Ontario in the Creative Age

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MARTIN Prosperity Institute

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Brief Overview

1. Project Background
2. Report Highlights
3. Benchmarking Ontario
4. And Its Regions
5. Q&A

Ontario Government asked Roger Martin and Richard Florida to…

- **Undertake a study of the changing composition of Ontario's economy and workforce**

- **Examine historical changes and projected future trends affecting Ontario**

- **Provide recommendations to the Province on how to ensure Ontario's economy and people remain globally competitive and prosperous**

Ontario Budget, March 2008

This Work Was Completed by....

Andrea Baldwin, Creativity, Social Benefit and Job Creation: The Potential for Social Entrepreneurship in Ontario

Allison Bramwell, Ontario Community Colleges in the Creative Age: Bohemians, Bioinformatics, and the Built Environment

Rick DiFrancesco, Specification and Evaluation of Alternate Projections of the Magnitude and Structure of the Ontario Economy to 2020

Betsy Donald, From Kraft to Craft: Innovation and Creativity in Ontario's Food Economy

Betsy Donald, Heather Hall, Innovation and Creativity on the Periphery: Challenges and Opportunities in Northern Ontario

Richard Florida, Charlotta Mellander, Kevin Stolarick, Into the Black Box of Regional Development: Case Canada

Azmi Haq, Ontario's South Asian Transnationals: Unlocking the Potential of an Untapped Resource

Brian Hracs, Building Ontario's Music Economies

Chris Kennedy, Bryan Karney, Eric Miller, Marianne Hatzopoulou, Infrastructure and the Economy: Future Directions for Ontario

Karen King, Immigration and Education and Skills in Canada

Stewart Melanson, Learning from the Past, a Historical Perspective – Volume 1: The Automotive Industry and Economic Development in Ontario (1904 to the Present)

Stewart Melanson, Learning from the Past, a Historical Perspective – Volume 2: Learning from the Past: The Rise of Toronto as a Financial Centre

Carla Sedini, Evaluating Higher-Education Excellence Using the 3Ts – Creation and Attraction of Technology, Talent and Tolerance by Ontario Colleges and Universities

David Wolfe and Jen Nelles, Strategic Management of Urban Economies and the Scope for Intermunicipal Cooperation: Alternative Approaches to Local and Regional Development

Tara Vinodrai, The Place of Design: Exploring Ontario's Design Economy

Amy Cervenan, Sana Nisar, Yousuf Haque, Service Class Prosperity in Ontario

Richard Florida, Kevin Stolarick, Kathrine Richardson, Microsoft Canada – A Case Study of the New Development Centre in Richmond, BC

Karen King, Charlotta Mellander, Kevin Stolarick, What You Do, Not Who You Work For: A Comparison of the Occupational and Industry Structures of Canada, the United States, and Sweden

Scott Pennington, The Opportunity for Entrepreneurship in Ontario

Anil Verma, Low Wage Service Workers: A Profile

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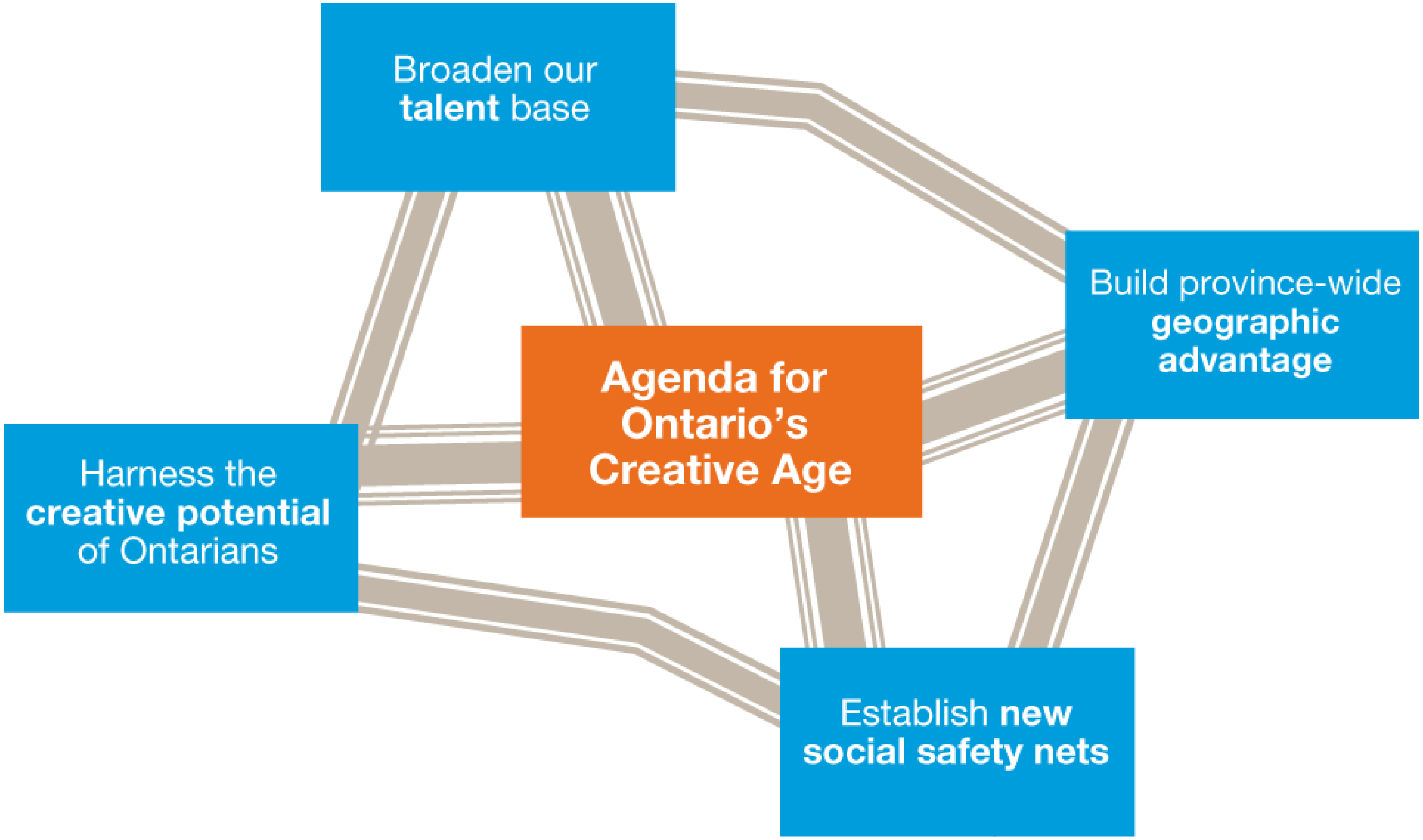
Ontario's distinctive advantage can be created through actions on four fronts



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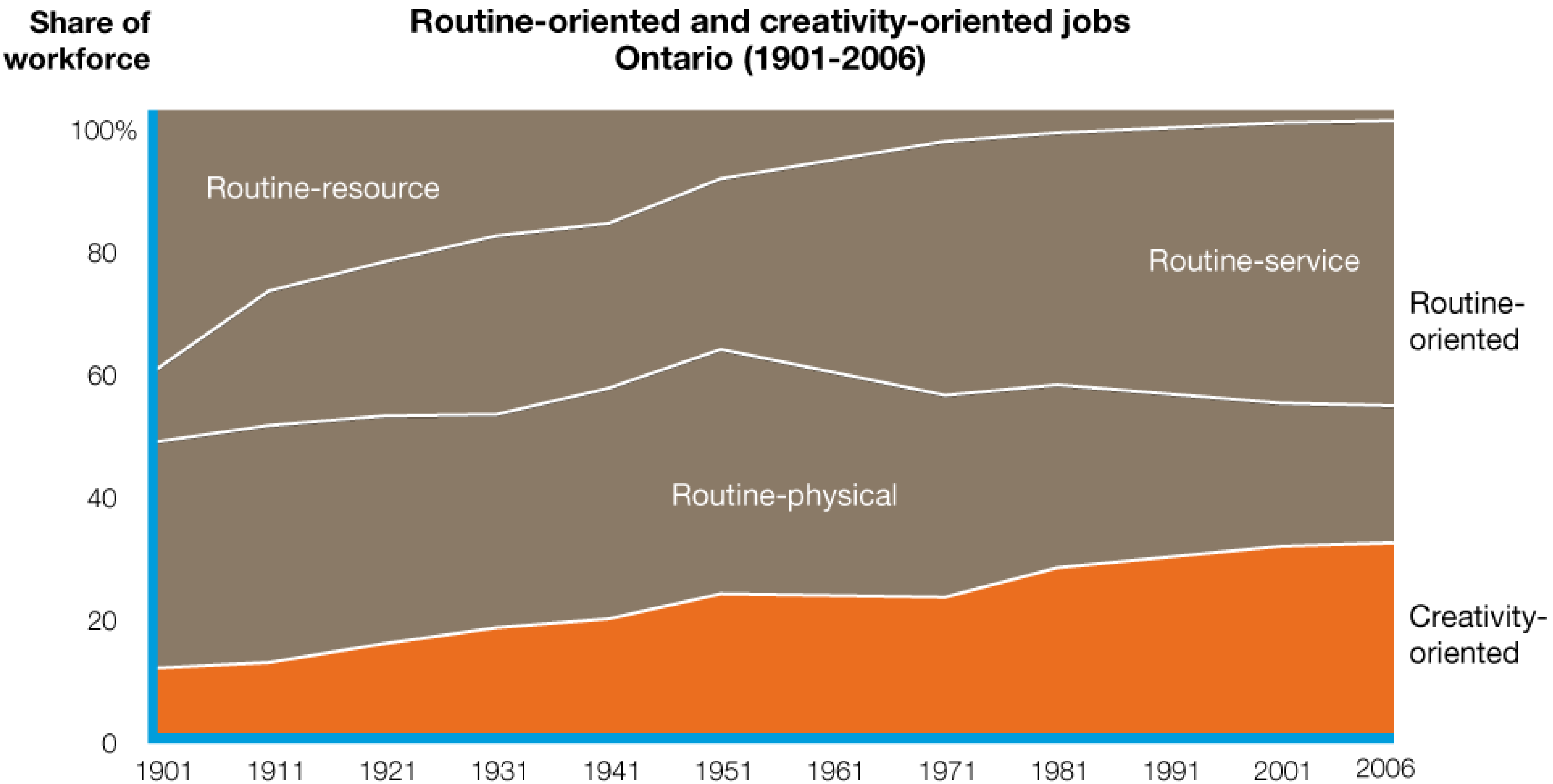
Share of creativity-oriented jobs is increasing



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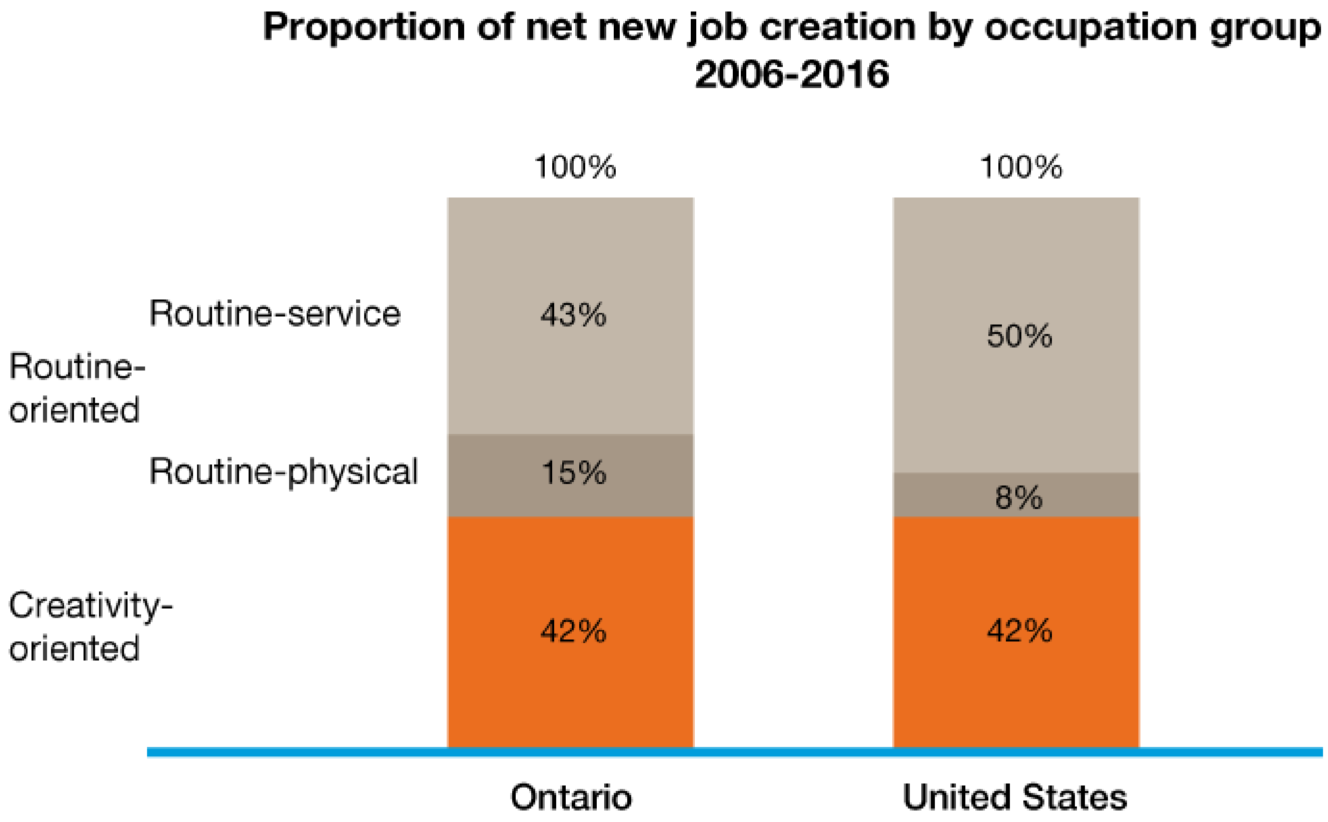
New jobs will be in creativity-oriented and routine-oriented service occupations



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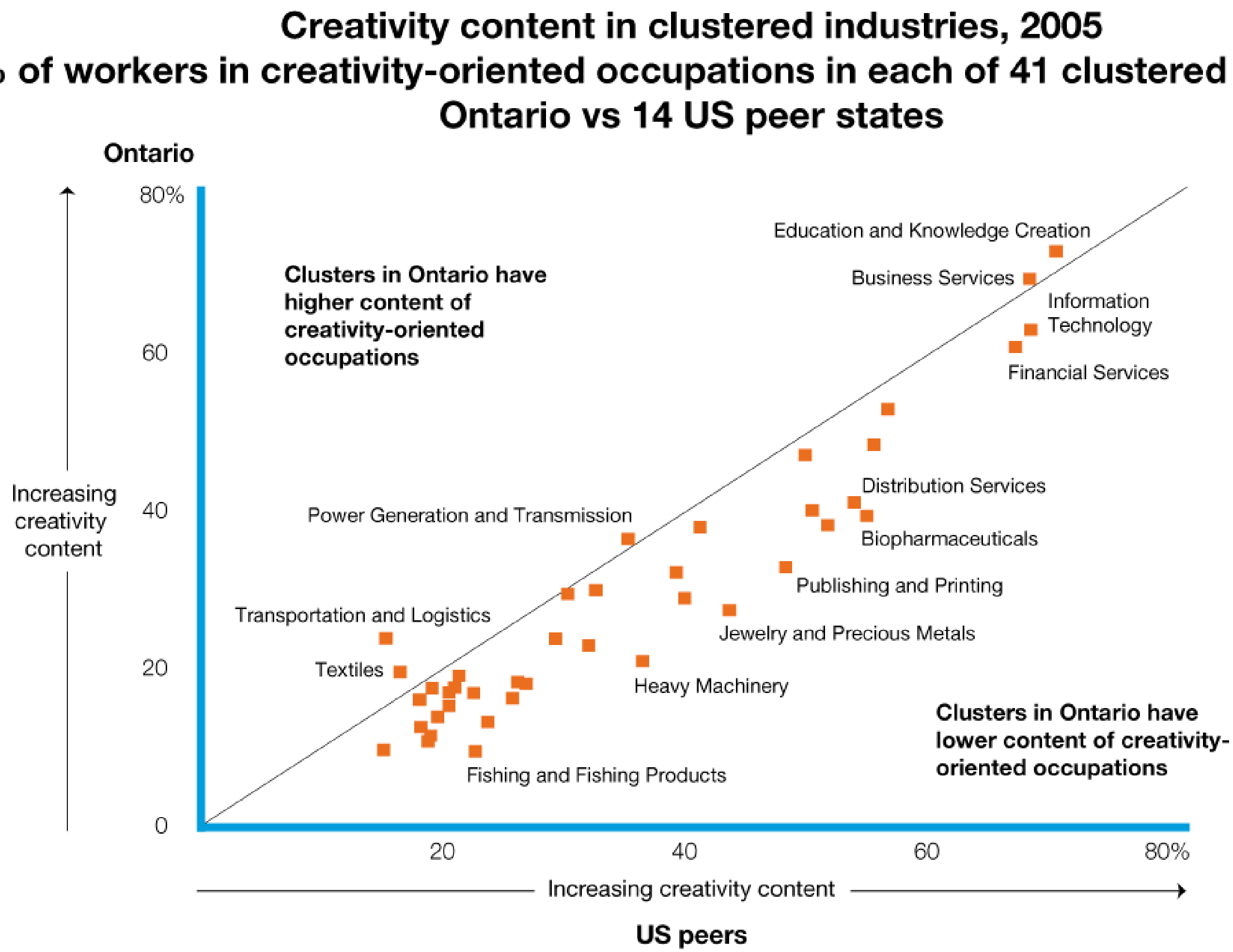
Ontario has less creative content than US peers in 36 of 41 clustered industries



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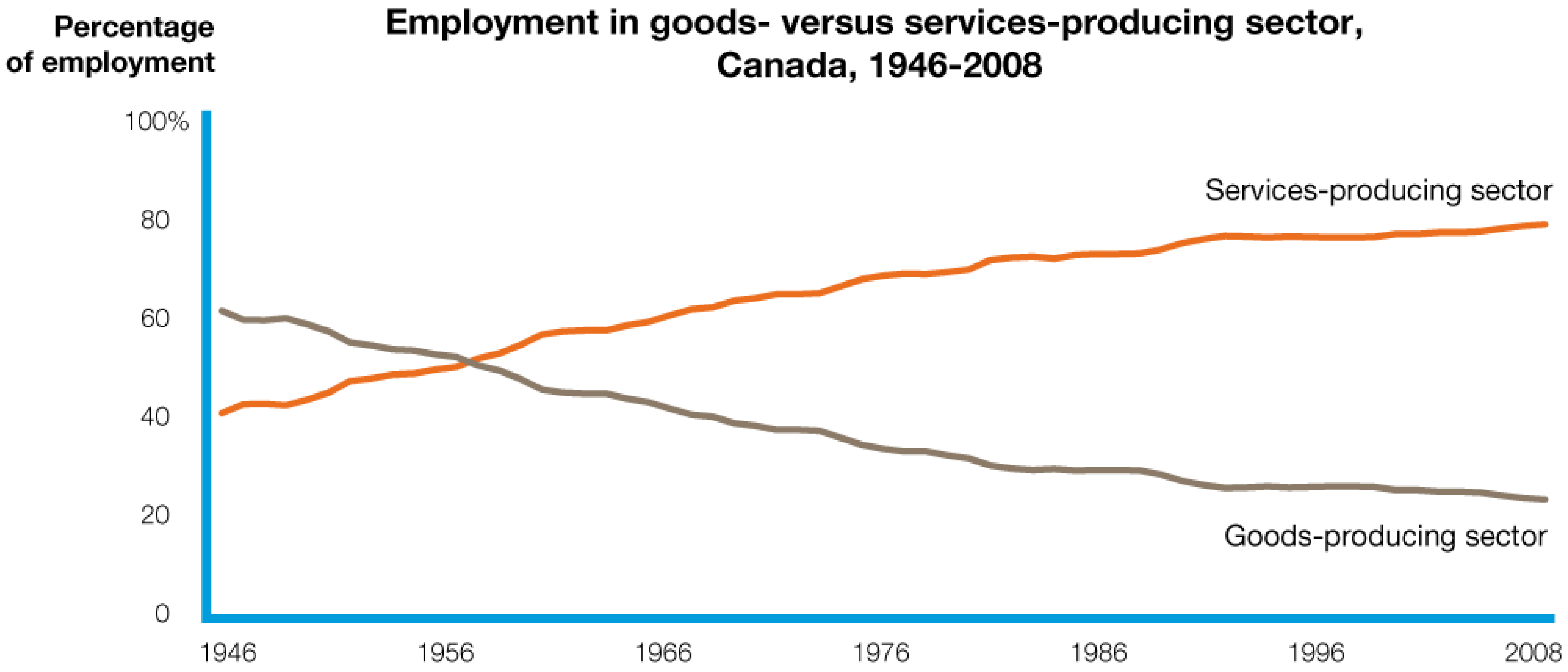
Nearly 80 percent of jobs in Canada are in services industries



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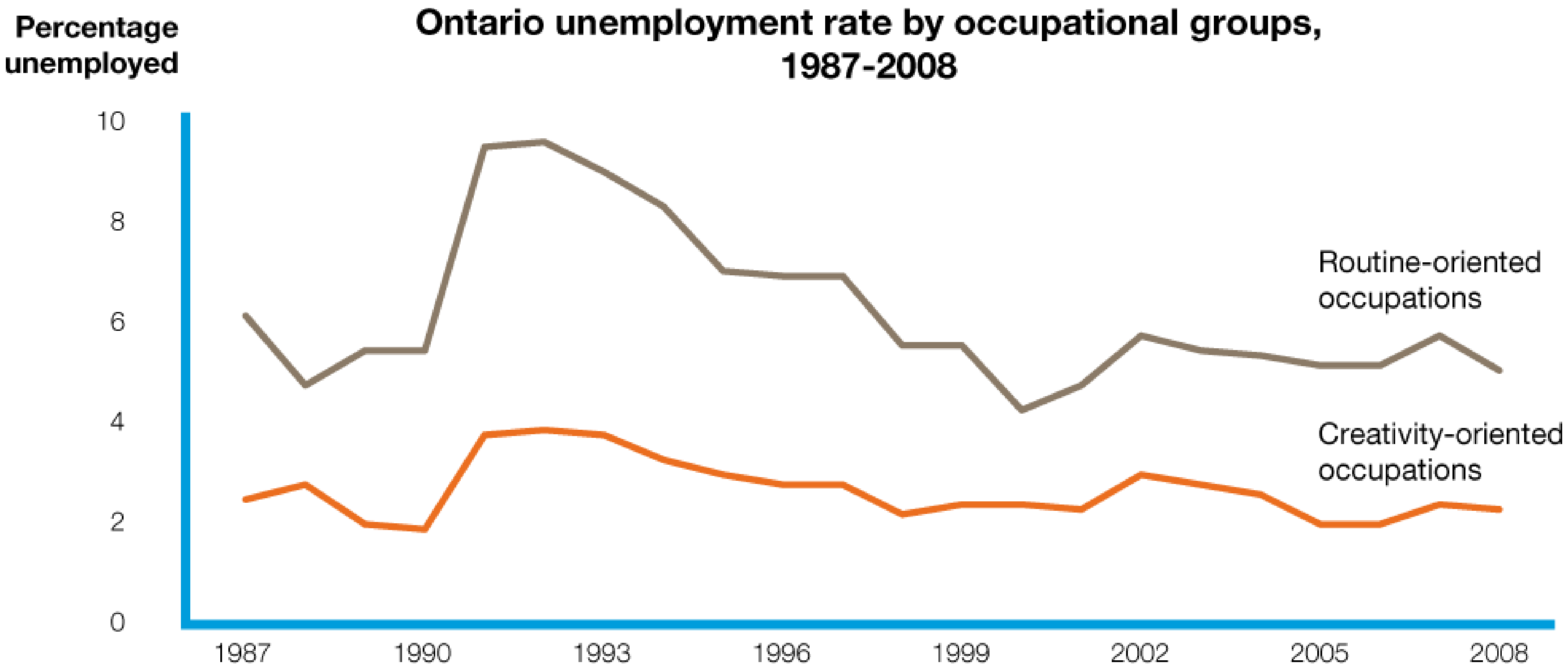
Unemployment is higher in routine-oriented occupations especially in early 90s recession



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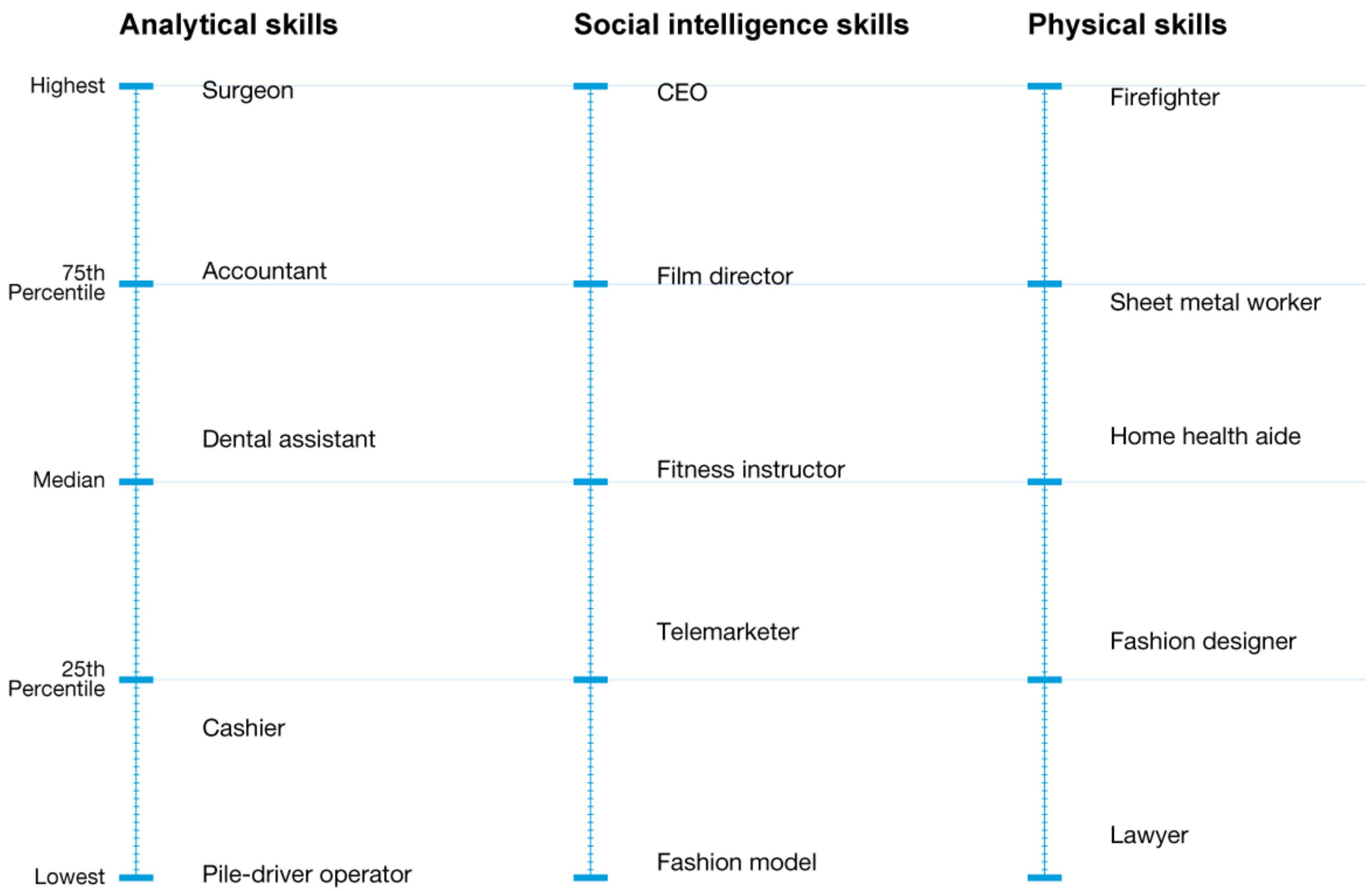
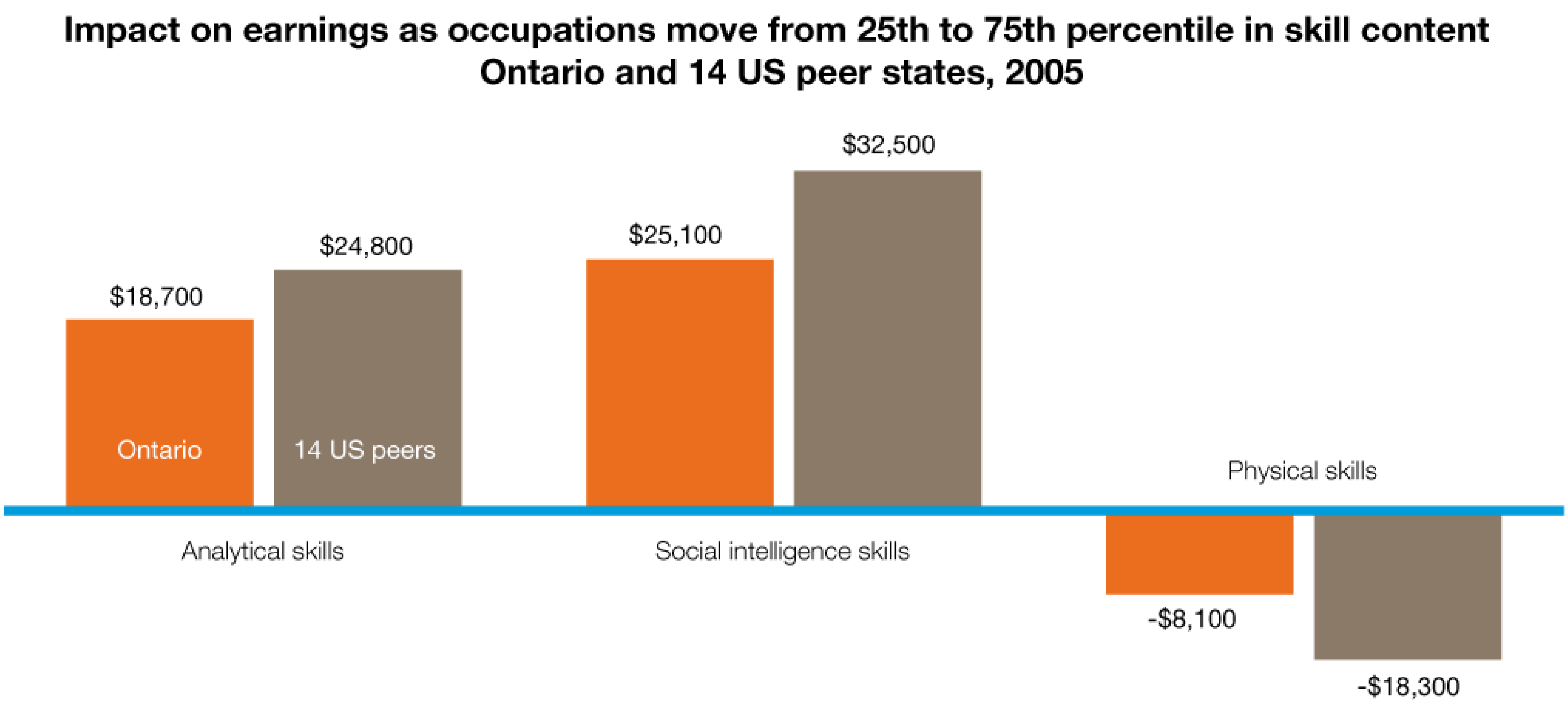
Workers draw on three sets of skills



Ontario under values increases in analytical and social intelligence skills



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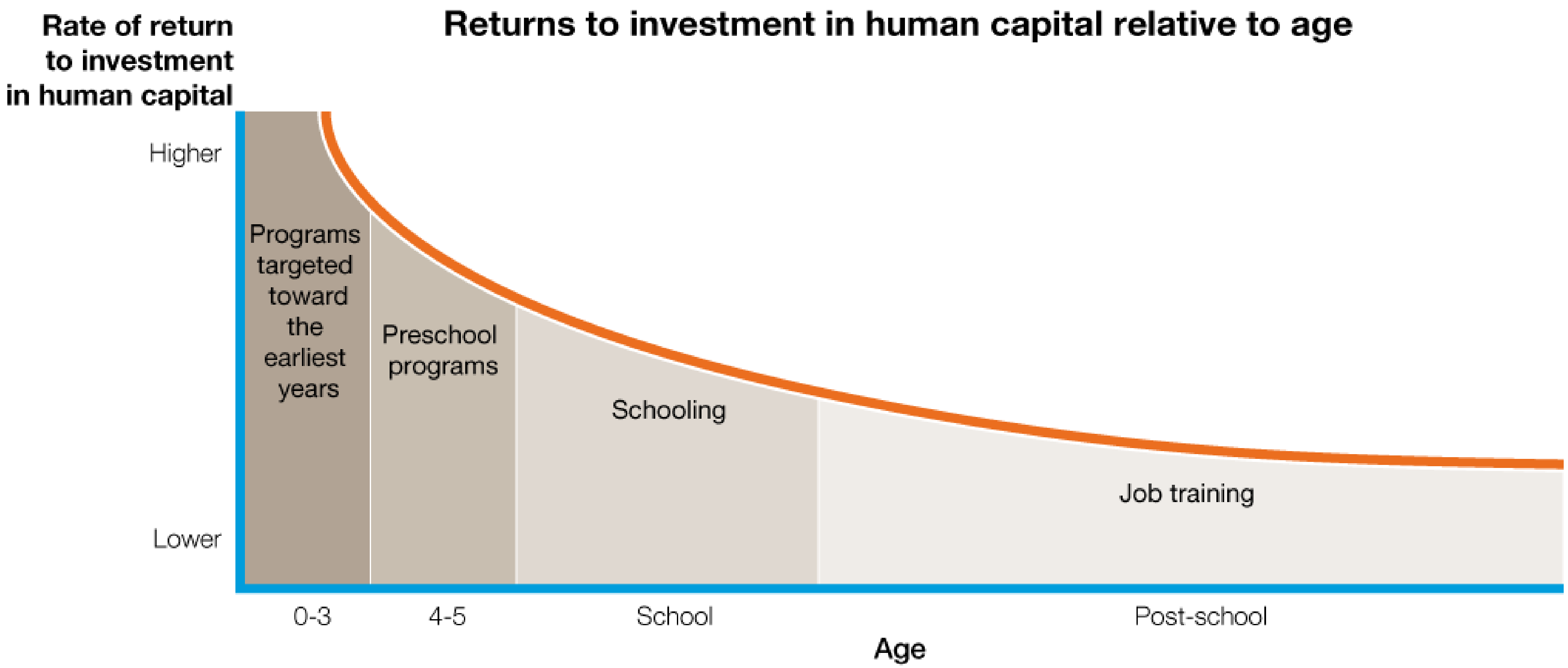
Returns to investment are highest for early childhood development



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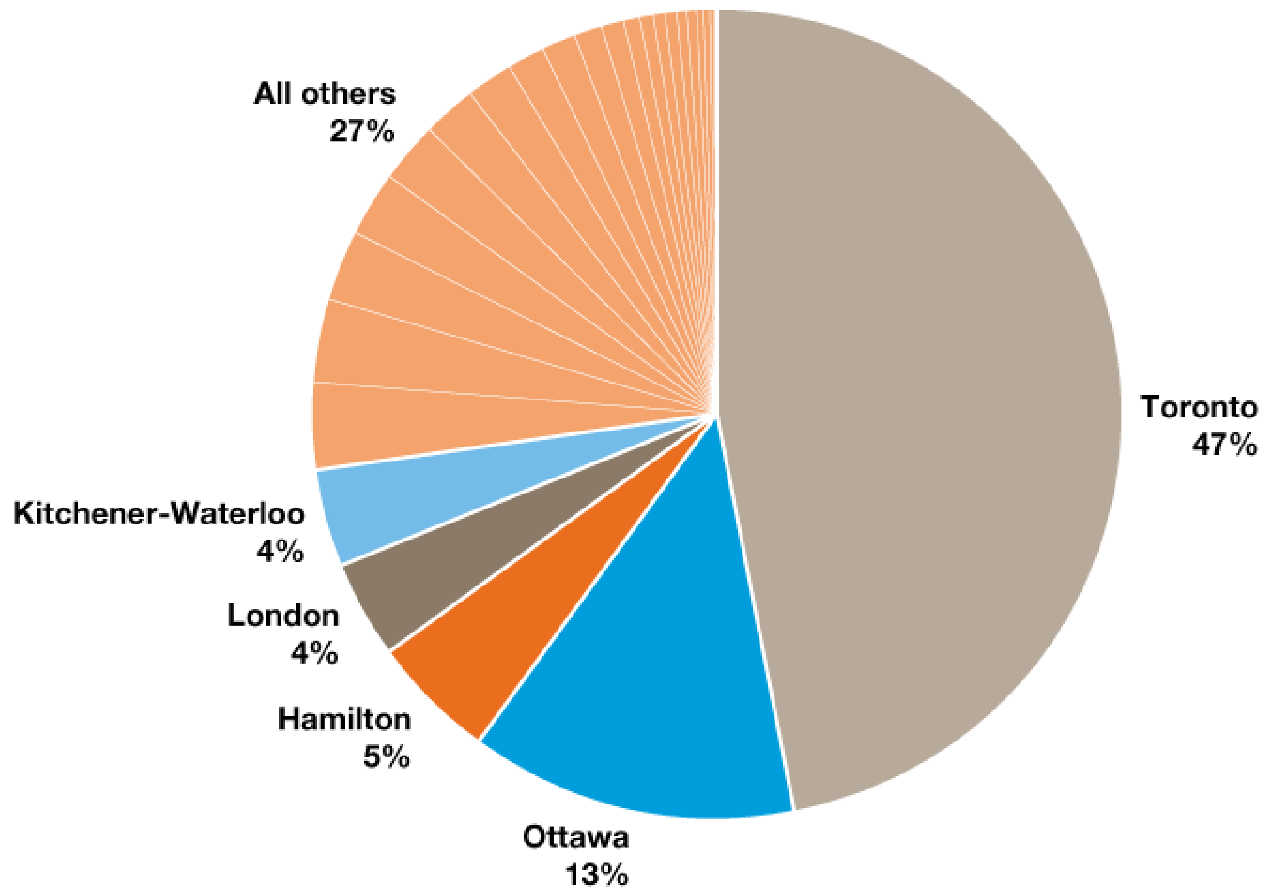
Workers in creativity-oriented occupations are concentrated in small number of city regions

Proportion of Ontario's creativity-oriented occupations in city regions



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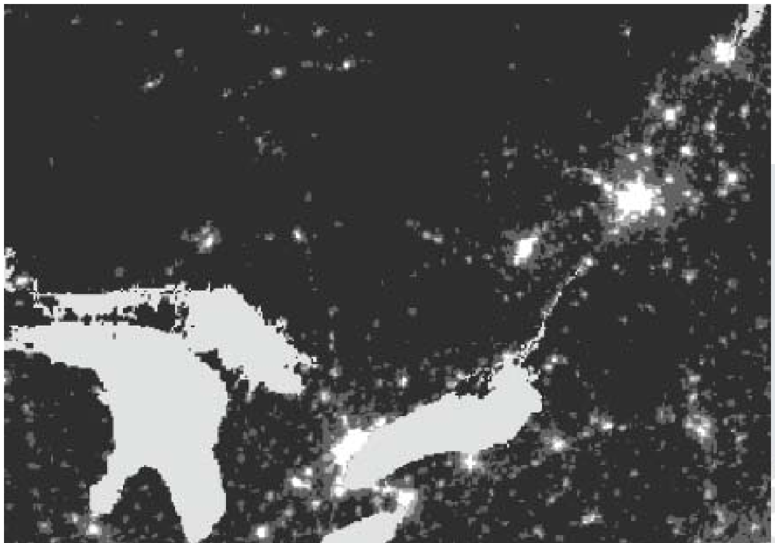
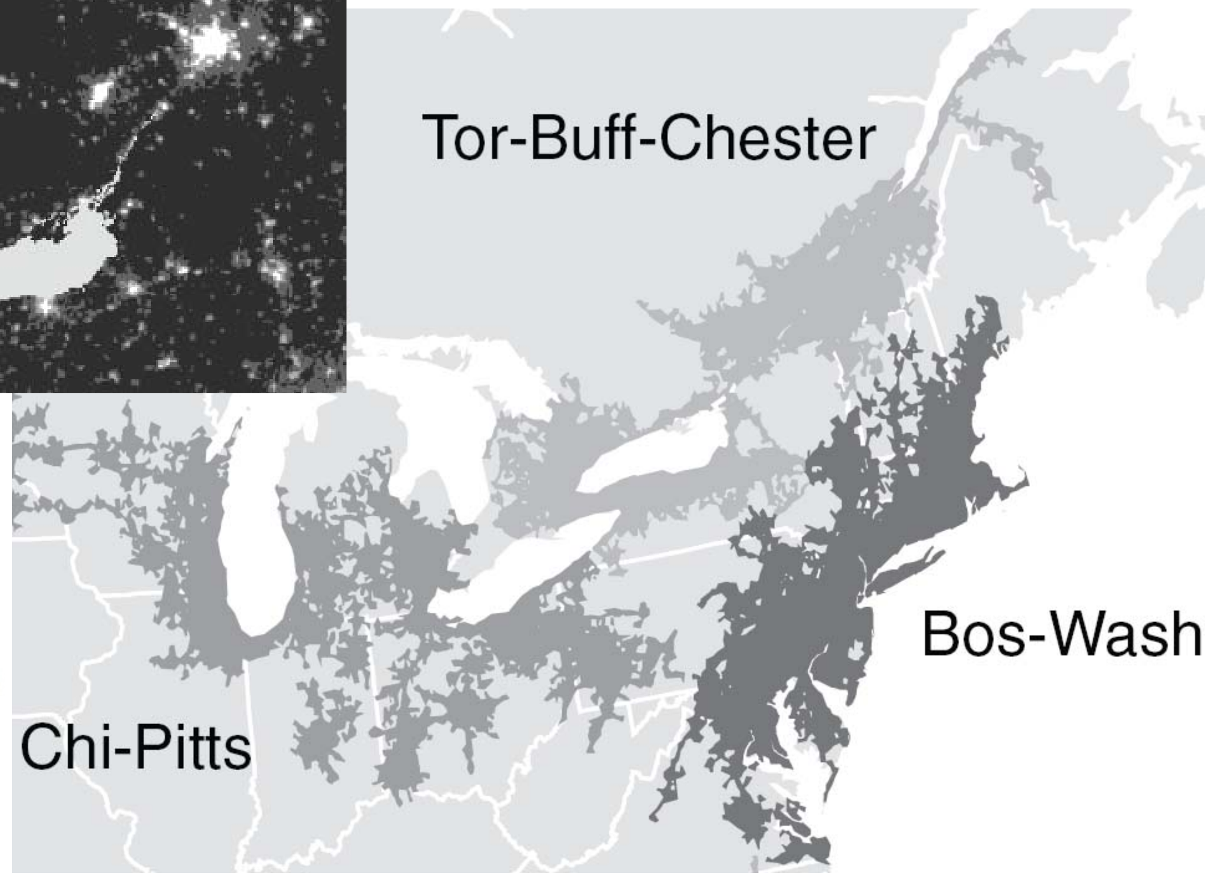
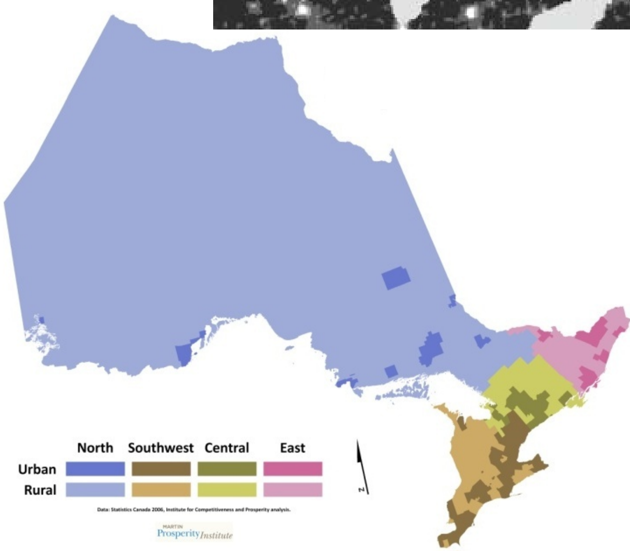
Harness the potential of the mega-region and connect the disconnected parts of Ontario







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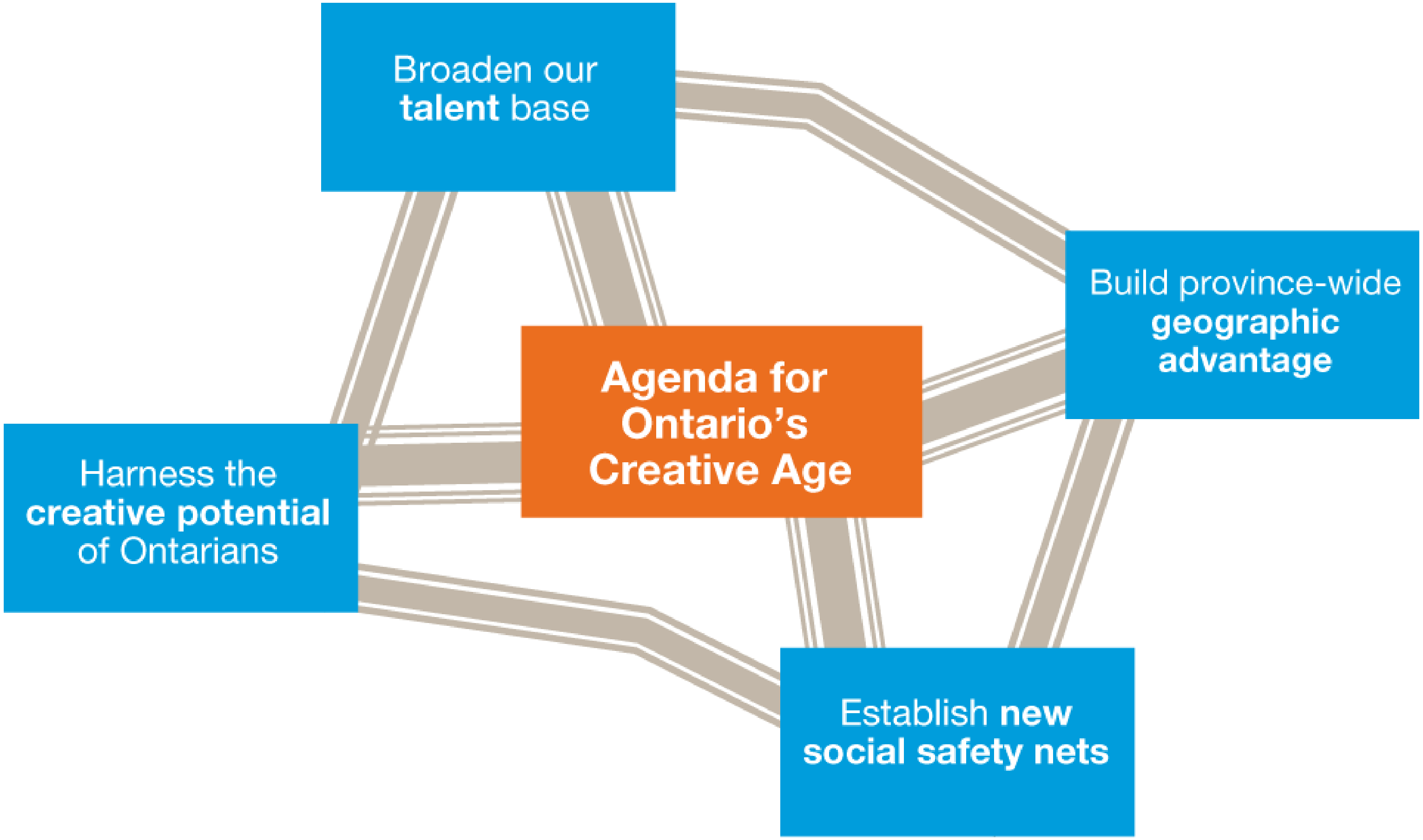
Ontario's distinctive advantage can be created through actions on four fronts



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Benchmarking Ontario (and its Regions)

Summary Statistics
Total Population, 2006
GDP (CAD millions) 2006
Median Age, 2006
Overall Cost of Living Index

Overall Performance
Population Growth (00-05)
Job Growth (00-05)
GDP per capita, 2006
Change in Average Wage (00-05)
Creativity Index

Technology
Total Patents, 2005
Patents per 10,000, 2005
Patent Growth, Short Term (00-05)
North American High Tech LQ, 2006
North American Tech Pole Index

Talent
Creative Class as % of Workforce, 2006
Super Creative Core as % of Workforce, 2006
Pop > 25, Above High School below BA, 2006
Talent Index (Pop > 25, BA and above), 2006
Pop > 25, Graduate and/or Professional Degree, 2006
Brain Drain/Gain Index, 2006

Tolerance
Visible Minorities (% Pop), 2006
Mosaic Index (% Pop), 2006
Gay and Lesbian Index, 2006
Bohemian Index, 2006
Integration Index, 2006

Territorial Assets
Social and Cultural Assets
Arts and Cultural Establishments per 10,000, 2006
Resturants and Bars per 1,000, 2006
Student/Teacher Ratio, 2006
Doctor's per 1,000, 2006
Civic Assets
Federal Voter Turnout (%), 2004/2006
Violent and Property Crime per Capita, 2006
Housing and Transportation Assets
Population Density (KM2), 2006
Median Housing Value to Income Ratio, 2005
Drivers per Other Modes, 2006

BRITISH COLUMBIA
ALBERTA
ONTARIO
QUEBEC
Vancouver
Victoria
Kelowna
Calgary
Mount Vernon
Seattle
WASHINGTON
Spokane
Thunder Bay
Montréal
Québec City
Trois-Rivières
Sherbrooke
Sudbury
Peterborough
Ottawa - Gatineau
Hamilton
St. Catharines - Niagara
Kingston
Guelph
Toronto
Barrie
NEW YORK
Boston
Kitchener
MICHIGAN
Oshawa
Syracuse
Springfield
MASSACHUSETTS
Lansing
Detroit
Buffalo
Brantford
Grand Rapids
London
Scranton
Battle Creek
Windsor
State College
New York
Chicago
Ann Arbor
Akron
Reading
OHIO
PENNSYLVANIA
NEW JERSEY
Peoria
Fort Wayne
Canton
Bloomington
ILLINOIS
Indianapolis
INDIANA
San Jose
CALIFORNIA
Richmond
VIRGINIA
Santa Barbara
Bakersfield
Los Angeles
Flagstaff
Rocky Mount
Raleigh
Knoxville
TENNESSEE
NORTH CAROLINA
ARIZONA
Memphis
Dalton
Atlanta
Birmingham
GEORGIA
Dallas
El Paso
TEXAS
College Station
Austin
Jacksonville
Tallahassee
FLORIDA
Sarasota
CMA/CBSA Size Class
100,000 to 250,000
250,000 to 500,000
500,000 to 1 Million
1 to 2 Million
2 Million and Above
Peer states and provinces highlighted in yellow.
N
0 125 250 500
Kilometers
Map by Scott Pennington

Ontario

Summary Statistics	Ontario	Peer Minimum	Peer Average	Peer Maximum	Provincial/State Average
Total Population, 2006	12,160,000	7,642,884	15,449,000	36,458,000	546,000
GDP (CAD millions) 2006	$537,000	$422,000	$791,000	$1,967,000	$29,000
Median Age, 2006	39	33.1	36.8	39.8	37.5

Overall Performance	Ontario	Peer Ranking	Peer Minimum	Peer Average	Peer Maximum	Provincial/State Average
Population Growth (00-05)	6.6%	10	1%	5.8%	20.2%	5.7%
Job Growth (00-05)	8.2%	10	-1.2%	9.8%	25.9%	9.3%
GDP per capita, 2006	$44,000	18	$36,100	$51,000	$67,500	$45,000
Change in Average Wage (00-05)	-0.2%	10	-4.8%	-0.4%	16.1%	0.1%
Creativity Index	0.80	6	0.33	0.70	0.92	N/A

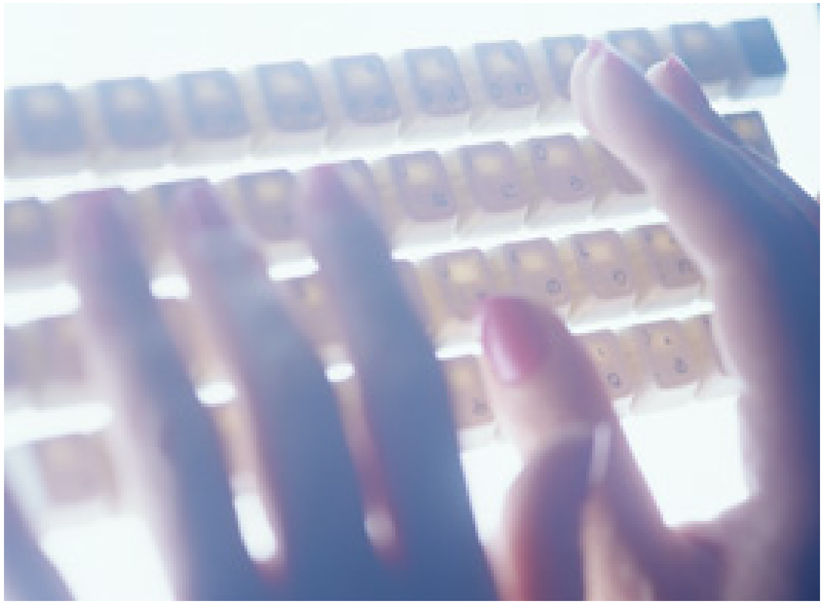
21 Regions in Peer Group: California; Texas; New York; Florida; Illinois; Pennsylvania; Ohio; New Jersey; Michigan; Georgia; Virginia;North Carolina; Massachusetts; Washington; Indiana; Quebec; Tennessee; Arizona; Alberta; British Columbia; Ontario

Technology

“A high technology base is both a necessary condition for and a result of a region having a strong creative economy.

Being known as a "high-tech" region helps to attract the creative workforce, which, in turn, generates new technologies making the region even more high-tech.”

Technology



- High Technology:
  - –Concentration of high-tech companies
  - –Growth of high-tech companies
  - –Tech-Pole (North American)

- Innovation:
  - –# of patented innovations per 1,000 people
  - –Growth in patented innovations

Ontario

Technology	Ontario	Peer Ranking	Peer Minimum	Peer Average	Peer Maximum	Provincial/State Average
Total Patents, 2005	1467	13	292	4,144	17,961	517
Patents per 10,000, 2005	1.21	18	1.24	2.33	4.93	2.46
Patent Growth, Short Term (00-05)	4.5%	4	-7.7%	-0.4%	45.6%	-0.5%
North American High Tech LQ, 2006	1.06	7	0.65	1.02	1.64	0.63
North American Tech Pole Index	5.048	4	0.773	5.429	22.915	0.189

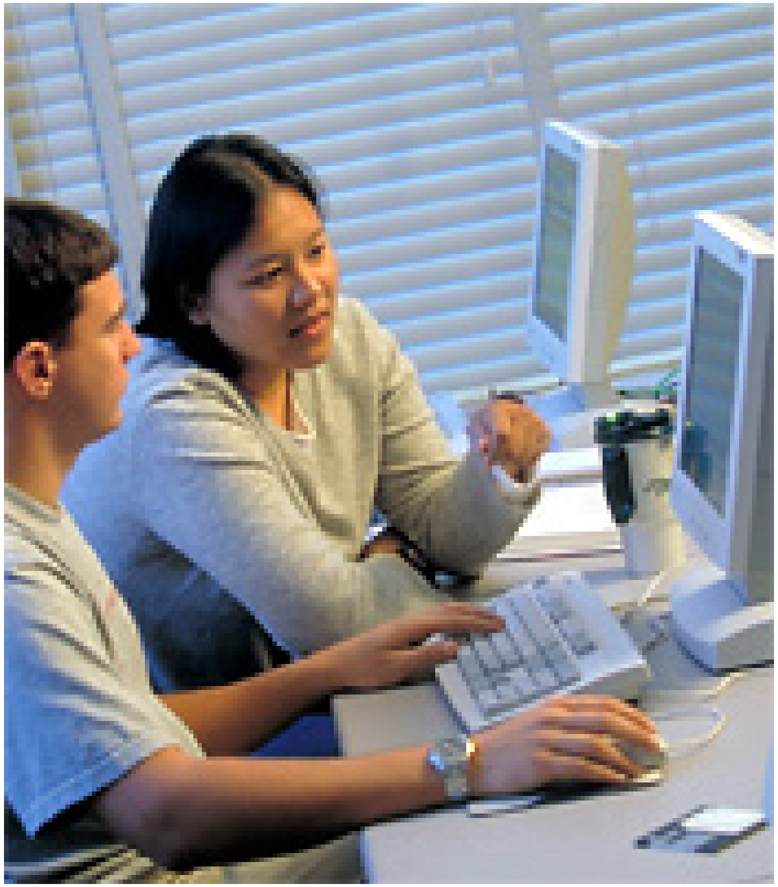
Talent

“The concentration of people in the Creative and Super Creative Classes, has a stronger relationship with economic growth.

Creative people don't just cluster where the jobs are. They cluster in places that are centers of creativity and also where they like to live.

Places need a people climate -- or a creativity climate -- as well as a business climate.”

Talent



- Talent Index
  (Bachelors Degree and above)
- % Super Creative
  (scientists,engineers, artists, musicians, designers)
- % Knowledge Workers
  (super creative + professionals)
- Brain Drain/Gain Index (BDGI)

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Ontario

Talent	Ontario	Peer Ranking	Peer Minimum	Peer Average	Peer Maximum	Provincial/State Average
Creative Class as % of Workforce, 2006	30.3%	10	25.7%	30.9%	37.1%	26.1%
Super Creative Core as % of Workforce, 2006	16.5%	1	9.3%	12.7%	16.5%	11.0%
Pop > 25, Above High School below BA, 2006	20.1%	N/A	5.7%	7.2%	20.1%	59.0%
Talent Index (Pop > 25, BA and above), 2006	22.8%	16	18.1%	27.7%	37.0%	21.7%
Pop > 25, Graduate and/or Professional Degree, 2006	9.0%	12	6.3%	10.3%	15.6%	7.5%
Brain Drain/Gain Index, 2006	1.34	6	0.92	1.16	1.88	N/A

Inclusiveness

“Diversity has become a politically charged buzzword. To some it is an ideal and rallying cry, to others a Trojan-horse concept that has brought us affirmative action and other liberal abominations.

Creative Class people use the word often, but not to press any political hot buttons. Diversity is simply something they value in all its manifestations.”

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Inclusiveness

- Mosiac Index
  (% foreign born)
- Gay/Lesbian Index
  (% gay & lesbian population)
- Boho Index
  (% culturally creative)
- % Visible Minority
- % Interracial Marriage

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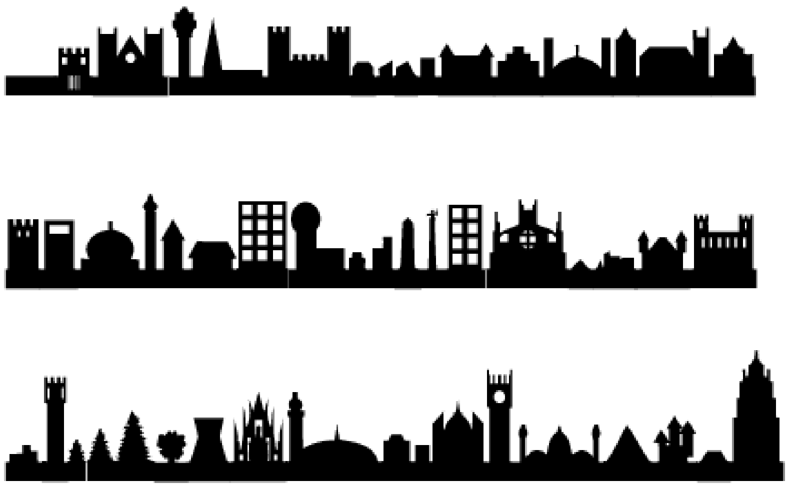
Ontario

Tolerance	Ontario	Peer Ranking	Peer Minimum	Peer Average	Peer Maximum	Provincial/State Average
Visible Minorities (% Pop), 2006	22.6%	8	8.7%	27.9%	40.2%	11.1%
Mosaic Index (% Pop), 2006	27.9%	1	3.6%	13.8%	27.9%	7.9%
Gay and Lesbian Index, 2006	1.06	14	0.69	0.99	1.42	0.81
Bohemian Index, 2006	1.27	8	0.68	1.00	1.60	0.69

Territory Assets



"What Creative people look for in communities are abundant high-quality amenities and experiences, an openness to diversity of all kinds, and above all else the opportunity to validate their identities as creative people.

Places are valued for authenticity and uniqueness … Authenticity comes from several aspects of a community … It comes from the mix … Authenticity is the opposite of generic."

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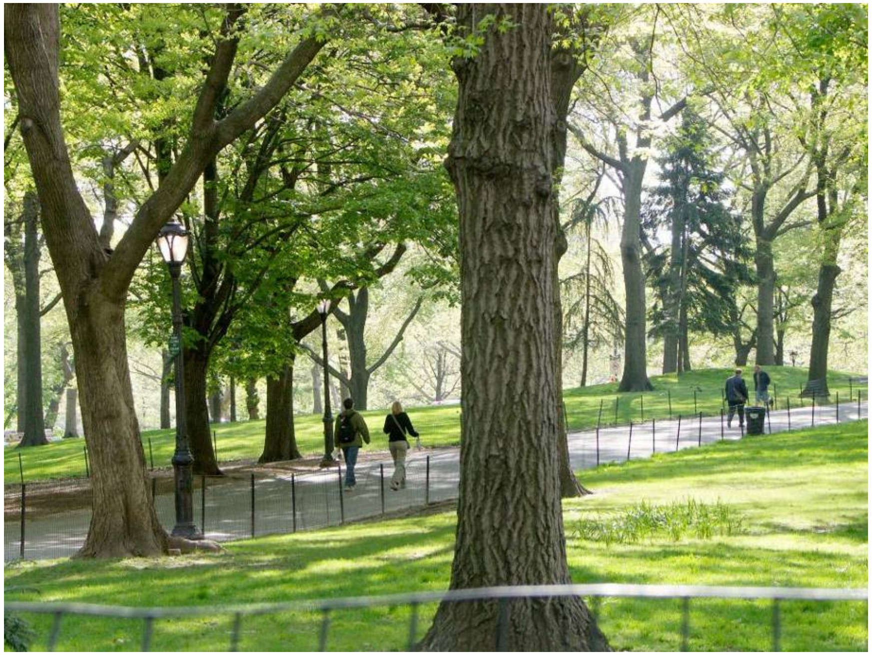
Territory Assets (Quality of Place)



- Economy/Growth
- Housing
- Culture
- Climate
- Education
- Healthcare
- Recreation
- Dis-amenities
  - Crime, Weather
- Transportation
  - Connectedness

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Benchmarking Ontario's 15 Metro Areas (CMAs)

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Benchmarking – St. Catharines - Niagara

Summary Statistics	St. Catharines – Niagara, ON	Peer Minimum	Peer Average	Peer Maximum	Provincial/State Average
Total Population, 2006	390,000	330,088	390,000	454,000	546,000
GDP (CAD millions) 2006	$16,000	$14,000	$17,000	$21,000	$29,000
Median Age, 2006	42.1	33.4	37.1	43.1	37.5
Overall Cost of Living Index	100.5	89.0	98.6	107.4	101.5

Overall Performance	Worst				Best	St. Catharines – Niagara, ON	Peer Ranking	Peer Minimum	Peer Average	Peer Maximum	Provincial/State Average
Population Growth (00-05)						3.5%	7	0%	4.0%	7.4%	5.7%
Job Growth (00-05)						1.9%	8	-3.3%	3.9%	11.6%	9.3%
GDP per capita, 2006						$42,000	9	$37,500	$47,000	$65,200	$45,000
Change in Average Wage (00-05)						-4.0%	10	-8.8%	-0.5%	9.0%	0.1%
Creativity Index						0.48	8	0.36	0.59	0.83	N/A

11 Regions in Peer Group: Canton, OH; Fort Wayne, IN; Lansing, MI; Peoria, IL; Reading, PA; Spokane, WA; Tallahassee, FL; Victoria, BC; Ann Arbor, MI; Santa Barbara, CA; St. Catharines – Niagara, ON

St. Catharines - Niagara

Technology	Worst				Best	St. Catharines – Niagara, ON	Peer Ranking	Peer Minimum	Peer Average	Peer Maximum	Provincial/State Average
Total Patents, 2005	■					21	11	21	107	394	517
Patents per 10,000, 2005	■					0.54	11	0.54	2.82	11.45	2.46
Patent Growth, Short Term (00-05)					■	20.1%	1	-12.7%	3.2%	20.1%	-0.5%
North American High Tech LQ, 2006		■				0.50	8	0.26	0.77	1.87	0.63
North American Tech Pole Index			■			0.040	7	0.008	0.099	0.385	0.189

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St. Catharines - Niagara

Talent	Worst … Best	St. Catharines – Niagara, ON	Peer Ranking	Peer Minimum	Peer Average	Peer Maximum	Provincial/State Average
Creative Class as % of Workforce, 2006		22.9%	11	22.9%	29.7%	38.2%	26.1%
Super Creative Core as % of Workforce, 2006		12.0%	6	9.4%	12.8%	18.6%	11.0%
Pop > 25, Above High School below BA, 2006		61.3%	N/A	41.2%	58.1%	67.5%	59.0%
Talent Index (Pop > 25, BA and above), 2006		14.2%	11	14.2%	27.5%	51.7%	21.7%
Pop > 25, Graduate and/or Professional Degree, 2006		5.9%	11	5.9%	10.8%	26.2%	7.5%
Brain Drain/Gain Index, 2006		0.64	11	0.64	0.89	1.27	N/A

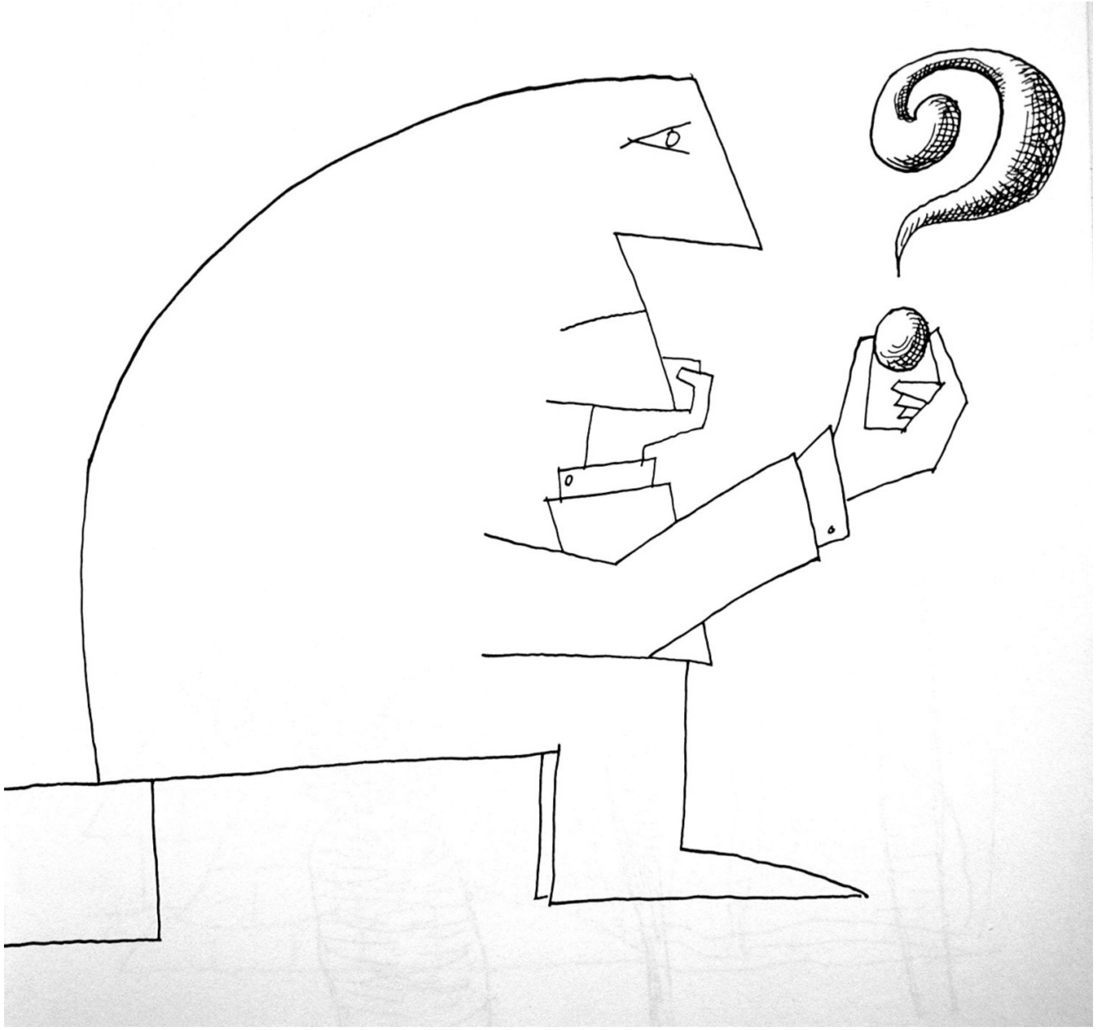
St. Catharines - Niagara

Tolerance	Worst				Best	St. Catharines – Niagara, ON	Peer Ranking	Peer Minimum	Peer Average	Peer Maximum	Provincial/State Average
Visible Minorities (% Pop), 2006						6.5%	11	6.5%	16.3%	37.7%	11.1%
Mosaic Index (% Pop), 2006						18.0%	3	2.2%	9.4%	23.6%	7.9%
Gay and Lesbian Index, 2006						0.63	9	0.59	0.92	1.62	0.81
Bohemian Index, 2006						0.88	3	0.35	0.71	1.60	0.69
Integration Index, 2006						0.84	2	0.54	0.72	0.90	N/A

St. Catharines - Niagara

Territorial Assets	Worst	Best	St. Catharines – Niagara, ON	Peer Ranking	Peer Minimum	Peer Average	Peer Maximum
Social and Cultural Assets							
Arts and Cultural Establishments per 10,000, 2006			5.94	2	0.77	2.21	6.85
Resturants and Bars per 1,000, 2006			3.01	1	1.67	2.07	3.01
Student/Teacher Ratio, 2006			15.34	3	11.37	16.37	21.63
Doctor's per 1,000, 2006			0.58	9	0.20	0.95	1.86
Civic Assets							
Federal Voter Turnout (%), 2004/2006			68%	5	54%	64%	71%
Violent and Property Crime per Capita, 2006			0.06	9	0.03	0.05	0.09
Housing and Transportation Assets							
Population Density (KM2), 2006			279	2	52.78	159.87	474.71
Median Housing Value to Income Ratio, 2005			3.49	6	2.44	4.59	12.82
Drivers per Other Modes, 2006			11.96	4	3.47	19.02	37.98

Questions?



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Thank You

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Ontario in the creative age

- The promise and the challenge of the creative age

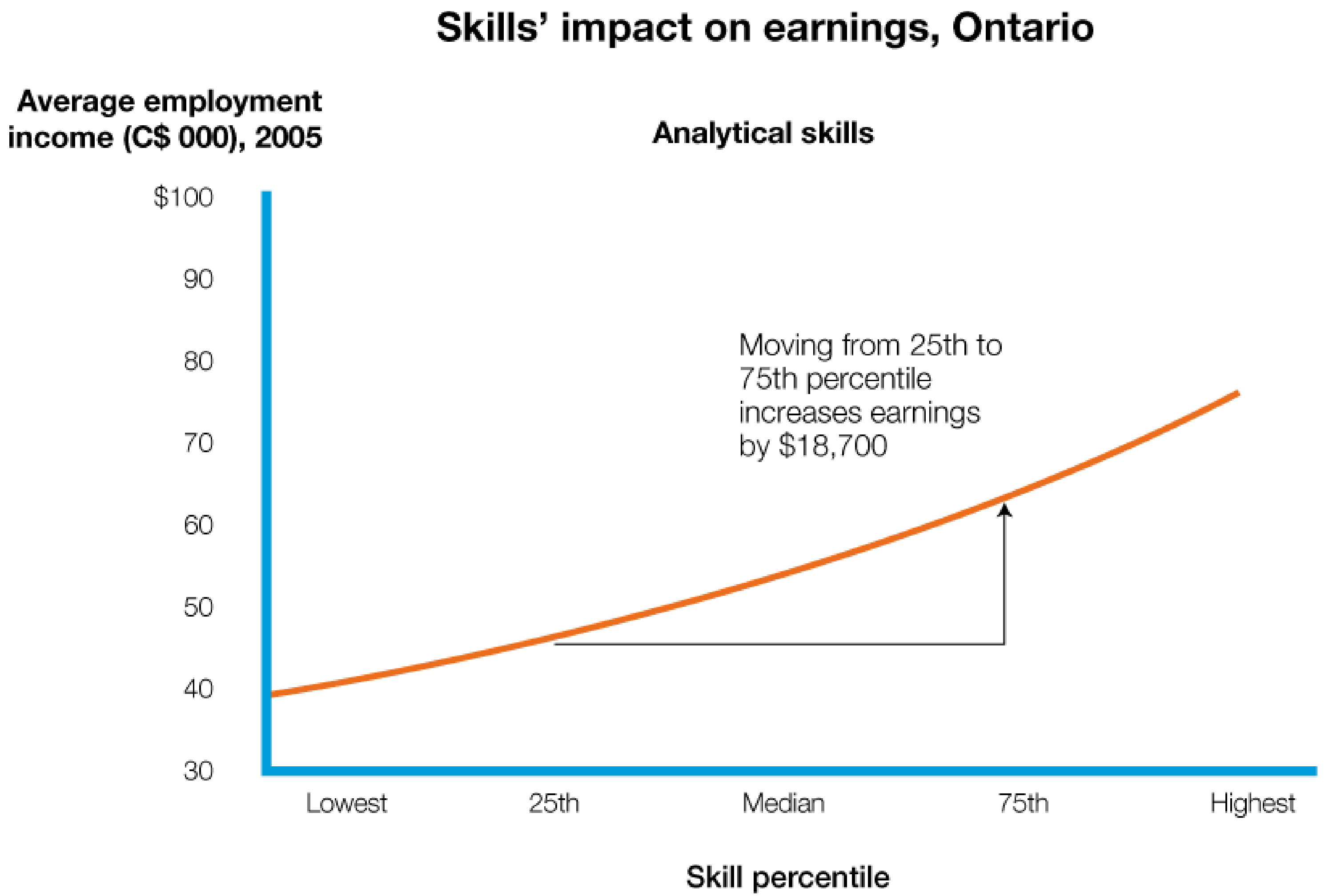
- Realizing the promise of the creative age

- Agenda for Ontario's creative age

Ontario in the creative age

- The promise and the challenge of the creative age
- **Realizing the promise of the creative age**
- Agenda for Ontario's creative age

Earnings rise with increases in occupations' analytical skills



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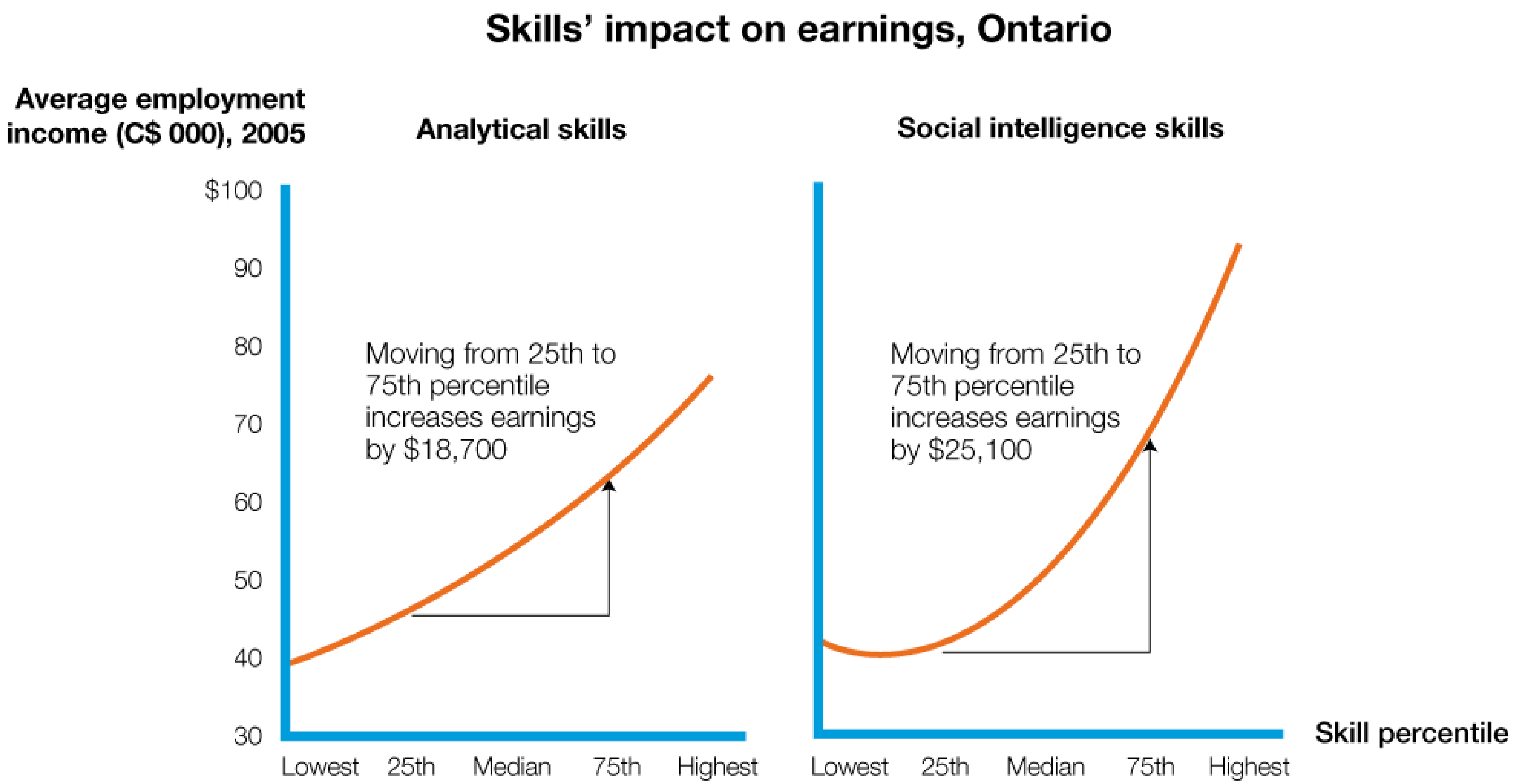
Earnings rise more with increases in occupations' social intelligence skills



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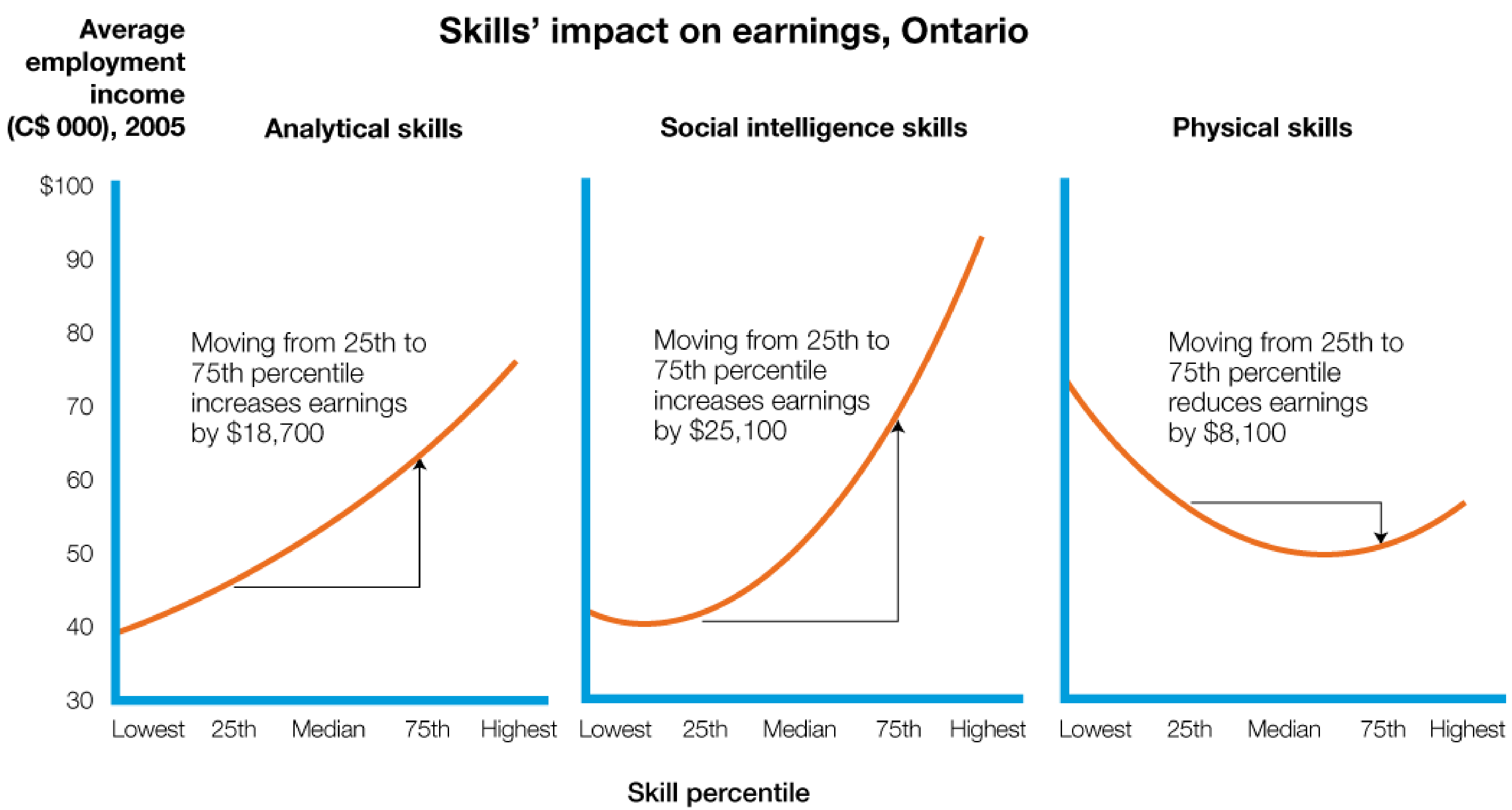
Earnings do not rise with increases in physical skills



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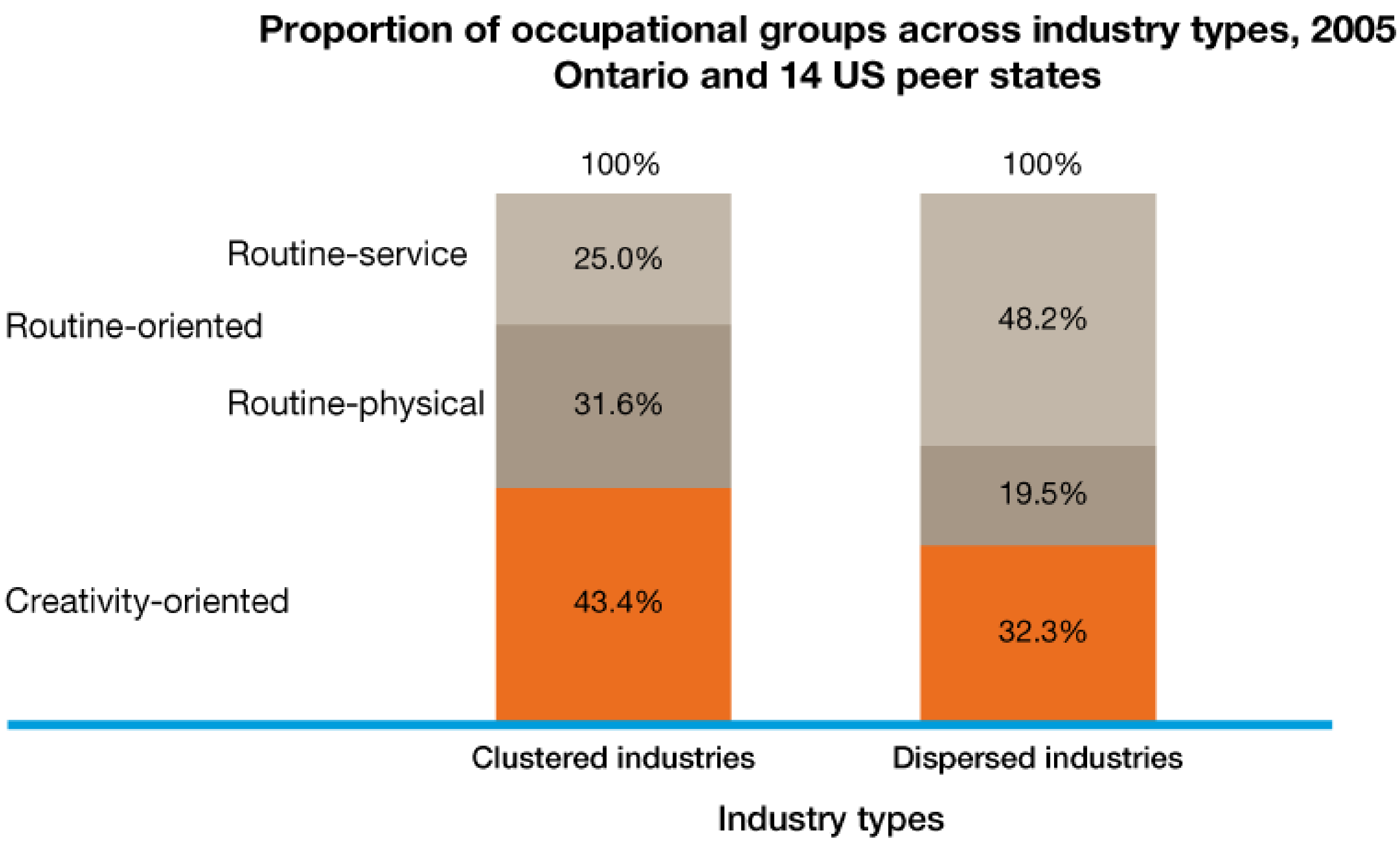
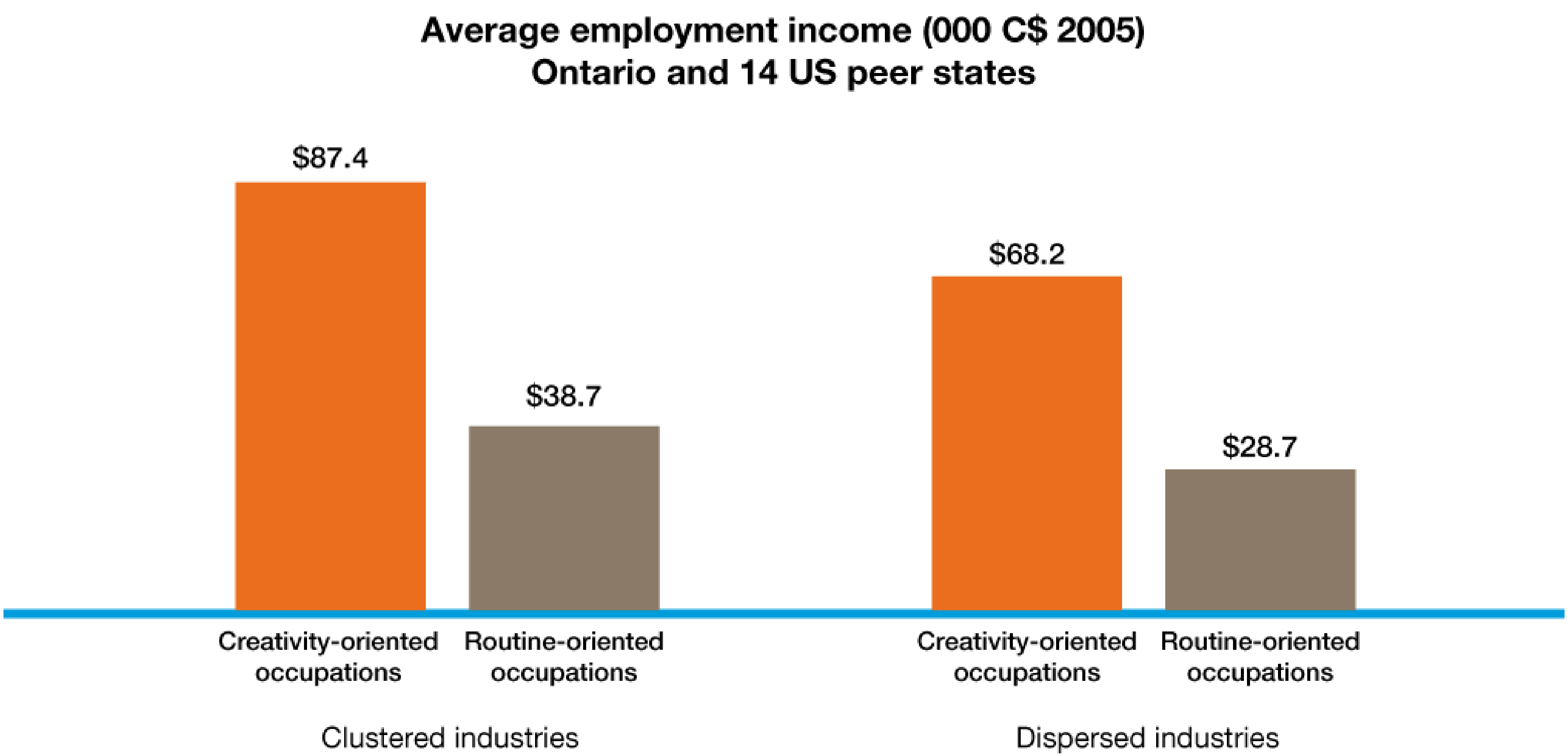
Clustered industries draw more on creativity-oriented occupations than *dispersed* industries



Creativity-oriented occupations in clustered industries generate highest earnings



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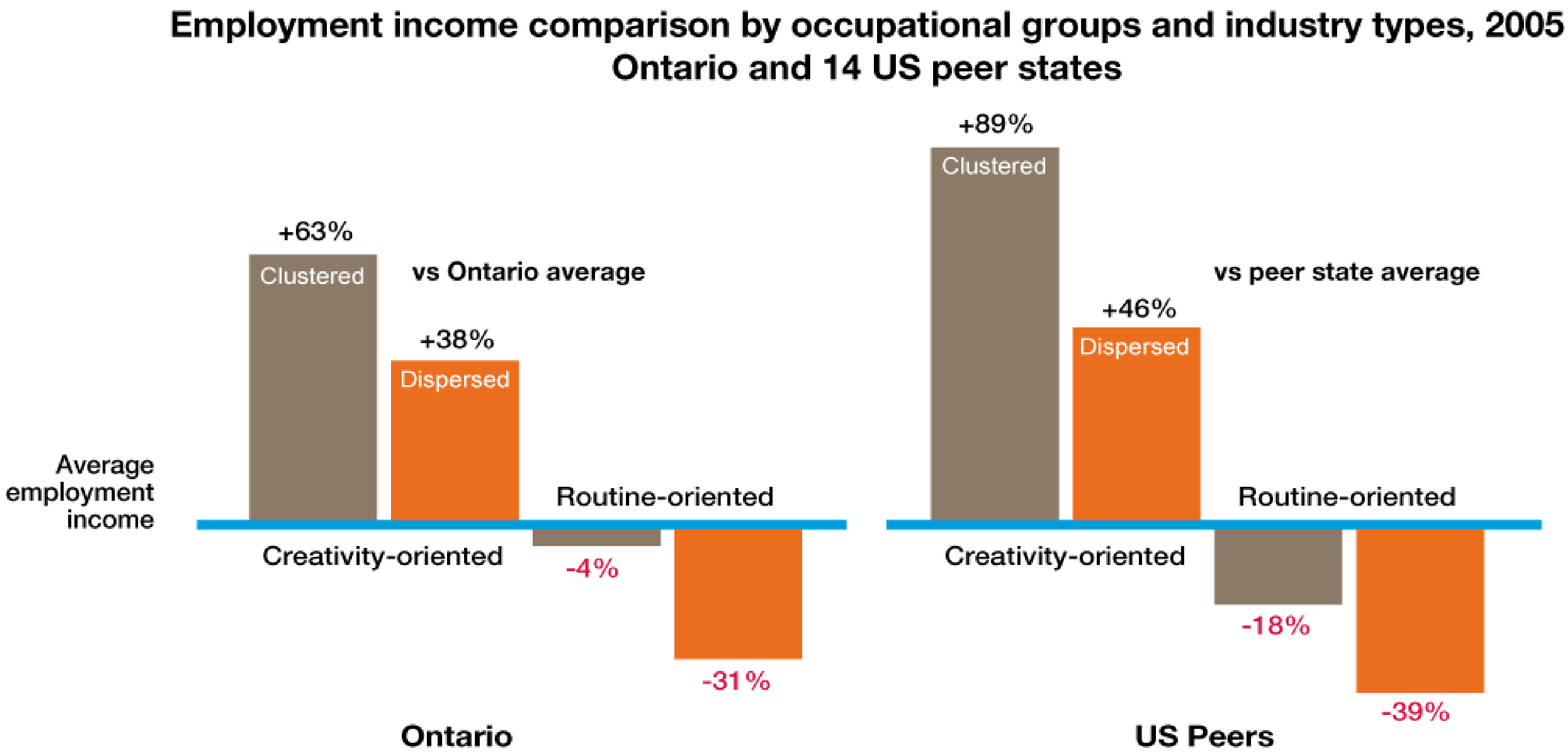
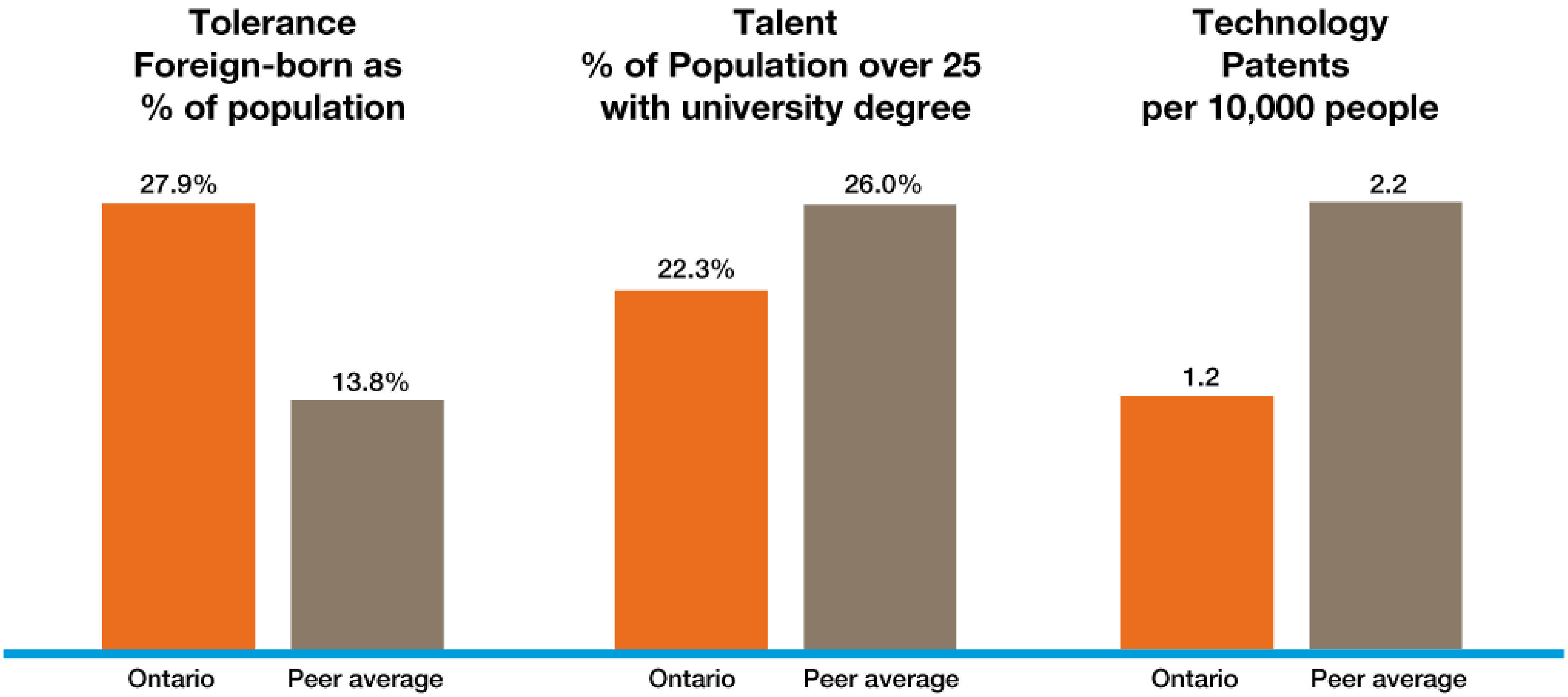
Wage differences are much less prevalent in Ontario than in peer states



MARTIN Prosperity Institute

Ontario out performs US peers on Tolerance but under performs on Talent and Technology



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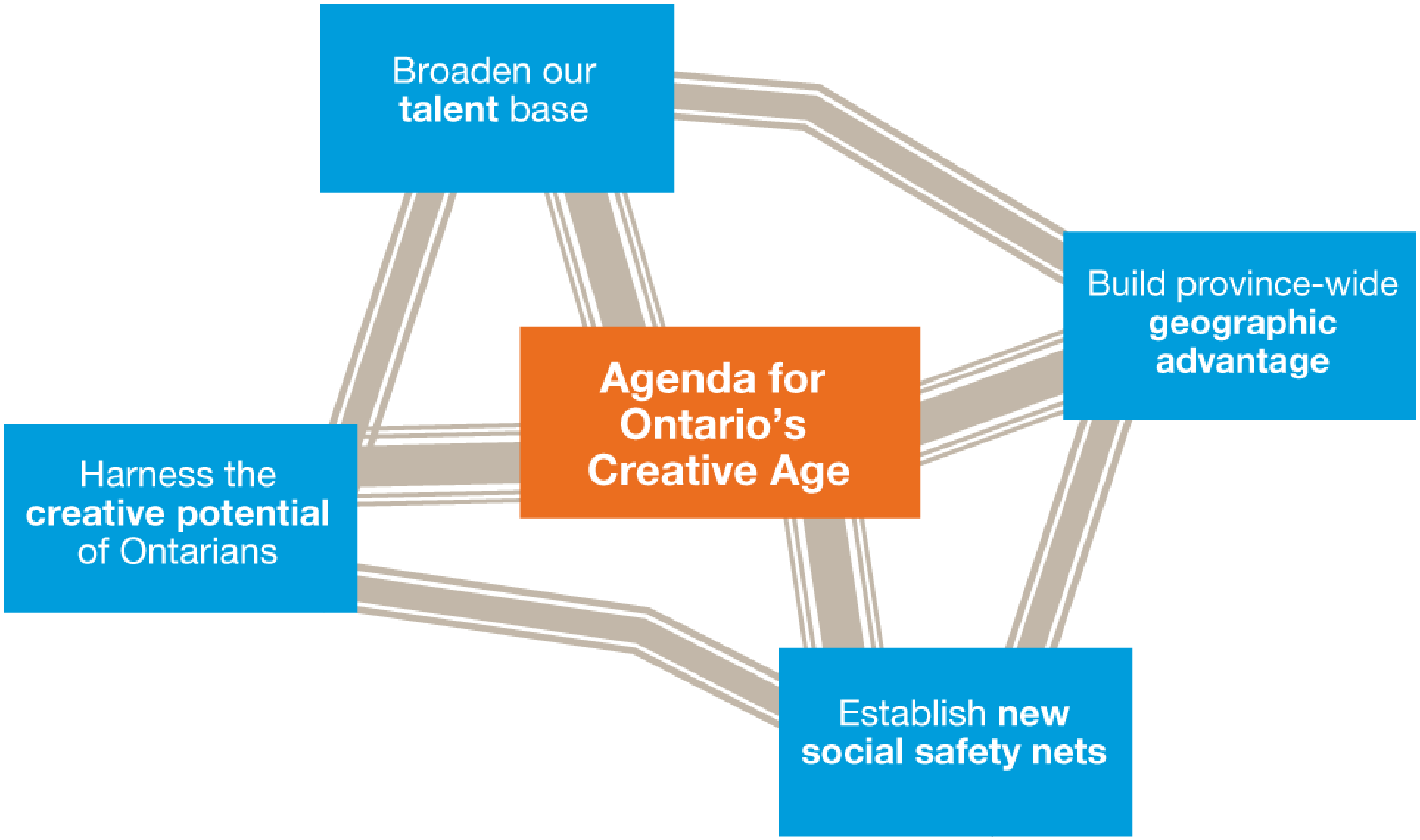
Ontario in the creative age

- The promise and the challenge of the creative age
- Realizing the promise of the creative age
- **Agenda for Ontario's creative age**

Ontario's distinctive advantage can be created through actions on four fronts



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Harness the *creative potential* of Ontarians

- Increased creativity in all jobs
- Be the world's first jurisdiction where creativity-oriented occupations account for half of all jobs
- Strengthen creativity skills through our education system
- Market Ontario as a creative province
- Make diversity a cornerstone of economic prosperity

Broaden our *talent* base

- Make Ontario the talent province
- Strengthen our managerial capacity

Establish *new social safety nets*

- Make early childhood development a high priority

- Invest in skills development for recent immigrants

- Consider wage insurance for longer tenure workers

Build province-wide *geographic advantage*

- Make the mega-region as strong as it can be
- Invest in connectivity