



# SUSTAINABLE CITIES

by Judith Maxwell

## Summary

*A sustainable city strives for harmony in the development of civil society, economy, environment, culture and political institutions. Canadian cities, large and small, are facing challenges that are working against sustainability. For example, spatial segregation of poor residents is growing; the new economy wage structure is creating not only great wealth but also low-paid work; and new social policies are creating a poverty trap for the working poor. To meet these and other challenges, cities need to improve their problem-solving capacity by mobilizing talent across business, education, governments and civil society and by thinking in three dimensions: inclusively, regionally and from the bottom up. Many Canadian communities are now launched on this kind of problem solving, but they cannot succeed without responsive participation from senior governments.*

## Sommaire

*Une ville durable vise le développement harmonisé de la société civile, de l'économie, de l'environnement, de la culture et des institutions politiques. Les villes du Canada, grandes comme petites, sont confrontées à des difficultés qui s'opposent au développement durable. Ainsi, la ségrégation physique des citoyens pauvres s'exacerbe, la nouvelle économie basée sur les salaires engendre une grande richesse, mais aussi des emplois faiblement rémunérés, et les nouvelles politiques sociales enchâssent les petits salariés dans la pauvreté. Pour parer à ces difficultés, entre autres, les villes doivent améliorer leurs capacités à résoudre les problèmes en mobilisant les éléments de talent dans le milieu des affaires, dans l'enseignement, dans les gouvernements et au sein de la société civile et en adoptant un mode de réflexion tridimensionnel : inclusif, régional et ascendant. Maintes collectivités canadiennes se sont déjà engagées dans cette voie, mais elles ne peuvent parvenir à leurs fins sans une participation judicieuse des échelons gouvernementaux supérieurs.*

Cities, large and small, must now have their turn as the centre of policy attention in Canada, for at least three reasons. First, cities are facing economic challenges flowing from the industrial restructuring driven by globalization and new technologies. Second, they have inherited major new responsibilities as both provinces and the federal government have adjusted the scope of their activities. Third, they have welcomed an influx of new and diverse residents from rural areas and outside of Canada. As they search for options, city leaders find themselves handicapped by constitutional constraints and limited taxing powers. These are both challenging issues, but in this keynote presentation, I want to focus on two sets of issues that are more directly relevant to the themes of this conference: building capacity and building connections.

The first issue is to explore the forces working against the sustainability of our cities. The second is to summarize for you insights from Canadian Policy Research Networks' research on how innovative cities solve problems.<sup>1</sup>

## What Is Sustainability?

To begin, however, let me define what I mean by sustainable cities. To me, it means striving for harmony in the development of civil society, economy, environment, culture and political institutions.<sup>2</sup> The principal challenge facing leaders in cities and communities is how to weave together progress on all these fronts. It takes a breadth of thinking and citizen involvement that far surpasses traditional approaches to urban issues in this country. I regret to say, the evidence from our case studies is that Canadian communities are only now getting started along this road.

To build the necessary connections, civil society organizations, business, educational institutions and governments require a sense of shared responsibility for what happens in their community and a shared commitment to solving problems.

## The Productivity Dimension

It is important to emphasize that this notion of sustainability is not soft and fuzzy. It has a direct productivity connection. Everything we now know

about the new economy points to the success of economic clusters, and we know that successful clusters depend upon a complex web of informal relationships. We know, for example, that:

- > a high quality of life attracts and retains a highly skilled work force;
- > informal networks among businesses, research and educational institutions, and governments are important drivers of innovation;<sup>3</sup>
- > cost competitiveness is deeply affected by the efficiency of transportation within and between cities so that both people and goods can move quickly and at reasonable cost;
- > informal networks strengthen neighbourhoods and communities, helping people to find jobs and obtain the training opportunities they need; and
- > strong public education and effective community health services are an essential underpinning for working people and employers.

Out of these basic facts, it is possible to visualize the kind of cities (large and

small) we want: cities where quality of life is part of the overall planning process. The trouble is that powerful market and policy forces stand in the way. I want to highlight three trends that are taking us in the wrong direction. They are spatial segregation, a new wage structure and a new social policy structure.

### **Spatial Segregation**

In the post-war years, Canadian cities were noted for their lack of spatial segregation compared to that in other countries, especially the United States. In fact, we bragged about our lack of inner city problems. However, since 1980, poverty has tended to be concentrated in our cities (the average rate of low income in all cities was 22 percent in 1995 versus 16 percent for people living in rural areas) in particular neighborhoods or census tracts.<sup>4,5</sup> John Myles<sup>6</sup> and his colleagues at Statistics Canada have also documented the extreme polarization of income by neighborhood. Our cities demonstrate far greater disparity between high- and low-income groups than we see in either the provincial or national data. The other important dimension to this “ghettoization” is the tendency for visible minorities, Aboriginals, lone parent families and disabled people to cluster in these poor areas.

Needless to say, this segregation of poor people goes against the whole notion of inclusive societies and will create a new Canadian underclass, if it continues: not what we are aiming for in sustainable cities. The way to prevent this social exclusion is to create well-paid jobs, affordable housing, good public transit, access to child care and adult training, excellent education and health services, and so on. More on this below.

### **A New Wage Structure**

The new economy has produced a new wage structure that explains the income polarization I just mentioned. The new economy has created opportunities for many and generated a lot of wealth. For example, it produces more millionaires: a newspaper report last year suggested we now have 160,000 of them. However, real minimum wages have fallen by 15 to 20 percent since 1975, depending on the province. Furthermore, one in six adult Canadians now works for less than \$10 an hour.<sup>7</sup> Even if these people work full-time, all year, they can only

earn a maximum of \$21,000, which falls well short of the income required to support a family.

These working Canadians are extremely vulnerable, but they look remarkably like the rest of the population. One third of them have post secondary education and another one third have completed high school. About 35 percent of them are the only earners in their families. Two thirds are women. They are the working poor, and their biggest challenges are to find affordable housing, reliable transportation, access to child care, recreation and so on; yet, as a society, we assume that anyone who has a job can be self-reliant.

### **A New Social Policy**

Compounding the problem of low wages are the changes that have taken place in federal, provincial and municipal social programs over the past 15 years, which have affected both income transfers and social services. Most of them are now aimed expressly at poor people, families or, in the case of health services, specific health conditions. Thus, qualifying for social supports becomes much more difficult and, once you do qualify, it becomes very easy to lose them. For example, a person earning \$25,000 a year who is offered a promotion may face a marginal effective tax rate of 80 or 90 percent, because the income *and* every social benefit they receive will be “taxed”. When you add to this the fact that federal and provincial governments stopped investing in social housing in the early 1990s, you begin to see that the cards are stacked against these vulnerable people. In effect, there is a poverty trap for the working poor.<sup>7</sup>

### **Sustainability Matters to Everyone**

These three trends are creating a new Canadian divide between poor people and everyone else. This matters, because it means that a large number of Canadians are being left behind, and growing swaths of our urban space are becoming “distressed” communities. It becomes increasingly difficult for these people to participate in work and civic life. So there are two kinds of cost: the first is the loss of human capital in an economy where brains really matter; and the second are the costs of policing, social transfers and health care for a

segment of the population that is so vulnerable.

The sustainability of our cities matters enormously to these people. If they have the good fortune to live in a community that offers efficient public transit, affordable housing, high quality and affordable child care, recreation and sport without user fees, and other essential services, their quality of life will be far higher than their low incomes would suggest. Of course, sustainability also matters enormously to the middle class, still the largest segment of our population. Good transit, a diverse housing stock, good child care and recreation mean a lot to these people as well. It makes them value their community; it enables them to feel like real citizens and encourages them to be engaged in sustaining that community. These are the foundations for the sustainable community that I described earlier.

### **Mobilizing for Sustainability**

How then do we make our cities and communities become sustainable in the face of these perverse trends? The main challenge here is that the problems are broad while the perspectives of all the key players in the community are narrow. No one, working alone, has the levers to make change. As planners, you are in touch with all these domains—governments, business, developers, educational institutions, civil society organizations and others. You have the opportunity to propose new ideas and to help bridge the gaps across the “solitudes” described below:

- > Senior governments have a mandate to serve all citizens, urban and rural. As a result, they are not comfortable serving local needs and cannot provide local leadership.
- > Municipal governments are often fragmented because special purpose agencies or geographic boundaries give them only half of the problem. In addition, most have weak policy capacity to cope with their expanding mandates.
- > Businesses are preoccupied with costs of doing business and the quality of infrastructure, especially for transportation. They also worry about attracting skilled workers and ensuring amenities for their staff.

- > Educational institutions in Canada are under resourced and tend to be focused inwardly, although some colleges and universities already see themselves as major players in urban progress.
- > Civil society institutions like the United Way can often bridge solitudes in pursuit of their goals to promote social equity and social inclusion.

Each of these sectors has important strengths, but they do not naturally collaborate with each other to create shared problems. As Neil Bradford<sup>1</sup> says, a community that knows how to engage all these actors in planning for the future is a learning community. In addition, if they are going to collaborate, then they must be prepared to think in three dimensions:

- > regionally—to see the full scope of the economic, environmental and infrastructure needs and possibilities;
- > inclusively—to see that people from different walks of life and socioeconomic status are all part of the solution; and
- > from the bottom up—to ensure that needs are defined locally, based on neighborhood and family needs.

Whether you wish to reverse economic decline, improve competitiveness or deal with social blight, the higher order goal is to make the community a better place for the people who will live there tomorrow. How then do we get started?

### Ingredients for Success

Bradford<sup>1</sup> reports that communities are rising to this challenge across the industrialized world from Denmark to Spain to the United States and, more recently, here in Canada. Here is his list of the ingredients for success, based on 11 case studies:

- > a local champion to provide the leadership;
- > institutional intermediaries to connect with senior governments;
- > equitable participation to engage local stakeholders;
- > a civic culture of creativity (doing things differently and better);
- > adequate financial and technical resources (money, land, regulatory skills, etc.); and

- > strong accountability mechanisms, including an agreed set of indicators to track progress.

Overall, however, what Bradford finds in these innovative cities is connectedness. Connectedness in two directions: horizontally, involving the sectors in society (the solitudes, as I called them earlier), and vertically, engaging senior governments.

Many Canadian communities are now launched on this voyage of collaboration: big ones like Toronto and lots of smaller ones like Kelowna, Kitchener-Waterloo, Halifax, Saskatoon and the Beauce. The initiative invariably comes from the community itself, but it cannot succeed without responsive participation from provincial and federal governments. Unfortunately, the Organization for Economic Cooperation and Development tells us that senior governments in Canada have been slow to get their act together.<sup>8</sup>

### Conclusion

The voyage to sustainability is not easy. There are many roadblocks. Innovative cities begin with a single project. Agreeing on a common goal and how to achieve it together is the first important step. Typically, the experience of working together begins to build a sense of mutual trust. Cities can then build on their success to set even more ambitious goals for the future. In the new economy, a city achieves economic success by meeting the social and economic needs of all its citizens—rich and poor. That is sustainability. ■

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