
Prosperity

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

Toronto - 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 is necessary, but alone is 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 approximately 5.3 million people to Peterborough's CMA with a population of approximately 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.

Results

- * The top region in both Canada and Ontario is Ottawa-Gatineau which ranks 2nd within its peer group (regions with a population between 1 and 2 million), and 17th out of a total of 374 US and Canadian city regions
- * Toronto trails places like Seattle and Boston and is sandwiched between Vancouver and Montreal (regions with a population of 2 million or more)
- * Hamilton is ranked 131st among 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 43rd on Talent, 71st on Tolerance and 70th on Technology. However, on average, Ontario city regions ranked 120th on Tolerance, 176th on Technology, but only 234th on Talent.

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 world's leading talent and educational province described in our capstone report. If Ontario is to reach the goal of 70% of the population with post secondary 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.