

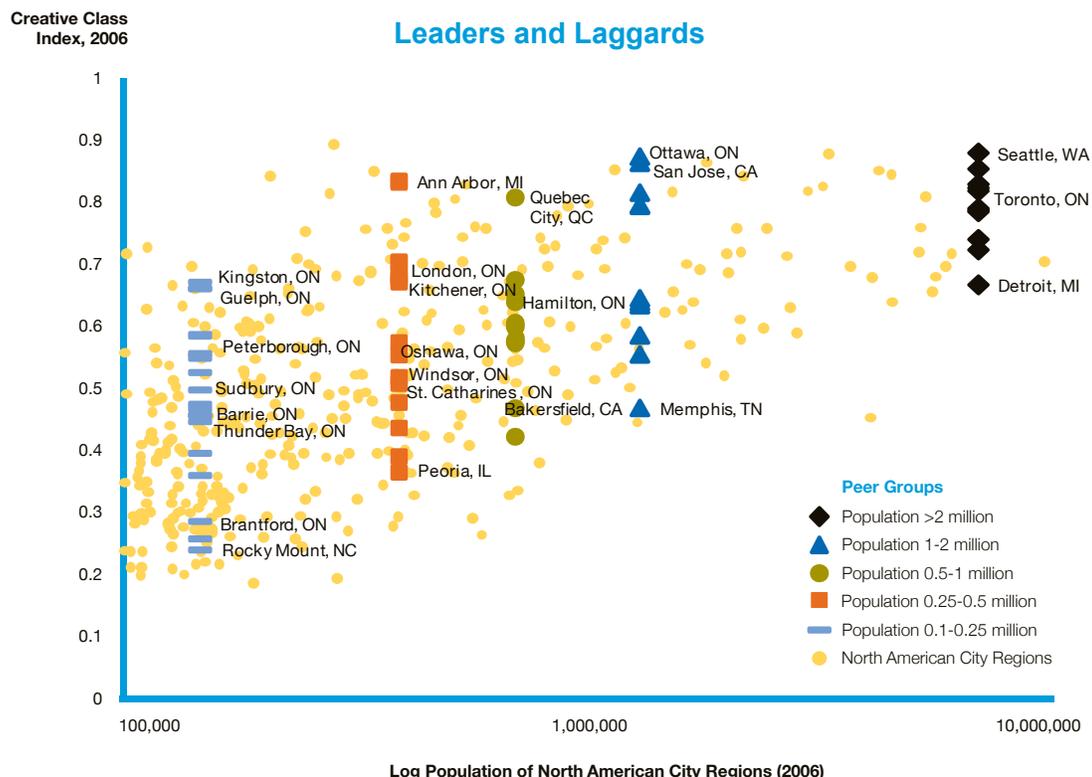
Leaders and Laggards of Ontario: How Our Metro Regions Stack Up

Which of Ontario's cities are better prepared for the profound transformation into the creative age?

To better understand how Ontario's city regions are competing we used the Creative Class Index to compare them to peer city regions of roughly equal size from across the US and Canada. Composed of variables from each of the 3Ts of economic development (Technology, Talent and Tolerance), the composite score is reflective of a region's ability to become more vibrant and prosperous. Economic development in the creative age requires strong performance on all of the 3Ts; each one alone is necessary, but insufficient to achieve sustainable growth.

We assessed 15 census metropolitan areas (CMAs) that account for 82% of Ontario's 12.2 million people and approximately 92% of Ontario's regional GDP of \$530 billion. These 15 regions were placed into 5 major groupings based on size (e.g. Toronto CMA with approx. 5.3 million people to Peterborough's CMA with a population of approx. 110,000) and within each size group 10 peers were selected.

What we found was that Ontario's city regions tended to perform average compared to their peer group often ranking in the middle 5 or below. (See Figure below)



Log Population of North American City Regions (2006)

* Highest, lowest and Ontario regions labelled.

Peer groupings graphed using average population of each peer group.

Source: Martin Prosperity Institute analysis, 2009

Results

- The top region in both Canada and Ontario is Ottawa-Gatineau which ranks 1st within its peer group (regions with a population between 1 and 2 million), and 3rd out of a total of 374 US and Canadian city regions
- Toronto trails places like Seattle and Vancouver. (regions with a population of 2 million or more)
- Hamilton is ranked 97th amongst the 374 city regions and sits in the middle of its peer group (regions with a population of 500,000 to 1 million)
- Kitchener, London, Windsor, Oshawa, and St. Catharines-Niagara all live in the middle of their peer groups (regions with a population size of 250,000 to 500,000)
- Peterborough, Guelph, Kingston, Barrie, Greater Sudbury, Thunder Bay, and Brantford are evenly distributed with two regions in the top 25%, three in the inter-quartile range and two in the bottom 25% of the peer group (regions with a population of 100,000 to 250,000)

Digging deeper into these results reveals that the biggest weakness among Ontario's city regions is Talent, measured by the Talent Index (the percentage of population older than 25 with at least a bachelors degree) and the percentage of the labour force in the Creative Class. Places like Ottawa do well across all of the 3Ts, ranking 5th on Talent, 10 on Tolerance and 10th on Technology.

The Challenge: In order for Ontario to be prosperous in the creative age, those regions which are lagging behind must work diligently to improve areas where they are not as effective. While the challenges they face are significant, they can be overcome by learning from this assessment. The leading regions cannot become complacent and must continue to strive to be better than they are now. We believe Ontario's performance on Talent suggests that there is more to do in order to become the education province we described in our capstone report. If Ontario is to reach the goal of 70% of the population with postsecondary education, it must keep improving the access and incentives to attend institutions of higher learning. In addition to growing its own, Ontario scores well on Tolerance making it well positioned to attract a portion of the Talent it needs from elsewhere. Our assessment shows that while Ontario has challenges to overcome for sustained economic development, we are confident that by harnessing the creativity of all Ontarians – in every region- that the province can become a global leader.

The Martin Prosperity Institute (martinprosperity.org) 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. Led by Director [Richard Florida](#), 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.

This Martin Prosperity Insight is part of the "Ontario in the Creative Age" series, a project we are conducting for the Ontario Government and is supported by our benchmarking analysis that begins this week with "Ontario Competes" an overview of the more detailed work that will follow next week on each of the 5 CMA groupings. [The project](#) was first announced in the 2008 Ontario Budget Speech, and its purpose is to understand the changing composition of Ontario's economy and workforce, examine historical changes and projected future trends affecting Ontario, and provide recommendations to the Province for ensuring that Ontario's economy and people remain globally competitive and prosperous. The series will involve a number of Insight releases over the course of the coming months.