

CANADA

in the *Urban World*

by Geoff Batzel and Daniel Haufschild



The Calgary skyline.
Photo Credit: ©iStockphoto.com/wibs24

Introduction

So, where in the world are we in Canada? Not in a macro geographic sense, as that is easily understood: we are a large northern hemisphere land mass anchored by the Tragically Hip at the hundredth meridian, and by Uncle Sam [mostly] at the 49th parallel. But rather, where are we in the sense of city-states and super regions? A population of 33 million that is 80% urbanized and spread over multiple major cities buys little real estate in the grand scheme of global urbanization. The number of people in the world being born into cities, moving from rural to urban, and from small urban to larger then to largest urban settings is staggering. The headlines read that half the world's population are now living in cities for the first time in history, but the small print holds a more complete story.

The metropolitan population of Tokyo (33.5 million) equals the entire population of Canada (32.9 million) but hardly shames Seoul, Mexico City, New York, Mumbai, Delhi, or Sao Paulo each hosting over 20 million people within their greater metropolitan boundaries.

Currently there are 25 urban centres in the world with populations greater than 10 million, and an additional 41 centres with populations in the 5-10 million range. There are 136 cities with populations between two and five million, and an incredible 266 cities with populations between one and two million. The three largest urban areas in Canada, Toronto (5.1 million), Montreal (3.6 million), and Vancouver (2.1 million) rank 63, 92, and 186 respectively. The following three, Ottawa, Calgary and Edmonton share the ranks with 263 of their peers by just making it into the millionaires' club. As the global population has risen 2.5 times since 1950, urban growth rates have eclipsed rural ones at an increasing rate, with city populations growing 4.3 times during the same period. By 2020 it is estimated that global rural populations will move into net decline. At that point, all future demographic growth in the world will occur in urban areas. In Canada, total population growth was comparable over the same period (2.3 times), but total urban populations have "only" tripled, albeit starting from a far higher base. While we like to think of ourselves as more "urbane" than our

Summary

Canadian cities are growing and regional economies consolidating at a rate that threatens to exceed the institutional capacity to maintain or improve current conditions in urban services. But in an increasingly globalized world, how do our cities compare? How well are they governed? What are the major trends and drivers of change? What do city management stakeholders across 25 world cities think are the key priorities for cities? Are Canadian cities still able to compete in the global marketplace?

Sommaire

Les villes canadiennes sont en pleine croissance et les économies régionales se consolident à un rythme qui menace d'excéder la capacité institutionnelle à maintenir ou à améliorer les services urbains. Mais dans un monde de plus en plus mondialisé, comment nos villes se tirent-elles d'affaires? Sont-elles bien dirigées? Quels sont les grandes tendances et les facteurs de changement? Selon les gestionnaires municipaux de 25 villes du monde, quelles sont les priorités clés des villes? Les villes canadiennes sont-elles toujours en mesure d'être concurrentielles sur le marché mondial?

neighbour to the south, in city development at least, our level of urbanization is marginally behind that of the United States (80.1% vs. 80.8%), and firmly within the global upper tier.¹

Size matters, and so does the pace of growth. There are close to 50 major cities in the world forecast to grow at 3%-5% per annum during the 15 year period 2006-2020. This equates to a doubling of total population in 15 years for the fastest growing, and 25 years for those at 3%. Most of these cities are in the developing world. India remains largely rural but dominates the rate of growth tables with 25 of the 100 fastest growing cities, Pakistan 8, China 8, Brazil 4, Congo 3, and Bangladesh 3. Comparatively, Canada's fastest growing city, Calgary (2.32% and ranked 109th), will take a leisurely 30 years to double in size. Toronto is expected to grow at 1.48% (200th fastest), Vancouver at 1.33% (216th) with Ottawa following at 1.08% (248th). Montreal does not even make it into the top 300 when it comes to rate of growth. When we compare the troubles Canadian cities face absorbing relatively modest growth rates, and weigh them against the situation faced by urban managers in Lubumbashi, Congo – who are faced with absorbing twice the rate of growth – (4.1%) it becomes clear why urbanization is a critical global issue.²

Notwithstanding the raw numbers,³ life is – or should be – about quality, not quantity, so urbanization must be judged by its ability to provide services, basic and advanced, to its burgeoning populations regardless of how they

developed. So where does Canada rank in this regard? The short answer is that every morning when you wake up, give thanks for the fact that you live in Canada. For all the warts, inequities, inefficiencies, and injustices perceived during the course of a day, Canadian cities function at a high level. In this respect, quality of life indices such as the Mercer Quality of Living survey are very accurate. While it is unwise to get too hung up about precise rankings, Canadian cities always score very highly and for good reason...they work!⁴ The benchmark in Canadian cities for fire and police, potable water, education, health care and refuse disposal is universal access and a consistently high quality of service. When these standards are not met a thousand voices rise in protest, with the result that problems are often solved. The standard in the majority of emerging urban centres in the world is limited access and low quality service, and only marginal institutional capacity to respond.

Quality and Equality

This is not to say that all is well here at home, or that no one else achieves superior results in any single sector. It is simply that relative to urban systems housing the vast majority of the world's city dwellers, we are very fortunate. Some argue that our vast per capita wealth and abundant natural resources mask problems of governance and equity that lead to waste and want. To an extent they are correct. Meaning what? As is abundantly clear in countries from Nigeria to Venezuela, natural wealth alone provides no guarantee of societal

wealth or social stability. In the absence of the effective governance traditions we fortunately possess and nurture, societal wealth and social stability do not exist.⁵

One of the outcomes of effective governance is the creation of an environment that provides for the total population, not just the select few. The Gini coefficient is a measure of income inequality often used to assess the overall "fairness" of a society, where 0 is perfect egalitarianism and 1 is total dominance by a single individual.⁶ Canada generally scores about 0.30, after-tax income, with only cyclical change over the past 30 years. Nordic countries are among the best at 0.25, while the United States anchors the lower middle of the pack at 0.45. The most unequal countries in the world persistently score between 0.50-0.60. In a pre-tax scenario the Canadian level would be more in the range of 0.45, thus illustrating the distributive nature of the Canadian system. Whether urbanization leads to increased socioeconomic polarization or equalization can be argued both ways, but the process of urban growth clearly intensifies and concentrates both wealth and poverty, producing stark contrasts. Intensification is double-edged in that it provides greater access while also greatly increasing the stress on local service capacities. In Canada, we see an increasingly dilapidated physical infrastructure, prolonged wait times in health facilities, uneven scholastic performance, and a degree of public dissatisfaction. In other rapidly urbanizing areas of the world, the picture is far



A view of Tokyo at night. Photo credit: ©iStockphoto.com/alvarez

more bleak, as municipal and social services collapse under the weight of new arrivals. Massive environmental degradation is the norm, and significant social instability the result.

to be at the forefront. In Canada, our experience indicates we do not need to be constantly looking over our shoulders, as problem diagnosis and solution identification are in good supply.

problems. There is, however, an acknowledged gulf between vision and reality. The good news is that environmental awareness is on the rise; the bad news is that we have only taken



View of Downtown Toronto. Photo Credit: ©Geoff Batzel 2007

Competition and Conservatism

If we in Canada are so much better off than most, and our situation still leaves so much to be desired, where do we look to learn? Recent urban research, undertaken on behalf of the global technology company Siemens AG,⁷ included a worldwide survey of over 500 city management stakeholders. This survey suggests that urban management stakeholders around the world share a similar set of beliefs and concerns, in spite of facing vastly different local circumstances with, presumably, vastly different solutions. Cities the world over are highly competitive with their global peers particularly where economic competitiveness is concerned, and also, increasingly, about environmental, social, and other issues.

Part of the reason for this shared set of beliefs is that along with competitiveness comes an entrenched conservatism within city management circles, and a marked preference for proven solutions. This competitive-conservative paradox feeds both fads and inertia in urban management globally, creating a follow the leader game where few are fighting

What may be lacking in Canada is the sustained focus and drive required to overcome the institutional impediments to major change. Because of dispersed decision-making, entrenched interest groups and the lack of a shared sense of urgency, major change is delayed, diffused, or deterred, even as our cities grow beyond the current system capacities to manage.

Economy v. Environment

The Siemens AG-sponsored survey demonstrates that the shared concerns of urban management stakeholders around the world extend beyond a competitive/conservative spirit. Economic growth dominates the agenda around the world. Urban transportation is seen as the key ingredient and more important than all other infrastructures when it comes to attracting investment. At the same time, the direct by-product of transportation is air pollution, which tops the list of environmental concerns. There is also widespread awareness of the need for effective governance as a prerequisite for sustainable solutions to complex and intertwined infrastructure

the first tentative steps in an arduous journey to change our urban management systems so that they remain economically competitive while being significantly more responsive to environmental concerns.

Poor governance at local and metropolitan levels is one of the key deficiencies recognized by both public and private urban management stakeholders around the world. And it is poor in a number of ways...it overlaps, it is inconsistent and uncooperative as well as being opaque, unrepresentative, and ineffective. Canadian authorities possess several fundamental success ingredients for 21st century super-region management: sophisticated regulatory capabilities;⁸ efficient and non-corrupt agencies; and a capacity to raise (if not appropriately share) revenue. The greatest concern in Canada is that our love of regulation and government programs, plus the attendant management bureaucracy, is causing us to lose focus on the fundamentals.

It is hardly news that finance is also an issue of critical concern to urban management stakeholders around the world. What is news is the extent to



A view of Dubai under construction. Photo Credit: ©Geoff Batzel 2007



The city of Delhi by day. Photo Credit: ©iStockphoto.com/miteman

which money shares the podium with things like governance and environment as key areas of concern. People realize that money, by itself, will not create solutions. This is particularly interesting and at odds with the fact that supply-side solutions continue to dominate in the minds of decision makers versus demand management approaches. Canadian municipalities share both this supply-side bias and financial uncertainty although to a lesser degree than most. In Canada, lack of stable long-term funding and an over-reliance on property tax clearly limits local government's freedom to carry out strategic plans. Time and resources are instead expended on chasing more money, holding things together, robbing Peter to pay Paul, and putting out fires. In environments like this, strategic plans *per se* often become vehicles for posturing and messaging rather than the long-term operational guidelines they purport to be.

Conclusion

Urbanization is a key global challenge of our time as all population growth will soon take place in cities large and small. On the large side, the development of the city-state and super region is an inevitable outcome of this process, at sizes and in numbers unprecedented in world history: 30 or more million people living in a single closely packed urban "ecosystem" at the extreme. Canadian cities are growing, and regional economies are consolidating, at a rate that threatens to exceed the institutional capacity to maintain or improve the current condition in urban services. Yet, measured using a global yardstick, Canadian cities are mid-sized high performers, well-governed, with a successful track record for delivering

References and Notes

1. City population data sets from Thomas Brinkhoff: City Population (www.citypopulation.de) and urbanization data from United Nations Population Division.
2. City growth data from www.citymayors.com.
3. The sources used here are reputable and commonly referenced. While the task of compiling standardized urban data sets is fraught with complication and competing methodologies – no two data sets precisely agree – the figures presented here are adequate approximations for the purposes of this paper.
4. Mercer Human Resources Consulting produces Worldwide Quality of Living Survey, covering 215 cities, which is conducted to help governments and major companies to place employees on international assignments (www.mercerhr.com). Vancouver is regularly top 5, while Canadian cities as a whole dominate the top of the North American tables, and invariably place in the top 25 worldwide.
5. Transparency International produces an annual index of perceptions of public sector corruption in 163 countries around the world drawn from multiple expert opinion surveys. The Corruption Perception Index 2006 identified Finland, Iceland and New Zealand as the least corrupt countries in the world with a CPI score of 9.6. Canada ranks 14th with a CPI score of 8.5, the USA 20th with a CPI score of 7.3, Venezuela 138th with a CPI score of 2.3, and Nigeria 142nd with a CPI score of 2.2. See: www.transparency.org
6. Data from the World Institute for Development Economics Research.
7. Siemens AG has identified urbanization as one of the key drivers of global change and has supported a significant research effort studying global urbanization. The study examined transportation, water and waste, electricity, healthcare, safety and security systems in major cities around the world, and included an in-depth survey of over 500 different experts in 25 global megacities. The public results of the study can be viewed at www.Siemens.com (search word: megacities).
8. This regulatory power can be witnessed in the recent amalgamation and/or deamalgamation activity in Quebec and Ontario and in the then much heralded 1971 Winnipeg Unicity incorporation.

high quality services to their populations and supporting a high quality of life. The infrastructural challenges posed by urban growth in the developing world are on a different level entirely; local and regional authorities are completely overwhelmed by the service needs of their residents. There are no simple answers to these problems, but current research suggests that there is a degree of unanimity between urban management stakeholders around the world about the direction of progress - despite facing vastly different local circumstances with, presumably, vastly different specific solutions.

Finance clearly remains a critical concern but there is a realization that money alone will not solve problems. Widespread agreement exists that governance issues, finding effective ways of managing urban areas that have spilt far beyond their traditional boundaries, are just as important as money. There is also a growing awareness of the need to find holistic and sustainable solutions to infrastructure problems, but this budding awareness has yet to translate into a concerted program of action.

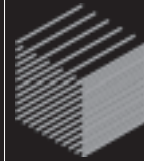
So, where in the world are we in Canada? We are among the best – but given the circumstances, is this cause for celebration? ■

Geoff Batzel, AICP, MCIP, RPP, is an independent urban development consultant in Toronto. Hailing from Winnipeg, he has called five of the eight largest cities in Canada home at one time or another, and has spent years living and working in the United States and internationally. Geoff was a contributing author for the *Megacity Challenges* publication released at the 2007 World Economic Forum in Davos, Switzerland. He can be reached at: gmb@gmr2inc.com

Daniel Haufschild, AICP, MIHT, MCIP, is a city and transport planning consultant with MRC McLean Hazel in Edinburgh Scotland. He was Research Project Manager and a contributing author for the *Megacity Challenges* publication released at the 2007 World Economic Forum in Davos, Switzerland. He can be reached at: daniel.haufschild@mrcmcleanhazel.com

Walker Nott Dragicevic Associates Limited

Planning + Urban Design



172 St. George Street
Toronto, Ontario
M5R 2M7

t: 416-968-3511
f: 416-960-0172
w: www.wndplan.com



DILLON
CONSULTING

Infrastructure Communities
Environment Facilities

Offices Across Canada and International
Suite 800, 235 Yorkland Blvd., Toronto, Ont. M2J 4Y8
416.229.4646
www.dillon.ca

Weston Consulting Group Inc.

Planning and
Urban Design Services
Since 1981

Tel: 905-738-8080
1-800-363-3558
Fax: 905-738-6637
www.westonconsulting.com
201 Millway Avenue, Unit 19
Vaughan, Ontario, L4K 5K8