

Strength in Diversity: The Different Facets of Toronto’s Key Strength

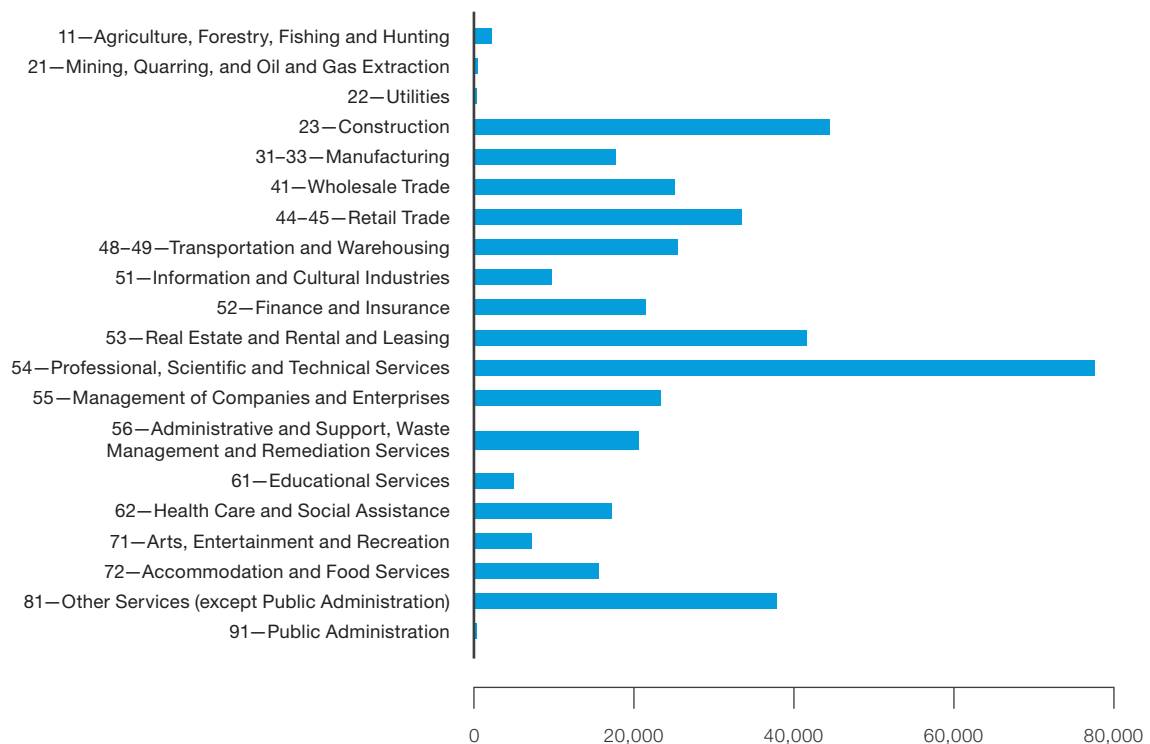
While most cities struggle to establish a unique identity, in recent decades Toronto has developed a singular distinction: the city of diversity. From its summer festivals to its TV news teams to its municipal motto, “Diversity our Strength,” Toronto’s identity is tightly intertwined with this perception of itself.

But what do we mean when we say “diversity”? Our default understanding of the word refers to ethnic (or population) diversity. But economic diversity and neighbourhood diversity are important as well, and Toronto has strengths in all three.

Economic Diversity

A recent analysis of economic diversity revealed that the top five industries in Toronto by employment were: manufacturing; retail trade; professional, scientific and technical services; health care and social assistance; and finance and insurance.

Exhibit 1: Total number of establishments, Toronto, 2009



Source: Canadian Business Patterns (2009) June 2009 Establishment Counts by CA/CMA, Sectors & Employment Size Ranges.

Compared to other Canadian cities, Toronto is more specialized in the following industries: information and cultural industries; finance and insurance; real estate and rental and leasing; and professional, scientific and technical services. This is indicative not only of the existence of economic diversity in Toronto, but also its depth and sophistication.

Evidence links economic diversity to both stability and growth potential in regional economies. The key to capitalizing on this kind of diversity is to encourage the exchange of ideas and skills across complementary industries. One example would be strengthening links between cultural industries like music, film, media, fashion, design, and television.

Neighbourhood Diversity

Neighbourhood diversity affects the ways in which Toronto's businesses, industries, and people interact with each other. *The Death and Life of Great American Cities* by Jane Jacobs was the first work to highlight the important role diversity plays in building successful communities. A mixed-use neighbourhood helps to reduce crime by increasing round-the-clock activity, which adds "eyes on the street" and discourages crimes of opportunity. Mixed-use provides a range of residential and commercial amenities that help promote and sustain a more distinct local economy and reduce environmental impacts by decreasing vehicle dependence.

The City of Toronto has incorporated the ideas of mixed-use development into its official plan and many of its secondary plans and community studies. The Official Plan also emphasizes that mixed-use development will vary in activity and intensity, and should take into account each neighbourhood's unique circumstances. The Plan points out that such strategies help to improve the quality of life in the city, improve accessibility and improve the viability of higher-quality transit.

Population Diversity

Toronto is home to 216 of the 223 ethnic origins identified in the census, a much wider range than the national average. Toronto also has out-sized shares of eastern and southern Europeans, Caribbeans, Africans, and Asians.

Looking beyond ethnic origin, Toronto also has a large visible minority population: approximately 41 percent of its residents are visible minorities, compared to the Canadian average of 15.3 percent. South Asians and Chinese comprise the two largest visible minority groups in Toronto—54 percent of all visible minorities and 22 percent of the total population. The next largest visible minority groups are blacks, Filipinos and Latin Americans.

Conclusion

Toronto's economic diversity enables it to generate value and innovation. The city's mixed-use land strategies have brought vibrancy and vitality to its neighbourhoods. And Toronto's continued ability to attract a diverse population has increased the cultural richness of the city, enabling it to better connect with a globalized world. Having identified these competitive strengths, Toronto should aim to make better use of them to advance its economic and social goals.

For further analysis, and some thoughts on the kinds of policies that could leverage Toronto's assets further, see the full discussion paper: www.martinprosperity.org/media/pdfs/Toronto_election_series-Importance_of_Diversity_to_Economic_and_Social_Prosperty.pdf

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