Neighbourhood Socio-Economic Polarization & Segregation in Toronto
Trends and Processes since 1970

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TU Delft, September 2018
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.
Spatial Polarization and Segregation

1990’s ‘Divided Cities’ literature

A new socio-spatial order with stronger (more rigid) divisions, and greater inequality

Peter Marcuse & Ronald van Kempen, 2000
Toronto: Summary

1. Income inequality, income polarization, and SES/ethno-cultural segregation is increasing

2. Increased dramatically since the late-1980s, especially during the 1990s, at a slower pace since

3. There is no sign of a reversal

4. We have the strongest possible evidence; evidence that is being ignored by government

5. Cause: public policy; labour market and housing market dynamics; discrimination
Specific Processes: Cause and Solution
Government / Governance

- Labour Market
- Housing Market
- Income Support (Tax, Transfers)
- Discrimination

Activities / Outcomes in 4 Key Policy Areas
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.
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
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%.

R² = 76%

http://www.statcan.gc.ca/daily-quotidien/161121/dq161121ld-eng.htm
Total Tax Revenues as a Percentage of GDP, 2015
Fifteen OECD Countries in Three Groups

Nordic Countries
- Denmark: 47%
- Finland: 44%
- Sweden: 43%
- Norway: 38%

Western European Countries
- France: 46%
- Belgium: 45%
- Austria: 43%
- Netherlands: 38%
- Germany: 37%

Anglo-American Countries
- New Zealand: 33%
- United Kingdom: 33%
- Canada: 32%
- Australia (2014): 28%
- United States: 26%
- Ireland: 24%

INEQUALITY  +56%
POLARIZATION  +47%
SEGREGATION  +14%
Average Individual Income, Toronto Census Metropolitan Area, 2015

19% High Income
42% Middle Income
38% Low Income

Census Tract Average Individual Income compared to the Toronto Census Metropolitan Area Average of $50,479

High Income - 120% to 831% (220 CTs, 19% of the region)
Middle Income - 80% to 120% (483 CTs, 42% of the region)
Low Income - 37% to 80% (442 CTs, 38% of the region)
Not Available

November 2017
Source: Statistics Canada, Census Profile Series, 2016
www.NeighbourhoodChange.ca
Populations of Selected Visible Minority Groups, 2001–2016
Toronto Census Metropolitan Area

<table>
<thead>
<tr>
<th></th>
<th>2001</th>
<th>2001</th>
<th>2016</th>
<th>2016</th>
<th>Percent Change</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>#</td>
<td>%</td>
<td>#</td>
<td>%</td>
<td></td>
</tr>
<tr>
<td>Toronto CMA Population</td>
<td>4,648,000</td>
<td>100</td>
<td>5,863,000</td>
<td>100</td>
<td>26%</td>
</tr>
<tr>
<td>White</td>
<td>2,935,000</td>
<td>63</td>
<td>2,851,000</td>
<td>49</td>
<td>-3%</td>
</tr>
<tr>
<td>Visible Minorities</td>
<td>1,713,000</td>
<td>37</td>
<td>3,012,000</td>
<td>51</td>
<td>76%</td>
</tr>
<tr>
<td>Chinese</td>
<td>409,535</td>
<td>9</td>
<td>631,080</td>
<td>11</td>
<td>54%</td>
</tr>
<tr>
<td>South Asian</td>
<td>473,805</td>
<td>10</td>
<td>973,145</td>
<td>17</td>
<td>105%</td>
</tr>
<tr>
<td>Black</td>
<td>310,500</td>
<td>7</td>
<td>441,960</td>
<td>8</td>
<td>42%</td>
</tr>
<tr>
<td>Latin American</td>
<td>75,910</td>
<td>2</td>
<td>132,885</td>
<td>2</td>
<td>75%</td>
</tr>
<tr>
<td>Arab &amp; West Asian</td>
<td>95,815</td>
<td>2</td>
<td>229,425</td>
<td>4</td>
<td>139%</td>
</tr>
</tbody>
</table>


Source: Statistics Canada, Census Tract Profile Series, 2001-2016
Spatial Income Inequality Trend
Toronto CMA 1990 to 2015

Spatial (census tract) income inequality (Gini)

+56% (from 0.145 in 1990 to 0.226 in 2015)

Census tracts are increasingly becoming dissimilar in average incomes with the group of more numerous higher income census tracts taking a larger share of Toronto's total income relative to their population size.
**Income Inequality Between Census Tracts**

**Five Metropolitan Areas, 1970–2015**

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.

Spatial Income Polarization Trend
Toronto CMA 1990 to 2015

Spatial (census tract) income polarization (COP)

+47% (from 0.200 in 1990 to 0.294 in 2015)

Census tracts are dividing into two contrasting groups (polarizing), as the number of middle income census tracts become fewer.

Income Polarization Between Census Tracts
Five Metropolitan Areas, 1970–2015

A coefficient value of 0.0 represents the complete absence of polarization. All census tracts would be middle income, each having the exact same average. As census tracts move away from each other, towards higher or lower incomes, the COP value increases with no maximum.

Notes: Calculated from census tract average individual income from all sources, before-tax. Canadian income 1970–2000 and 2015 is from the Census. Income for 2010 is Canada Revenue Agency T1FF taxfiler data.

‘Racial’ Segregation
Toronto CMA 1991 to 2016

‘Racial’ segregation (non-Whites / Whites, index of dissimilarity)

+14% (from 0.395 in 1991 to 0.452 in 2016)

The visible minority and White populations in the Toronto CMA are increasingly not living side-by-side within and between census tracts.

Note: The Index of Dissimilarity considers number of visible minority vs White people within and between census tracts in relation to the distribution for the whole CMA. The Gini and COP only considers incomes between CTs (but not within CTs), comparing CT averages against each other in the CMA as a whole.
Black Segregation: Toronto / Chicago

Index of dissimilarity

- 0.512  Toronto CMA (2016)
- 0.836  Chicago Metro (2000)


Chicago 63% higher than Toronto

If Toronto was a U.S. city it would rank #222

Toronto Census Metropolitan Area

<table>
<thead>
<tr>
<th></th>
<th>1991</th>
<th>2001</th>
<th>2016</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>All Visible Minorities</td>
<td>0.395</td>
<td>0.435</td>
<td>0.452</td>
<td>14%</td>
</tr>
<tr>
<td>Chinese</td>
<td>0.435</td>
<td>0.577</td>
<td>0.585</td>
<td>34%</td>
</tr>
<tr>
<td>South Asian</td>
<td>0.433</td>
<td>0.535</td>
<td>0.579</td>
<td>34%</td>
</tr>
<tr>
<td>Black</td>
<td>0.423</td>
<td>0.487</td>
<td>0.512</td>
<td>21%</td>
</tr>
<tr>
<td>Latin American</td>
<td>0.600</td>
<td>0.479</td>
<td>0.395</td>
<td>-34%</td>
</tr>
<tr>
<td>Arab &amp; West Asian</td>
<td>0.633</td>
<td>0.501</td>
<td>0.488</td>
<td>-23%</td>
</tr>
</tbody>
</table>

2. Demographic Segregation Trends

THREE CHARACTERISTICS; THREE POINTS IN TIME
VISIBLE MINORITY POPULATION
IMMIGRANT POPULATION
EDUCATIONAL LEVEL
Average Individual Income, Metro Toronto, 1980

Population
1981 2,137,000
2001 2,482,000
2016 2,732,000
Average Individual Income, City of Toronto, 2000

Population

1981  2,137,000
2001  2,482,000
2016  2,732,000

Average individual income from all sources, before-tax.
Census tract boundaries are for 2001.

Census Tract Average Individual Income compared to the Toronto Census Metropolitan Area Average of $35,618

- High Income - 120% to 701% (95 CTs, 18% of the City)
- Middle Income - 80% to 120% (167 CTs, 32% of the City)
- Low Income - 38% to 80% (258 CTs, 50% of the City)
- Not Available
Population by Visible Minority Status
City of Toronto, 1981–2016

Other Visible minorities include Filipino, Korean, Japanese, South East Asian, Arab, West Asian, Latin American and other non-white groups. Visible minority status is not applicable to the Aboriginal population. Census 1981 data produced by Statistics Canada based on responses to ethnic origin, place of birth and language questions as part of a custom tabulation.
Toronto's Segregated Ethno-Cultural Population, 1980

Low Income Neighbourhoods
528,000 people
26% of census tracts

Middle Income Neighbourhoods
1,325,000 people
59% of census tracts

High Income Neighbourhoods
237,000 people
14% of census tracts

$10,000 average income (1980)
White Population 1,778,200: 85% of the City. South Asian 60,100: 3% of the City. Chinese 78,600: 4% of the City. Black 97,100: 5% of the City. Other Visible Minorities 89,200: 4% of the City.

$14,000 average income (1980)

$23,000 average income (1980)

Other Visible minorities include Filipino, Korean, Japanese, Arab, West Asian, Latin American and other non-white groups. Visible minority status is not applicable to the Aboriginal population. Census tract average individual income is from all sources, before-tax. Low income status refers to census tracts with an average income below 80.0% of the Toronto census metropolitan area (CMA) average income of $14,384 for 1980. Middle income status refers to census tracts with average income 80.0% to 119.9% of the Toronto CMA average income. High income status refers to census tracts with average income 120.0% and above the Toronto CMA average income.
Toronto's Segregated Ethno-Cultural Population, 2001

**Low Income Neighbourhoods**
1,270,000 people
50% of census tracts

- Black 12%
- Chinese 12%
- South Asian 15%
- Other 17%
- White 43%

$24,000 average income (2000)

**Middle Income Neighbourhoods**
786,000 people
32% of census tracts

- Black 5%
- Chinese 10%
- South Asian 6%
- Other 12%
- White 67%

$33,000 average income (2000)

**High Income Neighbourhoods**
393,000 people
18% of census tracts

- Black 2%
- Chinese 6%
- South Asian 2%
- Other 7%
- White 83%

$68,000 average income (2000)

**White Population**
1,405,700: 57% of the City.
South Asian 253,900: 10% of the City.
Chinese 259,700: 9% of the City.
Black 204,100: 8% of the City.
Other Visible Minorities 333,400: 14% of the City.

*Other Visible minorities* include Filipino, Korean, Japanese, Arab, West Asian, Latin American and other non-white groups. Visible minority status is not applicable to the Aboriginal population. *Census tract average individual Income* is from all sources, before-tax. *Low income* status refers to census tracts with an average income below 80.0% of the Toronto census metropolitan area (CMA) average income of $35,618 for 2000. *Middle income* status refers to census tracts with average income 80.0% to 119.9% of the Toronto CMA average income. *High income* status refers to census tracts with average income 120.0% and above the Toronto CMA average income.
Toronto's Segregated Ethno-Cultural Population, 2016

Low Income Neighbourhoods
1,368,000 people
48% of census tracts

- White 31%
- Black 13%
- South Asian 19%
- Chinese 13%
- Other 23%

$32,000 average income

Middle Income Neighbourhoods
757,000 people
29% of census tracts

- White 61%
- Black 16%
- Chinese 10%
- South Asian 7%

$49,000 average income

High Income Neighbourhoods
568,000 people
23% of census tracts

- White 73%
- Black 3%
- Chinese 8%
- South Asian 4%
- Other 11%

$102,000 average income

White Population 1,305,800: 49% of the City. South Asian 339,000: 13% of the City. Chinese 299,500: 11% of the City. Black 239,900: 9% of the City. Other Visible Minorities 507,600: 19% of the City.

Other Visible minorities include Filipino, Korean, Japanese, Arab, West Asian, Latin American and other non-white groups. Visible minority status is not applicable to the Aboriginal population. Census tract average individual income is from all sources, before-tax. Low income status refers to census tracts with an average income below 80.0% of the Toronto census metropolitan area (CMA) average income of $50,479 for 2015. Middle income status refers to census tracts with average income 80.0% to 119.9% of the Toronto CMA average income. High income status refers to census tracts with average income 120.0% and above the Toronto CMA average income.
Population by Immigrant Status
City of Toronto, 1981–2016

- **Recent Immigrants (previous 10 years)**
- **Established Immigrants**
- **Non-Immigrants**

<table>
<thead>
<tr>
<th>Year</th>
<th>Recent Immigrants</th>
<th>Established Immigrants</th>
<th>Non-Immigrants</th>
</tr>
</thead>
<tbody>
<tr>
<td>1981</td>
<td>308 (15%)</td>
<td>1,238 (59%)</td>
<td>1,426 (53%)</td>
</tr>
<tr>
<td>1996</td>
<td>456 (19%)</td>
<td>1,239 (52%)</td>
<td>910 (34%)</td>
</tr>
<tr>
<td>2001</td>
<td>517 (21%)</td>
<td>1,242 (51%)</td>
<td>781 (32%)</td>
</tr>
<tr>
<td>2006</td>
<td>457 (18%)</td>
<td>1,239 (50%)</td>
<td>356 (13%)</td>
</tr>
<tr>
<td>2016</td>
<td>356 (13%)</td>
<td></td>
<td>1,426 (53%)</td>
</tr>
</tbody>
</table>

**Immigrant** refers to landed immigrants and permanent residents. **Non-immigrant** refers to persons born in Canada and non-permanent residents. Non-permanent residents not counted by the Census in 1981.
Toronto's Segregated Immigrant Population, 1981

Low Income Neighbourhoods
528,000 people
26% of census tracts

Middle Income Neighbourhoods
1,325,000 people
59% of census tracts

High Income Neighbourhoods
237,000 people
14% of census tracts

$10,000 average income (1980)
Recent Immigrants (1971-1981 arrivals) 307,800: 15% of the City. Established Immigrants (pre-1971 arrivals) 557,100: 26% of the City. Non-immigrants 1,238,300: 59% of the City.

$14,000 average income (1980)

$23,000 average income (1980)

Immigrant refers to landed immigrants and permanent residents. Non-immigrant refers to persons born in Canada. Non-permanent residents not counted in Census 1981. Census tract average individual income is from all sources, before-tax. Low income status refers to census tracts with an average income below 80.0% of the Toronto census metropolitan area (CMA) average income of $14,384 for 1980. Middle income status refers to census tracts with average income 80.0% to 119.9% of the Toronto CMA average income. High income status refers to census tracts with average income 120.0% and above the Toronto CMA average income.
Toronto's Segregated Immigrant Population, 2001

**Low Income Neighbourhoods**
- 1,270,000 people
- 50% of census tracts

- **Non-immigrants**: 42%
- **Recent Immigrants**: 28%
- **Established Immigrants**: 31%

**Middle Income Neighbourhoods**
- 786,000 people
- 32% of census tracts

- **Non-immigrants**: 55%
- **Recent Immigrants**: 17%
- **Established Immigrants**: 28%

**High Income Neighbourhoods**
- 393,000 people
- 18% of census tracts

- **Non-immigrants**: 70%
- **Established Immigrants**: 22%

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$24,000$ average income (2000)  \>
$33,000$ average income (2000)  \>
$68,000$ average income (2000)

Recent Immigrants (1991-2001 arrivals) 516,600: 21% of the City. Established Immigrants (pre-2001 arrivals) 698,000: 28% of the City. Non-immigrants and non-permanent residents 1,242,200: 51% of the City.

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**Immigrant** refers to landed immigrants and permanent residents. **Non-immigrant** refers to persons born in Canada and non-permanent residents. **Census tract average individual Income** is from all sources, before-tax. **Low income** status refers to census tracts with an average income below 80.0% of the Toronto census metropolitan area (CMA) average income of $35,618 for 2000. **Middle income** status refers to census tracts with average income 80.0% to 119.9% of the Toronto CMA average income. **High income** status refers to census tracts with average income 120.0% and above the Toronto CMA average income.
Toronto's Segregated Immigrant Population, 2016

Low Income Neighbourhoods
1,368,000 people
48% of census tracts

Middle Income Neighbourhoods
757,000 people
29% of census tracts

High Income Neighbourhoods
568,000 people
23% of census tracts

- Non-immigrants
  - Recent Immigrants 42%
  - Established Immigrants 40%
- Recent Immigrants 17%
- Established Immigrants 60%
- Recent Immigrants 10%
- Established Immigrants 30%
- Recent Immigrants 8%
- Established Immigrants 69%

$32,000 average income
$49,000 average income
$102,000 average income

Recent Immigrants (2006-2016 arrivals) 355,700: 13% of the City. Established Immigrants (pre-2006 arrivals) 910,300: 34% of the City. Non-immigrants and non-permanent residents 1,425,700: 53% of the City.

Immigrant refers to landed immigrants and permanent residents. Non-immigrant refers to persons born in Canada and non-permanent residents. Census tract average individual income is from all sources, before-tax. Low income status refers to census tracts with an average income below 80.0% of the Toronto census metropolitan area (CMA) average income of $50,479 for 2015. Middle income status refers to census tracts with average income 80.0% to 119.9% of the Toronto CMA average income. High income status refers to census tracts with average income 120.0% and above the Toronto CMA average income.
Population by Educational Attainment
City of Toronto, 1981–2016

- **University Degree**
- **College/technical**
- **High School Diploma**
- **No High School Completion**

**Educational attainment** refers to the highest certificate, diploma or degree completed for the population age 15 and over. Census 2001 data only reported for the population age 20 and over. University degree refers to Bachelor's or higher. College/technical category refers to any postsecondary education below the completion of a university Bachelor's degree.
Educational Attainment of Toronto's Population, 1981

**Low Income Neighbourhoods**
- 419,000 people (age 15+)
- 26% of census tracts
- University Degree: 6%
- College/technical: 24%
- High School Diploma: 10%
- No High School: 59%

**Middle Income Neighbourhoods**
- 1,092,000 people (age 15+)
- 59% of census tracts
- University Degree: 11%
- College/technical: 33%
- High School Diploma: 13%
- No High School: 43%

**High Income Neighbourhoods**
- 202,000 people (age 15+)
- 14% of census tracts
- University Degree: 28%
- No High School: 26%
- High School Diploma: 11%
- College/technical: 35%

$10,000 average income (1980)  
$14,000 average income (1980)  
$23,000 average income (1980)

University Degree (Bachelor's or higher) 209,900: 12% of the City. College/technical 537,300: 31% of the City. High School Diploma 204,400: 12% of the City. No High School Completion 773,300: 45% of the City.

**Educational attainment** refers to the highest certificate, diploma or degree completed for the population aged 15 years and over.  
**Census tract average individual Income** is from all sources, before-tax. **Low income** status refers to census tracts with an average income below 80.0% of the Toronto census metropolitan area (CMA) average income of $14,384 for 1980. **Middle income** status refers to census tracts with average income 80.0% to 119.9% of the Toronto CMA average income. **High income** status refers to census tracts with average income 120.0% and above the Toronto CMA average income.
Educational Attainment of Toronto's Population, 2001

Low Income Neighbourhoods
936,000 people (age 20+)
50% of census tracts

- University Degree: 18%
- No High School: 33%
- College/technical: 35%
- High School Diploma: 14%

Middle Income Neighbourhoods
623,000 people (age 20+)
32% of census tracts

- University Degree: 30%
- No High School: 21%
- College/technical: 11%
- High School Diploma: 38%

High Income Neighbourhoods
313,000 people (age 20+)
18% of census tracts

- University Degree: 49%
- No High School: 11%
- College/technical: 32%
- High School Diploma: 8%


University Degree (Bachelor's or higher): 512,000; 27% of the City. College/technical: 673,000; 36% of the City. High School Diploma: 222,000; 12% of the City. No High School Completion: 472,000; 25% of the City.

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Educational attainment refers to the highest certificate, diploma or degree completed for the population aged 20 years and over.

Census tract average individual income is from all sources, before-tax. Low income status refers to census tracts with an average income below 80.0% of the Toronto census metropolitan area (CMA) average income of $35,618 for 2000. Middle income status refers to census tracts with average income 80.0% to 119.9% of the Toronto CMA average income. High income status refers to census tracts with average income 120.0% and above the Toronto CMA average income.
Educational Attainment of Toronto's Population, 2016

Low Income Neighbourhoods
1,146,000 people (age 15+)
48% of census tracts

- University Degree: 25%
- High School Diploma: 28%
- College/technical: 25%
- No High School: 22%

$32,000 average income

Middle Income Neighbourhoods
659,000 people (age 15+)
29% of census tracts

- University Degree: 42%
- High School Diploma: 22%
- College/technical: 23%
- No High School: 13%

$49,000 average income

High Income Neighbourhoods
489,000 people (age 15+)
23% of census tracts

- University Degree: 57%
- High School Diploma: 18%
- College/technical: 18%
- No High School: 8%

$102,000 average income

University Degree (Bachelor's or higher) 835,300: 36% of the City. College/technical 521,100: 23% of the City. High School Diploma 561,100: 24% of the City. No High School Completion 377,300: 16% of the City.

**Educational attainment** refers to the highest certificate, diploma or degree completed for the population aged 15 years and over. **Census tract average individual income** is from all sources, before-tax. **Low income** status refers to census tracts with an average income below 80.0% of the Toronto census metropolitan area (CMA) average income of $50,479 for 2015. **Middle income** status refers to census tracts with average income 80.0% to 119.9% of the Toronto CMA average income. **High income** status refers to census tracts with average income 120.0% and above the Toronto CMA average income.

Neighbourhood Income Polarization

Decline of Middle Income Neighbourhoods (census tracts)

CENSUS TRACTS: SERIES OF MAPS

HIGH INCOME  FROM 16%  \rightarrow  23%
MIDDLE INCOME FROM 58%  \rightarrow  29%
LOW INCOME FROM 26%  \rightarrow  48%
Average Individual Income, Metro Toronto, 1970

58% Middle Income Census Tracts

Census Tract Average Individual Income compared to the Toronto Census Metropolitan Area Average of $5,756

- Very High - 140% to 396% (30 CTs, 9% of the City)
- High - 120% to 140% (23 CTs, 7% of the City)
- Middle Income - 80% to 120% (197 CTs, 58% of the City)
- Low - 60% to 80% (83 CTs, 24% of the City)
- Very Low - 52% to 60% (7 CTs, 2% of the City)
- Not Available

Source: Statistics Canada, Census Profile Series, 1971
Notes: (1) Census tract and municipal boundaries are for 1971.
(2) Average individual income is for persons 15 and over and includes income from all sources, before-tax.

Neighbourhood Change Research Partnership

www.NeighbourhoodChange.ca

Metro Toronto in 1971 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, Metro Toronto, 1980

56% Middle Income Census Tracts

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 “953 region” adjacent to Metro Toronto.

Source: Statistics Canada, Census Profile Series, 1981

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.

www.NeighbourhoodChange.ca
50% Middle Income Census Tracts

Source: Statistics Canada, Census Profile Series, 1991
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.

Metro 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, 2000

32% Middle Income Census Tracts

Source: Statistics Canada, Census Profile Series, 2001
Notes: (1) Census tract and municipal boundaries are for 2001.
(2) Average Individual Income is for persons 15 and over and includes income from all sources, before-tax.
Average Individual Income, City of Toronto, 2010

Census Tract Average Individual income compared to the Toronto Census Metropolitan Area Average of $44,271

- Very High - 140% to 527% (85 CTs, 16% of the City)
- High - 120% to 140% (31 CTs, 6% of the City)
- Middle Income - 80% to 120% (151 CTs, 29% of the City)
- Low - 50% to 80% (188 CTs, 36% of the City)
- Very Low - 34% to 60% (72 CTs, 14% of the City)
- Not Available

Source: Canada Revenue Agency, T1FF Taxfiler Data, 2010
Notes: (1) Census tract and municipal boundaries are for 2006
(2) Average individual income is based on all taxfiles and includes income from all sources, before-tax.

29% Middle Income Census Tracts

www.NeighbourhoodChange.ca
Neighbourhood Income Distribution
City of Toronto, 1970–2015

Point Change in Share of Census Tracts
- Low & Very Low Income (+22% since 1970; -1% since 2000)
- Middle Income (-29% since 1970; -3% since 2000)
- High & Very High Income (+7% since 1970; +4% since 2000)

Low & very low income neighbourhoods are those census tracts which had an average individual income more than 20% below the Toronto CMA average income. Middle income status is within 20% above or below the CMA average. High & very high income status is more than 20% above the CMA average.

Notes: Calculated from census tract average individual income from all sources, before-tax. Income 1970–2000 and 2015 is from the Census. Income for 2010 is Canada Revenue Agency T1FF taxfiler data.

Neighbourhood Change Research Partnership
University of Toronto
October 2017
Low & very low income neighbourhoods are those census tracts which had an average individual income more than 20% below the Chicago MSA average income. Middle income status is within 20% above or below the MSA average. High & very high income status is more than 20% above the MSA average.

Notes: Calculated from census tract average individual income from all sources, before-tax. Income from United States Census 1970-2000 and American Community Survey 2010.

Natalie P. Voorhees Center, University of Illinois at Chicago and University of Toronto November 2017
Census Tract Income Distribution, 1970-2010
City of Chicago and City of Toronto

Very Low (< 60%)  Low (60% to 80%)  Middle (80% to 120%)  High (120% to 140%)  Very High (> 140%)

Chicago
1970
17 31 45 3 3
1980
33 28 33 2 3
1990
48 26 17 2 6
2000
45 25 18 3 9
2010
46 19 16 4 15

Toronto
1970
2 24 58 7 9
1980
1 27 56 7 9
1990
2 30 50 7 11
2000
9 41 32 4 14
2010
14 36 29 6 16

Income Definition: Census Tract average individual income from all sources, before-tax for persons 15 and over. Income is measured relative to the metropolitan area average each year using CT boundaries as they existed each census year.

4. Processes

Explaining the Trends?
Macro Level Processes

Global / National Forces

- Globalization
- Neoliberalism
- Financialization
- Economic Inequality & Polarization

What about specific regional and local processes / forces / factors?
Solution? Year-by-year reverse the negative trends

GOVERNMENT: Fair, inclusive policies

LABOUR MARKET: Wages, Regulations

HOUSING SYSTEM: Cost of Housing

TAXES & TRANSFERS: Fair Distribution

DISCRIMINATION: Effective Protections

1. The physical setting of a city (can heavily constrain the impact of forces of change)
2. History (a major determinant of physical form, spatial pattern and urban development in general)
3. Economic development (type and stage)
4. Levels of inequality (exercises an independent influence on the divisions of cities)
5. Race and racism (income differences explain very little of black segregation in US cities)
6. Political power (the shift to the right, neoliberal policies)
7. Governance (government has become governance; fragmentation in decision making via privatisation, deregulation, partnerships, and multi-actor policy-making)
Specific Processes: Cause and Solution

Government / Governance

Activities / Outcomes in 4 Key Policy Areas

Labour Market

Housing Market

Income Support (Tax, Transfers)

Discrimination

J David Hulchanski, University of Toronto

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TU Delft, September 2018
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.”

Socio-spatial Segregation

“The very concept of urban segregation, after all, is self-contradictory. Cities are places where many different people come together, congregate, and create great agglomerations—where geographical distances between people are diminished, not increased.”

Research Required: Power

• 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

For further information

www.NeighbourhoodChange.ca

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

Neighbourhood Socio-Economic Polarization & Segregation in Toronto: Trends and Processes since 2015
Gini Coefficient as a standard measure of income inequality

The Gini coefficient measures the extent to which the distribution of income among individuals, families, households, or geographic areas within a country or region deviates from an absolutely equal distribution.

The Gini coefficient uses values between 0 and 1:
• 0 for maximum equality – all households receive the same income
• 1 for maximum inequality – one household receives all income.

Higher Gini Coefficient numbers (e.g., 0.30 rather than 0.20) indicates greater inequality.
Calculating the Gini Coefficient for Spatial Units like Census Tracts (1)

To calculate the Gini coefficient for a spatial unit (neighbourhoods, census tracts, municipalities, etc) the total amount of income in a given census tract is used to compare that amount as a share of the total CMA income to the share of the CMA total population.

The Gini calculation does not use the 'average' of a census tract (or other spatial unit). It captures the entire distribution of income, but does so among neighbourhoods (CTs) as the unit of analysis rather than individuals or households (as is the case in calculating the non-spatial Gini, the Gini for all people in a country or province or city).
Calculating the Gini Coefficient for Spatial Units like Census Tracts (2)

Ginis calculated using spatial units (neighbourhoods, census tracts, municipalities, etc.) result in much lower coefficient values (number) than when calculated using individuals or households. This is to be expected.

The two measures, the spatial and the non-spatial Gini, measure and indicate very different things.

In the case of spatial units such as census tracts it is a measure of income segregation. The higher the Gini coefficient for the spatial unit the greater the income segregation in that geography.
Coefficient of Polarization (COP)
a measure of income polarization between census tracts

Inequality and polarization are distinct concepts and require their own measures (indexes). Income polarization increases if the population shifts away from the middle of the income distribution towards the extremes.

The Coefficient of Polarization (COP) is determined by comparing incomes (individuals, families, households or geographic areas such as census tracts) to the median income (middle). The farther away the incomes of the observations (e.g., census tracts) are from the median in terms of dollars, the higher the COP value. The closer incomes are to the median, the lower the COP. The COP has a minimum value of zero (all incomes are the same as the median) and no maximum value as there is no limit to the amount of possible income dollar separation.

A polarized or polarizing income structure is different from an unequal one, although changes in one tend to be mirrored in the other. (Walks, 2013:92)

Immigrant Population Share
Eight Metropolitan Areas in Canada, 1961–2016

- Halifax
- Montréal
- Ottawa
- Toronto
- Vancouver
- Winnipeg
- Calgary
- Hamilton

Ottawa is the Ottawa-Hull (Ottawa - Gatineau) CMA.

Immigrant population refers to persons born outside of Canada. They include landed immigrants and permanent residents.
Immigrant Status of the Population, 2016
Canada and Eight Census Metropolitan Areas

- Non-immigrants
- Recent immigrants (2006-2016 arrivals)
- Established immigrants (pre-2006 arrivals)

<table>
<thead>
<tr>
<th>City</th>
<th>Non-immigrants</th>
<th>Recent immigrants</th>
<th>Established immigrants</th>
</tr>
</thead>
<tbody>
<tr>
<td>Canada</td>
<td>78%</td>
<td>7%</td>
<td>15%</td>
</tr>
<tr>
<td>Halifax</td>
<td>91%</td>
<td>4%</td>
<td>5%</td>
</tr>
<tr>
<td>Montréal</td>
<td>77%</td>
<td>8%</td>
<td>15%</td>
</tr>
<tr>
<td>Ottawa-Gatineau</td>
<td>80%</td>
<td>6%</td>
<td>14%</td>
</tr>
<tr>
<td>Toronto</td>
<td>54%</td>
<td>12%</td>
<td>34%</td>
</tr>
<tr>
<td>Hamilton</td>
<td>76%</td>
<td>5%</td>
<td>19%</td>
</tr>
<tr>
<td>Winnipeg</td>
<td>76%</td>
<td>12%</td>
<td>12%</td>
</tr>
<tr>
<td>Calgary</td>
<td>71%</td>
<td>12%</td>
<td>17%</td>
</tr>
<tr>
<td>Vancouver</td>
<td>59%</td>
<td>12%</td>
<td>29%</td>
</tr>
</tbody>
</table>

Immigrant refers to landed immigrants and permanent residents. Non-immigrant refers to persons born in Canada and non-permanent residents.
Growing Income Inequality Between Eight Canadian Metropolitan Areas, 1970–2010

There is a growing gap in the inequality between the 8 CMAs. Ottawa, Toronto, and Calgary have higher income growth, causing the growing income gap between the CMAs.

This chart combines the income data for the eight CMAs. If inequality did not increase between the CMAs, there would be no change each decade.

Ottawa-Hull/Gatineau, Toronto & Calgary in 1970 were 43% of the 8-CMA total population and received 45% of the 8-CMA total income. By 2010, they were 50% of the 8-CMA total population and received 54% of the 8-CMA total income. In 2010 the other 5 CMAs with 50% of the 8-CMA population received 46% of the combined income. The increase in inequality is due to the Ottawa, Toronto, and Calgary CMAs.

Measuring inequality between geographies: A Gini coefficient value of 0.0 represents perfect equality. All eight CMAs would have the same proportion of combined income relative to their share of their combined population. A Gini coefficient value of 1.0 represents perfect inequality. All of the income would be taken by one single CMA while others take none.

Calculated from metropolitan area average individual income from all sources, before-tax. Income 1970–2000 is from the Census. Income for 2010 is Canada Revenue Agency T1FF taxfiler data.
Neighbourhood Income & Population
City of Toronto, 1970–2015

Census Tract Average Income compared to the Toronto CMA Average
- High Income (more than 20% above)
- Middle Income (within 20%)
- Low Income (more than 20% below)

Individual income from all sources, before-tax. Census tract boundaries correspond to those that existed in each census year.

Neighbourhood Income & Population
Toronto's "905 Region", 1970–2015

Census Tract Average Income compared to the Toronto CMA Average
- High Income (more than 20% above)
- Middle Income (within 20%)
- Low Income (more than 20% below)

The "905 region" here includes Peel and York and parts of Halton, Durham, Dufferin and Simcoe regions.

Individual income from all sources, before-tax. Census tract boundaries correspond to those that existed in each census year.

References

Neighbourhood Socio-Economic Polarization & Segregation in Toronto: Trends and Processes since 2015
References


