

# Deconstructing Neighbourhood Transitions:

**The Contributions of Demographic, Immigration,  
Life Style and Housing Stock Changes**

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## Context

- Neighbourhoods change for many reasons, and in response to both internal and external forces
- A rich academic literature exists highlighting the wide diversity of neighbourhood experience from place to place
- Less is known about the evolutionary dynamics – of the in-flows and out-flows, the effects of compositional shifts, and the changing determinants that define alternative neighbourhood trajectories

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## Objectives

- To examine the dynamics – here called ‘transitions’ in neighbourhood social status - in Toronto and other large metros in Canada in response to recent social, demographic and housing changes
- To identify trends, directions of change
- To evaluate the relative contributions of specific components of change and to assess their relationships and consequences
- Set in context as part of the ongoing UofT CURA project on inclusive neighbourhoods

## Data/Methods

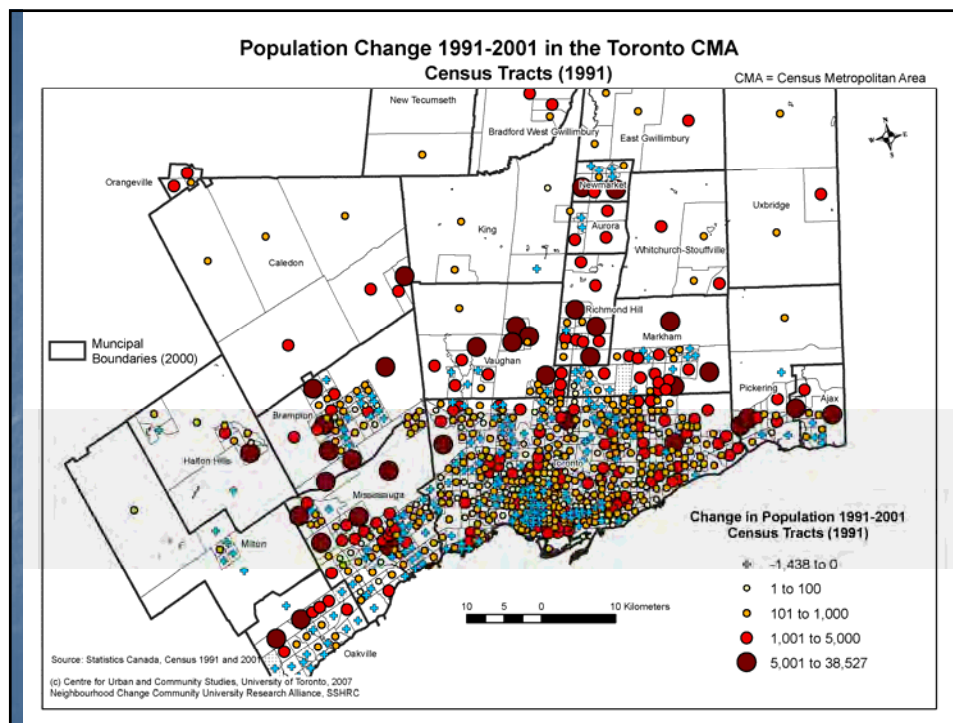
- Analysis primarily uses census data on social, ethnic and housing characteristics for 1971 -2001
- Supported by special cross-tabulations, specifically on income, household and housing stock attributes
- Spatial units are census tracts and aggregations of tracts - used as pseudo-neighbourhoods
- Special focus on large metropolitan areas – Toronto, Montreal, Vancouver with case studies of Toronto (including our west Toronto CURA neighbourhood)
- Key dependent variable: individual and household incomes
- Employ correlation/regression analyses and transition (probability) matrices (e.g. Markovian)
- Note: the metro area of 1971 is now the central city of 2001/6

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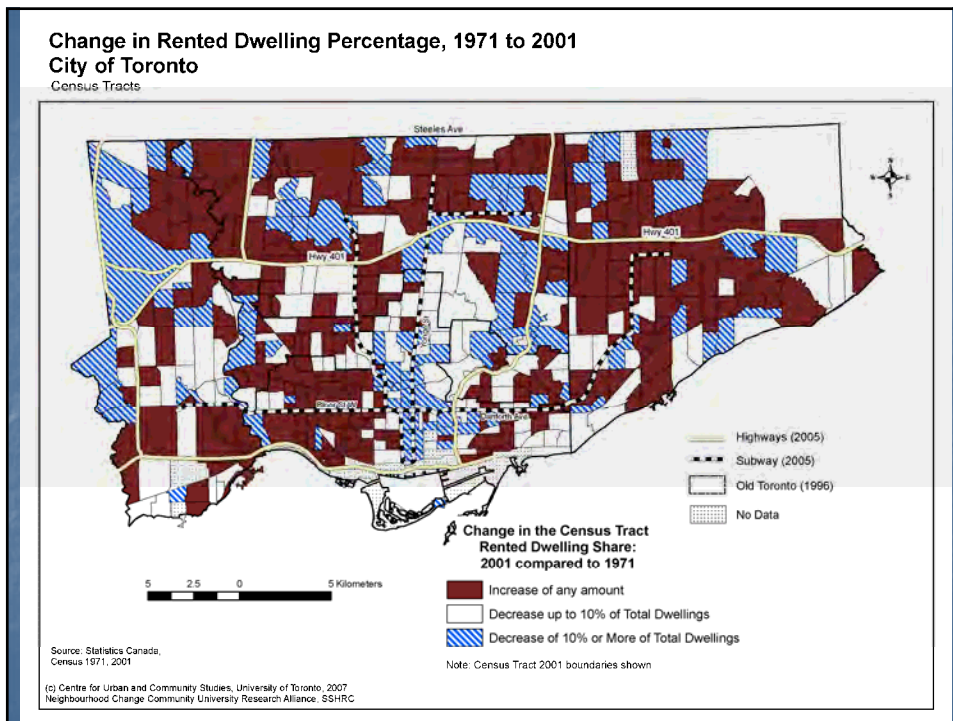
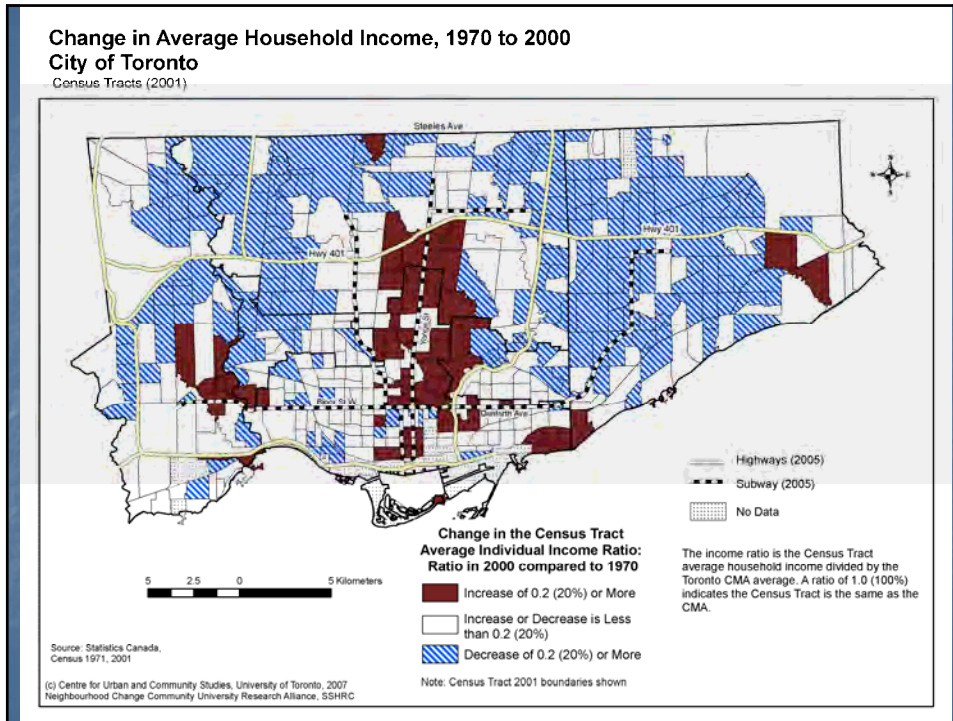
## Alternative Theoretical Frameworks

- Ecological models
- Micro-Economic models
- Life cycle/stage models
- Social/behavioral models
- Real estate/triage models
- Neighbourhoods as public goods
- Capital investment/disinvestment models
- Accounting models
- Stochastic/probability models



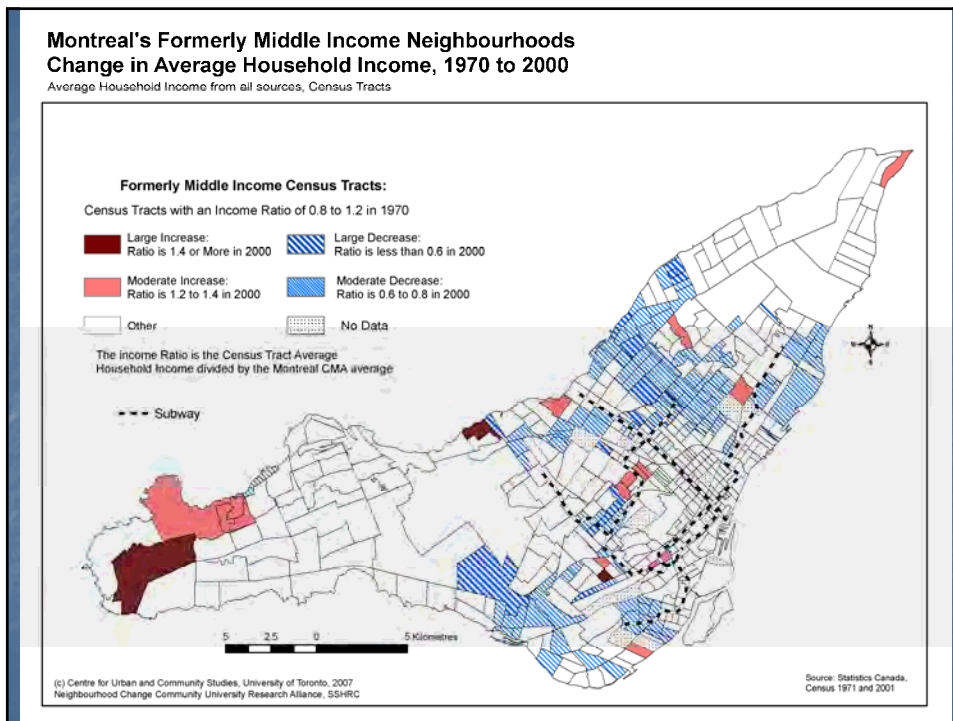
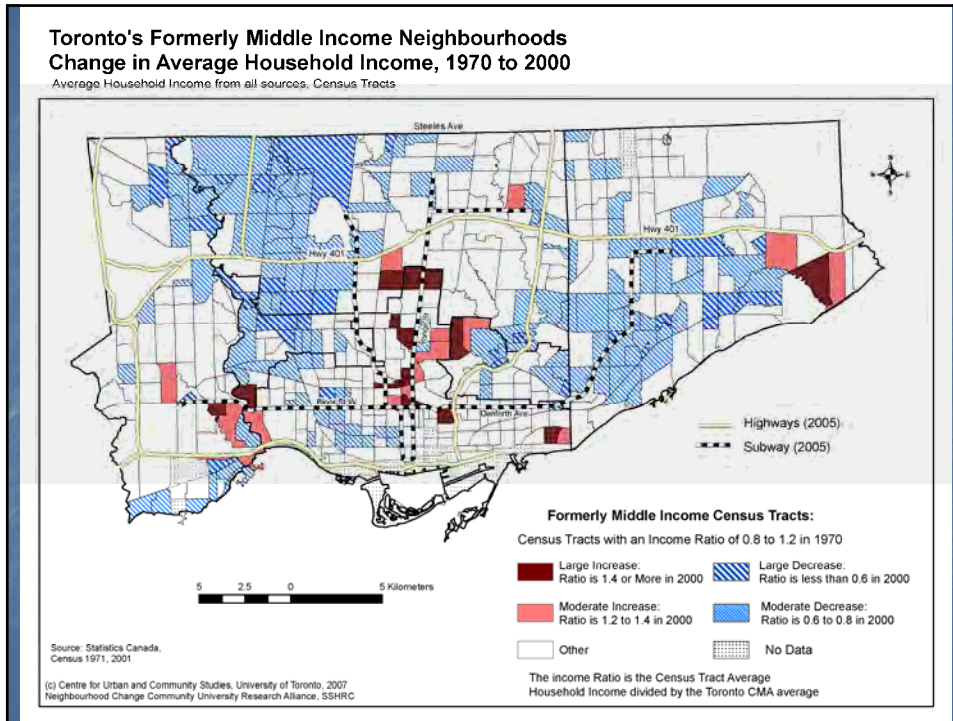
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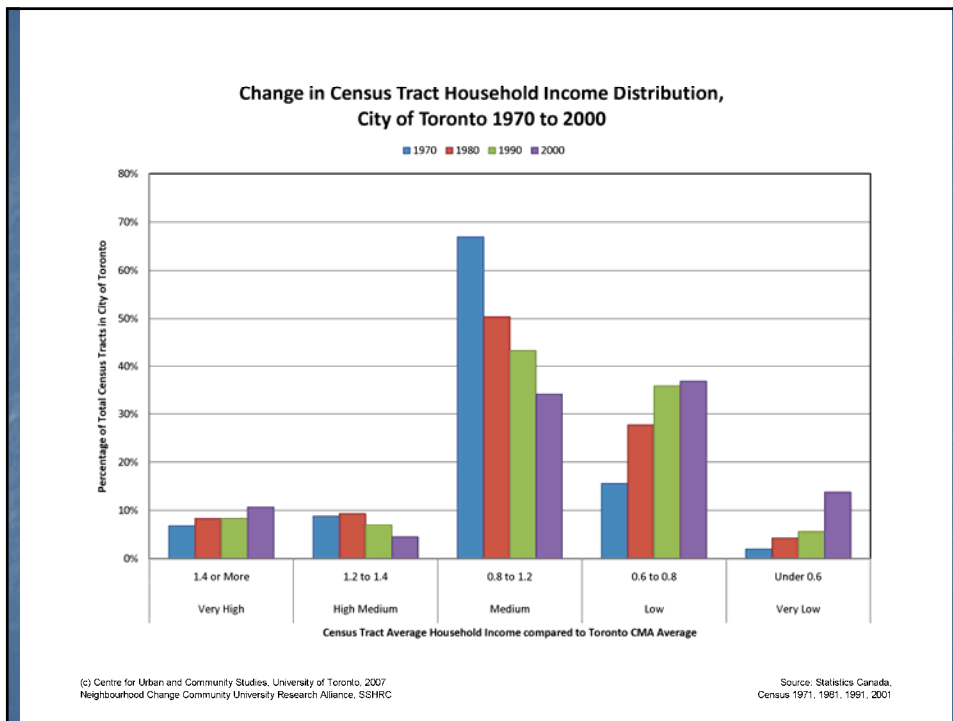
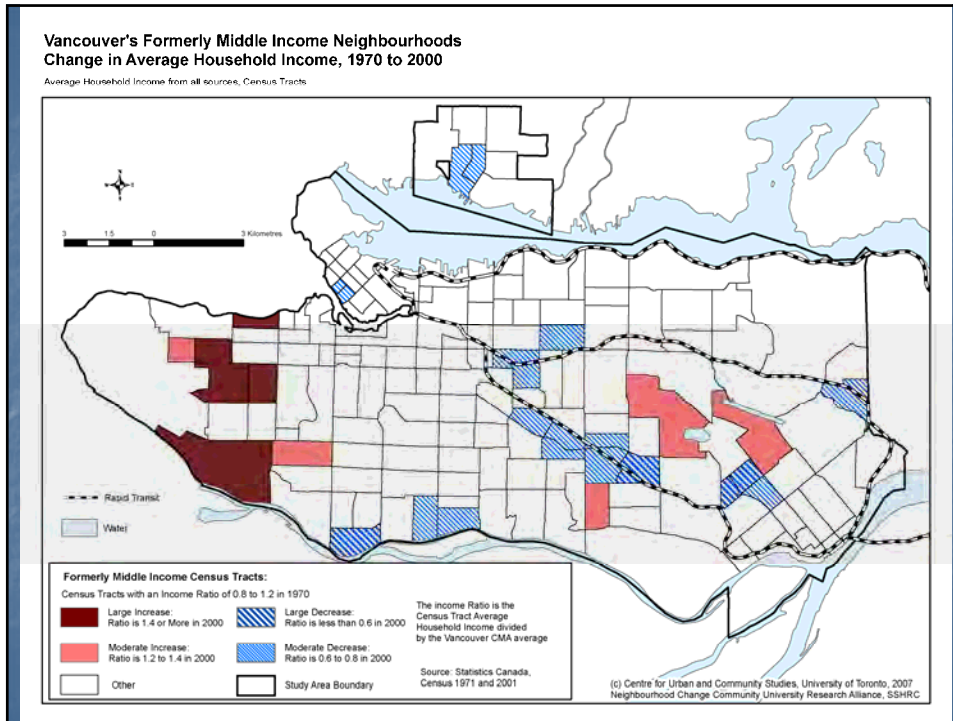
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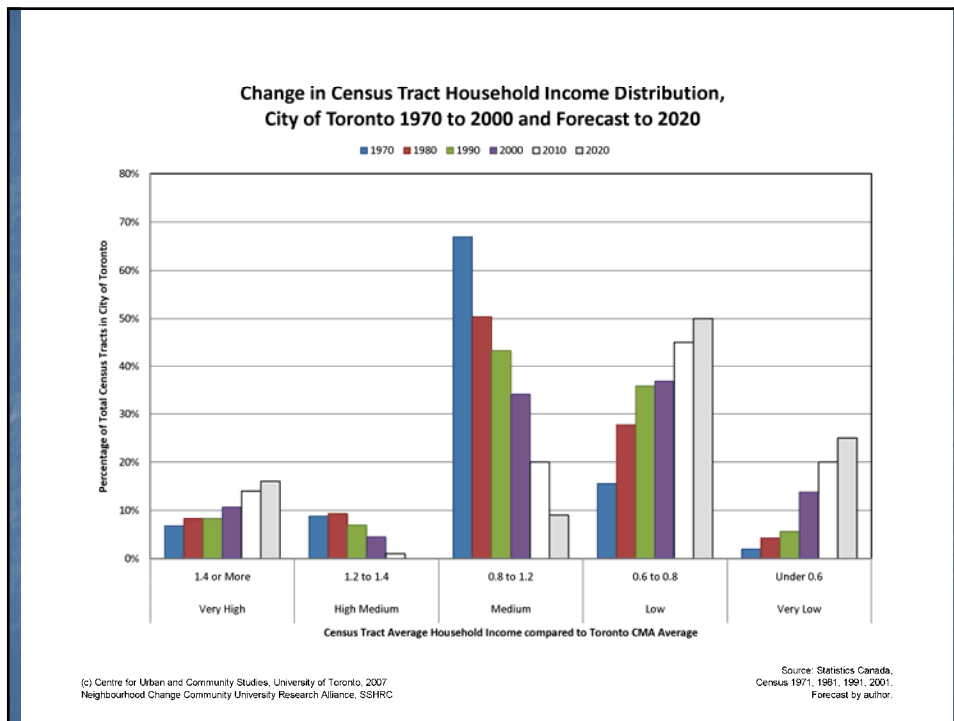
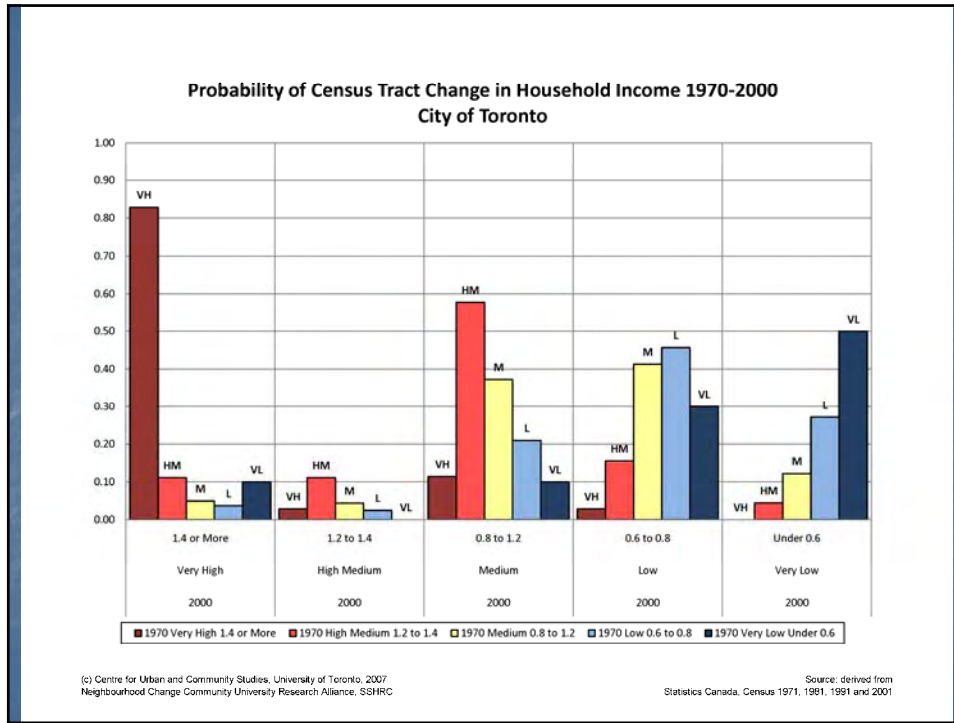
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## Table 1

### NEIGHBOURHOOD TRANSITIONS: HOUSEHOLD INCOME CHANGES, CITY OF TORONTO, 1971-2001

Income Level 1970	Number of Census tracts 1971	Income level in 2000				
		VH	HM	M	L	VL
Very high (VH)	35	29 (.83)	1 (.03)	4 (.11)	1 (.03)	0 (0)
High Medium (HM)	45	5 (.11)	5 (.11)	26 (.58)	7 (.16)	2 (.04)
Medium (M)	344	17 (.05)	15 (.04)	128 (.37)	142 (.41)	42 (.12)
Low (L)	81	3 (.04)	2 (.02)	17 (.21)	37 (.46)	22 (.29)
Very Low (VL)	10	1 (.10)	0 (0)	1 (.10)	3 (.30)	5 (.50)
Number of Census Tracts 2001	515	55	23	176	190	71

Note: Income groups defined relative to the CMA average household income (CMA = 1.00) as follows:  
 VH = 1.4 or more, H = 1.2 to 1.4, M = 0.8 to 1.2, L = 0.6 to 0.8, VL = below 0.6  
 Source: Statistics Canada and CURA project

## Table 2

### NEIGHBOURHOOD TRANSITIONS: CHANGES IN HOUSEHOLD INCOME FOR MIDDLE CLASS NEIGHBOURHOODS, TORONTO, MONTREAL, VANCOUVER, 1971-2001

City	Number of Census Tracts	Medium Income Tracts: Change 1971-2001		
		Up	Same	Down
Toronto	n= 344	32 (0.09)	128 (0.37)	184 (0.53)
Montreal	n= 249	18 (0.07)	101 (0.41)	130 (0.52)
Vancouver	n= 100	10 (0.10)	68 (0.68)	22 (0.22)

Note: Middle income defined as between 80 and 120 percent of the CMA average household income.

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## Table 3

■ **NEIGHBOURHOOD TRANSITIONS: CHANGES IN HOUSEHOLD INCOME FOR LOW INCOME NEIGHBOURHOODS, TORONTO, MONTREAL, VANCOUVER, 1971-2001**

■ City	■ Number of Census Tracts	■ Low Income Tracts: Change 1971-2001		
		Up	Same	Down
■ Toronto	n= 81	22 (0.27)	37 (0.46)	22 (0.27)
■ Montreal	n= 132	24 (0.19)	56 (0.42)	52 (0.39)
■ Vancouver	n= 34	13 (0.38)	17 (0.50)	4 (0.12)

■ Notes: Low income defined as household incomes between 60 and 80 percent of CMA average.

## Conclusions 1

- The evidence confirms the conundrum: considerable neighbourhood stability combined with rapid social status change and high levels of transition
- There are many different neighbourhood trajectories, with no guaranteed profiles of change: there are also different trajectories for social status, demography, ethnicity and the housing stock
- Overall, neighbourhoods have been moving further apart in terms of social status and income levels – i.e. socio-spatial polarization has increased
- The most vulnerable neighbourhoods – in terms of probable transitions to other states - seem to be those in the middle (the vanishing middle?)
- The most persistent are those with very high (and often increasing) incomes
- There are also considerable differences in the dominant directions of transition in the three large metros – reflecting their different social geographies, immigration patterns, housing histories and economic fortunes
- Within metro areas the sharpest transitions are downward in the post-war suburbs and upward within the old central city (near transit, the waterfront)
- New housing construction within the three cities has been impressive but has only been able to compensate for declining populations elsewhere (due to demographic thinning)

## Conclusions 2

- The strongest correlations with upward or downward transitions in social status are:
  - occupational and educational levels (+)
  - % owned housing (excluding condos) (+)
  - % rental housing and % recent immigrant (-)
  - % lone parent families (-)
  - over time (1971-2001) the contribution of the latter three variables has increased
  - the contributions of average household size decreased after the 1980s; and the role of seniors switched from slightly negative in the 1960s to slightly positive after 1981
  - The association between spatial concentrations of recent immigrants and low incomes has increased, particularly in the older post-war suburbs
  - There is clear evidence of place-specific, and both staging and period effects

## Conclusions 3

- The relative contribution of new housing tenures – notably the condo boom – has been muted to date. While they represent over 30% of new starts (2001-2006) they still equal less than 12% of the total housing stock (in both Toronto City and CMA)
- Condos have a highly polarized social character, including a sub-market for the elite and young professional households, but on balance they are catering to older households, female-headed households, those of lower incomes (and relative incomes have been declining for both new and old condo stock)
- The transition probabilities for neighbourhoods in the three metro areas suggest that social mix, at least in terms of income, is still common and likely to continue but that the dominant directions of change point away from socially inclusive neighbourhoods
- The relative decline in social status of inner suburban areas is attributable to several distinct but interrelated social processes.

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