The Three Cities within Toronto: "a city of disparities"

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Centre For Urban and Community Studies, University of Toronto

TORONTO – The City of Toronto is becoming increasingly divided by income and socio-economic status, says a new report issued today by the Centre for Urban and Community Studies (CUCS) at the University of Toronto. No longer a "city of neighbourhoods," the study calls modern-day Toronto a "city of disparities."

In fact, Toronto is now so polarized it could be described as three geographically distinct cities made up of 20 percent affluent neighbourhoods, 36 percent poor neighbourhoods, and 43 percent middle-income earner neighbourhoods − and that 43 percent is in decline.

The CUCS study analyzed income and other data from the 1971 and 2001 censuses, and grouped the city's neighbourhoods based on whether average income in each one had increased, decreased, or stayed the same over that 30-year period. It found that the city's neighbourhoods have become polarized by income and other ethno-cultural characteristics and that wealth and poverty are concentrated in distinct areas.

The CUCS report describes three distinct geographical "cities" within the City of Toronto in 2001:

•   **City#1** (high-income) is clustered around the two subway lines, much of the area south of Bloor/Danforth, some of the waterfront, and central Etobicoke. It includes about 17% of Toronto's residents. In this "city," incomes have *increased* by 71% over the 30-year study period. The ethnic origins of residents are mostly White (84%), a small minority are immigrants (12%), and their occupations are mostly white-collar (60%).

•   **City#2** (middle-income) sits between the other two cities, with some neighbourhoods in the core and south of Bloor-Danforth, and others in the former North York. Forty-two per cent of Toronto's residents live City #2. Average incomes have changed little over the study period (a slight *decrease* of 4%). The ethnic makeup of City#2 is 67% White and 21% Black, Chinese or South Asian, 48% are immigrants, and their work is 39% white collar and 18% blue collar.

•   **City#3** (low-income) comprises much of northern Toronto, outside the Yonge Street subway corridor, plus large parts of Scarborough. It comprises 40% of the city's population. Incomes in City#3 have *decreased* by 34% between 1970 and 2000; its residents are 43% Black, Chinese or South Asian in origin (40% are White); 62% were born outside of Canada; and 32% work in white-collar and 25% in blue-collar jobs.

So the term "inner city" (in the sense of urban poverty) no longer means south of Bloor-Danforth or clustered around the downtown core. Gentrification has changed the southern neighbourhoods. The new "inner city" has moved north, mostly north of the 401, and east to Scarborough.

The report concludes that, "the City of Toronto, over a 30-year period, ceased being a city with a majority of neighbourhoods (66%) in which residents' average incomes were near the middle, and very few neighbourhoods (1%) with very poor residents.

"Middle-income neighbourhoods are now a minority and half the city's neighbourhoods are low-income."

This economic and cultural segregation will likely continue unless the various levels of government undertake policies to support income, give tax relief to those at the low end, and promote mixed neighbourhoods through zoning and rent control.

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KEY FINDINGS OF THE CUCS REPORT

The Three Cities within Toronto: Income polarization among Toronto's neighbourhoods, 1970–2000, by J. David Hulchanski, PhD, MCIP, Director, Centre for Urban and Community Studies and Professor, Faculty of Social Work, University of Toronto, Research Bulletin #40, published December 2007.

The full 12-page report, with high quality PDFs of the main maps and graphs, is available for download at: www.gtuo.ca

- The City of Toronto has 140 named neighbourhoods. However, Statistics Canada divides the city into 527 **"census tracts,"** each with an average population of 4,700. This latter geographic division was the one used by the CUCS study, because of the availability of comparable data from the 1971 and 2001 censuses (which reported incomes for the years 1970 and 2000).

- In 1970, in 66% of the city's census tracts, the average income of the residents from all sources (wages, pensions, social assistance, investments) was close to the average for the entire Toronto area. To put it another way, middle-income neighbourhoods were predominant. By 2000, the proportion of middle-income neighbourhoods had fallen dramatically to 32% of the census tracts. **The middle-class is shrinking.**

- Over the same period, the proportion of low- and very-low income neighbourhoods increased greatly, from 19% to 50%. At the opposite end of the scale, the proportion of high- and very high-income neighbourhoods increased slightly, from 15% to 18%. **The rich got richer and the poor got poorer.**

- The poorest and wealthiest Toronto neighbourhoods have something in common: **both were more numerous in 2000 than in 1970.** The poorest neighbourhoods (those with incomes more than 40% *below* the city-wide average) increased from 1% to 9% of the city's

neighbourhoods. The mirror-opposite neighbourhoods (those with incomes more than 40% *above* the city-wide average) increased, from 7% of the city to 13%.

- City#1 not only has the highest average incomes in 2001, it also had a 71% increase in income over the 30 years. Much of this increase was recent: from 1996-2001 incomes increased 32%. In City#1, 14% of individuals had incomes of $200,000 or more in 2000, compared to the city-wide average of 4%. In Cities#2 and #3, representing 80% of the City of Toronto, average income *declined.* **Income in City#3 declined the most, by -34%.**

- **This three-city disparity did not exist before.** At the start of the 30-year period, the majority of people in Toronto (and more of the people living in the outer suburbs) were middle income (i.e. within 20% of the city-wide average).

- **Federal and provincial policies** that could mitigate income and neighbourhood polarization include: income support programs that keep up with inflation and are based on the cost of living; tax relief for households in the bottom fifth of the income scale; assistance to low-income earners with their biggest expense, housing, in the form of social housing and rent supplements.

- **Provincial and municipal policies** that could alleviate these income disparities include: inclusionary zoning, whereby any medium-to-large residential developments must include 15–20% rental and affordable units, and an end to vacancy decontrol, that is, the right of landlords to charge whatever they wish for a rental unit when a tenant moves (which would prevent the displacement of low-income residents in gentrifying areas).