



RICHARD FLORIDA

It's time for a 'ministry of cities'

RICHARD FLORIDA

Special to The Globe and Mail

Published Monday, Nov. 09, 2015 6:00AM EST

Last updated Friday, Nov. 06, 2015 6:11PM EST

Richard Florida is director, Martin Prosperity Institute, Rotman School of Management, University of Toronto

The members of Prime Minister Justin Trudeau's cabinet will be tasked with reviving economic growth, fostering innovation and productivity, overcoming inequality and rebuilding a faltering middle class. Cabinet will also oversee the Liberals' campaign pledge to provide \$125-billion over 10 years in new infrastructure money.

Each of those things revolves around one central pivot – the health and well-being of our cities. Along with talent and technological innovation, it is urbanization – dense, diverse cities – that powers innovation and economic growth today. Canadians like to think of their country as one of open spaces, forests and waterways. But it is one of the most urbanized countries in the world. Its five leading metro areas (Montreal, Vancouver, Toronto, Ottawa and Calgary) produce 50 per cent of its economic output; in comparison, the top five cities in the United States produce just 25 per cent.

While pouring money into infrastructure will certainly help pump up demand and create jobs, spending on disconnected projects will not forge a sustainable economic recovery. What is required is much more strategic investment in denser, transit-served, more connected cities and suburbs. This is analogous to what happened a half-century ago, when strategic investments in roads and infrastructure fuelled the rise of Canada's suburbs, which in turn stoked demand for products rolling off Canadian assembly lines and laid the foundations for the Canadian dream of a middle-class job, a house, a car of your own. That old model has outlived its shelf life.

What is needed now is strategic investment in a more-connected model of urban development. Investment in roads must be phased down and money devoted to mass transit that can better connect suburbs to urban cores, and to high-speed rail to link smaller and larger cities as more-integrated economic areas.

The new government is committed to reigniting Canadian innovation and overcoming the well-documented gaps in technology and productivity. But innovation no longer comes simply from great inventors, entrepreneurs or companies. It comes from cities, with their clusters of research

universities, networks of companies and talent, where ideas come to mate. This means focusing spending on urban innovation and the gathering of talent and companies, not just spending on research and technology.

Mr. Trudeau also wants to create good jobs, which serve as the backbone of the middle class. Such jobs and industries emerge from the economic diversity of cities. But to create them, policy-makers need to dedicate themselves to upgrading low-wage service jobs in the fields that are expanding in city centres, such as food preparation. This includes a commitment to a higher minimum wage, linked to the wide variation in local living costs.

Mr. Trudeau is also committed to ending inequality. This starts in cities, too. As my University of Toronto colleague [David Hulchanski](#) has shown, cities are a breeding ground for inequality. Not only have middle-class jobs become more difficult to find, but middle-class neighbourhoods are also disappearing as Canada's cities cleave into areas of concentrated advantage and disadvantage. Fixing this will require new approaches to affordable housing, in cities and suburbs alike, and opening more areas for denser development by reforming outdated zoning and building codes.

To demonstrate its commitment to all these interwoven urban issues, it's time for the government to create a new body – a “ministry of cities,” which would spearhead these interwoven initiatives while signalling to the world that this country is ready to lead the ongoing century of cities. A ministry of cities would include the existing Ministry of Infrastructure and Communities and embrace the required parts of other ministries. It would work closely with urban mayors, who know the most about cities and how they need to change. And it would promote the new political and governance structures that cities need in order to succeed and thrive.

The new government has signalled it will deal forthrightly with the challenges facing this country. Doing so requires putting cities at the very centre of its economic agenda to create better jobs, overcome inequality and restore Canada's middle class.

Follow us on Twitter: [@GlobeDebate](#)