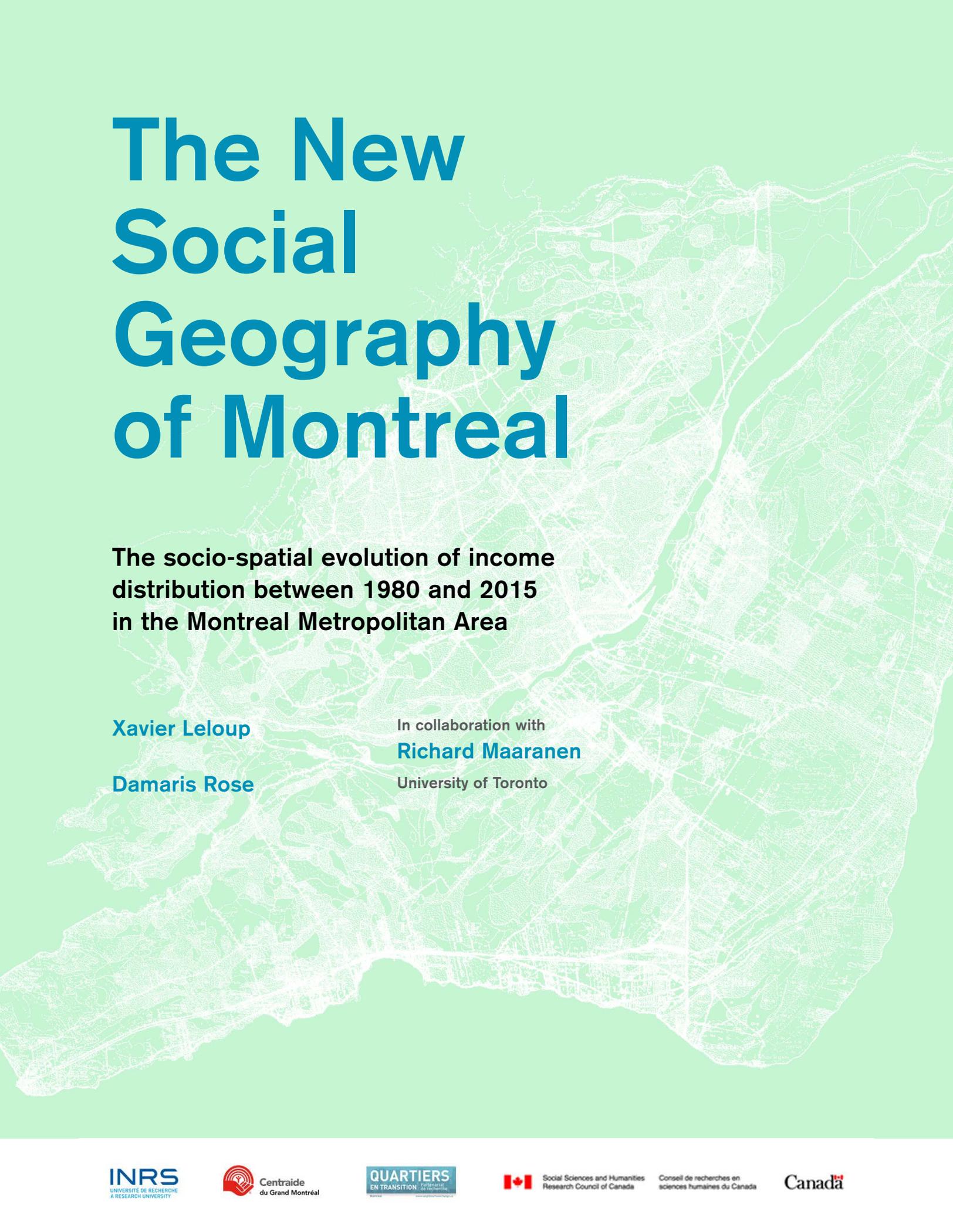


# The New Social Geography of Montreal



The socio-spatial evolution of income  
distribution between 1980 and 2015  
in the Montreal Metropolitan Area

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**Dissemination**

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# Context of the study

**The present study is an update of a previous study on the evolution of income distribution in the Montreal area by Damaris Rose and Amy Twigge-Molecey, *A City-Region Growing Apart? Taking Stock of Income Disparity in Greater Montréal, 1970-2005* (Rose and Twigge-Molecey 2013). While not a full revision of the previous analyses, this report takes advantage of the reintroduction of the long-form census in 2016 and the data released from it to update the research for the 1980-2015 period.**

We chose this period because it corresponds with a certain “return to normalcy or balance” for the economy of Montreal, after having traversed a relatively intense period of restructuring (Polèse 2009). This period saw a sustained economic recovery, especially from the mid-1990s on, accompanied by major transformations in the structure of Montreal’s economy. Today, the Montreal region is more oriented towards sectors where research and development are important, and less oriented towards traditional, more labour-intensive industries. Its economy has also been restructured around various high-order services, such as finance, health, engineering or corporate services, as well as more everyday services, such as retail, restaurants, cleaning services for office buildings or distribution and handling of goods. Finally, like many North American cities, Montreal has been affected by major social and demographic change, such as the rise of one-person households, population growth associated with international immigration, reinvestment in older and working-class neighbourhoods, and the growth of two-income couples.

In brief, the evolution of Montreal between 1980 and 2015 has various characteristics associated with a possible increase in income inequality, such as sustained economic growth, economic

restructuring to the detriment of traditional industries, and a more diverse population. These factors have contributed to growing segmentation of the job market, with some sectors requiring highly-skilled labour and others less-skilled workers. This segmentation has contributed to divisions between groups on the basis of sex, age and immigration status. As such, it is interesting to see how these disparities compare to those seen in other Canadian cities and how they materialize in the Montreal Metropolitan Area.

The present report was produced under the Neighbourhood Change Research Partnership, headquartered at the University of Toronto. Centraide of Greater Montreal is the main research partner of the Montreal team of the Partnership, and contributes to the development of research projects and the questions that guide them.

The data and the maps that this report uses were provided by the Toronto team of the NCRP and are part of the research infrastructure of the Partnership. They mainly pertain to mean individual income before tax at the census tract level. The data set allows us to follow the evolution of incomes over a long time period and at a relatively fine geographic scale. One of its limitations is that it does not allow us to look at after-tax income (this

variable has only been available since the 2006 census)<sup>1</sup>. The data set also does not account for income differences in households based on their composition. Using individual income data has the advantage of allowing us to produce a series covering a long period (35 years between 1980 and 2015) and to observe their evolution at a fine geographic scale. Only the section on the levels of relative deprivation at the neighbourhood scale in 2015 uses household after-tax income data, to which we add variables from the most recent

census. This study also makes full use of Statistics Canada's release of the most recent census data and presents original information on the recent evolution of income at the neighbourhood scale and the distribution and spatial composition of deprivation.

The data analysis methods used were descriptive and do not need a detailed explanation here. They will be presented concisely in the various sections of the report.

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1 The relationships between the distribution of income and fiscal policy are important. Several studies have shown that income inequality is mainly the consequence of a less equal distribution of market income between households. The increase of inequality related to the market was, however, offset by fiscal policy until the economic recovery of 1993, reducing inequality between households in terms of their disposable income. After 1993, the effect of fiscal policy lessened and inequalities have tended to increase regardless of the type of income used to measure them (see, for example, Frenette, Green and Picot 2006).

# Why study income inequality between neighbourhoods?

**Income inequality is the object of discussion and debate at all levels— local, national and international. As the United States President Barack Obama has said, income inequality is “the defining challenge of our time.” Today, it is identified as a threat to economic growth and development by several international institutions (the OECD and the IMF, for example), whereas its negative effects tended to be minimized in the past. This change of tune coming from the champions of neoliberal globalization has not gone unnoticed and has indeed led to some cynicism towards these institutions.**

The effects of income inequality are well documented. More recently, though, the phenomenon has reached worrying levels. One of the most visible aspects of this transformation is the increasing concentration of wealth at the top of the social hierarchy (the infamous “1%”). In Canada, the proportion of national income earned by the top percentile hit a record of 12.1% in 2006, just before the 2007-2008 recession, and decreased slightly afterwards. However, the most recent numbers released by Statistics Canada show that this proportion has once again increased, sitting at 11.2% of the national income in 2014-2015. The same numbers indicate that individuals having declared more than \$237,500 (before tax) in 2015 made up the top 1% of the wealthiest Canadians. The top 5% earned \$120,000 or more, while the top 10% earned \$92,800 or more (Statistics Canada 2017).

Earlier works on income inequality in Canada showed that the phenomenon was expanding faster here than in many other countries (between 1990 and 2000, Canada had the second-fastest growth of income inequality among OECD member countries) (OECD 2015). These studies have also shown, however, that the level of income inequality in Canada has remained lower than in the United States, the undisputed champion of global North

countries in this matter, and the United Kingdom, but higher than the Scandinavian countries and Continental Europe. This particular positioning of Canada can be partly explained by the wider social security net; the State continues to offer universal access to certain services (health and education, for example) and applying progressive taxation (meaning that tax rates increase with income) (Myles 2015; Zuberi 2006). This last aspect varies between provinces and territories, and Québec is one of the jurisdictions that applies this approach the most. Recent studies have suggested, however, that the progressive effects of Quebec’s fiscal policy have lessened, and that they are too weak to compensate for increasing inequality principally related to a growing inequality in the market incomes (employment and investment) of households (Banting and Myles 2013).

In an increasingly competitive economic context, income inequality is also the result of more precarious employment conditions. Several studies have emphasized the major increase in atypical work situations (part-time, on-call, temporary and seasonal), the development of hiring practices that make employment contracts more discontinuous (reliance on subcontracting and employment agencies), and decreasing remuneration and benefits (lower hourly wages and the absence

of social benefits related to employment, such as retirement plans or private medical insurance) (Procyk 2014; Bernier, Vallée and Jobin 2003; Noack and Vosko 2011). All of these transformations are part of the shift from a Fordist economic model to a post-Fordist model. One of the dominant features of the post-Fordist model is that employers opt for a flexible workforce to allow for production to adapt to the ever-changing demand of the market and consumers (Boyer 2000). One of the consequences of this shift is an increase in working poverty and precarious employment. Studies on the labour market have shown that an ever-increasing number of workers do not earn enough to escape poverty, while the Canadian economy has experienced almost constant growth since the mid-1990s (the 2008-2009 crisis being a temporary recession) (Gunderson, Muszynski and Keck 1990; Leloup, Desrochers and Rose 2016; Ivanova 2016; Yerochewski 2014). These studies also emphasize that this phenomenon is spreading to many sectors of the economy. The main explanations for the steady increase in workers in precarious situations are thus the insufficient income that workers are able to derive from their work, or the unstable nature of their employment (Fleury and Fortin 2006). Many people are living in poverty not because they work few hours or because of a supposed lack of motivation to be employed, but because they cannot find well-paid, stable work. Finally, different social groups are affected by these phenomena in different ways. Immigrants settled in Canada for less than 10 years are at a particularly high risk of being in working poverty and often have less well-paid, unskilled and precarious employment (Leloup, Desrochers and Rose 2016). The same is true for women, especially single mothers, as well as young people, including students, who are more likely than ever to work while pursuing their studies.

To these individual factors of inequality can be added growing aggregative effects. The first of

these is related to the social dynamics of household formation. It has long been recognized that choice of domestic partner often involves a form of homogamy (Kaufmann 1995). People who come from the same social background in terms of income or education, for example, tend to form households together. This creates a widening income gap between households at the top of the social hierarchy, made up, for example, of a couple with two professionals, and those that are at the bottom, where households rely on the precarious employment of each member of a couple or on a single person's modest income (Rose and Villeneuve 1998). This first aggregate effect explains why inequality between households is often greater than between individuals.

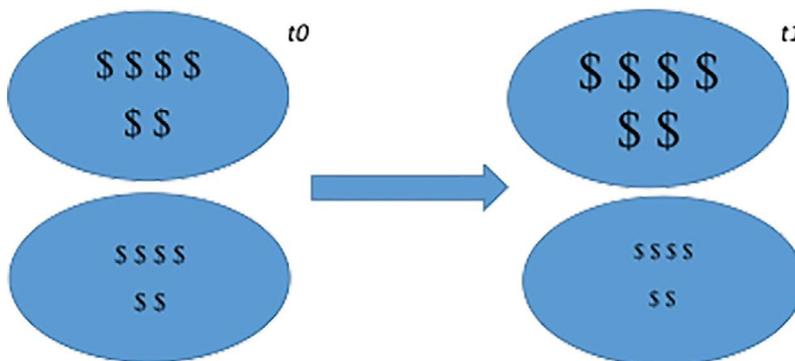
The increase in inequality between households has several effects on Canadian cities. The main impact is an increase in income inequality between neighbourhoods (Walks 2013; Bolton and Breau 2012; Chen, Myles and Picot 2012). Two mechanisms can contribute to this increase.

The first mechanism is related to differentiated evolution of the income of the wealthiest and poorest households (see Figure 1). The former continue to get wealthier, while the latter continue to get poorer, widening the gap between neighbourhoods where one or the other lives. This mechanism can be described as increasing wealth or impoverishment *in situ*.

The second mechanism recalls the saying “birds of a feather flock together”, as households tend to be grouped spatially according to their social status (see Figure 2). This mechanism thus leads to an increasing socio-spatial segregation in cities, to the extent that different income classes are concentrated in more and more homogenous spaces, whether this concentration is sought after or involuntary.

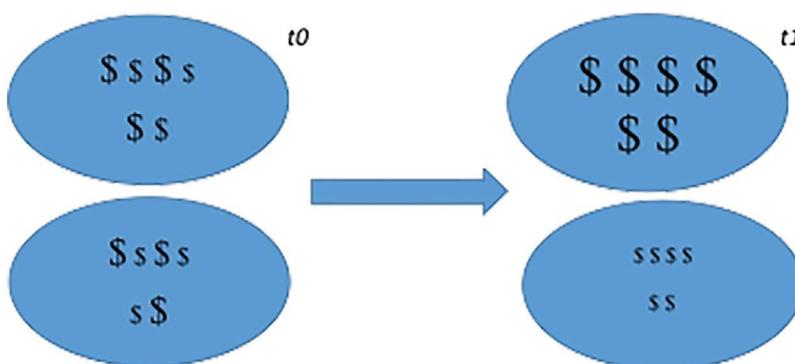
Given the tendency for increases in inequality between households, most studies on the subject suggest that the first mechanism explains growing inequality between neighbourhoods in Canadian cities. Indeed, urban job markets have experienced profound transformations in the past decades, with less and less stable and well-paid industrial jobs, while tertiary sector development has generated both skilled and routine jobs. What results is a growing polarization of incomes, with at one extreme, the working poor and precarious workers employed in low-skilled jobs, and at the other extreme, senior managers and professionals working in highly-specialized sectors experiencing growth. This polarization of the social structure is particularly visible in “global” cities like London

(May et al. 2007). Finally, growing polarization of the job market affects different sub-populations in different ways. Immigrants, and in particular immigrant women, often face difficult and precarious situations in urban job markets, providing cheap labour for many sectors of the economy (Kesteloot 1990; Chicoine and Rose 1989; Rose 1987). People living alone are also at a disadvantage compared to couples with two incomes, with or without children. Professional couples have become a driving force of inequality between households and their establishment in certain central neighbourhoods can have a significant impact on the socioeconomic composition of those areas (Karsten 2003).



**Figure 1**  
Increasing wealth or impoverishment *in situ*.

Between  $t_0$  and  $t_1$ , households in high-income neighbourhoods see their incomes rise, while those in disadvantaged neighbourhoods see them stagnate or decrease.



**Figure 2**  
Segregation process between high and low-income households.

Between  $t_0$  et  $t_1$ , households with the highest incomes are grouped together in the same neighborhood and households with lower incomes in another.

While the first mechanism is the main factor behind increasing inequality between neighbourhoods in Canadian cities, the second mechanism (segregation between rich and poor areas) can also play a role. The transformation of the job market has been accompanied by changes in urban dynamics. Gentrification is without a doubt the most widely debated phenomenon of these dynamics. It consists of an increase in average incomes of a neighbourhood by means of a progressive replacement of its former population, often low income, by a new population with high levels of education, economic capital and cultural capital. This process has principally affected central neighbourhoods in large North American cities and certain European countries (like the United Kingdom, Belgium, and the Netherlands). Consequently, the landscape and the demographics of neighbourhoods are changed, with a certain level of social diversity early in the process, followed by a growing proportion of housing occupied by increasingly high-income populations. But rising inequality between neighbourhoods is not only associated with this reinvestment in the central city. It is also related to urban sprawl with the establishment of the lower middle class in suburbs where home ownership is more widely accessible. Furthermore, suburbs have tended to diversify, with the appearance of enclaves and luxury developments, allowing wealthy households access to various sought-after amenities (golf, waterfront access, green space, etc.). Finally, these processes have had consequences on the spatial distribution of poverty, an aspect that is often overlooked in public discourse (at least in Quebec) on the transformation of cities. Indeed, pressure in the housing market has increased in many sectors as a result of them. It is thus more difficult for low-income households to find housing in central neighbourhoods. The reduction of affordable rental housing in many central areas that were previously diverse is one of the factors

that explains the relegation of disadvantaged households to more distant residential areas such as older suburbs or more distant suburbs (Ades, Apparicio and Séguin 2016). This relocation follows, in part, the spatial reconfiguration of systems of production and distribution, with more routine and space-consuming activities moving to the periphery where they can meet their real estate needs at a lesser cost and benefit from better access to the road network. The workers who depend on employment in these facilities often follow this move to the suburbs. Finally, disadvantaged households are concentrated in areas that are well served by public transit, in particular, more-densely populated zones and former suburbs built in the post-war period.

Income inequality is important to study so that we can better understand the evolution of the social and spatial structure of cities. It is also important to study it because of its consequences for living conditions and housing in many neighbourhoods. Combined with a process of segregation related to economic growth and reinvestment in certain urban spaces, income inequality contributes to the formation of neighbourhoods where the most disadvantaged households live in difficult social, and often environmental, conditions. This concentration can be the cause of negative effects related to neighbourhood characteristics or local context. Indeed, households living in such neighbourhoods may have less access via their personal networks to employment or training opportunities, to say nothing of the simple fact that living in poverty or precariousness increases the risk of developing health problems and psychological issues related to stress (Matheson et al. 2006). As well, schools situated in disadvantaged areas often have higher concentrations of children with high needs and insufficient specialized resources to support their educational needs (Galster and Sharkey 2017).

# Goals of this study

**This study focuses on the socio-spatial structure of the Montreal region. It is especially aimed at understanding the evolution of the distribution of income between neighbourhoods and the social geography that emerges as a result. It aims to show the changes that have occurred in the past 35 years.**

This study has the following specific goals:

- compare the evolution of inequality and polarization between neighbourhoods in Montreal with what has been observed in other large Canadian cities – [Section 1](#);
- describe the spatial distribution of average income by neighbourhood in 1980 and 2015 and follow the evolution of social geography that has resulted from the changes observed between those two years – [Section 2](#);
- present a portrait of low-income neighbourhoods according to various sociodemographic characteristics in 2015 – [Section 3](#).

# 1 Evolution of income inequality between neighbourhoods in Canada's four largest metropolitan areas

**Income inequality has increased almost everywhere in Canada. However, the intensity with which this increase has been felt at the local scale has varied from one region to another depending on the region's economic situation and the characteristics of its population. It is, as such, interesting to see how Montreal compares to the three other largest cities in the country (Vancouver, Calgary and Toronto) in terms of the evolution and the level of neighbourhood-level income inequality.**

We take two aspects into consideration. The first concerns specifically the evolution of income inequality between neighbourhoods. This is assessed here using the Gini index, a classic measure of inequality. The index varies between 0 (no inequality) and 1 (maximum inequality). The second aspect is the phenomenon of income polarization between neighbourhoods. The process is different from inequality because it denotes the concentration of households (and income) at two extremes of the social hierarchy (inequality does not presume such concentrations and operates at all levels of the social hierarchy). Polarization is measured using a recently developed index that offers a more precise measurement of the phenomenon than previous available indexes (Walks 2013). This index also varies between 0 and 1, with a higher value indicating greater polarization.

Figure 1.1 and Table 1.1 present the calculated results of the two indexes (Gini and polarization) from 1970 to 2015 using the neighbourhood as the unit of observation.

Figure 1.1 considers the evolution of these two phenomena over time using 1970 as a base year. This figure allows us to compare the four largest Canadian cities fixing at 100 the Gini and

COP (coefficient of polarization) for this base year. Table 1.1 allows us to compare the level of inequality and polarization for each city for the various years.

The curves shown in Figure 1.1 clearly show that, among the four cities, Montreal has had the least growth of income inequality and polarization between neighbourhoods. Since 1970, income inequality has increased by 10% and polarization has changed very little over time. At the opposite extreme, Toronto and Calgary had major increases in both phenomena over the same period. It is interesting to note that Vancouver is more similar to Montreal, with a limited growth in inequality and polarization between neighbourhoods, a result that may seem surprising considering the difficult housing market situation in that city. One possible explanation has emerged in a study on working poverty in Vancouver: the significant real estate speculation that has occurred there has directly contributed to the spatial dispersion of disadvantaged households, while at the same time, the affordable housing stock has been reduced and is confined to small city blocks or accessory units (semi-basement apartments, for example) dispersed around the entire metropolitan region (Ivanova 2016).

While Figure 1.1 allows us to see the evolution of inequality and polarization of neighbourhoods, Table 1.1 shows their relative levels in the four largest Canadian cities. In 1970, Montreal had the highest levels of both measures, a consequence of its long and rich economic history as an industrial city with a diversified social class structure. The segmentation of employment was also partly associated with the language question. It has, however, been progressively overtaken by Toronto, which surpassed it in 2000. The gap between the two cities has continued to increase since that year. Calgary has followed the same path as Toronto, with a substantial increase in levels of inequality and polarization, making it almost equal with Toronto as the “champion of inequality in Canada” (Dinca-Panaitescu et al. 2017). Once again, Vancouver has similar levels of inequality and polarization to Montreal, even though its economy has been more dynamic, with stronger links to international commerce and a strong growth in precarious workers, as indicated in the previously cited study on the situation of working poverty in that region (Ivanova 2016).

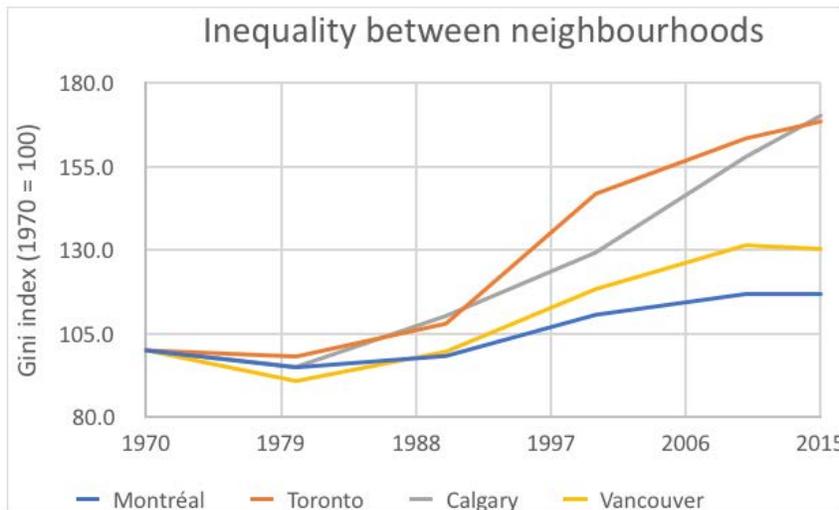
The increase in inequality mostly occurred around the turn of the millennium, during which time the Canadian economy was experiencing consistent economic growth. Also during this period, the government of Canada was engaged in budgetary austerity programs aimed at reducing the cost of various programs (in the areas of social housing and employment insurance, for example) and in policies of deregulation and liberalization of certain sectors and markets (with the ratification of NAFTA, for example). It is clear that this economic growth and the various policies that sustained it did not benefit all households equally, with the most advantaged households benefitting the most, while less fortunate ones dealt with the negative effects of lower state spending and market deregulation (Myles 2015; Piketty 2013).

The growth of inequality between neighbourhoods was similar to the evolution of household inequality. However, inequality between neighbourhoods remains lower than household inequality. The difference between the two can be explained fairly simply by the increase in the average size of the unit of measurement and their diversity (neighbourhoods are more likely to have varied populations than households, mainly as a result of homogamy in couples, as previously mentioned). This explains, in large part, the greater relative part that the increase in household income inequality has played in the broader increase of inequality between neighbourhoods. Segregation mechanisms also play a role, but they occur to different degrees in different cities.

Montreal stands out here, because income inequality between households as well as between neighbourhoods has grown more slowly than elsewhere, as we have just seen. However, the relative part played by segregation mechanisms is higher in Montreal. This point was raised in a study on the causes of increases in inequality between neighbourhoods. Through a statistical decomposition technique, the authors found that segregation mechanisms accounted for one third of the increase in neighbourhood inequality in Montreal between 1980 and 2005, a larger proportion than in other Canadian cities (Chen, Myles and Picot 2012). The specificity of Montreal is also visible in Figure 1.2, which shows the evolution of the Gini and polarization indexes between neighbourhoods and households. Even though neighbourhood inequality and polarization are weaker than the same measures for households, they have tended to increase faster, while household polarization even decreased towards the end of the study period (1980-2005).

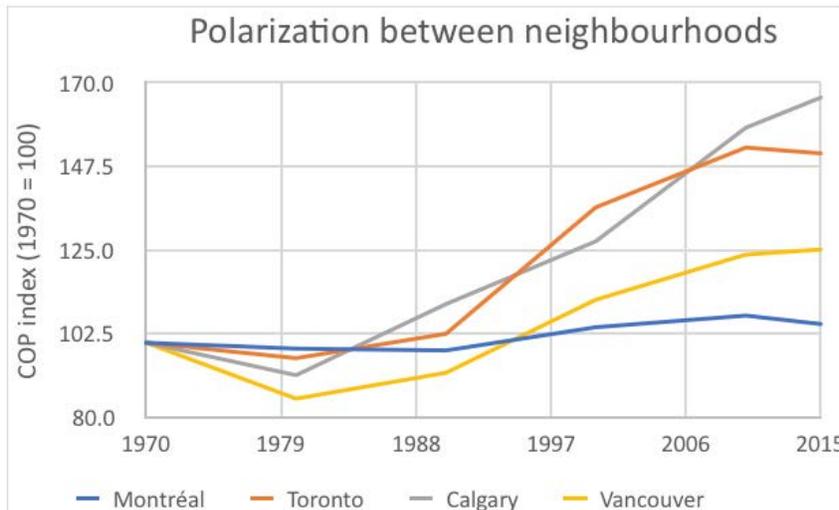
In the following section, we will examine the effect of increases in neighbourhood inequality, which in

Montreal occurred more than elsewhere through a process of “sorting” or segregation between neighbourhoods. We will see that this particular mechanism generating inequality has led to a profound transformation of the social geography of the metropolitan area.



**Figure 1.1**  
**Evolution of neighbourhood inequality and polarization, 1970-2015**

**Source:** Statistics Canada, 1970-2000, 2016 Censuses of population, and Canada Revenue Agency, 2010 T1FF File.  
**Treatment:** Richard Maaranen, University of Toronto, Neighbourhood change research partnership - NCRP, November 2017.



**Table 1.1**  
**Neighbourhood Gini Index and COP, 1970-2015**

Year	Gini				COP			
	Montreal	Toronto	Calgary	Vancouver	Montreal	Toronto	Calgary	Vancouver
1970	0.1468	0.1342	0.1245	0.1261	0.2113	0.1948	0.1709	0.1820
1980	0.1393	0.1317	0.1183	0.1145	0.2079	0.1867	0.1560	0.1546
1990	0.1443	0.1449	0.1373	0.1256	0.2069	0.1995	0.1887	0.1673
2000	0.1624	0.1970	0.1609	0.1492	0.2201	0.2658	0.2176	0.2031
2010	0.1715	0.2192	0.1965	0.1657	0.2267	0.2971	0.2698	0.2252
2015	0.1715	0.2260	0.2118	0.1643	0.2219	0.2941	0.2837	0.2277

Source: Statistics Canada, 1970-2000, 2016 Censuses of population, and Canada Revenue Agency, 2010 T1FF File.

Traitement: Richard Maaranen, University of Toronto, Neighbourhood change research partnership - NCRP, November 2017.

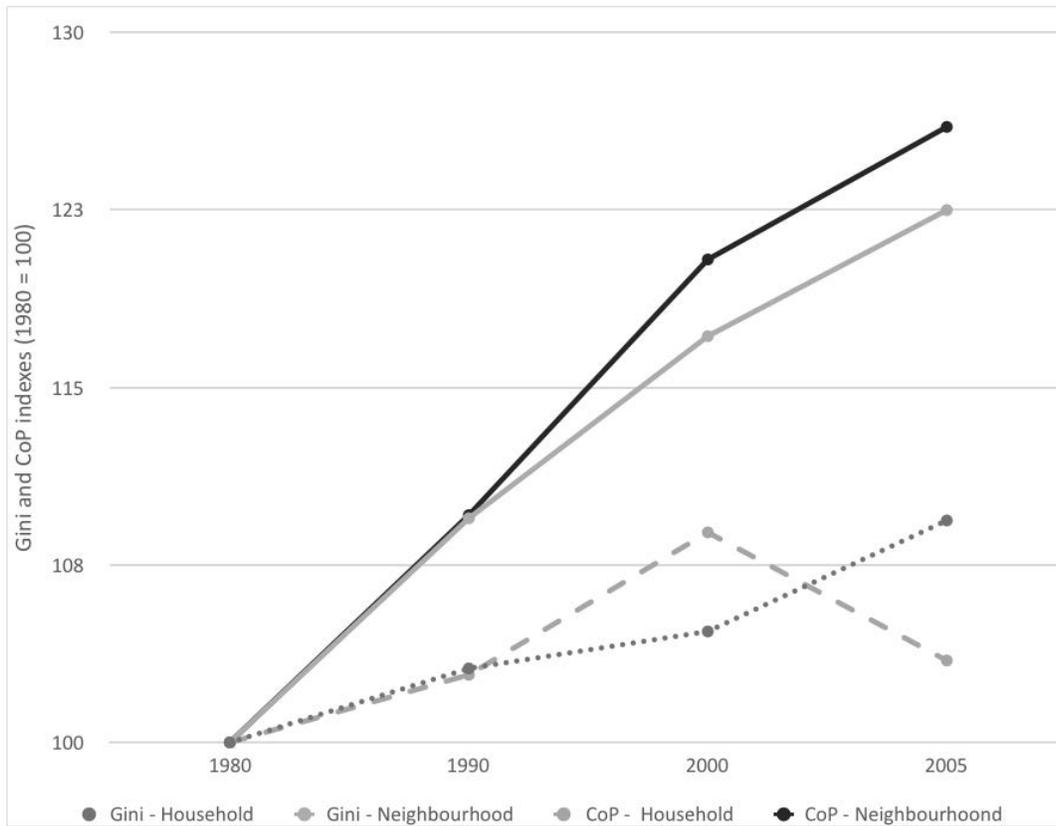
**Table 1.2**  
**Household Gini index, 1970-2005**

Year	Montreal	Toronto	Calgary	Vancouver
1970	0.348	0.341	–	–
1980	0.384	0.36	0.352	0.381
1990	0.396	0.377	0.376	0.389
2000	0.402	0.38	0.357	0.392
2005	0.420	0.421	0.410	0.430

Source: created by the authors from data published by Walks, 2013.

**Figure 1.3**

**Evolution of inequality and polarization: comparison between households and neighbourhoods in the Montreal Metropolitan Area, 1980-2005**



Source: created by the authors from data published by Walks, 2013.

## 2 The spatial distribution of income in the Montreal Census Metropolitan Area: evolution from 1980 to 2015

**The increase in income inequality in Montreal has been accompanied by a profound transformation of its social geography in the past 35 years. The three maps below show the extent of this transformation (see Figures 2.1 to 2.3).**

The first map (Figure 2.1) shows the distribution of mean individual income by neighbourhood, compared with the regional average in 1980. The neighbourhoods are identified as low, medium or (very) high income according to the ratio of their mean income to that of the CMA as a whole (this ratio is multiplied by 100 and expressed as a percentage). If the ratio is above 100, the average income of the neighbourhood is higher than the CMA average. If it is below 100, the average income of the neighbourhood is lower than the CMA average.

The second map (Figure 2.2) shows the same spatial distribution of income for 2015. Since the two maps are expressed in ratios, rather than in absolute numbers, no adjustment is necessary to account for inflation.

The third map (Figure 2.3) shows the change between 1980 and 2015 for the census tracts that formed part of the CMA throughout this period. It presents the difference between the two ratios (1980 and 2015). The map shows the neighbourhoods where the mean individual income has tended to grow faster or less fast than in the

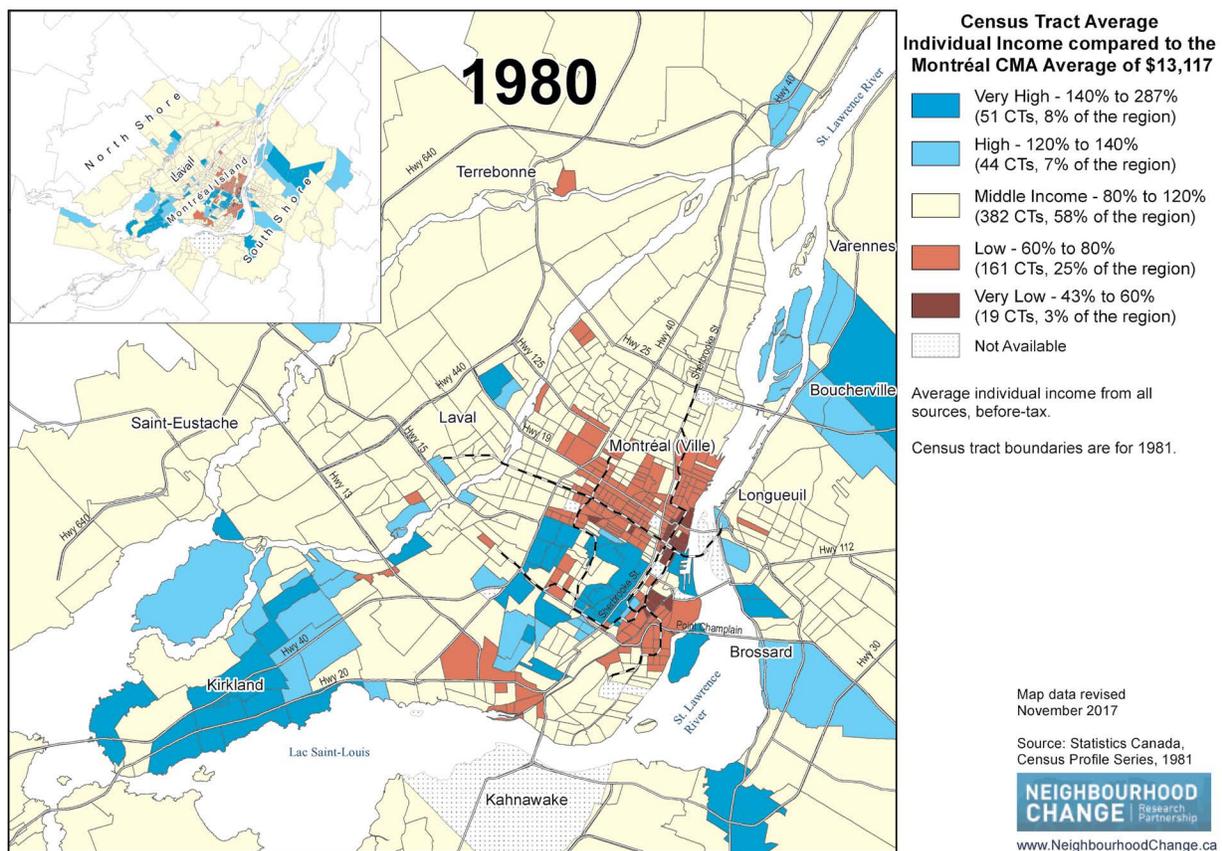
metropolitan area as a whole. To differentiate between neighbourhoods according to the change in their mean income, we used a threshold of 10% (for example, a neighbourhood was considered to have a greater increase in income than the CMA when the difference between the ratio in 1980 and 2015 was more than 10%).

The 1980 map shows a distribution of mean individual income common to many Canadian cities at the time. The centre is mainly comprised of low income tracts. These are the old industrial districts in decline as well as the areas on the fringe of downtown that had lost status over the years. They extend from the South-West to Hochelaga and Maisonneuve, east of downtown. The downtown neighbourhoods are also characterized by low or very low incomes, with the exception of the Old Port, which was already the target of a revitalization program at the time. The other neighbourhoods with low incomes were located along a north-west axis, the former “immigrant corridor” that followed Saint-Lawrence Boulevard and Park Avenue to Park Extension. These low income sectors also included the Plateau Mont-Royal and large areas of Rosemont. They extended

further north to the Saint-Michel neighbourhood<sup>2</sup>. The main characteristic of these low-income areas is their concentration in the central part of the region. They form what local stakeholders have commonly called “the upside-down T of poverty” (Germain et al. 2003). Only a few low-income areas were located outside this zone, in the

Côte-des-Neiges neighbourhood, in parts of the South-West (such as LaSalle), in Montreal-North and in a few census tracts in the western part of the Island (in Ville Saint-Laurent and Pierrefonds). Finally, there are only three low-income tracts off the Island of Montreal (one in Longueuil, one in Laval and one on the North Shore in Terrebonne).

**Figure 2.1**  
Distribution of mean individual income, Montreal CMA, 1980



<sup>2</sup> In 1980, neither the Blue line of the Métro nor the Orange line stations in Laval had been constructed. The Blue line was put into service between 1986 and 1988, while the Laval extension opened in 2007. The expressway network resembled today's to a greater extent. It is, however, worth mentioning that certain stretches on the South Shore (Highway 30, for example) and a new connection between Laval and the Island of Montreal (the Highway 25 bridge) were also constructed in recent years. The 1980 map shows the current state of this transportation infrastructure to help readers situate themselves.

In 1980, middle-class neighbourhoods were located in the suburbs on the Island of Montreal and in large parts of the North and South Shores. This urban sprawl was fed by housing and transportation infrastructure policies—for the most part, policies that encouraged access to home ownership and the development of the expressway network. These dynamics allowed lower-middle class households to become homeowners. The lower-middle class districts are interspersed with high and very high income areas, like Brossard and Boucherville on the South Shore, or the West Island, where the upper-middle class Anglophone population was concentrated.

The other high income and very high-income areas were for the most part concentrated near downtown, around Mount Royal, including the municipalities of Outremont and Westmount, as well as further out sectors like Hampstead, Côte-Saint-Luc and Town of Mount Royal. Some of these municipalities had been home to several generations of Montreal's upper-class gentry, while others were suburbs planned by developers on the garden suburb model.

**It was from this relatively classic post-war Canadian and North American context that Montreal's more recent transformations unfolded. Figures 2.2 and 2.3 show the extent of these transformations, of which we identify seven:**

### **The unravelling of the “upside-down T of poverty”**

This has been one of the most significant aspects of the transformation of the spatial distribution of income over the last 35 years. A large proportion of low-income tracts in 1980 were situated in central neighbourhoods that are now middle income or even high or very high-income areas. The spaces

of the “upside-down T of poverty” that remain in 2015 are east of downtown (parts of the neighbourhood formerly known as Centre-Sud, now a part of the Ville-Marie borough, which includes downtown), extending to Hochelaga-Maisonneuve. Some low-income tracts remain in the South-West (in Verdun and Pointe-Saint-Charles), but overall, most disadvantaged areas have been pushed further from downtown (the low-income part of LaSalle has expanded, for example). Other areas that remain low income are Côte-des-Neiges and Park Extension. The low-income part of the former has expanded, while the latter is today entirely surrounded by middle, high or very high-income areas.

### **The reconfiguration of older suburbs into zones of economic precariousness.**

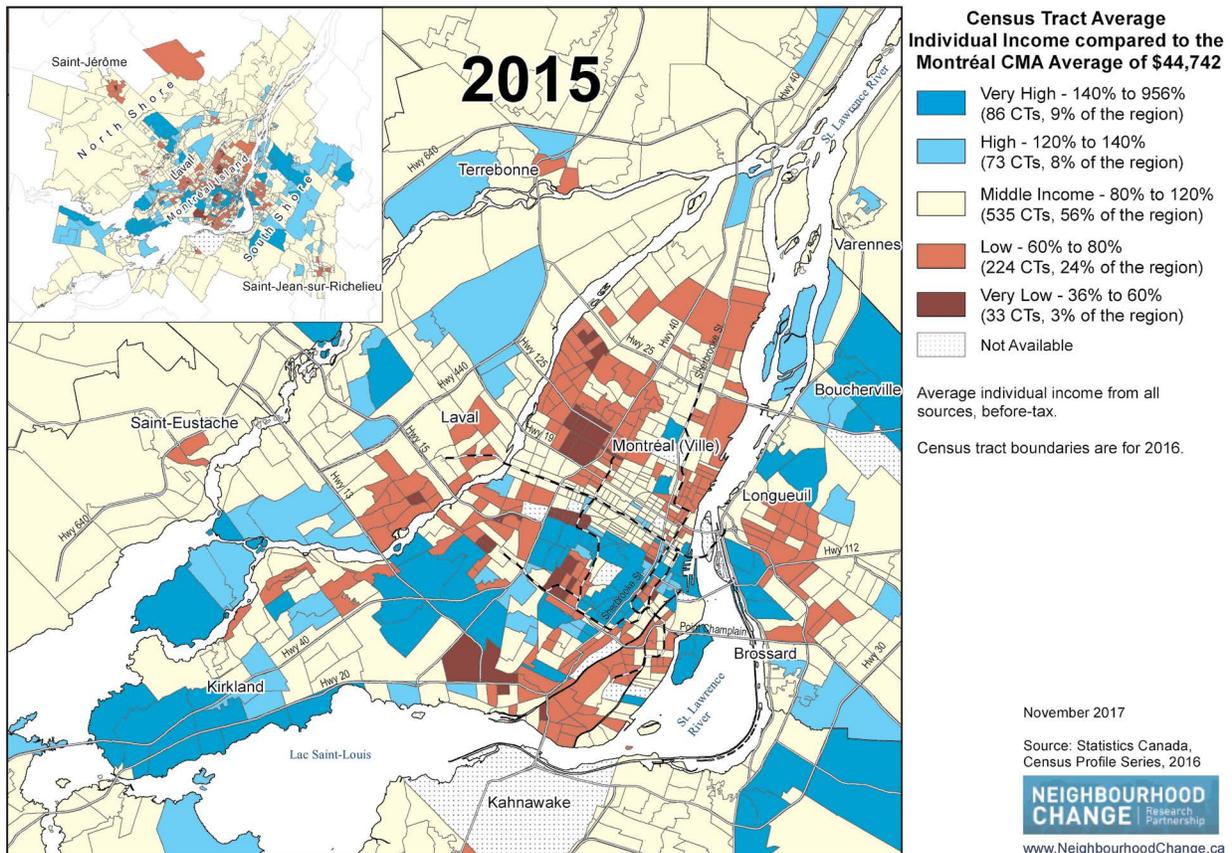
The previous transformation has been accompanied by the appearance and reinforcement of a number of quite large areas, in terms of geographical extent, with lower incomes. The first of these areas is in the north-east of Montreal, including Saint-Michel, Montreal North and parts of Saint-Léonard. The second is located in Laval between Highways 13 and 15, including large parts of Chomedey and Carrefour Laval. The third is a section of Vieux-Longueuil on the South Shore. There are also a few other, more dispersed, census tracts that have become low income in 2015. The increase in the number of low and very low income tracts in the older suburbs can be explained by a relative decline in these areas, which had experienced major development in the post-war period, but whose populations and housing stock have been aging since the 1980s. These are also the areas where changes in the labour market have had the greatest effect on the working conditions and employment of the lower-middle class.

**Gentrification in the centre.**

Figure 2.3 clearly shows the transformation that occurred in the central part of the Metropolitan Area, which appears as a large blue zone. This area covers neighbourhoods that community groups, tenants' rights groups and scholars have observed (and sometimes denounced) as experiencing gentrification. They of course include the Plateau-Mont-Royal, one of the first neighbourhoods affected by this process (the Plateau had previously been a working-class neighbourhood that contained a certain amount of diversity, with

middle-class areas as well; Mile-End is another example of this type of neighbourhood). Since the 1980s, gentrification has extended towards other areas: the South-West, particularly along the Lachine Canal and close to the Atwater Market, to the east in Rosemont and parts of Hochelaga-Maisonneuve, and to the north-east along the metro line (the east branch of the Orange line) that crosses the Plateau-Mont-Royal on its way to Ahuntsic. It is worth noting that the blue zones on the map are surrounding or next to white zones, i.e. areas that have experienced little change since 1980. Many of these white areas were low income

**Figure 2.2**  
Spatial distribution of mean individual income, Montreal CMA, 2015



in 1980 (in other parts of the city, low income areas have tended to become more impoverished during the period studied). This is perhaps indicative of the early phases of gentrification. Given the size of the central area that has experienced an increase in income of more than 10%, it is worth mentioning that not all areas have experienced gentrification in the same way. In the case of the Plateau-Mont-Royal, gentrification has consisted of a renewal of the population through private initiatives and piecemeal public “revitalization” initiatives aimed at capitalizing on the heritage value of the existing housing stock. This type of gentrification has extended beyond the Plateau, to include Mile-End and the former industrial sector known today as “Mile-Ex”, situated between Mile-End and Park Extension. Along the Lachine Canal, the process has been more one of repurposing former industrial areas, with a new housing stock of privately owned condominiums. In Rosemont, Villeray and Ahuntsic, gentrification has consisted of families of young professionals rejuvenating an aging population structure, which has increased the average income in these areas. In many of these neighbourhoods, this renewal has coincided with the programmes for the revitalization of local commercial main streets. This has also been seen as contributing to gentrification, although the causal links are difficult to establish (Jean 2014; Maltais 2016).

### **Continual increases in income in upper-class neighbourhoods.**

The spaces of gentrification we have just described share the central city with older upper-class neighbourhoods. While their spatial distribution has been stable, their average incomes have continually increased. The gap between these areas and the rest of the city has slightly widened. However, these are not the only areas with a high-income population.

### **New landscapes of affluence in certain suburban areas.**

The 2015 map also shows the appearance of new areas with very high incomes in certain suburbs, notably in the West of Laval, including all of Île-Bizard, on the North Shore around Saint-Eustache and Terrebonne, on the South Shore around Boucherville and Saint-Bruno, as well as the junction of Highways 10 and 30 (near the large Dix-30 shopping and entertainment mega-centre). This dynamic can often be linked to the creation of new developments with a mainly upper-middle-class clientele. These areas feature amenities characteristic of low-density areas, like green spaces and recreational facilities (golf courses and marinas, for example), as well as transportation infrastructure, since most of these areas are located a short drive from suburban train stations with parking facilities (a type of infrastructure that has seen major investment in the past 15 years). However, not all new suburban development has been high-end.

### **New suburbs for the middle class.**

Many suburban areas have been developed in recent years targeting families, particularly those with children who wish to purchase a house, but are unable to do so on the Island of Montreal. These sectors take the form of large residential developments featuring semi-detached and row houses, a type of housing that was previously only located in central neighbourhoods. They are often located near highway- or car-accessible suburban train infrastructure. There are several examples along Highway 15 North of Laval (Mirabel), at the junction of Highways 15 and 640 (Blainville), and along Highway 40 in the East (Repentigny). This type of development can be found almost everywhere and at different scales (ranging from a few units to developments of several hundred units) in suburban Montreal.

## | The relative decline of aging suburbs.

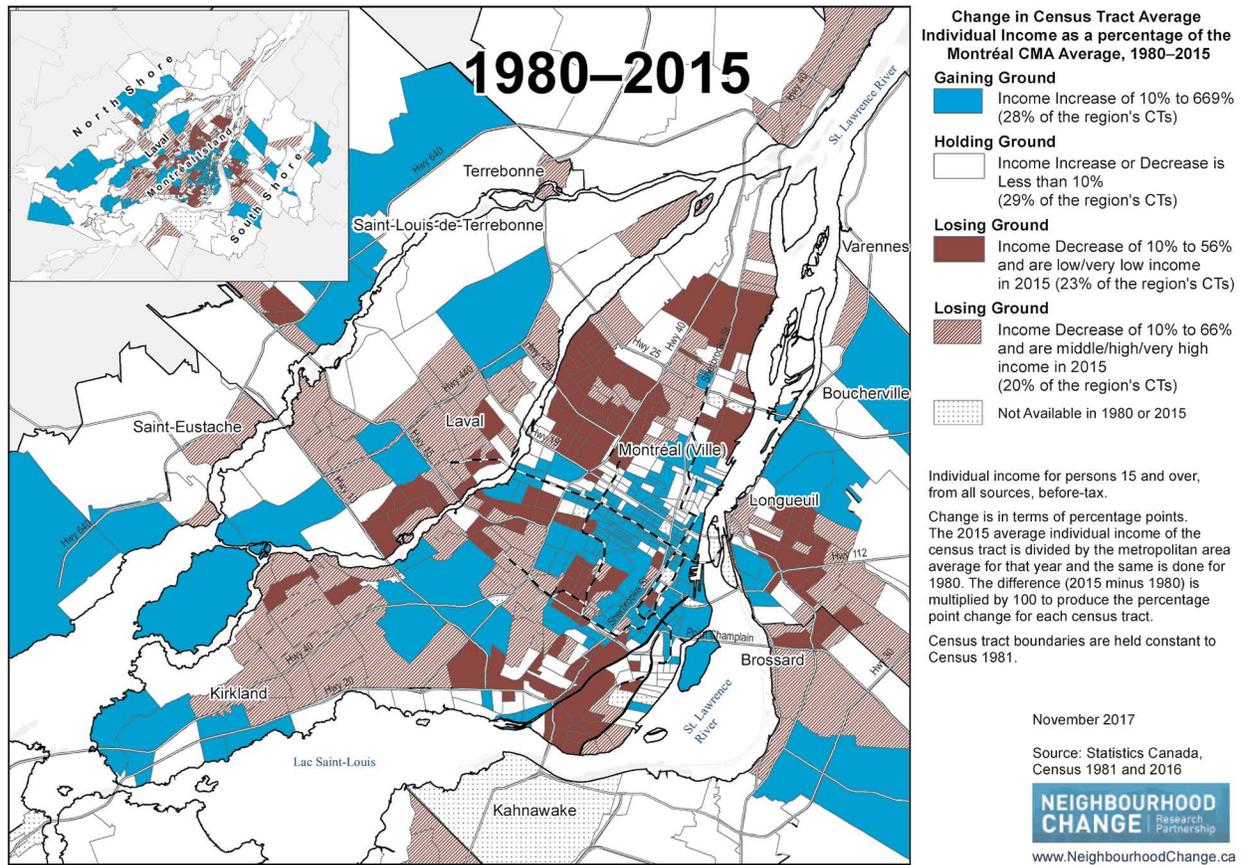
The final dynamic that we have identified concerns older suburbs (1930s to 1960s), on and off the Island of Montreal. These areas have experienced an aging population *in situ*, which is why their average incomes have decreased by 10% or more. However, because these areas had high or very high incomes in 1980, very few of them have become low-income areas during the observed period (this is why we distinguish them from low-income areas in decline in Figure 2.3). Examples of these areas can be found in the centre-west of Montréal Island in Côte-Saint-Luc and the eastern part of the Saint-Laurent borough (known as Ville-Saint-Laurent prior to municipal amalgamations in the early 2000s). In the West Island, many areas have followed a similar trajectory, for three reasons: a large part of the wealthy and middle-income Anglophone population has migrated to other provinces; middle class Francophone and Allophone families have moved to these areas; and *in situ* aging of long-term residents. This process has also occurred in the north-east end of the Island of Montreal, in Saint-Léonard (another former municipality). Off the Island, suburban neighbourhoods that have declined relative to their previous average income are mainly found in Laval, Longueuil and Brossard. It is difficult to predict how these neighbourhoods will evolve in years to come, but given the housing market pressures in the more central areas, it is likely that low-income households will seek out

the parts of these older suburban areas that offer modest rental accommodation (Ades, Apparicio and Séguin 2016). They will also appeal to a middle class with modest incomes seeking to own property but unable to buy on the Island of Montreal. A large proportion of both of these groups will likely be immigrants, which will bring ethnic and linguistic diversity to areas that were previously relatively homogenous (as in Chomedey in Laval, where a second generation of Greek immigrants moved, followed by other minority populations in Brossard and Longueuil on the South Shore). This process is already well underway in the sectors identified above, such as the South of Laval (Laval-des-Rapides or Pont-Viau) and certain parts of Longueuil (Leloup 2015).

The transformations described above have considerably changed the social geography of Montreal. The maps presented in this section show how the social structure of the city has changed over this long period. Today's distribution of income is radically different from a spatial point of view. The new social geography of Montreal is associated with various processes, such as the aging of the population, international immigration, the expansion of the tertiary sector, the emergence of dual-professional households, and the loss of many quality jobs in the industrial and service sectors. New disadvantaged and affluent areas have thus appeared, with different characteristics than those of the past. This last aspect is the topic of the following section.

**Figure 2.3**

**Evolution of mean individual income, Montreal CMA, 1980-2015**



### 3 Neighbourhood characteristics according to poverty levels

**Studying inequality requires a relative approach to the gaps and differences that can exist between households and neighbourhoods. This is why we looked at the ratio between the mean individual income of neighbourhoods and the metropolitan area as a whole. This is also why we have chosen to use a relative measure of poverty developed by Statistics Canada, which allows for international comparisons, the Low-Income Measure After-Tax (LIM-AT).**

The LIM-AT is calculated as a threshold under which a household is considered low-income. To determine this threshold, the income of each household is adjusted to account for household size. Afterwards, they are compared to the adjusted median income (the median income being the value that divides the total number of households into two equal parts when they are ranked in order from smallest to largest income). The threshold under which a household is considered low income is 50% of the median income. Because of the definition and the method of calculation, the LIM-AT is considered a measure of relative rather than absolute poverty.

Once this measure is established, it is pertinent to examine how households under the LIM-AT are spatially distributed. This is what we show in Figure 3.1, a map that categorizes neighbourhoods by their level of relative poverty. Neighbourhoods with between 30 and 40% of households below the LIM-AT are considered disadvantaged, while those with more than 40% of households below the LIM-AT are considered very disadvantaged. These thresholds were chosen because the proportion of households under the LIM-AT for the metropolitan area as a whole was 15%.

Figure 3.1 shows that the level of concentration of disadvantaged populations roughly follows the social geography described in the previous section.

However, this map also enables nuancing of certain points noted above. Among other things, it shows that the gentrified zone in the centre still contains moderate and even high levels of poverty, including areas which have been experiencing gentrification for many years, like the Plateau Mont-Royal, and those that have gentrified more recently, like the South-West. This can be explained in part by the presence of a significant amount of social housing in these areas.

This map also indicates that neighbourhoods that have seen slower than average growth in individual income are more affected than others by poverty. This is the case for the large area of the north-east of Montreal identified previously, including Saint-Michel, Montréal-Nord and parts of Saint-Léonard. The same is true for the area between Cartierville (in the Ahuntsic-Cartierville borough) and the borough of Saint-Laurent at the western end of the Orange line and bisected by Highway 15. In this area, there are a large number of high-rise apartment buildings as medium-density walk-ups and plexes. The same trend can be seen in further-out areas, for instance in Laval, in LaSalle and Lachine in south-west Montreal, as well as in Longueuil and on the South Shore. (It is also worth noting that there has been for quite some time a small disadvantaged area in Saint-Jerome on the North Shore with similar characteristics.)

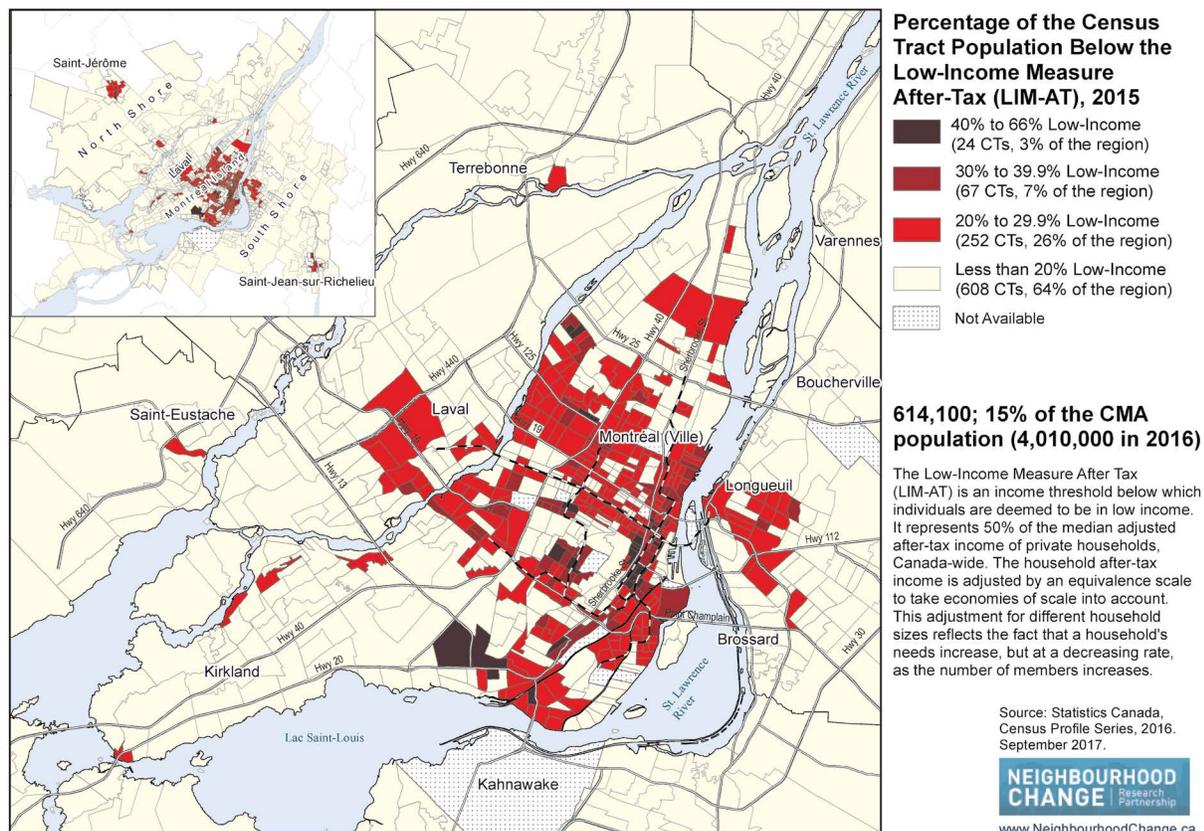
Another interesting aspect we can see on this map is the location of the areas that are the most disadvantaged, that is to say, included in our two lowest categories. These are found in certain areas of downtown just north of Sherbrooke Street and in the West End of downtown, near Concordia University. This sector is characterized by apartment towers, constructed by private developers during the 1960s and 1970s, that have been poorly maintained. They are inhabited by small households and families of immigrants. Other neighbourhoods of this type include areas where first-generation immigrants settle upon arrival, or where there are large concentrations of visible minorities, notably in Côte-des-Neiges (particularly the lower (northern) part, in the Barclay and Plamondon sectors, and the western section of Snowdon, near the intersection

of the Orange and Blue lines), and Park Extension. Finally, they include some more peripheral sectors, such as the part of Lachine that straddles Highway 20 and includes the Duff Court private and social housing developments, and the Eastern part of Montreal-North (west of Highway 25 and east of Road 125).

Starting from this map, it is interesting to consider the characteristics of neighbourhoods according to their levels of relative poverty. This is possible using different census variables and creating a profile of neighbourhoods according to their percentage of low-income households. The four tables below present various sociodemographic variables followed by official language, immigration, housing, income, education and employment data.

**Figure 3.1**

**Spatial concentration of low-income households, Montreal CMA, 2015**



Several salient points emerge from these four tables:

**The working-age population is overrepresented in disadvantaged neighbourhoods.**

The population aged 15 to 64 is overrepresented in the resident population of neighbourhoods with 30% or more households under the LIM-AT (see Table 3.1). These areas have comparatively few children and elderly populations. This characteristic is linked to observed increases in working poverty in these areas (Leloup, Desrochers and Rose 2016).

**One-person households, lone-parent families and frequently-moving households are overrepresented in disadvantaged neighbourhoods.**

As has been noted in numerous studies, one-person households and lone-parent families, especially those that are female-headed, are more likely to live in low-income neighbourhoods and to live on low income themselves. Another characteristic associated with these neighbourhoods is the high rate of population turnover, with one person out of four moving during the previous year in zones where the percentage of low-income households is 40% and one person out of five when this percentage is between 30% and 40%. The same trend is observed for moving within the previous five years. For the entire region, 38.5% of people moved in the past five years, and this percentage increases as soon as more than 20% of households in a sector are in low income, reaching over 60% in our highest category.

**Allophones, immigrants and visible minorities are overrepresented in disadvantaged neighbourhoods.**

One out of two persons has a mother tongue other than the two official languages in the most disadvantaged areas of the metropolitan area (23.5% in the region as a whole) (see Table 3.2). The equivalent figures are 32% and 41% in the two categories of moderately disadvantaged neighbourhoods (where households under the LIM-AT make up for between 20% and 40% of the total). Immigrants are also overrepresented in these neighbourhoods, with recent immigrants (having arrived in the previous five years) three times more frequent in neighbourhoods where more than 30% of households are under the LIM-AT threshold than in the CMA as a whole. However, the composition of the immigrant population varies little in terms of their admission category when they arrived in Canada from one neighbourhood category to another (surprisingly, economic immigrants are also overrepresented in these neighbourhoods, likely because of the tendency for Quebec to recruit young immigrants at the beginning of their careers, and because of the barriers to employment faced by some newcomers). Finally, visible minorities are markedly overrepresented (compared to the metropolitan area as a whole) in disadvantaged neighbourhoods, by a factor of more than two than in the highest category and a factor of two in the second-highest category. All groups seem to be affected by this phenomenon, but Black, Latin American and Arab populations seem to be the most overrepresented in these low-income neighbourhoods.

**Disadvantaged neighbourhoods are dominated by older and poorly-maintained housing stock, in larger buildings and with concentrations of renters.**

Housing seems generally more problematic in disadvantaged neighbourhoods (see Table 3.3). Most residents in these neighbourhoods rent their housing (they are markedly overrepresented in zones where 20% or more of households are under the LIM-AT). These tenants also have difficulty affording their housing, as a large proportion of them pay more than 30% of their income in rent. The supply of subsidized housing (which takes various forms), while proportionally larger in disadvantaged neighbourhoods, remains insufficient to meet the needs of households experiencing hardship. Another feature of these neighbourhoods is the over-representation of buildings with five or more storeys. On the map of disadvantaged areas, this is associated with areas west of downtown where many of these buildings are found, as well as in peripheral areas, and along Highways 40 (in the “Metropolitan” section between Highways 13 and 15, and Highway 15 north of the 40, and along the main boulevards and busy thoroughfares that run through various boroughs of the City of Montreal (for example, Sherbrooke West in Notre-Dame-de-Grâce, the stretch of St-Laurent Boulevard near the intersection of Henri-Bourassa in Ahuntsic-Cartierville, and along Henri-Bourassa eastward in Montréal-Nord or westward in Saint-Laurent). Another type of apartment building, with fewer than five storeys, is also overrepresented in disadvantaged parts of Montreal. These consist of walk-ups built during the post-war period and are found in the first ring of suburbs on the Island of Montreal, but also occasionally in older off-Island suburbs in Longueuil (parts of Vieux-Longueuil) or Laval (in Laval-des-Rapides, Pont-Viau or Chomedey, for example). This architectural form is common across the Montreal region, and has

sometimes resulted from government programs aimed at encouraging the construction of low-end of market private rental housing. It has, however, never been valued for its heritage qualities, due to the poor quality of its construction and its limited visual appeal. Large rental buildings and smaller walk-ups have, overall, suffered from a lack of maintenance on the part of owners, which explains the high rates of residents reporting that major repairs are necessary in their homes. Finally, home ownership seems to be more difficult for households living in disadvantaged neighbourhoods, and owners are proportionally more likely to make considerable financial efforts to pay their mortgages (around twice as many owners spend more than 30% of their income on housing expenses).

**Households in disadvantaged neighbourhoods are more reliant on government transfers, have lower rates of labour force participation despite their higher level of education, and are more reliant on public transit or active transportation to get to work.**

The proportion of market income (from employment, finance, retirement pensions and other sources minus income from government sources) is lower in disadvantaged neighbourhoods (see Table 3.4). Conversely, and unsurprisingly, the proportion of income derived from government transfers is higher (they account for one fifth of income in neighbourhoods with 20% or more households below the LIM-AT, whereas this percentage is 14% in the metropolitan area as a whole). People living in disadvantaged neighbourhoods are less likely to be in the labour force. Unemployment is also higher than in the metropolitan area overall, while it is lower in higher-income areas. Public transit and walking as means of getting to work are overrepresented among people living in neighbourhoods where 20% or more of

households are under the LIM-AT. Commute time is, however, distributed relatively equally between the four categories of neighbourhood. Table 3.4 also highlights a particularly important point: people with post-secondary degrees are overrepresented in the most disadvantaged neighbourhoods. People living in these neighbourhoods and in areas where 20% or more of the population is living below the MFR-AI are more likely to have received their educational qualifications (any level) in another country. Finally, and no doubt related to these findings, these neighbourhoods have higher proportions of people active in or associated with relatively protected and high-performing sectors of the economy, such as natural sciences and teaching, law, and social, community and government services. These various characteristics should also be considered in relation to the issue of the barriers encountered by many immigrants in entering the job market, where they continue to be in precarious, low income situations even when working in economic sectors requiring high skills (May et al. 2007; Woodcock 2014). As well as this relative over-representation in sectors requiring high skills, we see a less surprising over-representation in the sales and services sector, which offers for the most part low skilled and precarious employment. Studies have shown that as much as one third of the working poor in Montreal and Toronto work in these sectors (Leloup, Desrochers and Rose 2016; Stapleton, Murphy and Xing 2012).

This portrait of disadvantaged areas in 2015 is similar in many ways to previous profiles of poverty. Single-person and lone-parent households, immigrants, and visible minorities are overrepresented in disadvantaged neighbourhoods. However, the data from the 2016 census used here allow us to draw attention to certain new aspects of poverty in Montreal, such as the increase in working poverty. For example, university graduates and people working in high-skills sectors (natural sciences, for example) are overrepresented in very disadvantaged neighbourhoods, along with those in more routine types of work (sales, for example). Similarly, the proportions of immigrants and people in visible minority groups seem to be higher than ever, along with people whose mother tongue is a non-official language, and people who received their education in other countries. These characteristics suggest a racialization of poverty and disadvantage in Montreal, related to the fact that immigrants and people belonging to racialized groups have more and more difficulty in the job market. Finally, this portrait of disadvantaged neighbourhoods also shows the degradation of housing conditions in the most disadvantaged enclaves, especially in census tracts with a high concentration of private rental housing consisting of large or small apartment building complexes. These zones have received little attention from public authorities or private promoters because of the lack of heritage value associated with them and a lack of regular maintenance, which reduces their potential value for eventual reinvestment. It is, as such, unsurprising that they are inhabited by disadvantaged populations.

**Table 3.1**

**Sociodemographic characteristics according to the proportion of low-income households in neighbourhoods, Montreal CMA, 2016**

	% LIM-AT per census tract				CMA
	Less than 20%	20% – 29.9%	30% – 39.9%	40% – 66%	
<b>Total population</b>	2843410	935785	238570	80790	4098927
<b>%</b>	69.4	22.8	5.8	2.0	100.0
<b>Age group %</b>					
0 to 14 years	17.6	15.3	15.7	12.5	16.9
15 to 64 years	65.9	68.1	69.0	74.5	66.7
65 years and more	16.5	16.6	15.2	13.0	16.4
Average age	40.8	40.6	39.2	37.1	40.6
<b>Household size %</b>					
One person	27.3	42.9	44.2	52.9	33.0
2 persons	33.3	29.9	28.3	26.3	31.9
3 persons	16.1	12.8	12.7	10.2	14.9
4 persons	15.7	9.3	8.9	6.3	13.4
5 persons or more	7.6	5.2	5.9	4.3	6.8
<b>Lone-parent family</b> % of total families	16.6	23.1	25.1	26.7	18.5
<b>Female lone-parent family</b> % of total lone-parent families	75.6	81.2	83.3	85.8	77.8
<b>Male lone-parent family</b> % of total lone-parent families	24.4	18.8	16.7	14.1	22.2

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	% LIM-AT per census tract				CMA
	Less than 20%	20% – 29.9%	30% – 39.9%	40% – 66%	
<b>Lone-parent family 1 child</b> – % of total lone-parent families	60.1	65.1	64.1	61.1	61.7
<b>Lone-parent family 2 children</b> – % of total lone-parent families	30.7	25.8	25.0	25.7	28.9
<b>Lone-parent family 3 children</b> – % of total lone-parent families	9.1	9.1	11.0	13.4	9.3
<b>Couple with or without children</b> % of total families	83.4	76.9	75.0	73.3	81.5
<b>Couple without children</b> % of total couples	45.1	49.4	46.2	50.8	46.1
<b>Couple with children</b> % of total couples	54.9	50.6	53.8	49.4	53.9
<b>Couple with one child</b> % of total couples with children	37.3	41.9	40.9	42.5	38.4
<b>Couple with 2 children</b> % of total couples with children	44.7	39.3	37.2	34.7	43.3
<b>Couple with 3 children</b> % of total couples with children	18.0	18.8	21.8	22.9	18.4
<b>Mobility 1 year ago</b> %	10.1	16.3	19.0	25.6	12.3
<b>Mobility 5 years ago</b> %	33.7	47.6	52.0	60.7	38.5

**Source:** Statistics Canada, 2016 Census of population, calculations by authors.

**Note:** The CMA total is not identical to the sum of the populations of each of our four types of neighbourhoods. This is because of the random rounding procedure used by Statistics Canada for published census-tract level data. The impact of this discrepancy on the percentages calculated in this set of tables is marginal.

**Table 3.2**

Linguistic, visible minority and immigration characteristics according to the proportion of low-income households in neighbourhoods, Montreal CMA, 2016

	% LIM-AT per census tract				CMA
	Less than 20%	20% – 29.9%	30% – 39.9%	40% – 66%	
<b>Mother tongue</b>					
<b>Official languages</b> % of single responses	81.6	68.2	59.3	49.8	76.7
<b>English</b> % of single responses	11.4	10.7	11.8	16.8	11.4
<b>French</b> % of single responses	70.2	57.5	47.5	33.0	65.3
<b>Non-official languages</b> % of single responses	18.4	31.8	40.7	50.2	23.3
<b>Non-immigrant %</b>	80.9	64.5	53.8	42.1	74.9
<b>Immigrant %</b>	18.3	32.6	41.4	42.1	23.4
<b>Before 1981</b>	4.8	6.1	6.0	5.4	5.2
<b>1981 to 1990</b>	2.4	3.6	4.2	4.1	2.8
<b>1991 to 2000</b>	3.3	5.4	7.2	7.1	4.1
<b>2001 to 2010</b>	5.2	9.7	12.6	12.8	6.8
<b>2011 to 2016</b>	2.5	7.9	11.5	12.7	4.5

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	% LIM-AT per census tract				CMA
	Less than 20%	20% – 29.9%	30% – 39.9%	40% – 66%	
<b>Economic immigrant</b> % of immigrants arrived after 1980	56.1	54.4	51.3	58.5	55.1
<b>Immigrant sponsored by family</b> – % of immigrants arrived after 1980	28.0	27.1	28.1	24.5	27.6
<b>Refugee</b> – % of immigrants arrived after 1980	14.7	16.7	18.8	15.7	15.9
<b>Other immigrant</b> % of immigrants arrived after 1980	1.1	1.7	1.9	1.3	1.4
<b>Visible minority</b> % in total population	16.6	32.0	46.0	55.8	22.6
South Asian (only)	1.5	2.4	6.9	8.6	2.1
Chinese (only)	1.9	2.5	3.3	9.0	2.2
Black (only)	5.0	10.0	13.4	11.8	6.8
Filipino (only)	0.5	1.3	2.9	1.7	0.8
Latin American (only)	2.1	4.2	4.2	5.1	2.7
Arab (only)	3.3	7.5	9.7	10.8	4.8
Southeast Asian (only)	1.1	1.9	2.4	2.4	1.4
West Asian (only)	0.5	0.8	1.5	3.6	0.7
Visible minority, n.i.e.	0.2	0.3	0.4	0.4	0.2
Multiple visible minorities	0.4	0.7	0.8	0.9	0.5
Not a visible minority	83.4	68.0	54.0	44.2	77.4

Source: Statistics Canada, 2016 Census of population, calculations by authors.

**Table 3.3**

Housing characteristics according to the proportion of low-income households in neighbourhoods, Montreal CMA, 2016

	% LIM-AT per census tract				CMA
	Less than 20%	20% – 29.9%	30% – 39.9%	40% – 66%	
Owner household %	70.0	32.3	20.6	11.3	55.7
Renter household %	30.0	67.7	79.5	88.8	44.3
Condominium status %	15.4	17.6	16.1	15.6	16.0
<b>Period of construction %</b>					
Before 1960	18.9	39.6	38.3	29.8	25.7
1961 to 1980	30.3	34.2	35.7	41.7	32.0
1981 to 1990	16.4	9.9	10.7	10.8	14.3
1991 to 2000	12.1	5.9	6.1	7.0	10.0
2001 to 2005	7.6	2.6	2.5	3.4	5.9
2006 to 2010	8.2	3.8	3.2	2.8	6.6
2011 to 2016	6.4	3.8	3.6	4.5	5.5
Regular maintenance needed or minor repairs needed %	94.7	91.6	90.5	91.6	93.5
Major repairs needed %	5.3	8.4	9.5	8.4	6.5

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	% LIM-AT per census tract				CMA
	Less than 20%	20% – 29.9%	30% – 39.9%	40% – 66%	
Single-detached house %	47.2	6.4	2.2	0.6	32.7
Apartment in a building that has five or more storeys %	5.4	11.5	18.2	45.6	8.8
Semi-detached house %	6.6	2.3	0.9	0.2	5.0
Row house %	4.0	2.0	1.8	1.0	3.3
Apartment or flat in a duplex %	6.5	13.9	9.2	2.7	8.5
Apartment in a building that has fewer than five storeys %	29.7	63.4	67.1	49.6	41.2
Other single-attached house %	0.3	0.5	0.6	0.2	0.4
% of owner households spending 30% or more of their income on housing	13.7	23.0	26.9	36.1	15.5
% of owner households with a mortgage	65.3	62.6	62.4	57.6	64.8
% of renter households spending 30% or more of their income on housing	33.5	35.6	39.4	51.3	36.0
% of renter households living in a subsidized housing	5.6	8.9	11.2	12.7	8.1

Source: Statistics Canada, 2016 Census of population, calculations by authors.

**Table 3.4**

**Income, Education, and Job Market-related characteristics according to the proportion of low-income households in neighbourhoods, Montreal CMA, 2016**

	% LIM-AT per census tract				CMA
	Less than 20%	20% – 29.9%	30% – 39.9%	40% – 66%	
Market income portion in total income	86.6	80.9	76.5	79.1	86.2
Employment income portion in total income	71.7	68.4	65.5	62.3	70.7
Government transfers portion in total income	13.4	19.1	23.5	20.9	13.8
<b>Highest certificate, diploma or degree, persons aged 18 to 64 years %</b>					
No secondary (high) school diploma	10.1	13.4	16.2	12.7	11.3
Secondary (high) school diploma or equivalent	18.6	17.6	18.5	15.1	18.3
Post-secondary certificate, diploma or degree	71.3	69.0	65.3	72.3	70.4
Location of study outside Canada	8.5	16.5	21.9	29.6	11.6
Active population % of persons aged 15 years or over	67.4	63.9	60.7	55.3	66.0
Employed % of persons aged 15 years or over	63.2	57.9	53.1	46.6	61.0
Unemployed % of persons aged 15 years or over	4.2	6.0	7.6	8.7	4.9
Inactive population % of persons aged 15 years or over	32.6	36.1	39.3	44.7	34.0

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	% LIM-AT per census tract				CMA
	Less than 20%	20% – 29.9%	30% – 39.9%	40% – 66%	
<b>Occupation %</b>					
0 Management	11.7	8.4	7.5	8.0	10.4
1 Business, finance and administration	18.2	16.9	15.2	15.7	17.2
2 Natural and applied sciences and related occupations	7.8	8.2	7.4	11.1	7.7
3 Health	6.9	6.6	6.5	5.6	6.6
4 Occupations in education, law and social, community and government services	12.1	12.4	11.8	14.1	11.8
5 Occupations in art, culture, recreation and sport	3.5	5.8	5.1	5.3	4.0
6 Sales and service	22.9	27.0	30.0	29.5	23.6
7 Trades, transport and equipment operators and related occupations	12.4	9.6	9.3	5.9	11.2
8 Natural resources, agriculture and related production occupations	0.7	0.6	0.6	0.4	0.7
9 Occupations in manufacturing and utilities	3.8	4.6	6.6	4.4	4.0

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	% LIM-AT per census tract				CMA
	Less than 20%	20% – 29.9%	30% – 39.9%	40% – 66%	
<b>Mode of transportation of persons aged 15 years or over who indicated a usual workplace address or no fixed workplace address %</b>					
Car, truck or van – as conductor	74.9	48.0	40.8	26.8	66.4
Public transit	16.1	36.2	41.1	43.5	22.3
Walked to work	3.5	8.1	11.0	23.3	5.2
Bicycle	1.3	4.0	3.3	3.0	2.0
Less than 15 minutes	19.0	15.8	15.8	19.6	18.1
15 to 29 minutes	31.4	33.0	33.5	33.9	31.9
30 to 44 minutes	25.0	28.7	28.3	24.8	26.0
45 to 59 minutes	12.5	12.6	12.2	10.9	12.5
60 minutes and over	12.1	9.8	10.3	10.7	11.5

Source: Statistics Canada, 2016 Census of population, calculations by authors.

# Conclusion

**Income inequality is increasing at all geographical scales and Canadian cities have not escaped this trend. This is apparent in the data shown in this report, the Gini index and polarization index having increased in the four largest Canadian cities since the 1970s. However, these data also show that the broader trend is not uniform from one city to another.**

Montreal is distinct from the three other large Canadian cities in its more modest increase in income inequality and lower income polarization, which even decreased at the end of the period studied. This can be explained in part by an economy that is less dynamic and in the process of restructuring. Vancouver's insertion into the Asia-Pacific trade zone, Calgary's primary resource sector and Toronto's banking, financial, and insurance sectors have driven growth in those cities and contributed to the formation of an urban elite with high income, a less pronounced phenomenon in Montreal, which offers few jobs at high and very high incomes.

Another aspect that distinguishes Montreal from other Canadian cities is the greater role of segregation processes in the growth of neighbourhood inequality, a point that has been raised in previous studies and is confirmed by the various figures presented in the first section of this report. This specific evolution of neighbourhood inequality is associated with profound transformations in the social geography of the Metropolitan area.

The main contribution of this report is in detailing this new social geography and the maps which it uses to do so. In sum, the key findings are as follows:

**a** **gentrification extending from the centre** to a variety of neighbourhoods through various processes leading to substantial increases in average income in many areas that were previously low income;

**b** **major spatial redistribution of low-income census tracts**, which are today increasingly located **in the aging post-war suburbs, including clusters and more spatially dispersed tracts**;

**c** combined, these two aspects suggest a shift in social geography from the classic model of North American cities of the mid-20<sup>th</sup> century, where disadvantaged populations lived in central areas and more wealthy populations lived in the suburbs to **an urban ecology** characterized by **reinvestment in the centre** with wealthy populations electing to live there and **relative decline of older suburbs**;

d **the evolution of suburbs is, however, varied**, but it varies as a function of the social status that suburbs had when they were developed and the period in which they were constructed;

e certain suburbs have been developed for the **upper-middle class**, following investment in different modes of transportation (public and private), while other sectors have been targeted at **the lower middle class**;

f finally, the **wealthiest households live in the same neighbourhoods as in the past**, and their average incomes have tended to increase during the period studied here.

One of the effects of this transformation of the social geography of Montreal is the redistribution of disadvantaged areas at the metropolitan scale, a process suggested by previous studies, but shown with a rare degree of clarity over a long period in the maps in this report.

The map of relative poverty presented in Section 3 confirms the existence of the process of spatial dispersion of low-income households previously identified by the change in mean individual income of neighbourhoods. It also allows us to bring more nuance to this analysis by identifying the high concentrations of low-income households in central areas undergoing major change. There is without a doubt a greater polarization of income within these neighbourhoods, with the gradual establishment of higher-income residents alongside the retention of a substantial number of lower-income residents. The coexistence of these two types of household can create certain tensions at the local scale, which is apparent in anti-gentrification movements.

The most recent census data allow us to update the portrait of disadvantaged areas. A few key elements should be borne in mind and taken into consideration in policy and action related to reducing poverty and inequality:

1 **A working-age population, active in dynamic and high-skills sectors of the economy** is overrepresented in disadvantaged areas, suggesting that lower incomes are intrinsically linked to the job market, access to that market and to the possibility of establishing a career in it, and not only to unemployment or not being in the labour force, even though those aspects are also very present.

2 These aspects underline **the importance of seeing low income as a multidimensional problem** which can only be improved today by multiple measure related to employability, increases in the minimum wage, and removing structural barriers.

3 These aspects should also be understood in relation to the fact that **immigrants, Allophones and visible minorities** are overrepresented in areas with high concentrations of low-income households. This trend was apparent in the past, but seems to be accentuated recently, underscoring the many barriers to employment for immigrants and the discrimination faced by visible minorities. Programs to assist immigrants in their settlement process, including French language training and recognizing foreign credentials, continue to be essential in reducing poverty and inequality. The same is true for the policies of equal opportunity workplaces put in place in the late 1980s by the federal government, which should be encouraged and adopted in all sectors of the economy. A higher minimum wage and recognition of training and experience acquired in other countries would prevent many highly qualified

and skilled immigrants from becoming the “cheap labour” of a growing Montreal economy.

#### 4

As far as **living and housing conditions** are concerned, the population living in areas with a high concentration of low income face considerable hardship. The supply of suitable, affordable housing in good condition is insufficient. Construction of various forms of social and affordable housing, complemented with rent supplement programs, is an important objective to reduce poverty and inequality. The same can be said of public intervention seeking to better regulate the private rental housing sector, notably by improving maintenance and reducing squalid conditions. These measures are even more important considering that we are now facing a relative degradation of the private rental housing stock in older suburbs on the Island of Montreal, where a growing proportion of low-income households live.

#### 5

Households living in disadvantaged neighbourhoods **more often rely on public and active transport to get to work**. When new transportation investments are discussed by public authorities, it is important to consider increasing access to low-income neighbourhoods that currently have poor transit network connectivity and are often in outlying areas; increasing numbers of

disadvantaged households live in such neighbourhoods today, whether they have been displaced by gentrification or unable to move to central areas because of rising housing costs. Planning public transit access for all areas is as such essential, as well as considering travel times to employment zones.

The transformation of Montreal's social geography will have major repercussions on the policies and services that should be offered to the various populations that live in Greater Montreal today. The suggestions that have been made here are only general points for reflection; their practical application for the implementation of solutions will require further study. These transformations also call for a change of perspective on Montreal's social reality on the part of various actors and stakeholders. The reconfiguration of the older suburbs poses specific challenges; notably, their lower density increases the cost of providing services, and the new populations in these areas have different characteristics than the long-term residents. This means that the provision of services will have to be re-examined. The data and maps presented here should be informative for various actors in this process and serve as a basis for further analysis and reflection on the spatial distribution of wealth and poverty at the metropolitan scale.

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