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Martin Prosperity Institute releases recommendations for Ontario to become world leader in the creative age

Roger Martin and Richard Florida call on Ontarians to embrace the promise of the global economic transformation underway and to harness its potential for building shared prosperity for Ontarians

Toronto – Despite the current economic environment, Ontario is well positioned to compete and prosper in the ongoing global economic transformation. While the economic environment has worsened in the past year, the current upheaval only accelerates the longer-term trends – especially the shift from more routine-oriented to creativity-oriented jobs. Yet Ontario can do more to ensure it is a globally competitive jurisdiction. That is the key conclusion from the report released today, *Ontario in the Creative Age*.

The report is presented in response to the request made last March by Premier Dalton McGuinty to Roger Martin and Richard Florida. Together with their research team, these two undertook a study of the changing composition of Ontario’s economy and workforce and have provided recommendations to the Province on how to ensure our economy and people remain globally competitive and prosperous. Roger Martin is the Dean of the Joseph L. Rotman School of Management at the University of Toronto and Richard Florida is the Director of the Martin Prosperity Institute at the Rotman School.

“It’s fair to say that none of us saw the current economic upheaval coming and that we are releasing our report today in a much different environment than when we started,” said Martin. “But the current upheaval only accentuates longer-term trends being faced by Ontario and all advanced economies.”

The trends highlighted in the report include the transformation in how people work in our economy. We are moving to an economy that values people’s creativity, especially analytical and social intelligence skills. These skills demand reasoning in uncertain environments to make good decisions and capabilities to understand other people and to work in team settings. According to Florida, “Routine-oriented occupations that draw primarily on physical skills or abilities

to follow a set formula can be done more cheaply in emerging economies and will have trouble surviving in advanced economies.”

At the same time, Ontario is undergoing a transformation in what its industries produce. Nearly 80 percent of Ontarians work in organizations such as financial institutions, retailers, law firms, schools, and hospitals - whose main output is a service.

The province is also becoming more urbanized. According to Florida, “the concentration of people and firms in city regions drives productivity, innovation and prosperity, as the great Jane Jacobs long ago noted. A handful of cities – from London through Kitchener-Waterloo through Toronto and Ottawa together comprise one of the world’s largest economic mega-regions that helps make Ontario one of the most advanced and productive jurisdictions on earth.”

Martin and Florida conclude that Ontario has significant advantage on which to build broad, sustainable prosperity. The province has a highly skilled workforce, world leading businesses and industries, excellent post secondary institutions, great cities and regions, and a culture that values openness, diversity, and social cohesion

Yet, they found that Ontario faces some challenges in strengthening its capabilities for competing in the creative age. Ontario has a good share of workers in creativity-oriented occupations, but they are not as highly rewarded as in leading U.S. states. While the province has an excellent mix of clustered industries, they do not compete adequately on the basis of creativity. The Province is highly tolerant and diverse, but is not able to translate this openness to the level of prosperity that ought to follow. It has a strong mega-region, but does not connect the province well enough for the creative age.

Martin and Florida urge Ontario to build on its strengths while addressing these challenges. In the report they recommend actions by Ontarians in four strategic areas. They conclude that “by undertaking strategic efforts and investments in these four key areas, Ontario can move to the very frontier of global competitiveness, ensure a new era of broad and shared prosperity for all its citizens, and become a model for Canada, North America, and the world.”

First, Ontarians must harness their full creative potential. We should aim for the Province to become the first in the world with half our workforce in the high-value, high-paying jobs of the creative economy by 2030. At the same time, we must make all our jobs more creativity-oriented. We must reinforce the development of our clustered industries to compete more on the basis of distinctive advantage than on low cost or replication of what is done elsewhere.

Second, the Province should aspire to be the world's most talented jurisdiction. We need to raise the percentage of our young people in colleges and universities so that we have the talent base to fill the 70 percent of new jobs in the coming decades requiring post secondary education.

Third, Ontario needs to establish new social safety nets. Currently, we aim to provide material benefits for those in need, but we have to provide greater opportunity for our citizens to engage their full creative talents, in sync with the creative age. For example, let's aim to be the first jurisdiction to implement early childhood development for those in high-risk circumstances. Such investments in life-long skills can help ensure that Ontario has broad participation in creating and sharing prosperity.

Fourth, Ontario must build province-wide geographic advantage. We have a strong economic core, but we need to improve the connection of the cities, towns and regions across the province - linking our older, industrial communities and disconnected rural areas to the mega-region. There are many ways to improve this connectivity from light rail to local transit hubs, but the key is to increase the speed and velocity with which we move goods, people and ideas to compete with the world's other leading mega-regions.

The complete report can be downloaded directly from:
<http://martinprosperity.org/ontario>

Recommendations in *Ontario in the Creative Age*

Harness the creative potential of Ontarians

- Increase creativity in all jobs
- Be the world's first jurisdiction where creativity-oriented occupations account for half of all jobs
- Strengthen creativity skills through our education system
- Market Ontario as the creative province
- Make diversity a cornerstone of economic prosperity

Broaden our talent base

- Make Ontario the talent province
- Strengthen our managerial capability

Establish new social safety nets

- Make early childhood development a high priority
- Invest in skills development for recent immigrants
- Consider wage insurance for longer tenure workers

Build province-wide geographic advantage

- Make the mega-region as strong as it can be
- Invest in connectivity

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About the Martin Prosperity Institute

The Martin Prosperity Institute at the University of Toronto's Rotman School of Management is the world's leading think-tank on the role of sub-national factors - location, place and city-regions - in global economic prosperity. We take an integrated view of prosperity, looking beyond economic measures to include the importance of quality of place and the development of people's creative potential.

See <http://martinprosperity.org> for further information.