

# Canada's urban-rural economic divide is a threat to our country

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Vehicles drive along main street in Eganville, Ont. on May 24, 2018.

FRED LUM/THE GLOBE AND MAIL

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In Suzanne Collins's *The Hunger Games*, a stark division exists between the Capitol's opulence and the struggling districts, vividly portraying a world rife with both economic and political disparities. This metaphor is a cautionary tale for Canada, where a growing economic divide between urban and rural areas precipitates deep rifts.

In the past decade, Canada's largest metropolitan areas – Montreal, Toronto, Vancouver, Ottawa-Gatineau, Calgary and Edmonton – have become

increasingly prosperous. While these regions are [home](#) to 47 per cent of Canada's population, they [created](#) approximately three-quarters of all new jobs between 2016 and 2020. In stark contrast, some rural and remote communities [have not](#) recovered employment from the 2008-2009 global recession. This economic disparity is more than a statistic; it's a catalyst for a widening political divide, threatening the fabric of our country.

Rural inhabitants, who often face limited opportunities, can feel neglected by policymakers in urban centres. This sometimes leads to frustration and anger, which contributes to heightened political polarization.

#### [Joe Clark: To restore unity in Canada, we need to build national understanding](#)

Canada's current political divides are largely based on the rural-urban split. In the 2019 Canadian federal election, the median population density for the 157 Liberal ridings [was](#) more than 38 times higher than that of the 121 Conservative ridings. Research by professors at the University of Calgary and Western University [found](#) that there is "clear evidence that Canadians are currently experiencing the most profound urban-rural divide in support for the major political parties in the country's history."

Around the world, similar economic disparities have fuelled resentment, tension, and division, leading to political upheaval. As Mirko Bibic, CEO of BCE Inc., [writes](#), "place-based disparities are not only an issue in terms of our social cohesion and political stability, but they may also undermine the fundamental Canadian objective of broad-based economic inclusion and opportunity."

Challenges in smaller communities create a cycle of economic and political marginalization that is difficult to break. Youth migrate to cities for opportunities, leaving aging populations and declining local economies behind, which in turn diminishes political representation of these regions, meaning rural regions have progressively less influence in policymaking.

The rural-urban economic imbalance also [disproportionately affects Indigenous Peoples](#), as 60 per cent reside in rural and remote communities. Catalyzing economic growth outside of major urban centres is essential to ensuring Indigenous Peoples can meaningfully participate in Canada's economic benefits.

The federal, provincial, and territorial governments, alongside the private sector, have crucial roles to play. To bridge this divide, policymakers must

understand that solutions suitable for urban areas may not be effective in rural contexts. We need tailored strategies that account for the distinct economic and political landscapes of these communities. This involves not just infrastructure investments and business incentives, but also ensuring rural voices are heard and represented in national policy discussions.

Opportunity Zones, which are insufficiently used in Canada, offer a promising avenue for spurring rural economic development. These zones provide tax incentives for investments in underdeveloped areas that can attract new businesses and jumpstart local economies. As Sean Speer [writes](#), “Opportunity Zones represent an economic development model that aims to strike a balance between a desired political economy goal and the inherent benefits of a decentralized market economy.” In the United States, between 2017 and 2020, the equity investment in Opportunity Zones [totalled](#) at least US\$48-billion.

These investments can support a range of sectors crucial to rural communities, from agriculture to eco-tourism, and from renewable energy to natural resources projects. The ripple effects of such investments mean not just more jobs, but also better services and an enhanced quality of life, which in turn can attract and retain talent.

Fostering innovation and entrepreneurship in rural Canada is also vital. Supporting local entrepreneurs can lead to job creation and renewed community engagement, helping to alleviate the sense of political alienation. Likewise, initiatives are [needed](#) that support young people to acquire and grow existing businesses, given the “silver tsunami” of aging entrepreneurs in rural communities.

The economic gap between urban and rural areas in Canada is more than a challenge; it’s an urgent call to action. Let this be a moment for all Canadians – policymakers, business leaders, and citizens – to work together in bridging both the economic and political divides. In doing so, we not only secure our economic future, but heal deep divisions that risk tearing our country apart.

<https://www.theglobeandmail.com/opinion/article-canadas-urban-rural-economic-divide-is-a-threat-to-our-country/>

As—if—rural youth migrate to the major cities—especially European/White ones—they are increasingly intimidated by all the immigrant newcomers. It is the country bumpkins who feel like outsiders coming from a place “foreign to their Brown peers, who naturally make *their* “culture” and ways the new norm. Who concedes power by giving place to what they do not know or trust? TJB