



The Greater Toronto Area

The Region

The Greater Toronto area consists of 25 municipalities and four regions and covers a total area of over 7,000 square kilometres. The region's population of about 5.2 million (almost half are in the City of Toronto alone) makes it one of the largest and fastest growing regions in all of North America. A significant amount of the region's growth has been fueled by immigration — among the immigrants that enter Canada each year, half settle in the Toronto region. As a result, close to 44 percent of the region's population and 47 percent of the City of Toronto is foreign-born. This places Toronto ahead of other North American cities with large immigrant populations such as Miami, Los Angeles and New York.

In addition to being among the most populous regions in North America, Greater Toronto also boasts a strong regional economy. With a workforce of approximately 2.9 million and more than 100,000 companies, it has been estimated by the TD Bank Financial Group that the region generates one-fifth of Canada's GDP and that roughly 40 percent of Canada's business head offices are located within the area. As the *TD Economics 2002 Special Report on the GTA (Greater Toronto Area)* showed, the foundation of the region's economy rests squarely on several top clusters:

Financial Services: Third largest in North America, after New York and San Francisco

Automotive: Second largest automotive manufacturing sector in North America after Detroit

Biomedical and Biotechnology: Fourth largest in North America

Entertainment: Fourth largest in North America

Food and Beverage Manufacturing: Second largest in North America after Chicago

Aerospace: Fifth largest in the world

Business and Professional Services: One of the largest in North America

Tourism: Canada's number one tourist destination

Information and Communications Technology: Largest in Canada

Clothing and Textiles: Largest in Canada

The GTA's diversified economy is driven by many well-known companies ranging from major automotive assembly plants to information technology and telecommunications companies. Moreover, the region's industries and innovative economy are supported by an educated and skilled labour force. Over half of the labour force in the Toronto metropolitan area has at least a college or university degree.

Despite the strong economy, the GTA is also faced with many political, social and economic challenges that threaten the region's future economic prosperity. One of

the biggest challenges in recent years, especially for the City of Toronto, has been the decline in federal and provincial support for social programs, infrastructure and city services. The federal government's budget deficit has increased the amount of pressure on large municipalities such as Toronto to find ways to generate enough revenue to finance infrastructure projects such as highways and the regional public transit system. In addition, a federal budget shortfall has resulted in a decline in financial support for social programs that support affordable housing and services to help the homeless.

Perhaps one of the major challenges the GTA must address is the current rate of urban sprawl. The rapid spread of development outward from the central city has required the region to make massive investment in physical infrastructure and has added to the region's traffic congestion and air pollution. For example, the GTA Task Force estimated as far back as 1996 that if development patterns continue in the Toronto area as they have over the past twenty-five years, it would require the region to invest about \$55 billion of capital investment over the next quarter-century to build new road, water and sewer networks, as well as another \$14 billion in operating expenditures.

The Business-Led Organizations

Although the region is composed of numerous municipalities consisting of local chambers of commerce and business organizations, there are only two major business-led organizations that represent the voice of prominent business leaders and are regionally focused; the Toronto Board of Trade (BOT) and the Toronto City Summit Alliance (TCSA). The BOT has been around since 1845 and is Canada's largest local chamber of commerce. Its mission is to provide its members with innovative and valuable business tools as well as create opportunities for governments and the business community to work together on issues that are important to members.

TCSA is a multi-sector coalition that consists of over 50 civic leaders from the private, labour, voluntary and public sectors in the region. It was formed after the Toronto City Summit in 2002, a conference that brought leaders from around the city together to discuss the challenges, strengths and the future of the Toronto region. TCSA's goal is to develop a framework for action that will guide the region over the next five to 10 years, resulting in a more prosperous economy and an improved quality of life for its citizens.

The Regional Business-Civic Landscape

As the GTA's regional challenges have grown over the years and become more complex, the level of coordination and collaboration among business-led civic organizations and the other groups have fortunately increased. Both TCSA and the BOT have played a major role in promoting multi-sector regional collaboration. For example, the creation of TCSA has allowed the region's top leaders and organizations to work together to establish an action agenda for the future of the GTA and to develop solutions aimed at addressing the region's most pressing challenges. So far the coalition, led by David Pecaut, has been successful at maintaining a high level of participation from top leaders across the region, including the original Co-Chairs of the Toronto City Summit — Elyse Allan, former President and CEO of The Toronto Board of Trade; David Crombie,

President and CEO of the Canadian Urban Institute; and Frances Lankin, President and CEO of United Way of Greater Toronto.

In addition to its involvement with TCSA, the BOT has supported regional collaboration by creating links between the business community and other sectors. Last year the BOT created the City Governance Task Force, a broad-based group of leaders from the political, social and business sectors. This Task Force released a report highlighting six guiding principles of good governance for the City of Toronto.

Although leaders from the BOT and TCSA understand that many of the social, political and economic challenges facing the GTA are enormous and will require wide-scale regional collaboration to solve, they also understand that each organization has a different role to play within the region. For instance, the leadership of TCSA acknowledges that its role is to convene leaders, establish a vision and incubate a handful of initiatives based on that vision. The leadership of the BOT recognizes that its constituency and organizational priorities are much less broad-based than those of TCSA. As Elyse Allan stated, “[The BOT] needs to stay somewhat focused. If it goes too broad in its agenda, then we will ultimately compromise our credibility.”

Business Leadership

Business leadership in the Toronto region is very strong. The business community is active in advocating for policies and initiatives that support economic prosperity and improve the quality of life in the GTA. Some of the region’s most influential business leaders have been at the forefront advocating for a ‘new deal’ for Toronto and other Canadian cities. They have held regional forums, published reports, met with elected officials from all three levels of government, and even sponsored a campaign to encourage citizens to write their federal and provincial representatives demanding that they increase the amount of money the federal government invests in Toronto.

TORONTO CITY SUMMIT

In April 2002, the City of Toronto invited a diverse group of leaders to the Toronto City Summit, a conference aimed at assessing the city’s strengths and challenges and shaping the agenda for the Toronto’s future. The City Summit outlined a framework for action around an urban agenda for the next decade. The original framework for action focused on education, infrastructure, immigration and finance. At the conclusion of the Summit, conference attendees agreed to support the framework for action.

The following year, a second Toronto City Summit was held at which 300 delegates endorsed the Toronto City Summit Alliance’s report *Enough Talk: An Action Plan for the Toronto Region*. The *Enough Talk* report clearly defined the challenges facing the Toronto region and provided specific recommendations to address those challenges.

For more information, see www.torontoalliance.ca