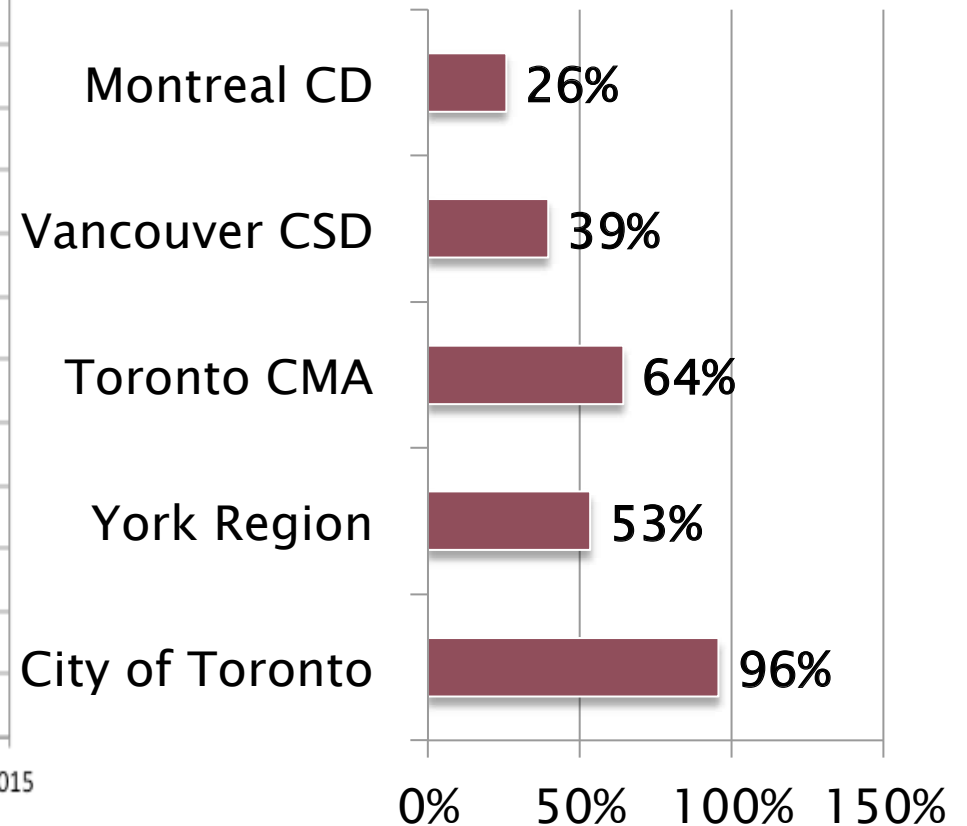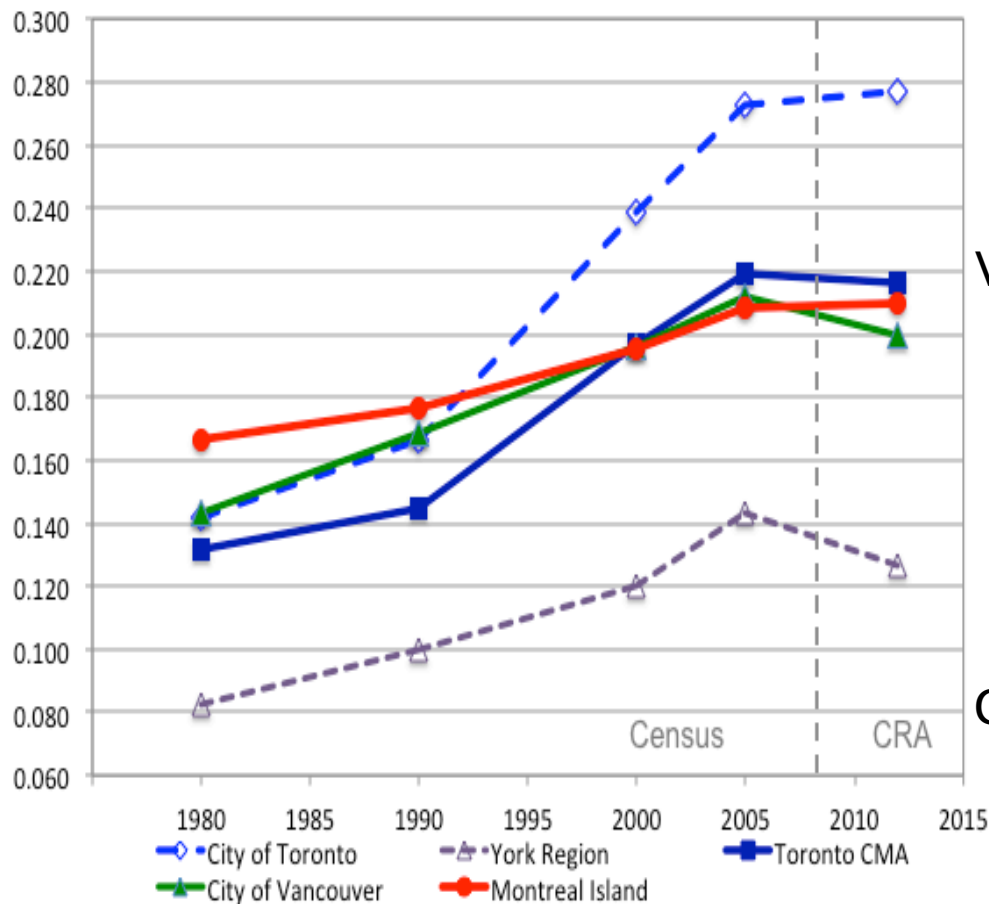
Non–spatial income polarization

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

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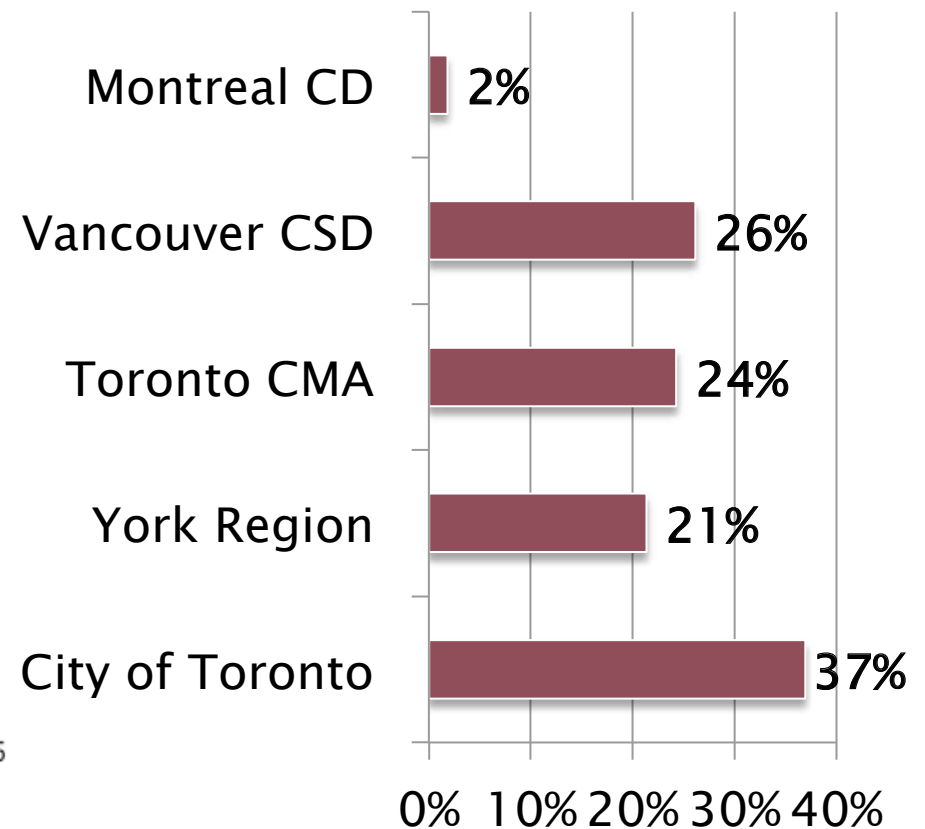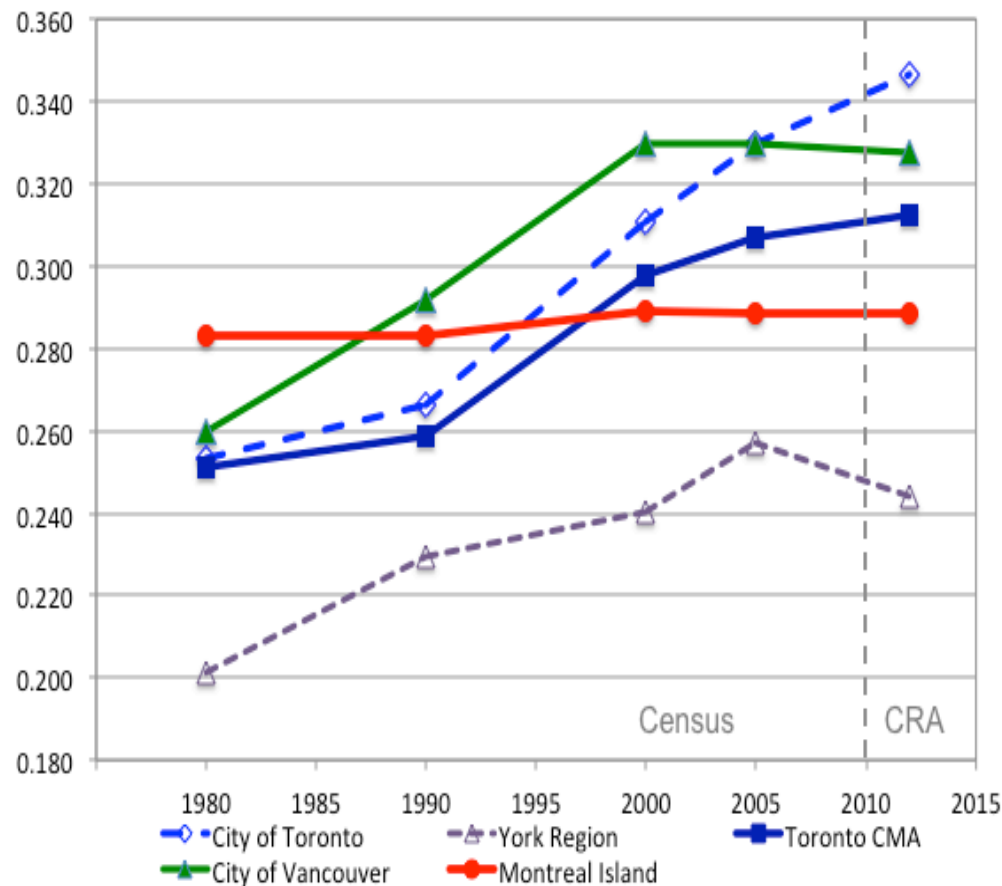
Socio–spatial income inequality

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

Data source: Statistics Canada, Census 1980-2005, and CRA 2012, Neighbourhood Change Research Partnership.

Socio–spatial income polarization

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

Data source: Statistics Canada, Census 1980-2005, and CRA 2012, Neighbourhood Change Research Partnership.

Next step

▸ **Part II** – Portrait of changing income distribution/income gap along various socio–demographic variables:

- ◦ Age
- ◦ Gender
- ◦ Immigration
- ◦ Visible minority
- ◦ Family characteristics
- ◦ Employment