CITIES GROW ONTARIO

URBAN CHALLENGES AND PROSPECTS

CONTENTS

ABOUT THE CONTRIBUTING RESEARCH BODIES

The Martin Prosperity Institute (MPI) is the world's leading think-tank on the role of sub-national factors — location, place and city-regions — in global economic prosperity. It takes an integrated view of prosperity, looking beyond economic measures to include the importance of quality of place and the development of people's creative potential.

MARTIN Prosperity Institute

Rotman School of Management UNIVERSITY OF TORONTO

Cities Centre embodies the University of Toronto's recognition of urban sustainability, productivity and quality of life as strategic priorities in its mission to address first-order research problems of both local and global significance. Cities Centre aims to have impact not only within the halls of academia but in the streets, homes and workplaces of our urban regions. Its goal is to network together the diverse strengths of the very broad spectrum of disciplines, departments and programs that exist within the University to provide a holistic approach to major urban planning, design, development, management and policy issues.

UNIVERSITY OF TORONTO CITIES CENTRE

The Centre on Governance (www.gouvernance.uottawa.ca) is a research centre within the Faculty of Social Sciences at the University of Ottawa. Its focus is on research partnerships with community-based groups. At the present time the Centre is particularly active in issues of urban development, municipal politics and immigrant integration policy at the city-region level.

Centre on Governance / Centre d'études en gouvernance

The **Urban Studies Program** at Innis College, University of Toronto (www.utoronto.ca/innis/urban) is an interdisciplinary, undergraduate program focused on providing our students with the tools necessary to become engaged urban citizens and to understand the role that multiple disciplines play (eg: Economics, Geography, Sociology, Urban Planning, History, Architecture) in the study of cities. Our students learn both inside the traditional academic classroom, and are also exposed to a variety of unique, outside the classroom learning opportunities. The Urban Studies Program engages with university and community partners to promote discussion and debate about contemporary urban issues.

innis college university of toronto

urban studies PROGRAM

The School of Geography and Earth Sciences at McMaster is an internationally recognized centre for graduate research and training. Its strengths lie in the discovery, application, and transfer of knowledge to issues and problems in the earth, environmental, and geographical sciences.

McMaster University

Inspiring Innovation and Discovery

The Program on Globalization and Regional Innovation Systems at the Munk School of Global Affairs, University of Toronto was established in 1998. Directed by Professor David A. Wolfe, the mandate of PROGRIS is to study how firms and institutions interact to foster the innovation process in an urban and regional context.

The School of Environment, Enterprise and Development (SEED) at the University of Waterloo (UW) focuses on research, teaching and outreach in the areas of environmental sustainability, sustainable business management and sustainable economic development. SEED offers graduate programs in environment and business, social innovation, and local economic development (LED). The LED program provides students with broad based exposure to applied economic development theory and practice in Canada and globally. In addition to graduate training, the UW's Economic Development Program (EDP), offered in cooperation with the Economic Developer's Association of Canada (EDAC), provides professional certification and training to economic development and planning practitioners.

The City Institute at York University (CITY) brings together the university's urban scholars conducting both applied and theoretical research across a broad range of fields and throughout each of its Faculties. This interdisciplinary institute facilitates critical and collaborative research, providing new knowledge and innovative approaches to comprehending and addressing the complexity of the "new city".

CITIES GROW ONTARIO: URBAN CHALLENGES AND PROSPECTS

Cities grow Ontario. It's not just that the growth of cities increases the population of the entire province. In cities, both individuals and companies are more productive, creative and innovative. Cities have more trained and educated people. And, they earn more money, not just because the cost of living is higher. Cities generate provincial and federal tax revenues in amounts greater than their proportion of the population. As Ontario's cities grow and prosper, the entire province benefits.

Growing cities are growing markets for agricultural and other goods produced across the non-metropolitan portions of Ontario. Cities provide the employment and income for people who then spend their money and their weekends at the cottage or enjoying one of the many recreational opportunities in abundance across the province. While the cities are home to manufacturing facilities and other traded industries, cities are more likely to have the home office and management. Cities are providing the infrastructure that enables non-metropolitan manufacturing establishments to be successful.

Not everything is rosy. Cities have a slightly higher share of crime given their proportion of the province's population. Despite the Ontario Growth Secretariat's best efforts and the establishment of the green belt and growth plans for both southern and northern Ontario, suburbanization and sprawl continue to consume farm land and forest. The significant metropolitan growth draws resources and people from across the province. The energy is needed in the cities, but the best places to put the windmills are in the country. Cities have a larger number of jobs but also a slightly larger share of unemployed as well. The province is full of examples where the "negative externalities" of agglomeration and metropolitan growth occur as much in small town and rural Ontario as in the metropolitan and suburban portions of the province.

As at the federal level, political power is overly allocated to rural areas. While nearly 80% of the population and 77% of the voting population of Ontario lives in metropolitan and suburban areas, only 70%

Negative Externality Example: Aggregates

Cities can only grow as their buildings and infrastructure grow. While concrete and cement are the "life blood" of the modern construction industry, concrete plants must be very close to cities. No matter how much mixing the cement truck does, once the water is added, the concrete must be poured within a fairly short time period or the cement truck ends up hauling a really big boulder. However, aggregates — sand, gravel, crushed rock — are a critical component of concrete and don't have to be mined close to where they are used. But, since they are a low value commodity, high transportation costs should be avoided.

The Ontario Ministry of Natural Resources has recently completed *The State of the Aggregate Resource in Ontario Study* (SAROS) which is "a province wide assessment of the present status and characteristics of aggregate resources." For Ontario to continue growing, aggregates are going to continue to be used and needed in record amounts. The potential sourcing of that resource is an excellent example of how the impacts of city growth are felt well-beyond the city limits.

Among the possibilities being considered to supply aggregates to the rapidly growing Toronto area (the whole region not just the city) is the creation of what would be a very large mine in North Bay, Ontario. Material could be dug up in North Bay and then shipped by rail to the Toronto region at relatively low cost. The Greater Golden Horseshoe would get its aggregates and concrete and North Bay would get a fairly small number of jobs and great big hole in the ground — a hole that just keeps getting bigger year after year.

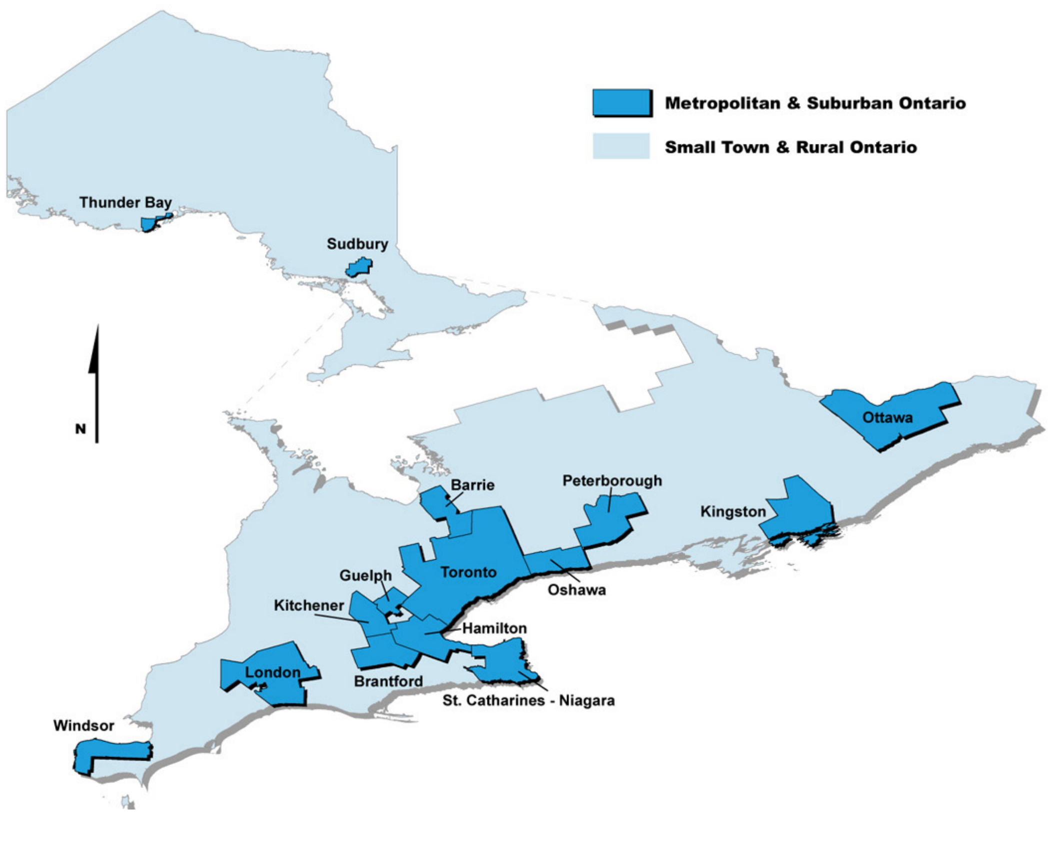
Needless to say, not all the residents of North Bay are excited by this prospect.

Source: http://www.mnr.gov.on.ca/en/Business/Aggregates/2ColumnSubPage/286708.html of Ontario's MPPs (75) represent regions that are entirely or mostly metropolitan. The remaining 32 MPPs (30%) represent small town and rural Ontario which is only 20% or the population and 23% of the eligible voters.

Ontario's cities are where the action is and that activity influences the entire province. Metro areas have the jobs, but recent growth is outside the metro areas in areas adjacent to them. The impact of urbanization reaches across the entire province. While cities and suburbs do raise challenges and issues beyond their borders, they also create benefits enjoyed by the entire province. Truly, cities grow Ontario.

Introduction to the Report

On the following pages we attempt to show how much and what share of selected people and things are in metropolitan and suburban Ontario and small town and rural Ontario. Metropolitan and suburban Ontario consists of those regions that are defined by Statistics Canada as a "Census Metropolitan Area" (CMA). These are identified in the map below. They are also identified in all subsequent maps with the heavy outlines. Small town and rural Ontario are those parts of the province that are not in a CMA. This includes small towns, identified by Statistics Canada as a "Census Agglomeration" (CA) and rural portions of the province that have no central city. They are identified on the map as being the places that do not have any extra outlining.



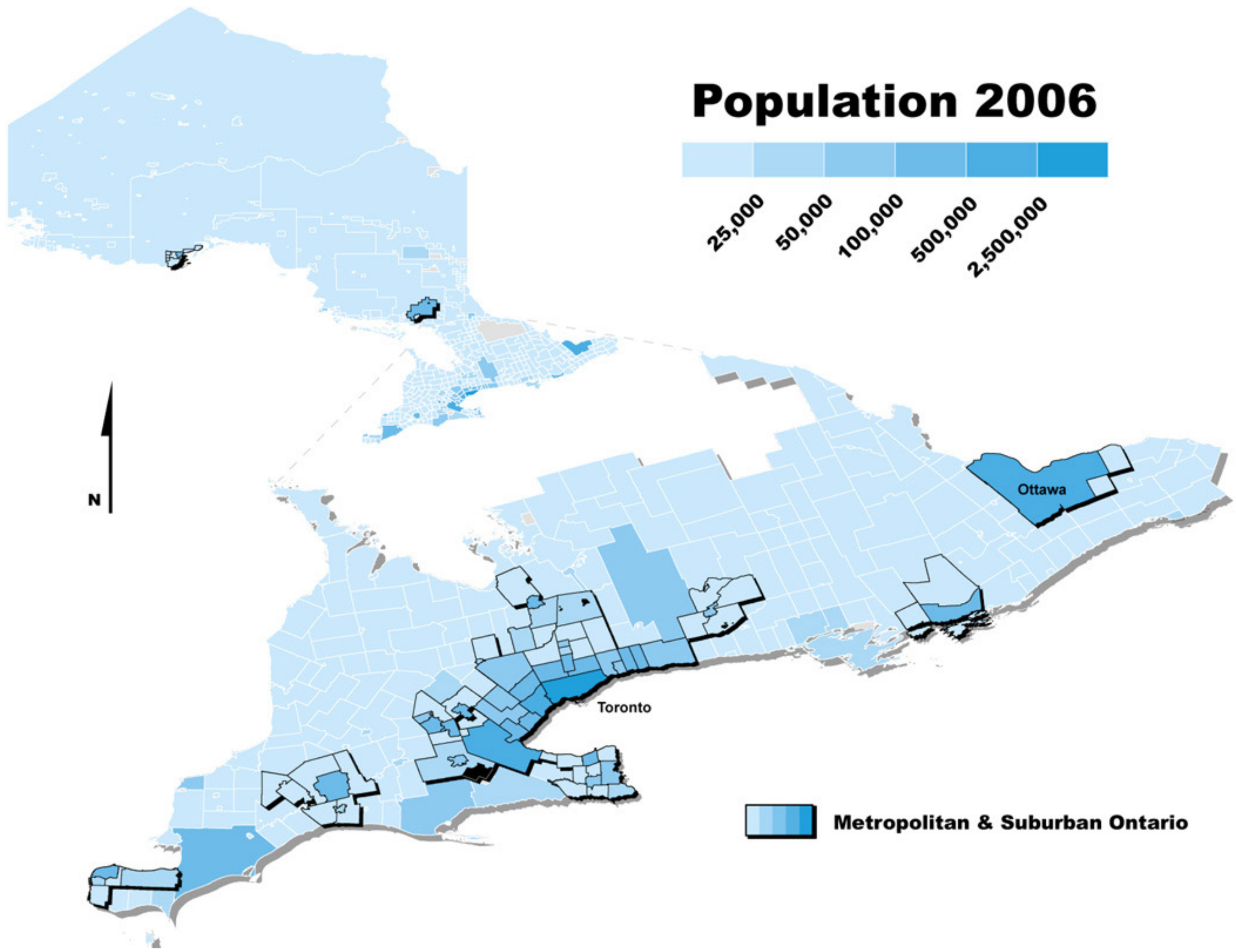
All maps show both the entire province and an expanded view of just the southern portion of Ontario. The colour values are determined by "Census Subdivisions" (CSD). A CSD is defined by Statistics Canada as being "a municipality or an area treated as an equivalent to a municipality for statistical purposes (for example, Indian reserves and unorganized territories)." The maps show either the total number or average share across each CSD. Summary tables accompany each map, or when a map would not be appropriate, summary information is presented on its own.

The report includes information on: Ontario's Population, Social Capital, and Economy. While they reveal many interesting things left to the reader to discover, they do tell a consistent story of how population, education, and significant sections of the Ontario economy are concentrated in a small number of metropolitan areas, while political power and other specific industries are more spread out over the province.

While small town and rural Ontario does house over 90% of the province's pigs, nearly 16% of the chickens and 18% of the cows live in areas that are part of a metropolitan area. Small town and rural Ontario has recreational facilities at nearly twice the rate (per person) as metropolitan areas. And, while metropolitan regions are home to only 92.5% of the province's PhDs, they do host 96% of Ontario's Starbucks and 81.5% of the Tim Hortons.

Ontario's Population

Ontario Population...

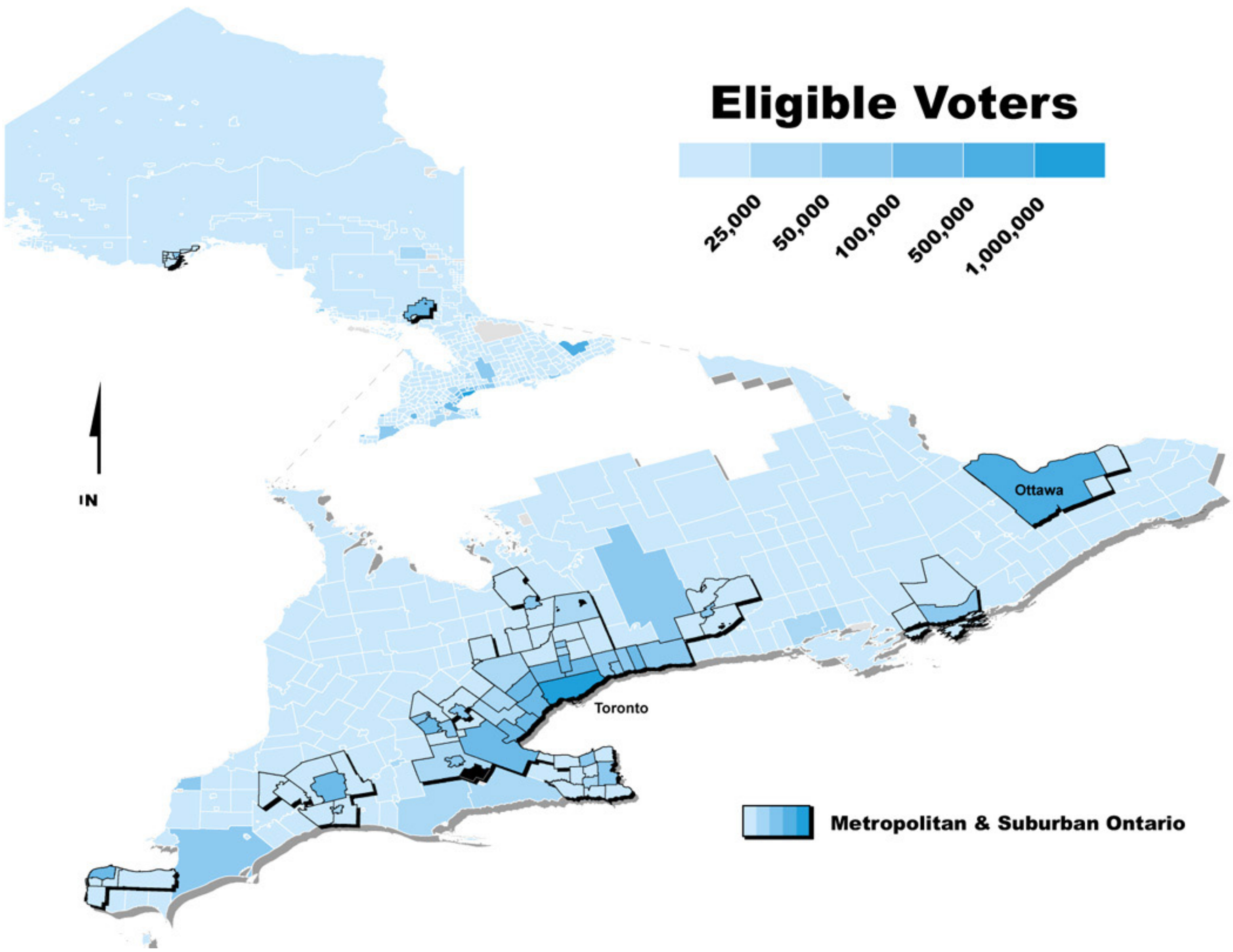


Data Source: Statistics Canada 2006

POPULATION		
Geography	**Share of Ontario**	**Total Population**
Metropolitan & Suburban Ontario	78.8%	9,584,835
Small Town & Rural Ontario	21.2%	2,575,447
Ontario		12,160,282

Data Source: Statistics Canada 2006

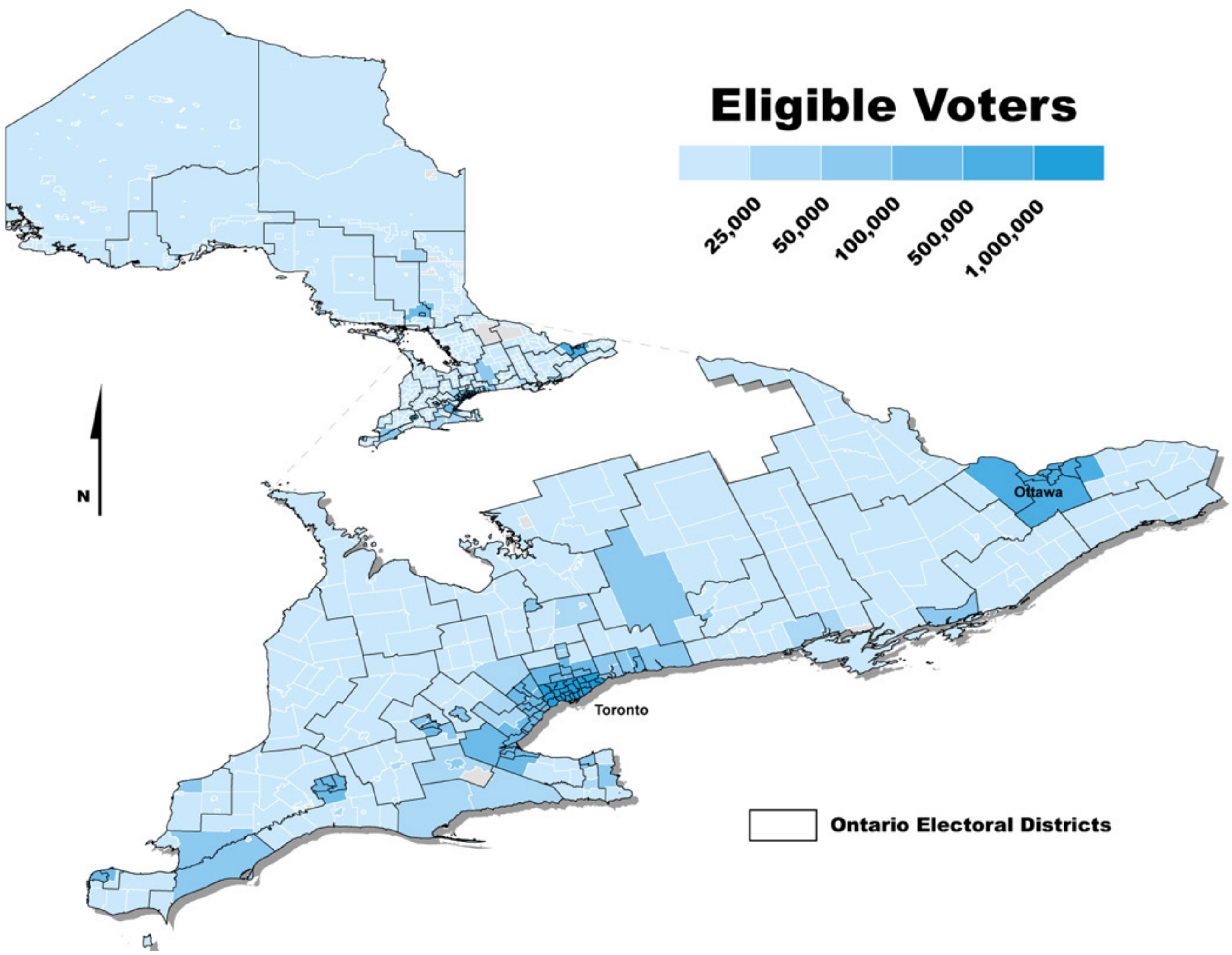
Total Number of Eligible Voters
(Canadian Citizens age 18 and over)



Data Source: Statistics Canada 2006

ELIGIBLE VOTERS (Canadian Citizens age 18 and over)		
Geography	**Share of Ontario**	**Total Voters**
Metropolitan & Suburban Ontario	77.2%	6,604,740
Small Town & Rural Ontario	22.8%	1,954,070
Ontario		8,558,810

Data Source: Statistics Canada 2006



MPPs/ELECTORAL DISTRICTS				
Geography	Share of Parliament Seats	Electoral Districts	Share of Ontario Voters	Eligible Voters
Metropolitan & Suburban Ontario	70.1%	75	77.2%	6,604,740
Small Town & Rural Ontario	29.9%	32	22.8%	1,954,070
Ontario		107		8,558,810

Population 25+ with...

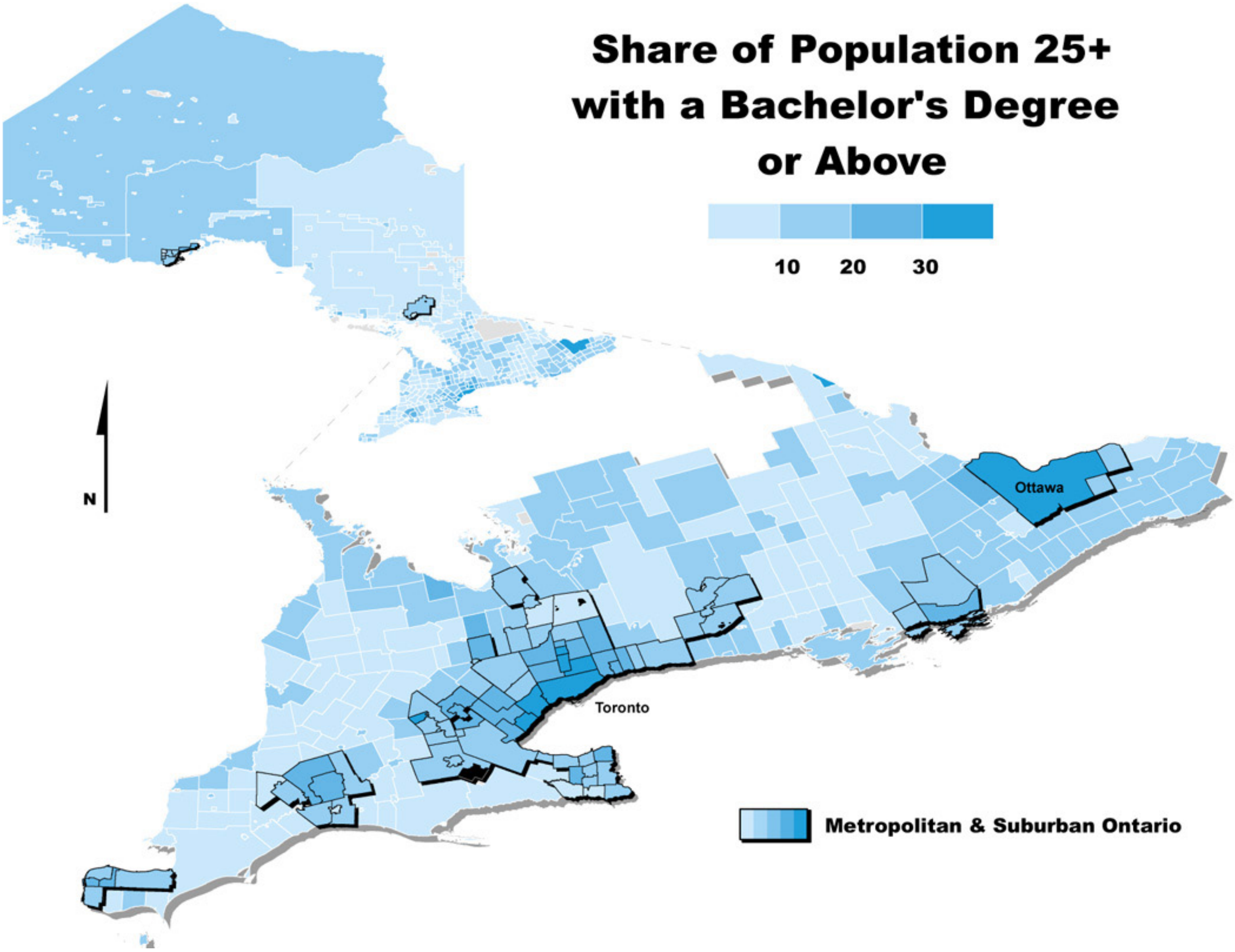
HIGH SCHOOL DIPLOMA ONLY		
Geography	Share of Ontario	Total High School Only
Metropolitan & Suburban Ontario	76.6%	1,533,475
Small Town & Rural Ontario	23.4%	468,085
Ontario		2,001,560

BACHELOR'S DEGREE OR ABOVE		
Geography	Share of Ontario	Total BA and Above
Metropolitan & Suburban Ontario	90.2%	3,172,885
Small Town & Rural Ontario	9.8%	343,990
Ontario		3,516,875

AN EARNED DOCTORATE		
Geography	Share of Ontario	Total Doctorate
Metropolitan & Suburban Ontario	92.6%	67,700
Small Town & Rural Ontario	7.4%	5,410
Ontario		73,110

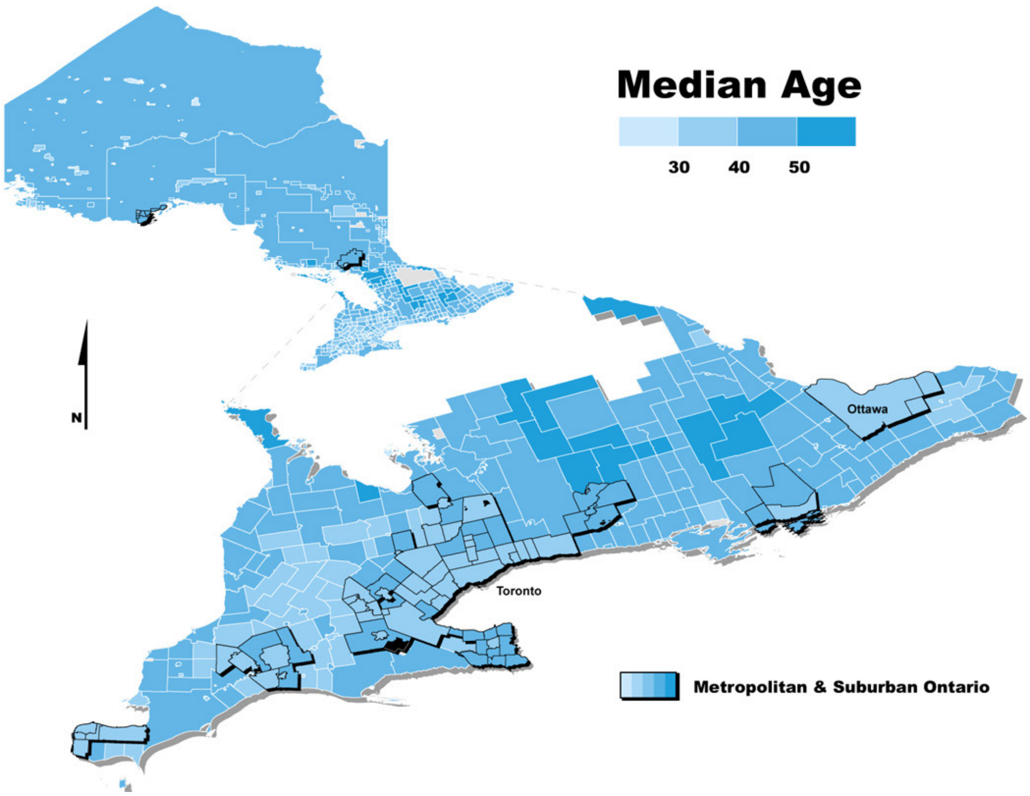
Data Source: Statistics Canada 2006

Population 25+ with...



Data Source: Statistics Canada 2006

Life Stage...



Data Source: Statistics Canada 2006

CHILDREN (0–19)		
Geography	Share of Ontario	Total Children
Metropolitan & Suburban Ontario	79.1%	2,407,525
Small Town & Rural Ontario	20.9%	636,385
Ontario		3,043,910

YOUNG ADULTS (20–24)		
Geography	Share of Ontario	Total Young Adults
Metropolitan & Suburban Ontario	81.7%	650,965
Small Town & Rural Ontario	18.3%	146,295
Ontario		797,260

Data Source: Statistics Canada 2006

YOUNG PROFESSIONALS/EARLY CAREER (25–34 YEARS)		
Geography	Share of Ontario	Total Young Professionals
Metropolitan & Suburban Ontario	83.5%	1,283,010
Small Town & Rural Ontario	16.5%	252,635
Ontario		1,535,645

PRIME EARNING AGE (35–54 YEARS)		
Geography	Share of Ontario	Total Prime Earning
Metropolitan & Suburban Ontario	79.5%	3,003,880
Small Town & Rural Ontario	20.5%	773,890
Ontario		3,777,770

EMPTY NESTERS (55–64 YEARS)		
Geography	Share of Ontario	Total Empty Nesters
Metropolitan & Suburban Ontario	75.1%	1,018,425
Small Town & Rural Ontario	24.9%	338,085
Ontario		1,356,510

RETIREES (65+ YEARS)		
Geography	Share of Ontario	Total Retirees
Metropolitan & Suburban Ontario	74.0%	1,221,045
Small Town & Rural Ontario	26.0%	428,135
Ontario		1,649,180

Data Source: Statistics Canada 2006

Housing...

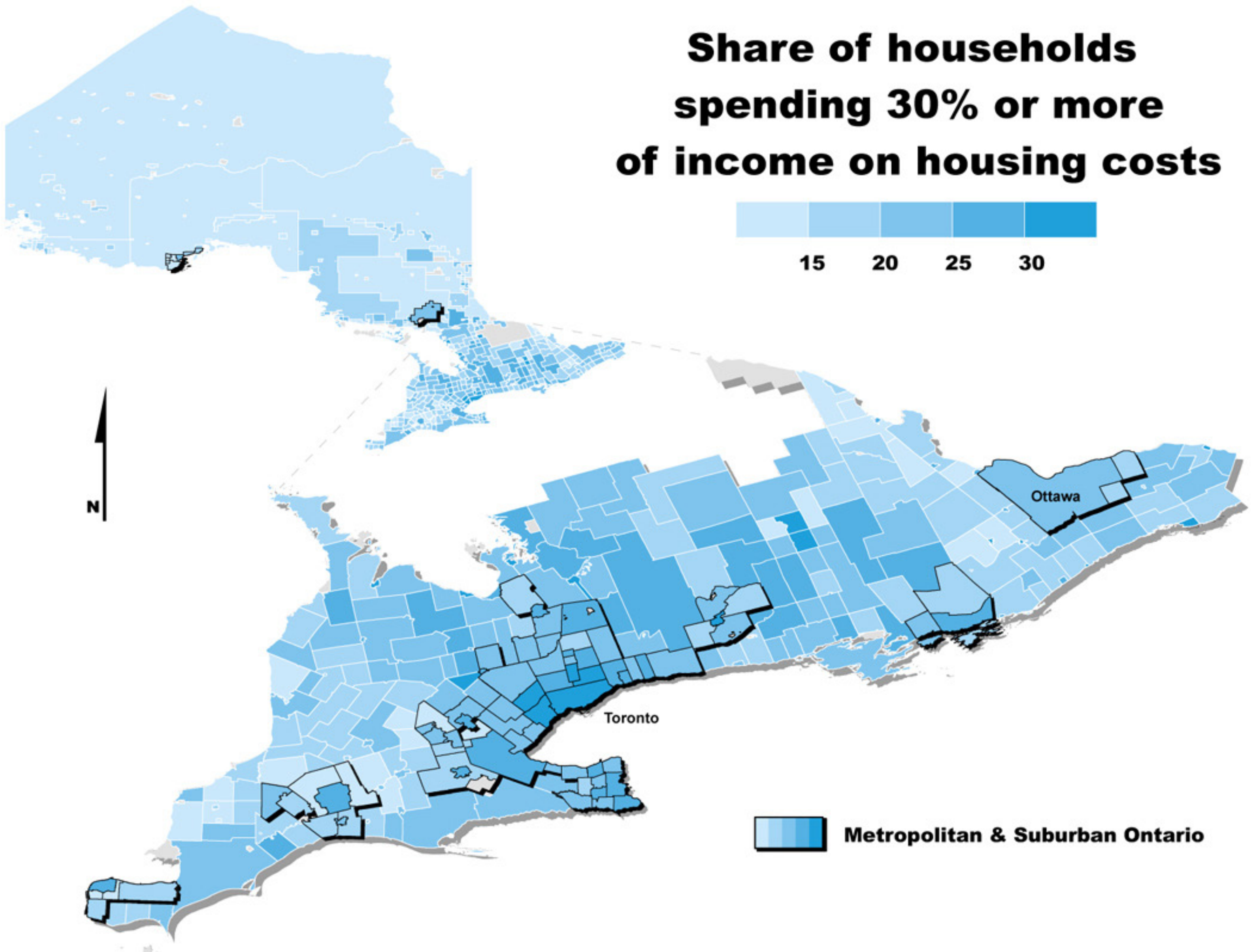
HOUSEHOLDS		
Geography	**Share of Ontario**	**Total Households**
Metropolitan & Suburban Ontario	83.2%	1,082,295
Small Town & Rural Ontario	16.8%	219,105
Ontario		3,199,855

SPENDING LESS THAN 30% OF HOUSEHOLD INCOME ON HOUSING COSTS		
Geography	**Share of Ontario**	**Total Households**
Metropolitan & Suburban Ontario	82.2%	593,045
Small Town & Rural Ontario	17.8%	128,085
Ontario		721,130

SPENDING 30% OR MORE OF HOUSEHOLD INCOME ON HOUSING COSTS		
Geography	**Share of Ontario**	**Total Households**
Metropolitan & Suburban Ontario	84.3%	489,235
Small Town & Rural Ontario	15.7%	91,035
Ontario		580,270

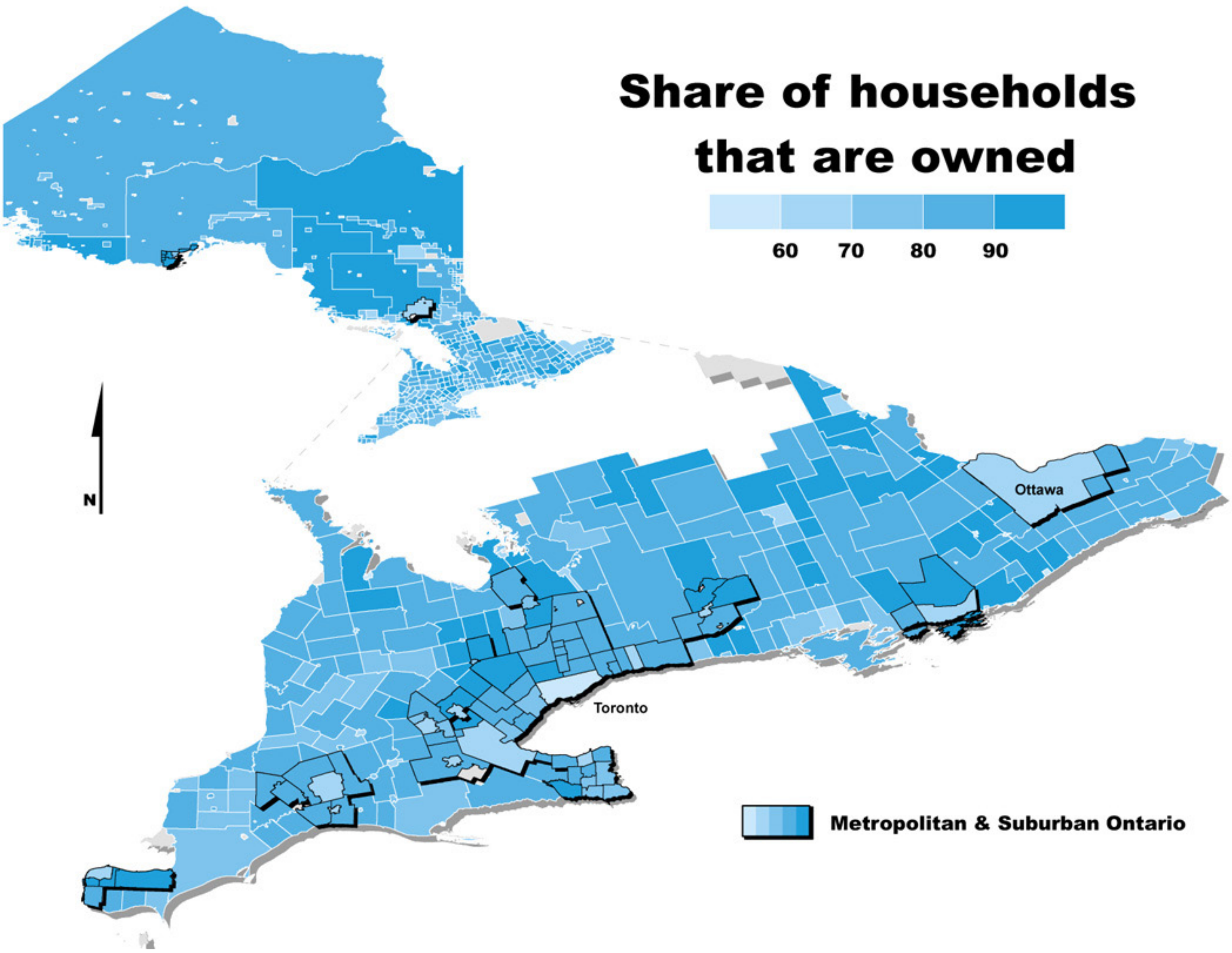
Data Source: Statistics Canada 2006

Housing...



Data Source: Statistics Canada 2006

Housing…

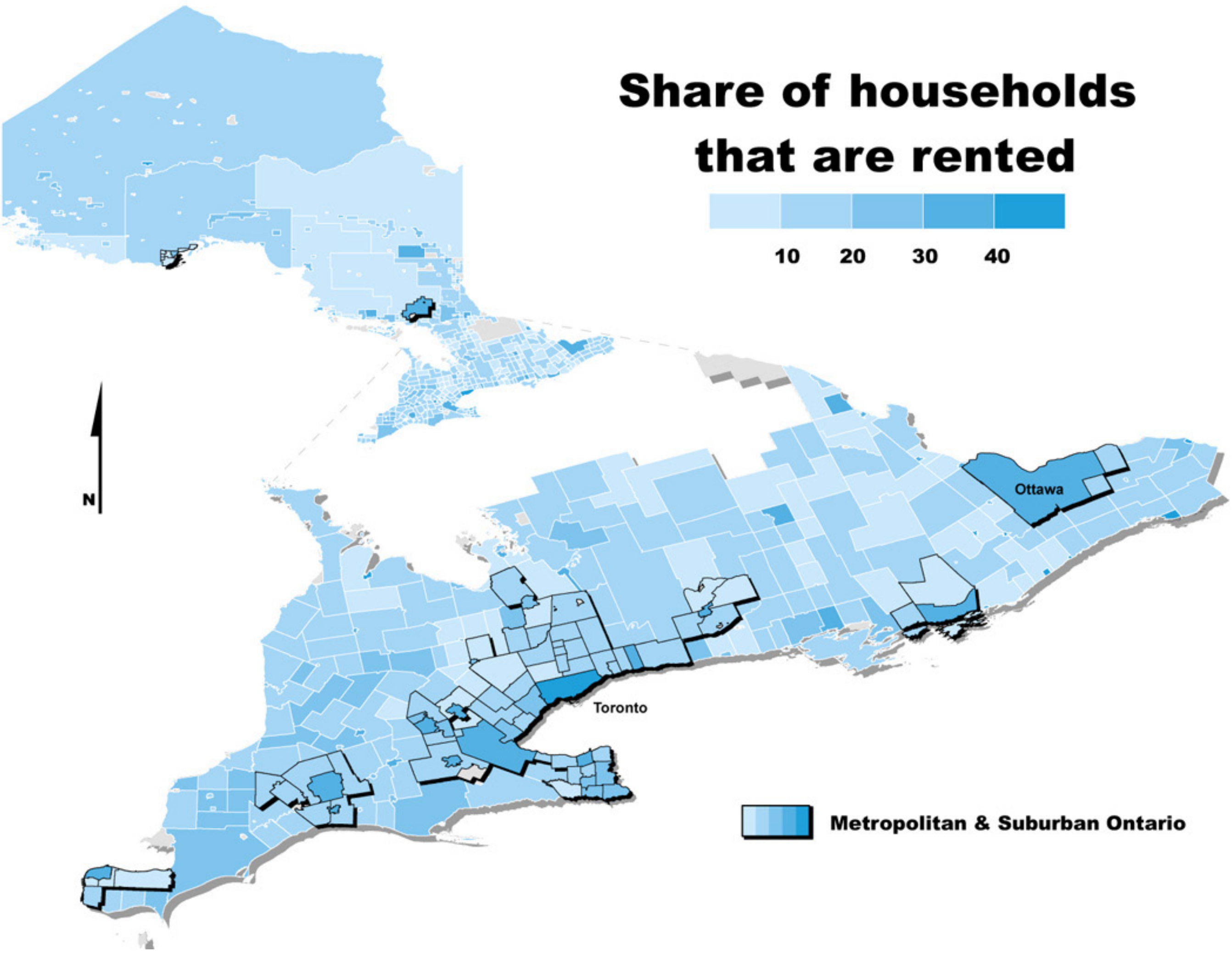


Data Source: Statistics Canada 2006

OWNED HOUSING		
Geography	**Share of Ontario**	**Total Households**
Metropolitan & Suburban Ontario	76.3%	2,441,970
Small Town & Rural Ontario	23.7%	757,885
Ontario		3,199,855

Data Source: Statistics Canada 2006

Housing...



Data Source: Statistics Canada 2006

RENTED HOUSING		
Geography	**Share of Ontario**	**Total Households**
Metropolitan & Suburban Ontario	83.2%	1,082,290
Small Town & Rural Ontario	16.8%	219,105
Ontario		721,130

Data Source: Statistics Canada 2006

Housing...

GROSS RENT LESS THAN $500/MONTH		
Geography	**Share of Ontario**	**Total Households**
Metropolitan & Suburban Ontario	75.2%	163,805
Small Town & Rural Ontario	24.8%	53,955
Ontario		217,760

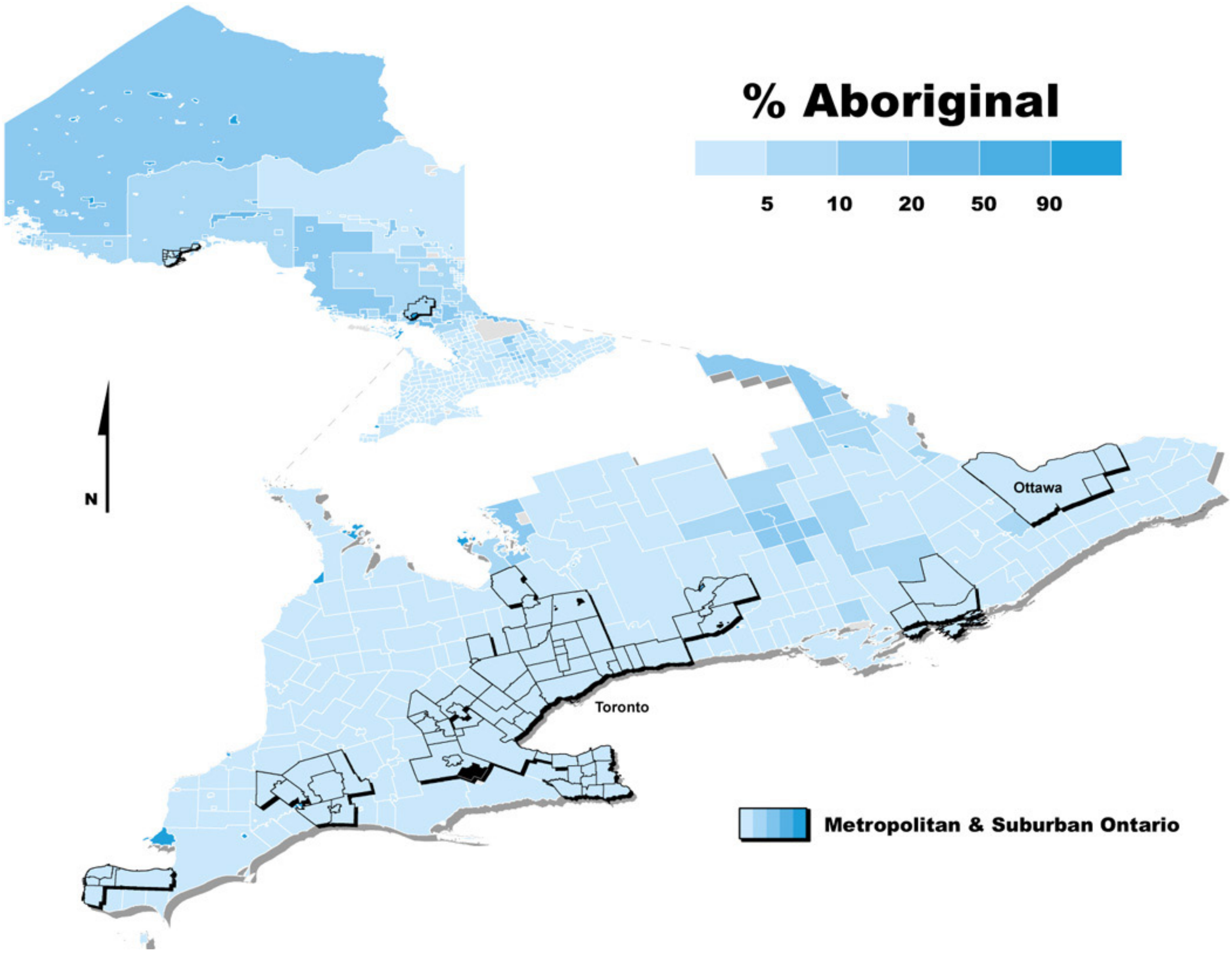
GROSS RENT $500–$999/MONTH		
Geography	**Share of Ontario**	**Total Households**
Metropolitan & Suburban Ontario	80.1%	583,595
Small Town & Rural Ontario	19.9%	144,625
Ontario		728,220

GROSS RENT EQUAL TO OR GREATER THAN $1,000/MONTH		
Geography	**Share of Ontario**	**Total Households**
Metropolitan & Suburban Ontario	94.0%	334,230
Small Town & Rural Ontario	6.0%	21,185
Ontario		355,415

Data Source: Statistics Canada 2006

Ontario's Social Capital

How many people are...

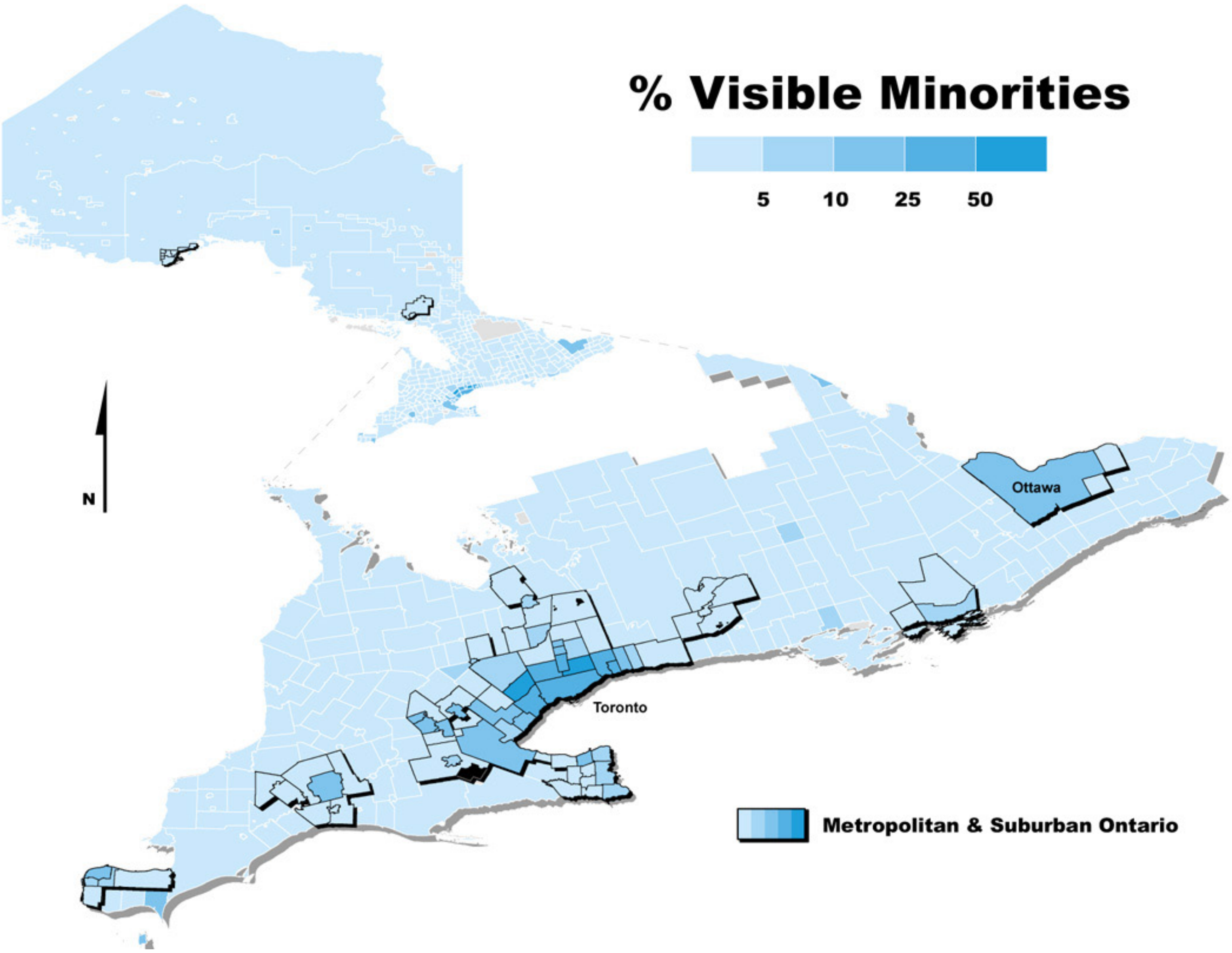


Data Source: Statistics Canada 2006

ABORIGINAL POPULATION		
Geography	**Share of Ontario**	**Total Aboriginal**
Metropolitan & Suburban Ontario	46.1%	111,780
Small Town & Rural Ontario	53.9%	130,715
Ontario		242,495

Data Source: Statistics Canada 2006

How many people are...

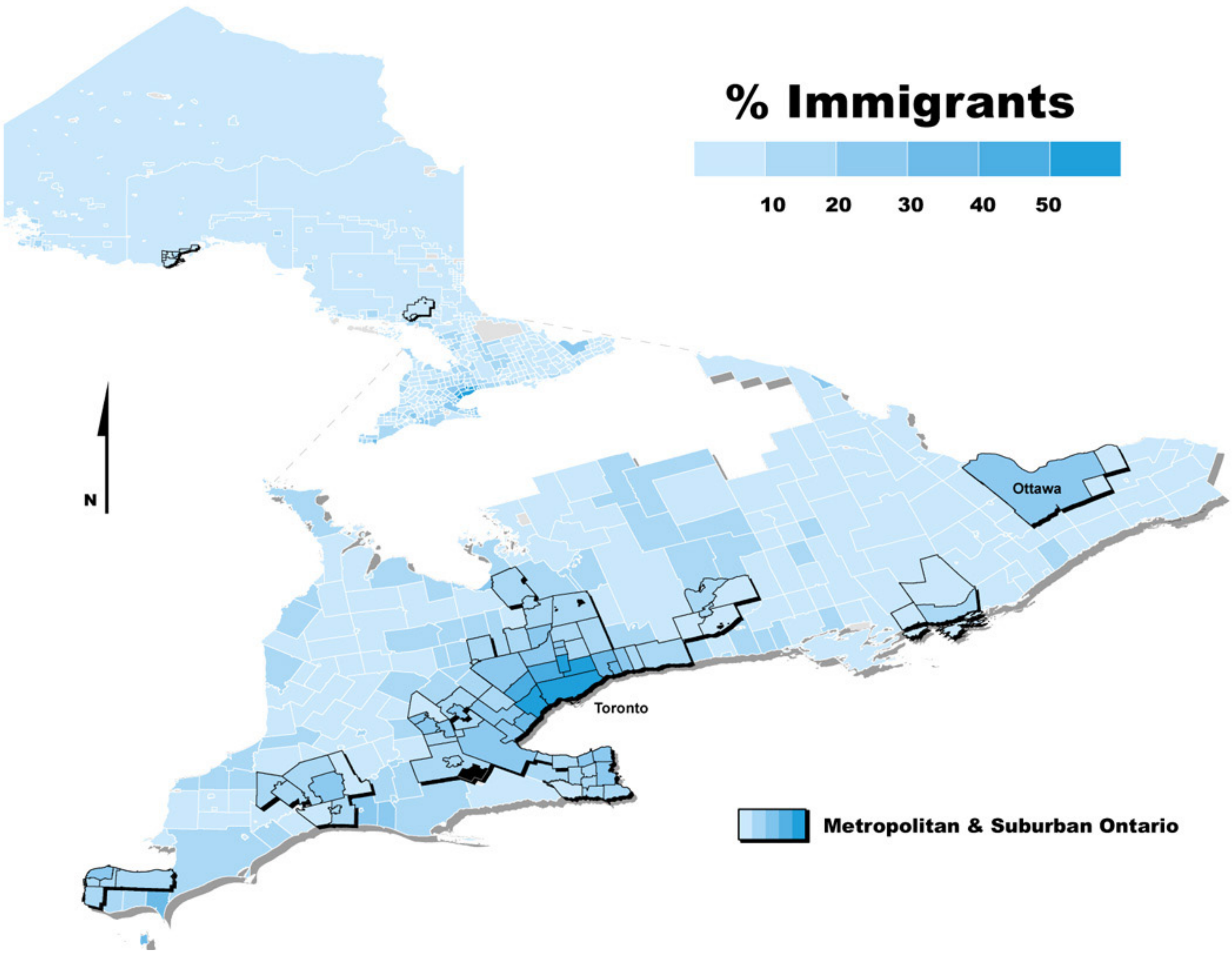


Data Source: Statistics Canada 2006

VISIBLE MINORITY		
Geography	Share of Ontario	Total Visible Minorities
Metropolitan & Suburban Ontario	98.1%	2,694,010
Small Town & Rural Ontario	1.9%	51,195
Ontario		2,745,205

Data Source: Statistics Canada 2006

How many people are...



Data Source: Statistics Canada 2006

IMMIGRANTS		
Geography	**Share of Ontario**	**Total Immigrants**
Metropolitan & Suburban Ontario	90.2%	3,172,885
Small Town & Rural Ontario	9.8%	343,990
Ontario		3,516,875

Data Source: Statistics Canada 2006

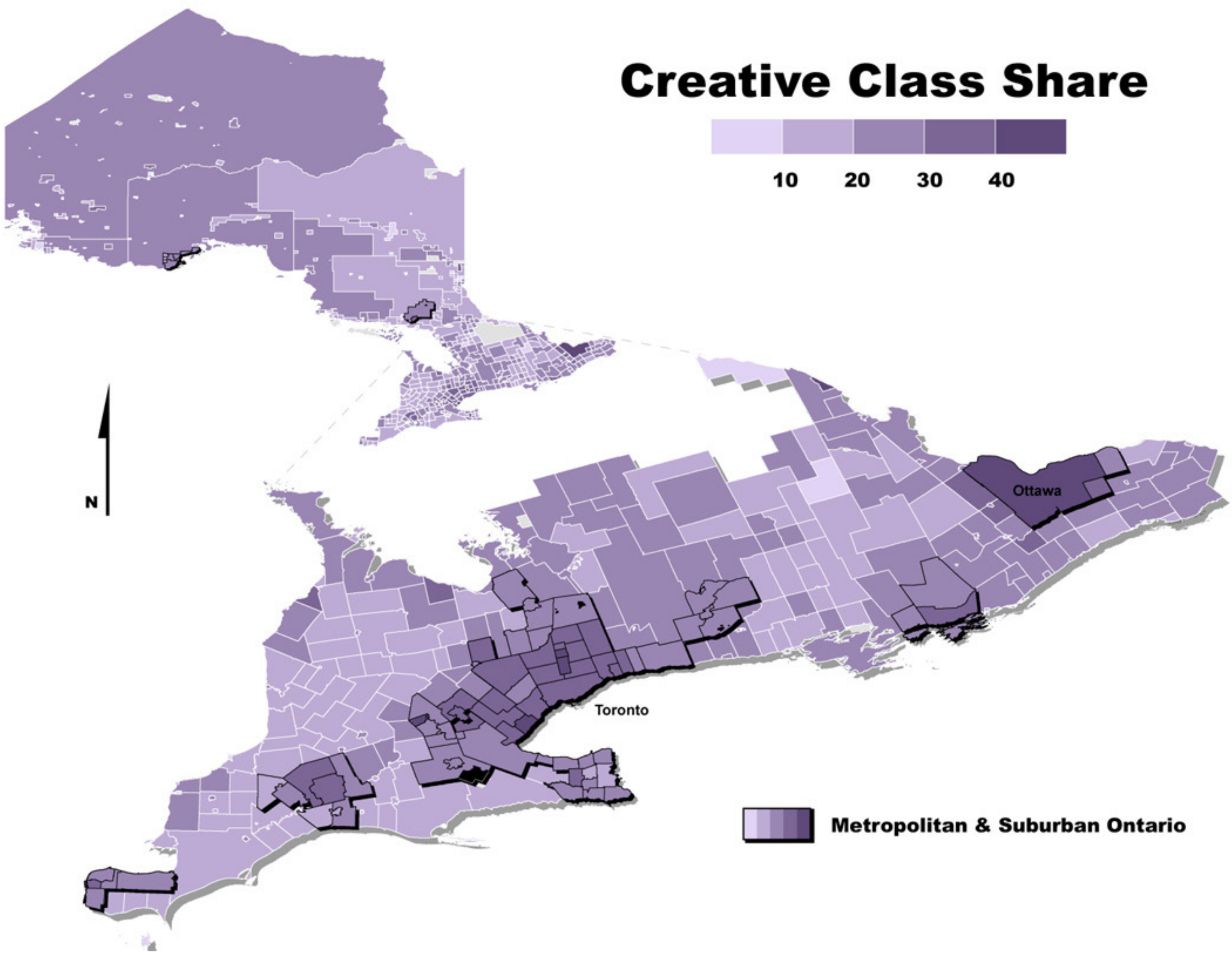
Crimes...

HOMICIDE VICTIMS		
Geography	**Share of Ontario**	**Total Homicides**
Metropolitan & Suburban Ontario	83.1%	148
Small Town & Rural Ontario	16.9%	30
Ontario		178

Data Source: Statistics Canada 2006

Ontario's Economy

Occupation Classes...

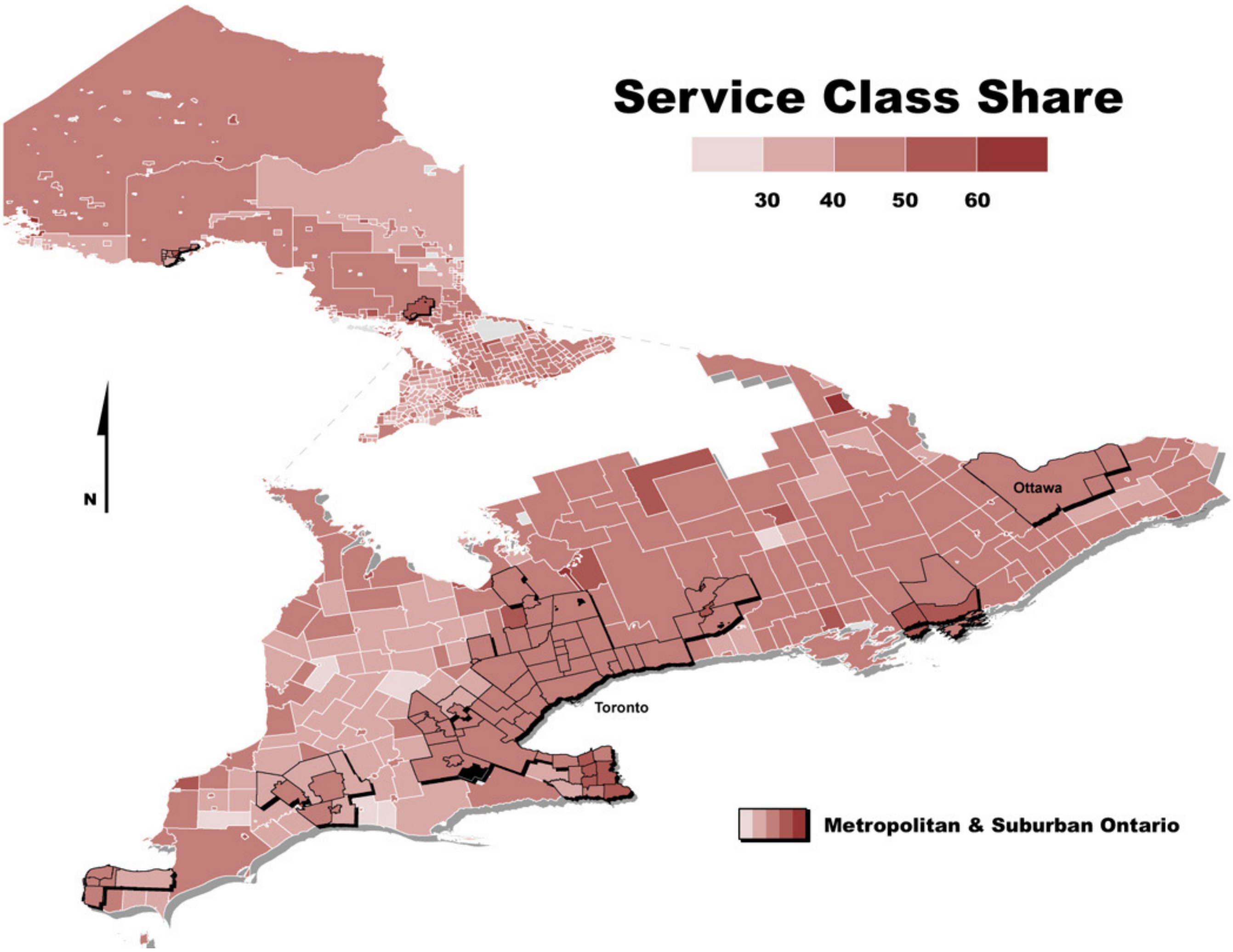


Data Source: Statistics Canada 2006

CREATIVE CLASS		
Geography	Share of Ontario	Total Creative
Metropolitan & Suburban Ontario	85.4%	1,674,435
Small Town & Rural Ontario	14.6%	285,350
Ontario		1,959,785

Data Source: Statistics Canada 2006

Occupation Classes...

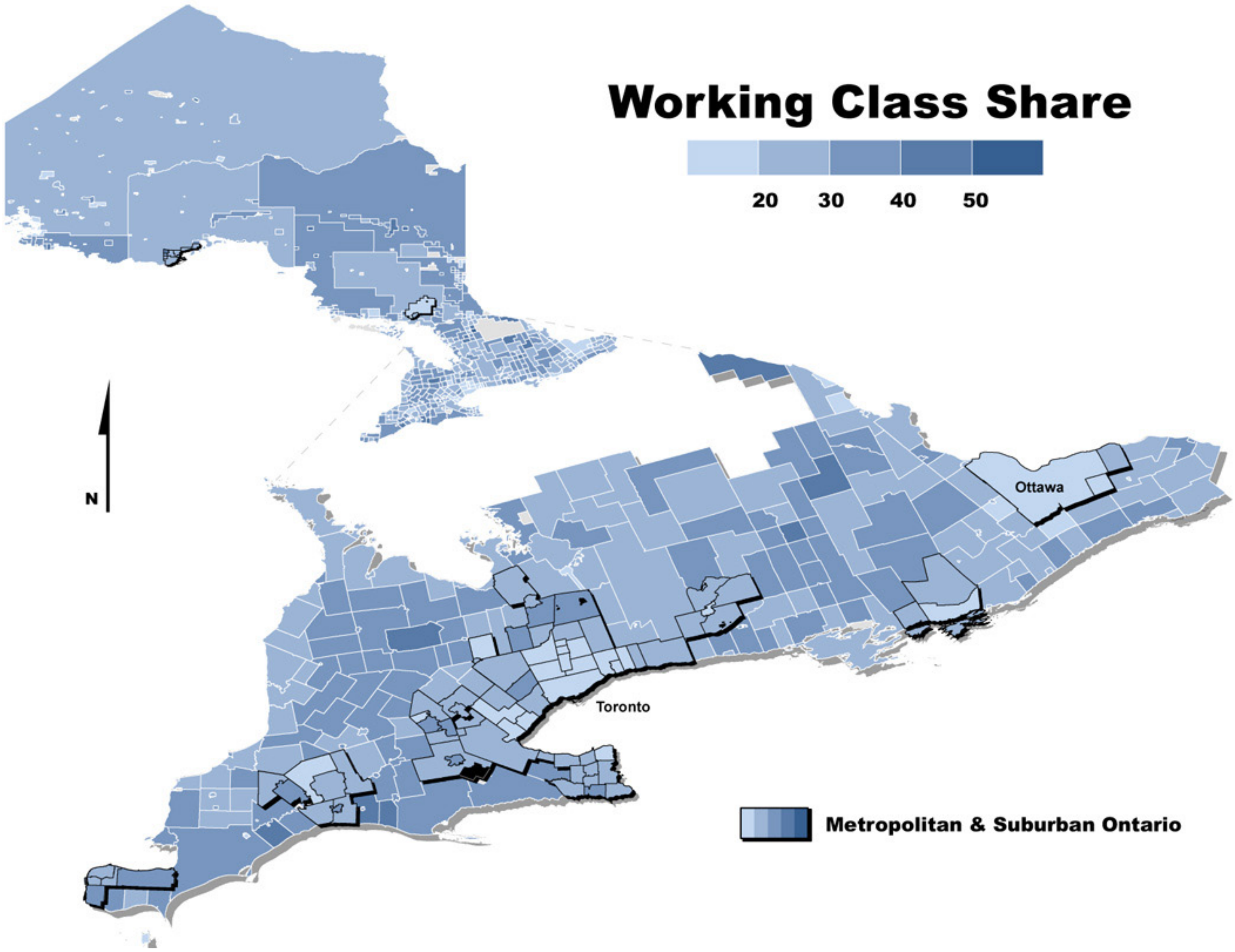


Data Source: Statistics Canada 2006

SERVICE CLASS		
Geography	**Share of Ontario**	**Total Service**
Metropolitan & Suburban Ontario	80.2%	2,384,235
Small Town & Rural Ontario	19.8%	589,750
Ontario		2,973,985

Data Source: Statistics Canada 2006

Occupation Classes...

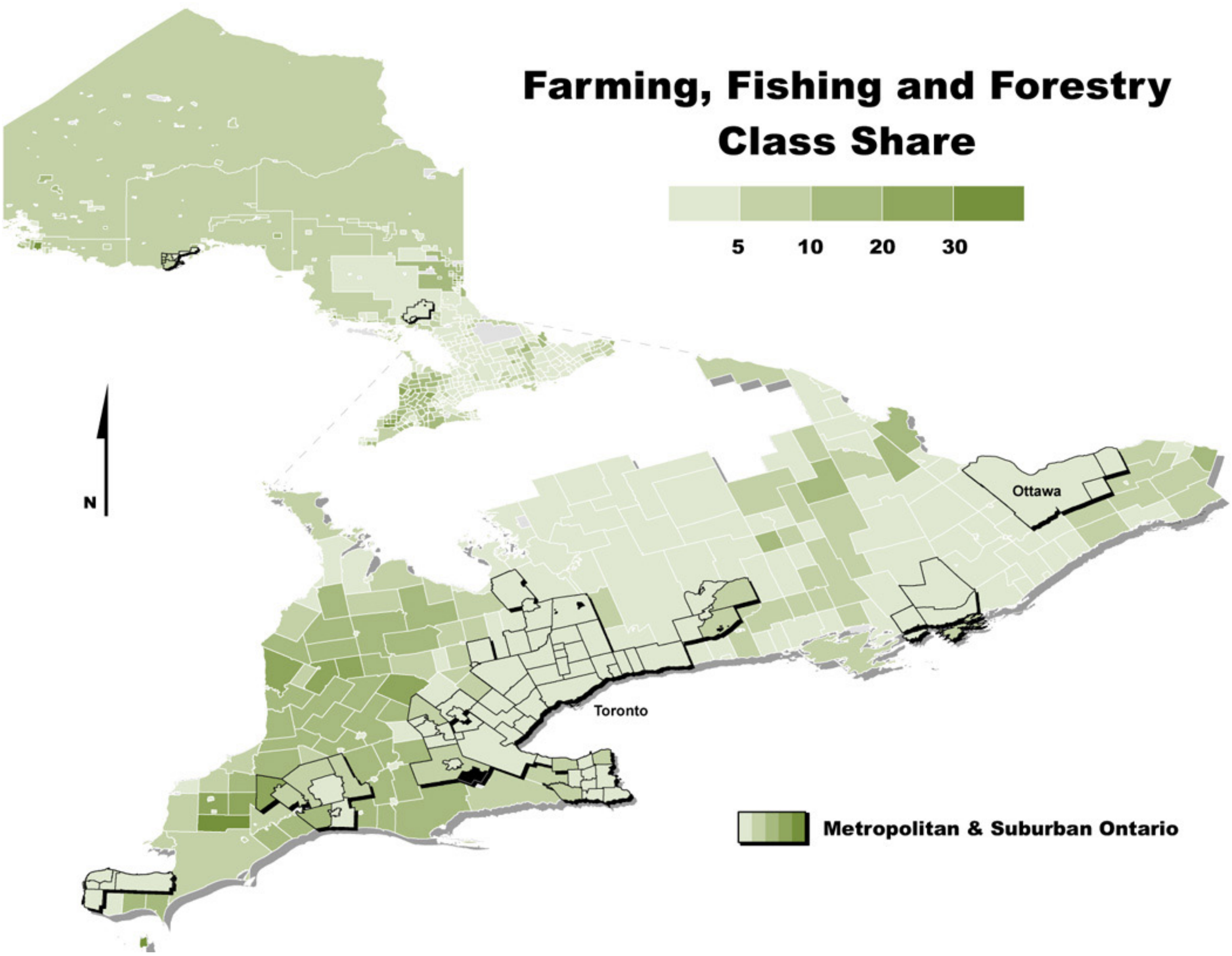


Data Source: Statistics Canada 2006

WORKING CLASS		
Geography	Share of Ontario	Total Working
Metropolitan & Suburban Ontario	73.8%	1,054,700
Small Town & Rural Ontario	26.2%	375,190
Ontario		1,429,890

Data Source: Statistics Canada 2006

Occupation Classes...



Data Source: Statistics Canada 2006

FARMING, FISHING, AND FORESTRY CLASS		
Geography	Share of Ontario	Total Farming, Fishing, and Forestry
Metropolitan & Suburban Ontario	37.5%	41,220
Small Town & Rural Ontario	62.5%	68,840
Ontario		110,060

Data Source: Statistics Canada 2006

Jobs and Job Growth...

EMPLOYED JULY 2011		
Geography	**Share of Ontario**	**Total Employed**
Metropolitan & Suburban Ontario	80.8%	5,512,900
Small Town & Rural Ontario	19.2%	1,309,000
Ontario		6,821,900

UNEMPLOYED JULY 2011		
Geography	**Share of Ontario**	**Total Unemployed**
Metropolitan & Suburban Ontario	79.7%	488,600
Small Town & Rural Ontario	20.3%	124,300
Ontario		612,900

EMPLOYMENT GROWTH JULY 2010–JULY 2011		
Geography	**Share of Ontario**	**Total Growth**
Metropolitan & Suburban Ontario	64.5%	74,200
Small Town & Rural Ontario	35.5%	40,800
Ontario		115,000

Data Source: Statistics Canada, Labour Force Survey, August 2011

Clustered/Traded Industries...

WORKERS EMPLOYED IN CLUSTERED INDUSTRIES		
Geography	**Share of Ontario**	**Total Workers**
Metropolitan & Suburban Ontario	82.2%	1,583,957
Small Town & Rural Ontario	17.8%	343,604
Ontario		1,927,561

Data Source: Institute for Competitiveness & Prosperity. 2006 results

Transit to Work...

CAR, TRUCK, VAN AS DRIVER		
Geography	**Share of Ontario**	**Total Driver**
Metropolitan & Suburban Ontario	77.6%	3,135,190
Small Town & Rural Ontario	22.4%	902,845
Ontario		4,038,035

CAR, TRUCK, VAN AS PASSENGER		
Geography	**Share of Ontario**	**Total Passenger**
Metropolitan & Suburban Ontario	77.8%	366,110
Small Town & Rural Ontario	22.2%	104,300
Ontario		470,410

PUBLIC TRANSIT		
Geography	**Share of Ontario**	**Total Transit**
Metropolitan & Suburban Ontario	98.2%	722,535
Small Town & Rural Ontario	1.8%	13,525
Ontario		736,060

WALKED		
Geography	**Share of Ontario**	**Total Walkers**
Metropolitan & Suburban Ontario	74.1%	237,280
Small Town & Rural Ontario	25.9%	82,795
Ontario		320,075

Data Source: Statistics Canada 2006

Transit to Work...

BICYCLE		
Geography	**Share of Ontario**	**Total Cyclists**
Metropolitan & Suburban Ontario	81.1%	56,015
Small Town & Rural Ontario	18.9%	13,020
Ontario		69,035

MOTORCYCLE		
Geography	**Share of Ontario**	**Total Motorcyclists**
Metropolitan & Suburban Ontario	77.2%	3,800
Small Town & Rural Ontario	22.8%	1,120
Ontario		4,920

TAXICAB		
Geography	**Share of Ontario**	**Total Taxi**
Metropolitan & Suburban Ontario	74.3%	9,390
Small Town & Rural Ontario	25.7%	3,255
Ontario		12,645

OTHER METHOD		
Geography	**Share of Ontario**	**Total Other**
Metropolitan & Suburban Ontario	72.6%	28,875
Small Town & Rural Ontario	27.4%	10,905
Ontario		39,780

Data Source: Statistics Canada 2006

Transit to Work...

Metropolitan & Suburban Ontario

Car, truck, van, as driver	68.8%	3,135,190
Car, truck, van, as passenger	8.0%	366,110
Public transit	15.8%	722,535
Walked	5.2%	237,280
Bicycle	1.2%	56,015
Motorcycle	0.1%	3,800
Taxicab	0.2%	9,390
Other method	0.6%	28,875
Total		4,559,255

Small Town & Rural Ontario

Car, Truck, Van, as driver	79.8%	902,845
Car, Truck, Van, as passenger	9.2%	104,300
Public Transit	1.2%	13,525
Walked	7.3%	82,795
Bicycle	1.2%	13,020
Motorcycle	0.1%	1,120
Taxicab	0.3%	3,255
Other Method	1.0%	10,905
Total		1,131,705

Ontario

Car, Truck, Van, as driver	71.0%	902,845
Car, Truck, Van, as passenger	8.3%	104,300
Public Transit	12.9%	13,525
Walked	5.6%	82,795
Bicycle	1.2%	13,020
Motorcycle	0.1%	1,120
Taxicab	0.2%	3,255
Other Method	0.7%	10,905
Total		1,131,705

Data Source: Statistics Canada 2006

How many people work as...

HEALTHCARE PROFESSIONALS			
Geography	**Share of Ontario**	**Total Professionals**	**Per 10,000**
Metropolitan & Suburban Ontario	79.5%	138,340	144
Small Town & Rural Ontario	20.5%	35,635	138
Ontario		173,975	143

Data Source: Statistics Canada 2006

How many companies are...

HIGH TECH ESTABLISHMENTS			
Geography	**Share of Ontario**	**Total Establishments**	**Per 10,000**
Metropolitan & Suburban Ontario	89.8%	145,226	152
Small Town & Rural Ontario	10.2%	16,556	64
Ontario		161,782	133

RECREATIONAL FACILITIES			
Geography	**Share of Ontario**	**Total Recreational Facilities**	**Per 10,000**
Metropolitan & Suburban Ontario	67.0%	3,647	4
Small Town & Rural Ontario	33.0%	1,796	7
Ontario		5,443	4

ARTS & ENTERTAINMENT ESTABLISHMENTS			
Geography	**Share of Ontario**	**Total Establishments**	**Per 10,000**
Metropolitan & Suburban Ontario	84.7%	9,351	10
Small Town & Rural Ontario	15.3%	1,688	7
Ontario		11,039	9

Data Source: Statistics Canada (Canadian Business Patterns, 2008)

Farming...

COWS		
Geography	**Share of Ontario**	**Total Cows**
Metropolitan & Suburban Ontario	18.1%	127,750
Small Town & Rural Ontario	81.9%	579,341
Ontario		707,091

PIGS		
Geography	**Share of Ontario**	**Total Pigs**
Metropolitan & Suburban Ontario	8.2%	325,075
Small Town & Rural Ontario	91.8%	3,625,517
Ontario		3,950,592

HENS & CHICKENS		
Geography	**Share of Ontario**	**Total Hens and Chickens**
Metropolitan & Suburban Ontario	15.9%	7,017,722
Small Town & Rural Ontario	84.1%	37,083,830
Ontario		44,101,552

Data Source: Statistics Canada: 2006 Census of Agriculture with MPI analysis

Positive Externality Example: *The Ontario Table*

"If every household in Ontario spent $10 a week on local food and wine, we'd have $2.4 billion in our economy at the end of the year."

Lynn Ogryzlo, author of *The Ontario Table*, worked with the Martin Prosperity Institute to estimate the simple impact of having households in Ontario buy more local foods. With nearly 85% of the province's households in metropolitan and suburban areas, the majority of the money would come from metro areas, but the benefits would accrue to the farmers of Ontario, who naturally live in more rural areas. By buying locally through farmers' markets or on-farm markets the quality of the food is generally higher and majority of the money spent is retained by the farmer and not lost in a distribution channel.

At Birk's flagship jewellery store in the heart of Yorkville in Toronto, you can purchase diamonds mined in Northern Ontario and cut and polished in Sudbury. Ontario's cities create strong, large markets for the products grown, extracted, or produced in the rest of Ontario.

Source: http://www.ontariotable.ca/Home.html

Tim Hortons...

TIM HORTONS		
Geography	**Share of Ontario**	**Total Tim Hortons**
Metropolitan & Suburban Ontario	81.5%	1,274
Small Town & Rural Ontario	18.5%	290
Ontario		1,564

Data Source: AggData, 2009

Starbucks...

STARBUCKS		
Geography	**Share of Ontario**	**Total Starbucks**
Metropolitan & Suburban Ontario	96.0%	310
Small Town & Rural Ontario	4.0%	13
Ontario		323

Data Source: AggData, 2009

Appendix One: City Profiles

Economic Development in the Toronto Region

A number of leading organizations in the GTA, including the CivicAction Alliance and representatives at the Greater Toronto Region Economic Summit in 2009 have called for a broad rethinking of the way in which the economic future of the region is managed. Such a rethinking requires that the policy roles of a wide range of actors at both the municipal and regional level are integrated more effectively, that overlap and duplication are minimized and that regional economic development organizations (EDOs) take note of the perspectives of a wide array of non-governmental actors who are concerned about the economic prospects of the region. A more coordinated approach to economic development for the Greater Toronto Region requires the presence of an integrated EDO with a broad mandate for the region as a whole and a more inclusive perspective at the 'governance' level that cuts across existing programs and municipal governments. Despite their growing relevance for our economic competitiveness and future well-being, recognizing the role of city-regions is a not a particular strength of Canadian politics. City-regions are not well represented in the architecture of the federal system where the local 'voice' is often absent from the table and that voice is further weakened by the presence of a multitude of competing municipal jurisdictions within the boundaries of Canada's largest urban centres, including the Toronto Region. The existing administrative boundaries of many Canadian cities reflect the underlying economic geography that was framed in the previous industrial era and have a significantly different scale than the dynamic economic regions that have emerged in recent decades. Nowhere is this more evident than in the Toronto region which is currently governed by a combination of one large one-tier municipality, surrounded by four regional municipalities which include a total of 24 lower tier municipalities.

One area where there is a pressing need for a new form of organization structure at the regional level is with respect to economic development policy. Responsibility for regional economic development in the Toronto Region currently rests with a multiplicity of organizations at the federal, provincial, regional and municipal level, with overlapping and occasionally conflicting mandates. At the federal level, there is the newly created Federal Economic Development Agency for Southern Ontario, but also the often neglected Department of Foreign Affairs and International Trade which offers a number of programs that provide support of regional branding and investment attraction, as well as science and technology partnering. The provincial Ministry of Economic Development and Trade has a separate investment attraction branch which operates the Ontario Investment and Trade Centre. While MEDT's mandate is for the province as a whole, many of its activities clearly focus on the Greater Toronto Region, given its relative size and importance for the provincial economy. At the regional level, the Greater Toronto Marketing Alliance actively promotes the Greater Toronto Area internationally, and provides companies with professional assistance in evaluating, planning and implementing an expansion or move to the GTA. The mandate of the Toronto Region Research Alliance is to promote investment in research and development in the Toronto Region, as well as contribute to the overall research capacity of the region. Invest Toronto, which was created in 2008 out of the dissolution of the Toronto Economic Development Corporation has a responsibility to promote investment in the City of Toronto alone. Finally, many of the regional governments in the GTA, as well as some of the lower tier municipalities also have their own economic development departments or organizations. One estimate by a private firm suggested that the combined budgets for the municipal and regional organizations amounted to $25 million annually and included the equivalent of 160 full-time employees. The current state of overlap and duplication among the Toronto regions EDO's at four different levels of government – municipal, regional, provincial and federal – provides strong justification for the need for some consolidation. However, the precise route to follow is not straightforward. As noted above, the Toronto region currently lacks an integrated administrative structure at the regional level, which could act as the level of governance responsible for overseeing a new regional EDO.

Numerous examples can be found across North America of metropolitan areas that have begun to forge such region wide development coalitions and have created corresponding development agencies, often in the absence of a metropolitan level of government. The path to their creation varies considerably and the operational basis for the agencies, both in terms of their governance structures and funding models frequently reflects the unique circumstances out of which they emerged. While it would be difficult to replicate any one model in the Greater Toronto Region, a review of some of the more successful cases holds many valuable lessons for how this region may be able to overcome its current degree of fragmentation in the economic development field.

A growing number of organizations have called for "one voice" for the Toronto region in economic development. Implicitly, and sometimes explicitly, is the premise that this requires the creation of a single institution — be it a rejuvenated GTMA or an integrated version of a number of the existing EDOs — and the corresponding dismantlement of municipal entities such as Invest Toronto. The case studies show that in complex, jurisdictionally fragmented regions like our own, this is neither necessary nor even desirable. The challenge is to figure out how to create a network among existing entities that are defined both by geography (e.g., municipal agencies and chambers of commerce) and specialization (e.g., the TRRA, the TFSA, etc.). On balance, it is evident that a bottom-up networked model that fashions a new regional economic development organization out of the existing mix of regional and municipal EDOs, with strong support from the provincial level, holds the best prospects for succeeding in the Toronto region.

— David Wolfe, PROGRIS

A Current Profile of Hamilton, Ontario

Hamilton is located in centre of the Southern Ontario / Golden Horseshoe region, one of the most prosperous economic areas in both Ontario and Canada as a whole, with a strategic location allowing for rapid access to numerous markets. According to the 2006 census the region's population of 8.1 million is slightly over a quarter (25.6%) of the population of Canada and about 75% of Ontario's population, making it one of the larger population concentrations in North America.

Hamilton's economic progress over the past century has been dependent on manufacturing. Over time Hamilton has become Canada's major manufacturer of steel and metal products. Throughout the 1950's and 60's, large manufacturing plants were constructed throughout the north central United States and in Southern Ontario to meet consumer demand for automobiles, tires, steel, building supplies and the myriad of goods required by the booming post-war economy. In the globalized world of the past quarter-century, there has been a shift within larger manufacturing entities. Firms commonly outsource manufacturing operations due to the cheaper costs of labour and taxation offered by many competing foreign nations. As a result, many mid-sized manufacturing entities have replaced the traditional larger industrial giants that were so fundamental in the development of Hamilton. Relatively low cost energy, in addition to a strategic geographic location has encouraged the materialization of these mid-sized firms in Hamilton. Manufacturing remains the largest of Hamilton's economic clusters. The City Council's decision in February 2001 to pursue an integrated growth strategy with a particular focus on the development of economic clusters has helped to diversify Hamilton's economy. New economic clusters are emerging, including Biotech/Biomedical, Airport Employment Growth District and Film/Cultural industries. The City's unemployment currently stands at an enviable rate of 5.9 per cent.

The City of Hamilton, with a population of 504,559 in 2006, possesses many useful assets that may further enhance the region's economic role in Ontario and Canada. These include:

- A busy Great Lakes port with existing and prospective intermodal capability
- A 24 hour international passenger and cargo airport with nearby land for development, well-established industrial parks and good access by road
- Solid freeway and rail infrastructure
- World class teaching and research institutions along with a well-educated labour force
- Ample brownfields for redevelopment

In the last quarter of the 20th century, like many North American cities, Hamilton experienced significant sprawl along with a deterioration of the downtown. Over the last decade the City of Hamilton has undertaken several initiatives to revitalise the downtown core, including the provision of grants to investors for the rehabilitation of the housing stock. In May 2007 the city of Hamilton completed its Transportation Master Plan. Objectives in the plan include increasing transit ridership from 5% in 2001 to 12% in 2012 and increasing annual transit trips per capita from 40 trips in 2001 to between 80 and 100 trips in 2012. In general the plan encourages urban development so that travel by car is an option, not a necessity. In this context, Metrolinx in their white paper Preliminary Directions and Concepts has noted the potential for two BRT/LRT routes in the city. The proposed lines would include a north/south line in the James Street corridor leading to Hamilton Airport and east-west line in the King Street corridor connecting to McMaster University. The prospect of an LRT system in Hamilton has garnered significant public support. Increased public transit use will facilitate a reduction in congestion and green house gas emissions and at the same time will allow the easier and less costly movement of goods.

While all indicators point to a bright future for Hamilton, it is important to keep the momentum for the improvement of economic performance, quality of life and the environment.

— Pavlos Kanaroglou, School of Geography and Earth Science, McMaster University

Ottawa and the Ontario Election

The major public discussion around Ottawa is the atmosphere of anxiety around federal government cuts to employment in the public service. This will have an impact on the way Ottawa voters will be thinking about the Ontario election and thinking about urban issues. Those who are worried about possible cuts will be interested in visions of active governments, with programs that help to solve the problems of modern cities — homelessness, the growing gap between rich and poor, public transportation, increased employment. A recent series of articles in the Ottawa Citizen highlighted the current reality of Ottawa as a big city and the challenges the city faces. This growing reality of Ottawa was captured in the interview with the Mayor arguing for big ideas and big plans. Ottawa residents are slowly becoming aware that Ottawa has become a major city and this is leading to an increased sense that all levels of governments have important roles to play in support for meeting Ottawa's urban challenges. The Ontario government sometimes seems more remote to Ottawa voters than does the federal government but the city's recent debates about public transportation certainly focus attention on the provincial government.

One of the areas in which Ottawa is seen to be doing less well than in the past is in the attraction and retention of immigrants. Ottawa has been receiving a diminishing number of new immigrants and, worse still, there are increasing numbers of recent immigrants moving from Ottawa, either to western Canada or back to their countries of origin. The City has recently made public its strategic priorities for what the City expects to accomplish over the next four years. Increased immigrant employment and the adaptation of city services to the demographic trends of diversity and aging are high on the priority list. There is a high degree of complementarity with the the strategic plans developed by the Ottawa

Local Immigration Partnership (OLIP), a broad community coalition created to plan and then put into place measures to make Ottawa a more welcoming community for recent immigrants. There is therefore a broad City-community consensus around measures that would improve Ottawa's performance in this area and these require coordinated action from all levels of government. The role to be played by the Province, in education, health, employment and housing (to mention only four policy areas) will certainly be one for the issues for Ottawa voters in the upcoming provincial election.

— Caroline Andrew, University of Ottawa

Planning, Growth and the Future of (Sub)Urban Ontario

The next Ontario government has a chance to make a difference. We have seen a remarkable increase in urban populations across the province. Southern Ontario is now one big city, well captured in the term "Greater Golden Horseshoe" (GGH). Toronto in particular has outgrown its previous image of being Vienna (a dense European'ish core) surrounded by Phoenix (a sprawling low density American'ish suburban belt). This image was valid in the 20th century. Now Toronto is more like Los Angeles (a contiguous, mid-density American metropolis with a gentrified core and upscale pockets) surrounded by Shanghai or Hong Kong (a rapidly growing city of varying densities). This new, somewhat tongue-in-cheek metaphorical frame includes, of course, an implicit reference to globalized diversity but also new social segregation in both the city and the suburbs. The emerging urbanized landscape is scarcely understood, understudied and ill-equipped with outdated policies to prepare it for the challenges ahead.

The current Liberal Ontario government has made huge strides in bringing some significant regulation to land use and transportation planning in Southern Ontario. The Greenbelt and GGH Growth plans contrasted nicely with the previous provincial government's laissez-faire market liberalization and bungling of major social, environmental and economic issues in the urbanizing parts of the province. The new policy framework established a planning rationality that allowed both developers and residents, environmentalists and investors to look ahead, debate the merits of various proposals for growth and to make decisions. However the Liberals did not yet take us back to the heady and positive spirit of the early 1990s when the provincial NDP government initiated more interventionist policies that sought stricter land use controls (Sewell commission) and more substantial regional governance reform (Golden Report). McGuinty outflanked the existing governance rows between 416 and 905 by upscaling the planning frame to the GGH. This opened up new possibilities and allowed for new perspectives. The next government of Ontario must sustain and accelerate the process of regionalizing the urban policies that are needed to govern the southern part of the province. This will have to include a firm commitment to fund housing and transportation infrastructures that are socially just and environmentally sustainable. The spirit of Toronto's Transit City plan (a vision meant to link the disconnected parts of the in-between cities in which most of us live) and Tower Renewal (a program to create both good jobs and healthy living environments for large numbers of residents) must be reawakened and expanded into the planning for an urbanized province. It must be the imperative of any new government to prevent the unleashing of urban sprawl that may come in the guise of tax cutting and austerity. The costs of those kinds of policies are well known and they are untenable. We had the historical precedent for this unfortunate mix of liberalization and punishing state action in the common sense revolution of the 1990s. Toronto and its region cannot afford this onslaught once again. What we need now is smart development instead of unbridled growth. The next provincial government will need to create the conditions for making this a reality.

— Roger Keil, The City Institute at York University

Waterloo: Challenges and Prospects

The Kitchener-Waterloo region consists of three interconnected, mid-sized cities (Kitchener, Waterloo, Cambridge) and several surrounding rural townships. As an urban region it faces many of the same challenges as other cities across Ontario, including the need to support high quality K-12 and post-secondary education, deliver efficient and effective health care and social services, create and/or upgrade inter- and intra-urban transportation networks, develop physical infrastructure, and facilitate immigrant integration into local labour markets, communities and society. The region's dispersed urban structure presents unique challenges related to connecting the three primary urban hubs to each other, as well as to nearby larger urban centres, such as Toronto. The tri-cities are also closely connected to the surrounding rural regions leading to mutual benefit. For example, the tri-cities provide sources of employment for rural constituents and act as consumer markets for rural businesses, especially those in agriculture, food, and renewable energy. In terms of environmental issues, Waterloo is viewed as a leader. Initiatives to support local food movements, energy conservation, water management and carbon footprint reduction are recognized for their success and are being studied by communities across Ontario and the rest of Canada.

Waterloo has established a reputation as an innovative technology region. The region is home to several home-grown and foreign-owned companies, including OpenText, Google, RIM, Sybase, and Christie Digital that form the foundation of its thriving tech sector. The region has a strong record of assisting tech firms in the early stages of start up. But the region actually has a very diverse industrial base, including a longstanding manufacturing sector that accounts for a substantial amount of employment. Like many communities in Ontario, the manufacturing sector has faced some challenges in recent years. Yet, many local companies have been able to take advantage of advanced manufacturing technologies to improve their productivity and competitiveness. These firms also benefit from the expertise, knowledge, and graduates produced by the publicly funded local universities (Wilfrid Laurier University, Waterloo University) and Conestoga College, which have a vital role in educating and training the workforce for the region and elsewhere in Ontario. The region's resiliency has been attributed to the demonstrated ability of local firms to transition from older industrial technologies to new digital technologies, high levels of civic engagement and leadership, and the ability of private companies, public research institutions and other public sector and not-for-profit organizations to collaborate with one another.

Waterloo region's industrial past provides the building blocks for its urban future. In Kitchener, old factory space has been converted to a digital media hub and incubator for entrepreneurs, start-ups and businesses participating in the digital economy. The University of Waterloo's School of Pharmacy rests atop of another factory site. The relocation of the University of Waterloo's School of Architecture to an abandoned industrial space is leading urban revitalization in Cambridge. In Waterloo, a number of institutions for cutting edge innovation and research have been opened, including the Perimeter Institute for Theoretical Physics, the Centre for International Governance Innovation (CIGI) and the Institute for Quantum Computing. These initiatives have benefited directly and indirectly from investment and support from the Government of Ontario and its agencies and are critical to jumpstarting the next wave of development in the region.

But the region is at a critical point in its development. The recent downturn has placed the once vibrant manufacturing sector at risk. Firms and workers both require assistance in transitioning to the knowledge-based, creative economy. While the region is a key destination for immigrants, there is still room to take better advantage of the skills, knowledge and networks that these individuals bring with them. The transportation infrastructure that connects people and businesses across the region and to larger urban centres remains underdeveloped. If these and other challenges are not addressed, the potential of this resilient and dynamic urban economy may be undermined. And recent layoffs at RIM have cast a shadow of doubt over the region's future.

There are many ways in which provincial government policy can help ensure a sustainable and prosperous future for the Waterloo region and other cities across Ontario:

- Recognize the strategic importance of cities to a sustainable and prosperous future for Ontario (and Canada)
- Recognize the unique local assets in Ontario's cities and help cities leverage those assets
- Foster innovation and the development of new ideas and technologies across the economy through supporting and financing research across disciplines in the sciences, engineering, social sciences and humanities and facilitating collaboration between the private, public and not-for-profit sectors
- Support and invest in broad base of arts and cultural activities from solo musicians to larger galleries and performance venues to improve the quality of life for residents, attract new residents and businesses, and generate synergies with new digital media and content-based industries
- Ensure appropriate levels of social support and affordable housing are available to those in marginal and vulnerable communities
- Support immigrant settlement through better services that — amongst other things — allow immigrants to acquire the language proficiency, skills and training necessary to enter the workforce and realize their full potential
- Foster new business creation through venture capital and small business financing
- Provide sustainable and predictable funding to help cities renew their infrastructure, improve quality of life, and support innovation in business and the not-for-profit sector.

— *Tara Vinodrai, Department of Geography and Environmental Management & School of Environment, Enterprise and Development University of Waterloo*

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