

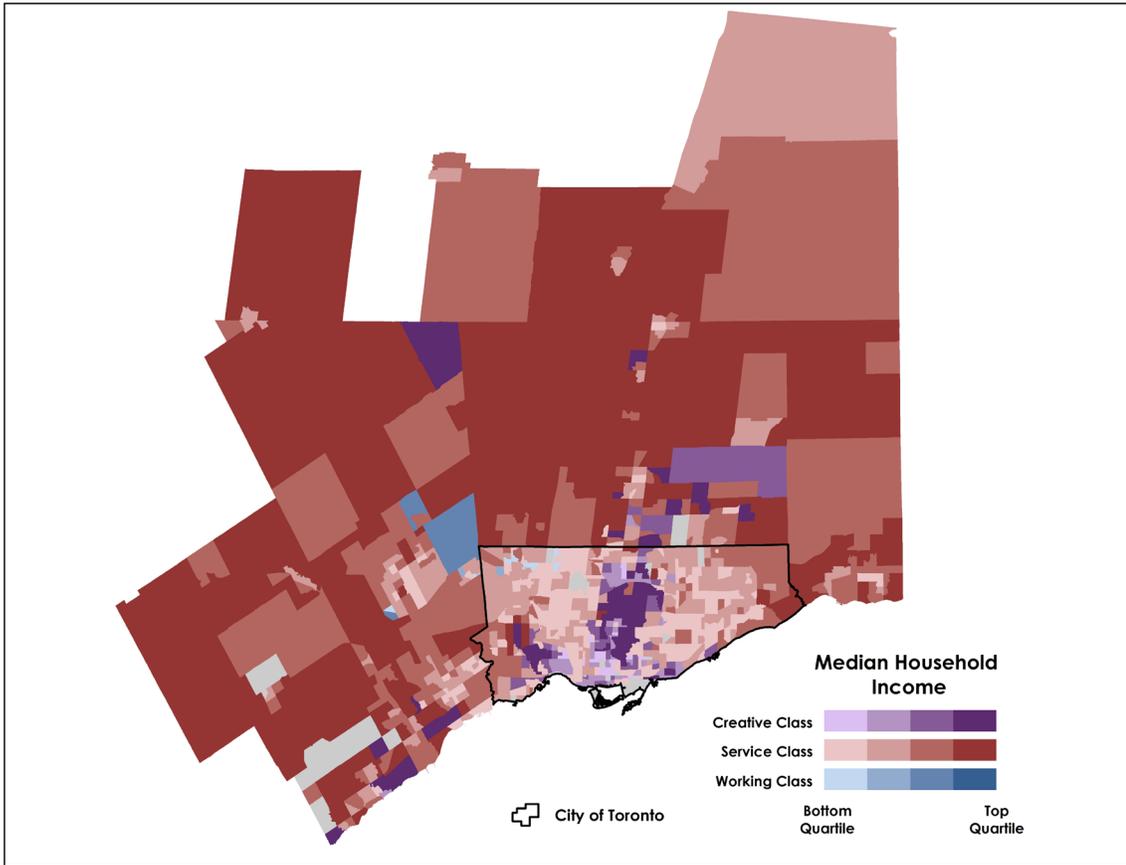
Big City: Big Ideas

On November 4th 2013, The University of Toronto's School of Public Policy and Governance in Partnership with the Martin Prosperity Institute presented the first talk in the [Big City: Big Ideas](#) Speakers Series. *Big City: Big Ideas* is a public lecture series that allows global leaders in urban and regional planning, policy and finance to present their big ideas for the City of Toronto. MPI Director Richard Florida was the first speaker in the series and his talk, entitled, "Why Creativity is the new Economy" discussed Toronto's current situation within the creative economy.

The presentation communicated much of the work that the MPI has completed on the role of the creative economy in the City of Toronto. This is of importance; Richard explained in his presentation that Toronto is at a critical inflection point due to a broken municipal governance system. Toronto's current growth model is very limited as a result of this system. With a population of over 5 million people and growing, the city is in need of new patterns of infrastructure investment, new regulations (building and zoning), and other methods to deal with the large scale growth, that the current government structure cannot deal with.

Currently the City of Toronto is not only experiencing total population growth, but growth within the knowledge economy as well, making Toronto one of the best positioned cities in the world to thrive within this new economy. According to 2006 statistics (the loss of the long form census makes more recent data unavailable), the Creative Class (CC) makes up 34.3% of metro Toronto's population (nearly 1 million people), almost half of the total Creative Class in Ontario and 20 percent of Canada's total CC share. Not only does Toronto have a high CC share, but also a great mix of educated and non-educated CC members, along with very high foreign born and visible minority shares. This mix of different people across numerous occupations, backgrounds and education levels is one of the reasons why Toronto is so well positioned within the knowledge economy as creativity thrives on diversity. This has led to economic success as the Toronto metro is responsible for 20% of Canada's GDP, or \$300 billion, which is the 10th highest GDP in North America.

While the City of Toronto has experienced success within the knowledge economy, many issues face the city and threaten its future prosperity. These are the issues that the current municipal structure is unable to adequately deal with, as Richard explained during the presentation. While there is a large CC presence in Toronto, the Service Class (SC) makes up for a larger share of the occupational population, with about 45% percent of the workforce, or 1.5 million workers in 2012. SC occupations have grown by 33% from 2001-2012, and as it stands 38.1% of routine service workers are either at or below the low income cut-off of \$23,647. As a [previous Insight](#) presented, many SC occupations are precarious low wage jobs in which the work schedule is often part time. Income inequality has grown in Toronto to a higher level than the rest of Canada. This inequality has a geographic dimension in which most of the residents with the lowest incomes live in "inner suburbs" that are poorly serviced by transit and other services, and have high visible minority populations. While this divide is apparent and growing, it is still not as large as the divide found



in American cities. Inequality is growing and must be addressed within Toronto in so that the gap is reduced. **Exhibit 1** presents the Toronto metro based on occupational share and income for 2006. The map is labelled using quartiles in the same format as our previous class maps found [here](#). As the map shows, a distinct geographical gap appears within the metro by occupational class and income level.

The presentation ended with Richard suggesting some recommendations for Toronto going forward, highlighted by the need for a new model for sustainable prosperity in the city. This can to be done, he explained, by upgrading service work to a level that provides a comfortable lifestyle, as manufacturing jobs did after the Second World War. Sustainable prosperity also needs to be examined at smaller geographic units within in the city as increased inequality shows a strong spatial component. Easy fixes such as better transit, infrastructure, affordable housing, increased density and greater regional connectivity are all necessary steps in reaching this goal, which our current governance structure does not have the power to do. Overall, the presentation provided the public and policy makers with new ideas for how Toronto can continue to grow and experience prosperity. The *Big City: Big Ideas* speaker series will continue to hold presentations going forward.

Some of the tweets that took place from attendees are presented in **Exhibit 2**. For a full list of the tweets, click the following [link](#). To watch the entire video presentation follow this [link](#).

Selected tweets

Exhibit 2

Geoffrey Rowan @KetchumCanadaPR 4 Nov

Toronto's growth model broken. A mayor micromanaging city tree planters isn't how NY, London etc. thrive.

#bcbi @rotmanschool

IMFG @imfgtoronto 4 Nov

'How do we stoke the creative furnace for the 2/3 of people working in the service sector,' asks @Richard_Florida

#bcbi

Vas(iliki) Bednar @VassB 4 Nov

"Every single person is creative," says @Richard_Florida. "Our challenge is to capitalize and nurture that."

#bcbi #economy

The Martin Prosperity Institute at the University of Toronto's Rotman School of Management is the world's leading think-tank on the role of sub-national factors—location, place and city-regions—in global economic prosperity. We take 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.