Montréal, Toronto and Vancouver: From Commercial Metropoli to Creative and Cultural Centres

Tom Hutton, Diane-Gabrielle Tremblay, David A. Wolfe, Trevor Barnes and Juan-Luis Klein

Presentation to the 12th Annual Meeting of the ISRN
Toronto, May 5-7, 2010
Competing Metropolitan Hubs

• Traditional dominance of Central Canada
  – Montréal commercial, financial and transportation hub
  – Proximity to New York and Boston
  – Home to largest number of corporate headquarters
  – Toronto secondary metropolis for regional economy

• Reversal of roles in the 1970s
  – Impact of nationalist politics on financial services and corporate head offices in Montréal
  – ‘Economic shadow’ effect of branch plant investments in S. Ontario economy in 1950s and 1960s

• Toronto supplants Montreal from 1970s
Divergent Industrial Pathways

• Montréal
  – Crisis of 1970s leads to strategic planning and new directions in 1980s (Saucier report)
  – Refocus on high technology industries
    • Pharmaceuticals, aerospace and ICTs
  – Increased emphasis on transition to knowledge-based economy

• Toronto
  – Growth of financial services sector
  – Gradual shift from manufacturing to knowledge-intensive services
  – Growth of the cultural-creative sector
Developmental Context: Trajectories of Urbanization & Urbanism in Vancouver, 1980s to the present

- High growth since the deep recession of the early 1980s: pressures on the land base
- Post-staples /postindustrial development trajectory
- ‘Urban transnationalism’ as defining trajectory: sustained high levels of immigration: emergence of SME economy
- Comprehensive social change: multiculturalism and rise of a ‘new middle class’ of professionals, managers, entrepreneurs – putative rise of the ‘creative class’?
- Exemplary planning and local policy models: notably in the metropolitan core
Post-corporate Vancouver

- US resource corporations leave Vancouver from the late 1970s.
- MacMillan Bloedel head office reduced from 11 floors to 1 by 1999.
- Vancouver loses 30% of head office jobs between 1999-2005.
- Conversion of head offices into condominiums.

“The Qube” formerly known as “The Westcoast Transmission Building”
Innovation in the Toronto Region

• Innovation patterns vary across sectors
  – Knowledge flows primarily intra-sectoral within autos and advanced manufacturing
  – Weak links to local research infrastructure
  – SMEs rely more on in-house R&D
  – Universities primarily contribute to local talent pool
    • Weak collaborative links with firms
  – Biomedical sector relies on inputs from related industries

• Toronto’s cultural-creative sector
  – Strong inputs from local sources
  – Strength of the local talent pool
  – Primarily oriented to serving local/national market
  – Strong infrastructure of supporting institutions
Innovation in Montréal

- Innovation is not the exclusivity of high-tech sectors, and this is recognized in Montreal.
- An innovative society requires more than just technological change; it requires a social and cultural change + **inclusive governance**.
- Few knowledge crossovers between different sectors (+ intra sector)
- Intermediate actors play an important role in innovation processes flows and knowledge
Factors and Forces Shaping Vancouver’s Development

• Markets: commodity markets, capital, and property markets have shaped Vancouver’s industrial structure, employment, and urban landscapes

• Global economic forces and industrial restructuring (including deep recessions as well as structural change)

• Social forces: coalitions, communities, leaders, business interests – influential since the 1960s

• Role of the state: institutions and agencies active players in shaping Vancouver’s development in the postwar period: indirectly in resource boom of 1950s-1970s; increasingly important 1980s and after
Role of Talent & Creativity

- Montréal
  - Ranks high in terms of creatives & bohemians
  - Extends to scientific and technical workers
  - Attracted by employment & educational opportunities
  - Limited impact of amenities and quality of place
  - Intersection of creative/cultural & design-intensive sectors

- Toronto
  - Similar pattern to Montréal
  - Growth of cultural/creative clusters
  - Cross-fertilization of fashion/design/theatre/dance & publishing
Talent & Creativity in Toronto

- Toronto’s quality of place helps attract, retain talent, but availability of economic opportunity is possibly more important
  - especially during economic downturn
- Character of the city most critical as talent attractor in sectors like architecture, where workers are drawn to the ‘ghetto’
  - but even in this case, availability of cutting-edge employment opportunities seems to be as important as amenities, quality-of-place considerations
- Fashion: relies on talent attracted from elsewhere, but some (esp international immigrants) are attracted by factors unrelated to the local industry
  - Once here, diverse cultural economy helps retain talent
Montreal and talent

• Montréal: « Small » big city (Rantisi)
  – Ranks high in terms of creatives and bohemians
    • Extends to scientific and technical workers
  – Attracted by employment & educational opportunities
    (Tremblay and Darchen, 2009,2010)
    • Limited impact of amenities and quality of place

• Montreal ranks above Canadian average with regards to percentage of creative, artistic (‘bohemian’) and technical workers
  – However, limited ‘markets’ may represent a constraint

• Good for incubating cultural and artistic activities, but more difficult for market
Vancouver: new industry formation & the reconstruction of the metropolitan core

- Seminal influence of the Central Area Plan (1991): reordering space in the central city to privilege housing, but allowing scope for New Economy and cultural industries on the CBD Fringe and inner city

- Coincident emergence of new production spaces in the CBD fringe and inner city districts: generation of a new ‘space-economy’ of specialized production in the urban core

- Recasting of Vancouver’s inner city as example of ‘territorial innovation system’ (Morgan 2004)
Yaelewn as exemplar of ‘territorial innovation system’ (after Kevin Morgan 2004)
Distribution of firms, selected industries and ‘reterritorialization’, for Yaletown
Montreal and governance

- Montreal in a reconversion process, based on inclusive governance: many social actors involved in economic development (CEDC, social economy organizations, associations, unions, etc.)
- They espouse the Montreal cause globally
- Provincial level actors also intervene at the metropolitain level
- Cluster strategy is more sector-oriented, but some intermediate organizations go beyond
Governance and inclusiveness

• Our hypothesis is that in Montreal, the actors from civil society play a central role in the governance regime which is still in construction (Klein and Tremblay)
• They contribute to giving this regime a more inclusive character (all is not perfect, inclusion is not perfectly assured, but there is a strong preoccupation for inclusion)
• We need an inclusive governance on the social and territorial dimensions
• There is a culture of concertation which must be respected; it is sometimes questioned by some actors, but generally respected
Particularities in Strategic Governance

- Highly networked nature of Montréal economy
  - Role of CDEC’s, trade unions and social actors
    - Promotes integration from neighbourhood through city to regional level
  - Role of strategic planning
    - CMM Cluster Strategy
  - Impact of multilevel governance
    - Involvement of federal development agency and provincial ministries in economic development efforts
  - Integration of cultural, social and economic development agencies
Strategic Governance in Toronto

• Weak integration of key actors in Toronto
  – Absence of regional governance structure
  – Civic associations exist at city level, but do not extend to city-region level
  – Competition between political and civic organizations
  – Growing integration of social, cultural and economic agenda’s
  – Low degree of multilevel governance
    • Little coordination of economic development or cluster strategies between city, province & feds
  – Absence of regional development agency
    • FedDev new and untested
    • Primarily funded with existing federal allocations
Role of Multilevel Governance in Vancouver’s Development

- Expansion of multilevel governance associated with:
  - Growing complexity of policy issues: ‘stretch’ the policy capacity of (especially) local government
  - Multiscalar nature of development processes: global-local interactions require policy innovation
  - Expanding importance of cities in the national life
  - Need to combine resources (financial, regulatory etc.) of two or more levels of government
  - Opportunity to bring in social forces and other NGOs/CBOs
Montréal : Present challenges

- Need to find an equilibrium between the metropolitan vision and the participation at the community (districts) level
- Need to bring actors together, but not to impose structures
- There are too many structures without links between them
- Universities appear to be relatively absent from the process of construction of a metropolitan governance and should probably be more involved
- Governmental bodies have difficulty defining themselves vs Montréal and work in silos
- Convergence exists between persons who share a vision of development, who have the Montreal metropolis as their scheme of reference (identity) and who transcend the limits of their organization
Toronto: Current State

• Some successes
  – Growing cognitive-cultural economy, including finance & business services
  – Dense network of civic associations
    • But challenge of working across wide array of social, cultural and economic sectors – and
  – Some evidence of multilevel governance across jurisdictional scales,
  – Progressive economic development strategy at urban level

• Strong limitations
  – Lingering effects of neo-liberal amalgamation agenda
  – Competition between associational initiatives and civic government led ones
  – Limited cooperation across provincial and municipal government
    • New City of Toronto Act
  – But where are is the federal government?
    • Is FedDev the Answer?
Rebranding Vancouver: from ‘ecotopian village’ to ‘transnational metropolis’

- Vancouver embedded as ‘city in nature’ – subsumed history as First Nations settlement; urban centre of ‘Cascadia’, settlement within Joel Garreau’s ‘Ecotopia’, history of resource processing, ‘metropole’ for vast resource hinterland in the postwar era
- How much of this imagery is left? Post-staples development, industrial restructuring, international immigration, Vancouver as ‘Cosmopolis’
- Winning the bid for the 2010 Olympics an amalgam of nature and culture: Multi-Level Government project interviewee:
  
  “we sort of went with the beautiful BC theme, sort of Bryan Adams tugging at our hearts with songs . . . something like that”