

TORONTO ELECTION 2010:
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Diversity Our Strength

MARTIN
Prosperity*Institute*

 Cities Centre
UNIVERSITY OF TORONTO

DIVERSITY OUR STRENGTH

BUILDING AN IDENTITY

On July 30th, the New York Times reported that Columbus, Ohio was suffering from a marketing problem. Or rather, a lack of marketability: “past branding efforts like ‘Discover Columbus’ and ‘Surprise, it’s Columbus’ have failed to lure tourists to the city.” The article highlights the fact that only a handful of prominent American cities can boast a tagline that is well suited to the area—think of “The Big Apple” (New York) or “What happens here, stays here” (Las Vegas). These adages simultaneously describe and promote the personality of places in a way that is appropriate, attractive, and memorable. Formulating such sentiments is no easy task, but the market rewards of truly effective city branding can be enormous.

Canadian cities are a slightly different story in that they rely less on marketing to differentiate themselves. However, this is not the case in Toronto. On the contrary, the city has an appropriate, well-established, and pride-inducing proverb: *Diversity Our Strength*. In 1998, when the City of Toronto amalgamated, it adopted this simple three-word motto. Concurrently connoting equity, respect, harmony, and prosperity, the phrase transforms the city’s most defining characteristic into what is internationally recognized as Toronto’s unique selling point.

WHAT IS DIVERSITY?

But if it truly is a regional asset for Toronto, then what does ‘diversity’ mean? How can we measure it? And why is it a—if not *the*—strength of Toronto? An initial challenge in answering these questions is that ‘diversity’ is not really a singular ‘thing’ as much as it is a descriptive mechanism. For instance, diversity exists in a variety of forms: population diversity, ethnic diversity, socioeconomic diversity, and so on. But on its own, ‘diversity’ is simply “the state or fact of being diverse.”

Still, diversity is seen as implicitly good; it is varied, inclusive, tolerant, and welcoming. Given that Toronto and its citizens boast so frequently of the city’s diversity, it stands to reason that diversity should be appropriately measured, maintained, and encouraged by government officials and firms alike. Branding Toronto as diverse—in a number of different ways—is only a city strength if it can be articulated, protected, enhanced, and promoted. Though *diversity* is often used as an adjective to describe a population comprised of various ethnicities, religions, and races, there exist other forms of diversity that extend beyond this characterization. With this tension in mind, this discussion paper will focus its attention on three key forms of diversity: economic, neighbourhood, and population.

WHY DIVERSITY IS A STRENGTH

Though their impacts are felt across the city as a whole, each dimension of diversity described in this paper—economic, neighbourhood, and population—operates at a different scale—macro, meso, and micro (respectively).

1. Economic industrial diversity

Economic industrial diversity is often linked to the stability and growth potential of economies. It is typically examined at the macro level embodied by the industries. The key to capitalizing on industrial diversity is encouraging collaborative linkages, knowledge flows, and spill-acrosses between distinct yet complimentary industries. In Toronto, the city’s robust creative sector, which includes, for example, businesses related to music, film, media, fashion, design, and television, is primed to exploit the potential of these types of spill-acrosses.

In 2003, researchers Beckstead and Brown compared Toronto to other Canadian metropolitan areas and found Toronto to be the second-most economically diverse after Montreal between 1992 and 2002, as measured by number of industries and employment structure.

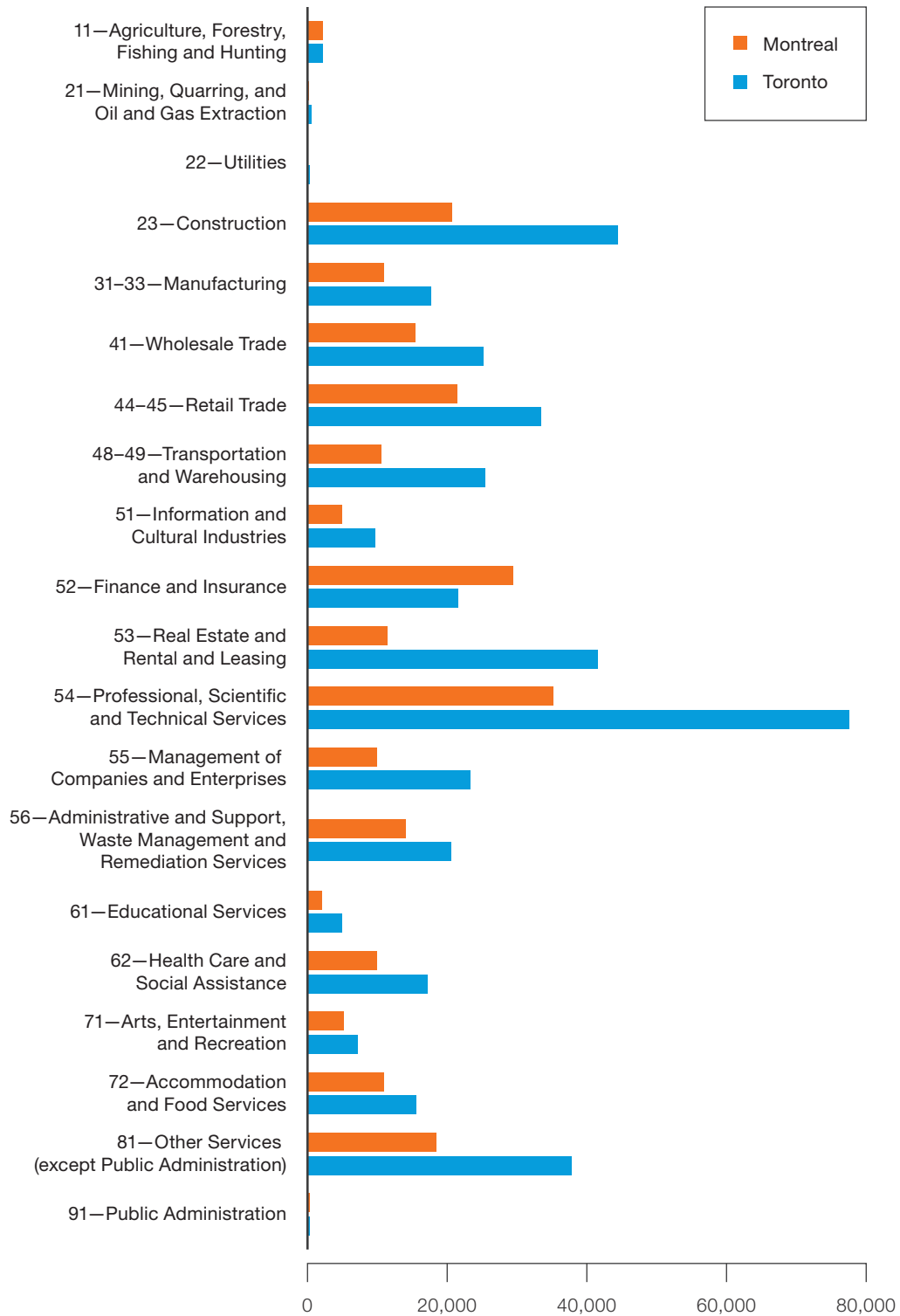
Diversity across Canadian cities (2002)

Exhibit 1

City	Rank
Montreal	1
Toronto	2
Winnipeg	3
Vancouver	4
Kitchener	5
Hamilton	6
Quebec City	7
Edmonton	8
London	9
Halifax	10
Calgary	11
St. Catharines-Niagara	12
Victoria	13
Ottawa-Hull	14
Windsor	15
Oshawa	16

Source: Adapted from Beckstead and Brown (2003)

Another, more recent analysis of economic diversity revealed that the top five industries in Toronto as a share of regional employment were: manufacturing; retail trade; professional, scientific and technical services; health care and social assistance; and finance and insurance. In comparison to the employment structures of other Canadian cities in 2006, Toronto is more specialized in several industries, including 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.



Source: Canadian Business Patterns (2009) June 2009 Establishment Counts by CA/CMA, Sectors & Employment Size Ranges, File name: cmanaic2_est.ivt

2. Neighbourhood diversity

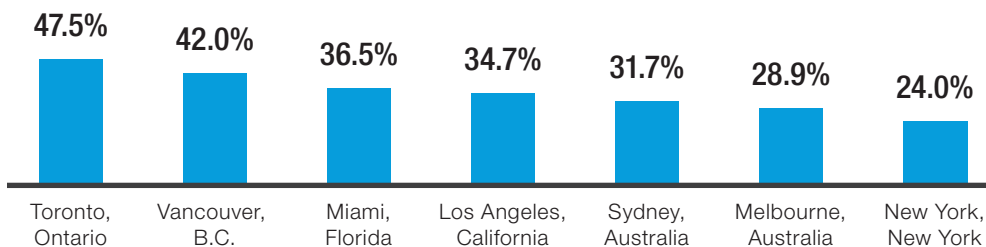
Neighbourhood diversity is examined at the meso-level in the context of land-use and planning, and also in the ways in which Toronto’s businesses, industries, and people interact with each other. Jane Jacobs (1961) was the first to highlight the important role diversity plays in creating successful settings. In particular, she pointed to the importance of diversity in bringing life to a community during all hours of the day. In other words, neighbourhoods that become desolate places in the evenings or during the day are not only inefficient, but have detrimental impacts on community cohesiveness and prosperity. Diverse neighbourhoods promote social inclusion by helping to bring together people from different socioeconomic and ethnic backgrounds. A mixed-use neighbourhood can help reduce crime by increasing the round-the-clock activity within a community. It provides a range of residential and commercial amenities that help promote and sustain a local economy and reduce environmental impacts by decreasing vehicle dependence. In addition, artistic and gay areas – as homes to traditionally excluded populations – tend to be more meritocratic, more tolerant of risk, and more open-minded than other places.

3 Population diversity

Population diversity is examined at the micro level through an analysis of the individual workers and citizens who constitute Toronto’s neighbourhoods and industries. Toronto has one of the country’s most diverse populations, with a large proportion of immigrants, of visible minorities, and a large number of different ethnicities. Of the 223 ethnic origins identified in the Canadian Census, Toronto is home to individuals from across 216 ethnicities. Home to a wide range of ethnicities compared to the national average, Toronto also has out-sized shares of eastern and southern Europeans, Caribbeans, Africans, and Asians. In addition, Toronto has a large visible minority population; approximately 41 percent of its population is captured by the Statistics Canada definition of “persons, other than Aboriginal peoples, who are non-Caucasian in race or non-white in colour” – a proportion much higher than the Canadian average of 15.3 percent. South Asians and Chinese comprise the largest visible minority groups in Toronto – 54 percent of all visible minorities, or 22 percent of the total population. After the two largest groups, blacks, Filipinos and Latin Americans are the next biggest minority groups in Toronto. Together, they make up 83 percent of Toronto’s visible minority population.

Immigrant population in major immigrant-receiving cities, 2006

Exhibit 3



Source: Chui, Tran and Maheux. 2007. Immigration in Canada: A Portrait of the Immigrant Population, 2006 Census.

HOW TO STRENGTHEN DIVERSITY?

This mayoral brief has highlighted that there are several important types of diversity. Understanding each in better detail allows for a deeper appreciation of the benefits of each form of diversity to Toronto. All these types of diversity contribute to the ability of cities to attract, retain, and harness the skills and creativity of talented individuals.

Diverse places are more stable and better equipped to weather market volatility and macro-economic shocks than highly specialized and single industry counterparts. A growing body of academic literature argues that industrially diverse places are more dynamic and more likely to produce synergies, innovation, and economic prosperity. Neighbourhood diversity is beneficial because it can facilitate positive, constructive interactions between individuals and build trust among community members. Diversity is an important source of knowledge spillovers (the transfer of new ideas and practices from one sector to another). And places with high degrees of diversity encourage ideas to travel more frequently between different types of networks, where they are more likely to be adopted. In line with these dynamics, cities that promote diversity and tolerance also tend to become places that are more creative and open to new ideas from different perspectives. This environment, in turn, makes cities attractive for individuals and businesses involved in the creation of new ideas, new products, and new services.

POLICY IDEAS

This brief has established that economic, neighbourhood, and population diversity are all beneficial to Toronto, but the city could do a better job of capitalizing on these strengths to generate greater benefits. The following ideas are some potential policy responses.

1. Industrial—Develop synergies between the city’s incubators by encouraging linkages while also creating ‘convergence centers’

An *incubator* is a registered, stand-alone, not-for-profit organization run by a volunteer board of directors that fosters growth in a specific sector or area. While the City of Toronto currently boasts a small collection of incubators including the Toronto Business Development Centre, the Toronto Fashion Incubator and the Toronto Food Business Incubator, simply creating these incubators is an incomplete strategy for fully realizing and capitalizing on Toronto’s rich industrial diversity. The geographic segregation of these incubators hinders the potential for positive spill-acrosses. Two actions could alleviate this: the first is to improve communication between related incubators by consciously facilitating collaborative events. The second is to encourage spill-acrosses and synergies by locating the incubators in close proximity. As it stands, for example, Toronto’s world-leading fashion incubator occupies a remote and isolated location on the grounds of Exhibition Place. Alleviating this segregation via improved connectivity would be one step toward better linking different industries and ideas. These important connections must be fostered throughout the City of Toronto and should not be limited to incubators. Rather, the broad mandate of connecting potentially complementary industries, groups and individuals should be a strong focus across all policy areas. Toronto boasts a rich and diverse mix of talent, but further linkages must be fostered in order to fully harness its potential.

2. Population—Expand the Immigration & Settlement Portal by incorporating a mentoring component

The City of Toronto’s Immigration & Settlement portal is an excellent tool that serves a vital connectivity function for new immigrants learning to navigate and integrate into Toronto. In order to build on the success of this program, the addition of a more general volunteer mentoring component—distinct from the professional-to-professional program—could facilitate new connections between well-established Torontonians and recent immigrants. The program would seek to capture those who can or do not participate in the professional-to-professional program because they are either too young or lack professional degrees. Such a voluntary program would provide additional support and informal friendship, and would only require the time and interest of community members truly committed to helping mentor new immigrants. The program could be peer-oriented, matching new immigrant youth with young leaders of a similar age and providing a friendly mechanism for promoting integration, building networks, and forging new community-based bonds.

3. Neighbourhood—Continue and expand the practice of implementing mixed land use

Toronto could further promote mixed-use development across the city by adopting an award or certificate program that celebrates projects that excel at incorporating such principles. This would help to promote and celebrate mixed-use as a driver of diversity and encourage new developers to cultivate mixed-use thinking. The city could also provide tax breaks and other incentives to developers who incorporate mixed-use strategies in areas of the city deemed most in need. Similar tax breaks and other incentives are used in many cities across North America. One example of such an incentive-based strategy is Chicago's Grocery-Anchored Retail Loan program. The program provides developers with favourable lending conditions to encourage them to locate mixed-use developments that incorporate grocery stores in specifically targeted neighbourhoods of the city.

SOME KEY QUESTIONS

In the upcoming municipal election, various issues related to diversity will undoubtedly be raised. To better understand the positions of the candidates, consider asking questions such as:

In what ways is diversity important to the city?

How can Toronto's diversity be leveraged economically?

What challenges does the city face because of its population diversity?

How can diversity be promoted and protected both within and between neighbourhoods? Also, how can mixed-use neighbourhoods be made more inclusive?

How can Toronto better harness and capitalize on Toronto's industrial diversity?

Toronto continues to attract and maintain a diverse population. What would an economically and socially better-integrated Toronto look like?

For a more in-depth version of the analysis in this paper, please see our full-length white paper, *The Importance of Diversity to the Economic and Social Prosperity of Toronto*: martinprosperity.org/media/pdfs/Toronto_election_series-Importance_of_Diversity_to_Economic_and_Social_Prosperty.pdf

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OUR TEAM

Karen King, Ph. D (Post-doctoral fellow)
Brian Hrac, Ph. D (Post-doctoral fellow)
Mark Denstedt, M.A. (Research Associate)
Vass Bednar, M.P.P. (Research Associate)

WEBSITES

martinprosperity.org
www.citiescentre.utoronto.ca

CONTACT US

Phone: (416) 673-8580
Fax: (416) 673-8599
Email: info@martinprosperity.org

Martin Prosperity Institute
Joseph L. Rotman School of Management
University of Toronto
MaRS Centre, Heritage Building
101 College Street, Suite 420
Toronto, Ontario, Canada M5G 1L7

Richard Florida, Director
Kevin Stolarick, Research Director

Design by **Michelle Hoggood.**