In March, 2013 it was reported by numerous media outlets that the City of Toronto had surpassed Chicago in population, becoming the fourth-largest city in North America and the third largest in the U.S. and Canada. The City of Toronto, located in the southern part of Ontario, about an hour and a half drive from the U.S. border has been experiencing population growth throughout its history. Toronto is a fairly young city in relation to some of its American and European counterparts and is a city that has seen its borders constantly shift and expand, with the last shift taking place in 1998 with the amalgamation of Toronto and surrounding municipalities. Toronto’s growth has, invariably, also led to the growth and consolidation of its neighbouring communities, which has, in turn, led to the development of an interconnected region from a business perspective. The economies of Toronto and Hamilton in the past were heavily based on basic industrial jobs, but as these sectors have declined greatly both cities have tried to transition successfully to a knowledge based economy. This presentation will look at the growth of an innovation hub from Toronto into the Greater Toronto-Hamilton-Kitchener-Waterloo region.

The growth that Toronto has experienced is quite unique as the city attracts a large amount of immigrants from numerous countries around the world. According to StatsCan, 37.4% of all foreign born residents in Canada live in the Toronto census metropolitan area (CMA), and seven out of ten immigrants in Ontario live in Toronto. The result is a CMA in which 2,537,400 immigrants made up 46.0% of Toronto’s total population in 2011. Toronto’s unique ability to attract a plethora of immigrants places the city in a unique position to succeed within the knowledge economy, as many of the immigrants are highly educated with backgrounds in numerous fields. It is the meshing of different types of people with different backgrounds and educational attainment that is contributing to Toronto’s success as an innovation leader. The numerous educational institutions including the University of Toronto, York University, McMaster University, Ryerson University, University of Waterloo, and others are also contributing to Toronto’s output. The Toronto region has a Creative Class share of 34% and a degree share of 47%. These are very high numbers as the city has been able to not only attract immigrants from numerous countries, but also retain and develop educated and creative people. The collaboration between innovative and talented individuals from different regions has always been a part of Toronto’s history and can be seen through one of Toronto’s most famous innovative breakthroughs, the extraction and purification of insulin. The discovery was made at the University of Toronto and Toronto General Hospital, by a Canadian scientist and
American who was studying medicine at UofT. This is also the case when looking at the creation of Research In Motion Limited (RIM), which was started by Mike Lazaridis, who immigrated to Canada from Turkey, and Canadian Jim Balsilie in Waterloo Ontario.

The City of Toronto has not only been able to attract talented individuals to the area but has also proven itself as a city able to develop and retain homegrown talent. The large universities in the city, including the University of Toronto, one of the highest ranked research universities in the world, help Toronto do so. As Toronto has grown, so have many innovative sectors from medicine and engineering to financial services and telecommunications, which this presentation will explore. This growth has spilled out into periphery and satellite communities as businesses and populations have moved and expanded outside of Toronto’s borders. Where Toronto has been an innovation leader for many years now, the growth in many sectors, coupled with increasing immigration has led to an expansion of its geographic influence and the consolidation of other cities into a region known as the Greater Toronto-Hamilton-Kitchener-Waterloo area. While most rhetoric only discusses the Toronto Hamilton area, the rapid growth of the tech sector in Kitchener Waterloo is worth examining in conjunction with Toronto.

Toronto has consistently experienced population and business growth, but over the past ten years, much of the development within the City has been residential, as people flock to live downtown. In 2012 Toronto was the North American city with the largest total number of residential high rise buildings under construction. While the residential growth is strong within the city, many innovative businesses have and are continuing to locate just outside the City of Toronto, but still in the Greater THKW region. Some of these peripheral cities that have seen large population and business growth over the last 10-20 years, fueled by numerous innovative companies include Markham, Mississauga, Hamilton, and Kitchener-Waterloo-Cambridge. The growth and expansion of these areas has occurred due to the decisions made by many of the world’s largest and most innovative companies to locate within these cities. For example, Markham has been able to attract some of the world’s most successful tech and life sciences companies to locate within its borders such as IBM Canada, AMD (only Canadian location), and others. Mississauga is another satellite city of Toronto that has been able to attract these types of businesses as more than 60 Fortune 500 companies have chosen to locate their head offices in Mississauga. This presentation will highlight how each of these regions has individually changed over time and what issues the region faces going forward. While the City of Toronto continues to a research centre, the commercialization of innovative products has been more successful in the Kitchener-Waterloo region. Unfortunately there is little collaboration between the research-taking place in Toronto and the commercialization of technology products in Waterloo. The region is connected geographically, but it would be beneficial to create greater links between the different cities through the research and commercialization of innovative ideas and technologies.

As this region has grown and populations and businesses have spread, there are numerous challenges that the region will continue to face that will also be outlined in the presentation. The region has grown greatly, but the consolidation of these cities into this innovative mega region has left the region physically disconnected. Currently there is no efficient form of public rail transit that connects the
region together, leading to some of the largest commute times in North America. With a regional population that is projected to grow past 8.6 million, the lack of transportation planning poses many challenges. There are other planning issues that the region faces due to the dispersion of people and businesses throughout the region, as the province is trying to increase density within the city cores as outlined in their numerous growth plans for the entire region. Toronto’s unique population and innovative business growth has been intense and fast paced, as today the Greater Toronto region is known as being one of the world’s leading innovation hubs. This growth unfortunately has not led to innovative planning to deal with this growth, as the region will face many challenges in the near future that could threaten what has already been achieved.