The Inclusive and Sustainable City of the 21st Century
Challenges and Possibilities Facing Urban Policymakers and Institutions

DIVIDED CITIES
A legacy of the late 20th century.
How much of the 21st?

Income Inequality
Income Polarization
Social-spatial Change

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Factor-Inwentash Faculty of Social Work, University of Toronto
RBC Conference, May 2017
The Research

2005 Initiated with focus on Toronto

2012 extended to other metro areas

Funded by Social Sciences & Humanities Research Council of Canada
The 2010 report has a web version with many related resources:

http://3cities.neighbourhoodchange.ca
CBC Toronto 2025

Projection of the “Three Cities” in Toronto to 2035

Contact: david.hulchanski@utoronto.ca
Star series looks at Toronto: The Divided City

Almost two decades after six municipalities were melded together as Toronto, the Star is exploring the remaining divisions and offering possible solutions.

The envy of North America for its vibrancy and vertical growth, Toronto is also a perpetual conflict of interests, criss-crossed by more dividing lines than the ice at the end of a Leafs game. (BRIAN HUGHES ILLUSTRATION)
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
"Thus a new age of extremes is upon us ...

"The social worlds of the rich & the poor will diverge, creating the potential for radical differences in thought, action, values, tastes, & feelings, and for the construction of a new political geography that divorces the interests of the rich from the welfare of the poor."

= Socio-spatial Polarization

City of Toronto Mayoral Vote by Ward, 2014

- Voted for Doug Ford
- Voted for John Tory
- Voted for Olivia Chow
2011 riots inquiry recommendations ignored by government, says Lammy

MP for London flashpoint of 2011 riots says little has changed since unrest, with only 11 of 63 panel's proposals implemented

After the riots

The final report of the Riots Communities and Victims Panel

Riot police patrolling in Tottenham as riots erupted following the shooting of Mark Duggan. Little has changed, says Lammy. Photograph: Lewis Whyld/PA

The government has been accused of implementing just a few of the changes demanded by an inquiry it established to stop a repeat of the 2011 riots in England.
Forecast: Real estate mayhem

The weather isn’t the only thing that’s heating up. Toronto-area house hunters are wading into a spring buying season like no other, where soaring prices and bidding wars are the norm and uncertainty flourishes like weeds.

Toronto Star 15 Apr 2017 TESS KALINOWSKI REAL ESTATE REPORTER
Cause? Solution?

Government / Governance

Activities / Outcomes in 4 Key Areas

Effective Anti-Discrimination

Affordable Housing

Income Support (Tax, Transfers)

Labour Market
"... it was not unemployment that differentiated the richer from poorer neighbourhoods. Rather, it was the type of job found, particularly the annual earnings generated."
Manufacturing Job Share in City of Toronto, 1987–2015

1987: 20.1% share; 267,000 jobs
2015: 9.1% share; 130,000 jobs

Linear Trend Line
R² = 75%

Statistics Canada Labour force survey estimates (LFS) by North American Industry Classification System (NAICS), annual.
"the strength of divisions in the city and the inequality among them."

– Marcuse & van Kempen

Total income includes capital gains. The top 1 percent is specific to each geography. Ottawa is the Ottawa-Gatineau census metropolitan area.
Share of Toronto CMA’s Annual Income Taken by Top 5% & Bottom 50% of Toronto’s Taxfilers, 1982–2014

Notes: Total income includes capital gains. Toronto is the Census Metropolitan Area. Minimum income of $131,000 in 2014 to be in Toronto’s top 5% and a maximum income of $30,000 to be in the bottom 50%.

Income of the Top & Bottom 50% of the City of Toronto's Neighbourhoods

Average Individual Census Tract Incomes
2012 Taxfilers

**Income in Bottom 50%**
- 68% of taxfilers take
- 53% of Toronto’s total income
- $36,000 average income

**Income in Top 50%**
- 32% of taxfilers take
- 47% of Toronto’s total income
- $69,000 average income

Top and bottom 50% groups are in relation to Toronto Census Metropolitan Area median income. The 2012 census tract taxfiler incomes include income from all sources, before-tax.
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.
Total Tax Revenues as a Percentage of GDP, 2010
Fifteen OECD Countries in Three Groups

Nordic Countries
- Denmark: 48%
- Sweden: 46%
- Norway: 43%
- Finland: 43%

Western European Countries
- Belgium: 44%
- France: 43%
- Austria: 42%
- Netherlands: 39%
- Germany: 36%

Anglo-American Countries
- United Kingdom: 35%
- New Zealand: 32%
- Canada: 31%
- Ireland: 28%
- Australia: 26%
- United States: 25%
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.”

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

![Graph showing the relationship between income inequality and various social indicators.](image-url)
The Opportunity Equation
Building opportunity in the face of growing income inequality
1970-2012

TORONTO: A DIVIDED CITY
35 Year Trend  
Toronto, 1970-2005

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

Comparing 2005 CT avg. incomes to 1970
2010 Report: If nothing changes ...

**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%
42 Year Trend  

Toronto, 1970-2012

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

Comparing 2012 CT avg. incomes to 1970
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

Data Sources:
Statistics Canada, Census Profile Series 1971
Canada Revenue Agency, T1FF Taxfiler data, 2012

Projected Change in Census Tract Average Individual Income Versus the Toronto CMA Average, 1970–2030

City #1 - Increase of 20% or more:
- 182 census tracts, 35% of the City
  (2012 actual: 146 CTs, 25% of the City)

City #2 - Increase or Decrease is Less than 20%:
- 47 census tracts, 9% of the City
  (2012 actual: 165 CTs, 32% of the City)

City #3 - Decrease of 20% or More:
- 289 census tracts, 56% of the City
  (2012 actual: 207 CTs, 40% of the City)

Scenario Assumptions
City #1: all census tracts that increased in income 5% or more 1970–2012 will have increased 20% or more by 2030.
City #2: all census tracts that increased or decreased less than 5% 1970–2012 will not increase or decrease beyond 5% by 2030.
City #3: all census tracts that decreased in income 5% or more 1970–2012 will have decreased 20% or more by 2030.

Census tract boundaries are held constant to Census 2001 (518 CTs).
Individual income from all sources, before-tax.
Neighbourhood Income Change: City of Toronto
Three Cities, 1990 Versus 1970 Up to 2012

- City #1 income increased 20% or more
- City #2 income changed less than 20%
- City #3 income decreased 20% or more

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.
Average Individual Income, Metro Toronto, 1980

Source: (1) Statistics Canada, Census Profile Series, 1981
(2) Statistics Canada, Census Road Network, 2011
Notes: (1) Census tract and municipal boundaries are for 1981.
(2) Average Individual Income is for persons 15 and over and includes income from all sources, before-tax.

Metro Toronto in 1981 was a regional municipality which included Scarborough, North York, Etobicoke, York, East York and City of Toronto. This is not to be confused with the Toronto Census Metropolitan Area (CMA) which is the larger region that also includes municipalities in the “905 region” adjacent to Metro Toronto.

Census Tract Average Individual Income compared to the Toronto Census Metropolitan Area Average of $14,384

- Very High - 140% to 403% (38 CTs, 9% of the City)
- High - 120% to 140% (28 CTs, 7% of the City)
- Middle Income - 80% to 120% (236 CTs, 56% of the City)
- Low - 60% to 80% (116 CTs, 27% of the City)
- Very Low - 42% to 60% (5 CTs, 1% of the City)
- Not Available

November 2012
Average Individual Income, Metro Toronto, 1990

Census Tract Average Individual Income compared to the Toronto Census Metropolitan Area Average of $28,817

- Very High - 140% to 297% (53 CTs, 11% of the City)
- High - 120% to 140% (34 CTs, 7% of the City)
- Middle Income - 80% to 120% (238 CTs, 50% of the City)
- Low - 60% to 80% (141 CTs, 30% of the City)
- Very Low - 44% to 60% (9 CTs, 2% of the City)
- Not Available

Source: (1) Statistics Canada, Census Profile Series, 1991
(2) Statistics Canada, Census Road Network, 2011
Notes: (1) Census tract and municipal boundaries are for 1991.
(2) Average Individual Income is for persons 15 and over and includes income from all sources, before-tax.

Metropolitan Toronto in 1991 was a regional municipality which included Scarborough, North York, Etobicoke, York, East York and City of Toronto. This is not to be confused with the Toronto Census Metropolitan Area (CMA) which is the larger region that also includes municipalities in the “905 region” adjacent to Metro Toronto.
Average Individual Income, City of Toronto, 2012

Census Tract Average Individual Income compared to the Toronto Census Metropolitan Area Average of $46,666

- Very High - 140% to 697% (37 CTs, 16% of the City)
- High - 120% to 140% (28 CTs, 5% of the City)
- Middle Income - 80% to 120% (162 CTs, 30% of the City)
- Low - 60% to 80% (192 CTs, 36% of the City)
- Very Low - 36% to 60% (72 CTs, 13% of the City)
- Not Available

Source: Canada Revenue Agency, Taxfiler Data, 2012

Notes:
1) Census tract boundaries are for 2011.
2) Average Individual Income is for all taxfilers and includes income from all sources, before-tax.
Similar trends outside City of Toronto

Notes:
1. 2012 average individual Income is from the Canada Revenue Agency's taxfiler data and includes income from all sources, before-tax.
2. Statistics Canada census tract and municipal boundaries are for 2011.
3. Data provided by the 2011 National Household Survey (NHS) has been proven to be untrustworthy. No NHS data is used here.

Land Use Categories:
- **GREEN**: Parks and Other Recreational Uses
- **GREY**: Commercial, Industrial, Institutional, Resource and Government Uses
- **WHITE**: Open Space, Water and Rural Uses

Census Tract Average Individual Income compared to the Toronto CMA Average of $46,666:
- Very High - 140% to 697%
  - CMA = 130 CTs, 12%
  - City of Toronto = 87 CTs, 16%
- High - 120% to 140%
  - CMA = 77 CTs, 7%
  - City of Toronto = 28 CTs, 5%
- Middle Income - 80% to 120%
  - CMA = 468 CTs, 43%
  - City of Toronto = 162 CTs, 30%
- Low - 60% to 80%
  - CMA = 316 CTs, 29%
  - City of Toronto = 192 CTs, 36%
- Very Low - 36% to 60%
  - CMA = 89 CTs, 8%
  - City of Toronto = 72 CTs, 13%
Neighbourhood Income & Population, City of Toronto, 1970-2010

Census Tract Average Income compared to the CMA Average
- High Income (More than 20% Above)
- Middle Income (Within 20%)
- Low Income (More than 20% Below)

Income Definition Notes:
Individual income is for persons 15 and over, from all sources, before-tax.
Census tract boundaries correspond to those that existed in each census year.
Income for 2010 is based on all taxfilers for 2006 CT boundaries.
Neighbourhood Income & Population, Toronto's "905 Region", 1970-2010

Census Tract Average Income compared to the CMA Average
- High Income (More than 20% Above)
- Middle Income (Within 20%)
- Low Income (More than 20% Below)

Toronto’s "905 Region" is defined as the census tracts outside the City of Toronto and within the Toronto census metropolitan area. This area consists of Peel region, York region and large parts of Durham and Halton regions which together are commonly referred to as "outer suburbs" of Toronto.

Income Definition Notes:
Individual income is for persons 15 and over, from all sources, before-tax. Census tract boundaries correspond to those that existed in each census year. Income for 2010 is based on all taxfilers for 2006 CT boundaries.
The Changing Shape of Neighbourhood Average Incomes
City of Toronto, 1980 Versus 2012

Census Tracts in the
$25,000 to $45,000
Income Range:
1980 = 82% of CTs
2012 = 58% of CTs

Average Income Range (thousands, constant 2012 dollars)

Toronto’s Segregated Ethno-Cultural Population, 2006

City #1
- White: 82%
- Chinese: 7%
- South Asian: 2%
- Black: 2%
- Other: 7%

City #2
- White: 65%
- Chinese: 9%
- South Asian: 6%
- Black: 5%
- Other: 14%

City #3
- White: 34%
- South Asian: 20%
- Chinese: 15%
- Black: 12%
- Other: 19%

Map of Toronto's segregated ethno-cultural population, with areas colored to represent different ethnic groups.
Toronto’s Black Population, 2006

Segregation?  Black population, neighbourhood concentrations

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)

Source: Statistics Canada, Census Profile Series 2006
Data is mapped to census tract 2001 boundaries.

1 dot represents 50 Black people in 2006
Dots are randomly placed within census tracts
What can be done?

Policy options

- Economic INEQUALITY
- Socio-spatial POLARIZATION / EXCLUSION
- Spatial SEGREGATION & DISADVANTAGE
Cause? Solution?

Government / Governance

Effective Anti-Discrimination

Affordable Housing

Activities / Outcomes in 4 Key Areas

Income Support
(Tax, Transfers)

Labour Market
“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
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
era.on.ca/blogs/towerrenewal
www.cugr.ca
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.
Toronto's Transit City Plan 2009 and Black Population 2006

Percentage Black Visible Minority, 2006 by Census Tracts

- **High Black Percentage**
  (2.0 or More Above the City Average of 8.3%)

- **Above Average Black Percentage**
  (1.0 to 2.0 Above the City Average of 8.3%)

- **Below Average Black Percentage**
  (less than the City Average of 8.3%)

Source: TTC Transit City Plan Map 2009.

Neighbourhood Change Research Partnership, University of Toronto

www.NeighbourhoodChange.ca

March 2015
What happened to Transit City?

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

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
Life Course Implications of Housing Assets

“who you are, where you are, and when you achieve home ownership are critical determinants of future trajectories.”

– Ray Forrest, 2008
Policy Options for the Divided City

• LABOUR MARKET
• HOUSING
• INCOME
• ANTI-DISCRIMINATION

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
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. ________________________________
Research Required on the Global City

• The analysis of power in and over cities
• how power is exercised by the drivers that possess power
• how the impacts of the exercise of power over cities can be better guided, and
• what the goals should be.

Peter Marcuse (2016)
"For the Repoliticization of Global City Research."
*City & Community, 15*(2), 116.
where is Chicagoland heading?

“Rahm Emanuel is building a Second City. Two cities really…One white, one black. One for the rich, one for the poor. One for private schools, one for closed schools. A new Chicago for the saved and the damned. Gold coast heavens and low-end hells. It's biblical, binary.” Kevin Coval, Poet & Author, Founder Louder Than A Bomb: The Chicago Youth Poetry Festival, April 3, 2014

Janet L. Smith, Professor, University of Illinois at Chicago, April 2014
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

City #1: Increase of 20% or More
  Chicago 21% of CTs; Toronto 25% of CTs

City #2: Less than a 20% Increase or Decrease
  Chicago 28% of CTs; Toronto 34% of CTs

City #3: Decrease of 20% or More
  Chicago 53% of CTs; Toronto 40% of CTs

Data Sources:
United States Census 1970
American Community Survey 2008-2012
Statistics Canada, Census 1971
Canada Revenue Agency Taxfiler data 2010

Natalie P. Voorhees Center for Neighbourhood and Community Improvement
University of Illinois at Chicago

June 2014

Neighbourhood Change Research Partnership
www.NeighbourhoodChange.ca
Income Inequality Between Census Tracts: Gini Coefficient
Chicago and Toronto Metropolitan Areas, 1970-2010

"the strength of divisions in the city and the inequality among them."
– Marcuse & van Kempen

Note: Based on census tract average individual income for persons 15 and over, from all sources, before-tax. Census tract boundaries correspond to those that existed in each census year.

Toronto: Justice Denied

A just city demands

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

Mark Kingwell (2008)

For further information

www.NeighbourhoodChange.ca

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