

Hindsight

Why living in Canada is impossible

Introduction

["The skyrocketing cost of living"]

["I was skipping meals, basically because I was struggling to afford my my food and my rent."]

["2 million Canadians had to use a food bank in one month alone."]

["No wonder crime is rocketing after eight years of Justin Trudeau."]

Canada is worse than you think.

Just two years ago, a simple, two-bedroom apartment in Toronto cost on average \$2,400 Canadian dollars. Today, that's \$3,300, an average increase of 25% per year, and that's not an outlier. [1][2]

In Vancouver, it was 21% per year. [3] The national average was 23% per year. [4]

["Well, I just found out my rent's going to be increased from \$2,100 a month to \$2,400 a month for a one-bedroom condo in Toronto."]

In most Canadian cities, you would need to earn at least double the minimum wage to afford a one-bedroom apartment, [5] and you can forget about buying. In major cities like Toronto and Vancouver, the minimum income that's required to qualify for a mortgage is double or triple the median household income. This makes buying even unattainable for the top 10% of earners. [6][7]

There is a housing crisis, cost of living crisis, and now even an immigration crisis. This is a real change from the Canada I know and admire. What has happened?

[Trudeau: "Canadians from all across this great country sent a clear message tonight. It's time for a change in this country, my friends. A real change."]

This is how living in Canada became impossible... with Hindsight.

BUMPER

BODY

[Trudeau victory speech: “merci merci, thank you. Thank you my friends”]

Justin Trudeau was first elected in 2015 with a message of positivity.

[Trudeau victory speech: “this is what positive politics can do”]

[Trudeau: “Many of you have worried that Canada has lost its compassionate and constructive voice in the world. Over the past ten years, well, I have a simple message for you on behalf of 35 million Canadians. We're back.”]

He built his campaign on hope, and the media often drew comparisons with Obama in the United States. [8]

On his first day in office, he entered a Montreal metro station to take selfies with commuters. The exchange went viral. [9]

The atmosphere was exuberant, there was a feeling of hope and positivity. Trudeau had the second-highest approval rating of any new Prime Minister in Canada’s history. [10]

To understand how his approval ratings have turned around so dramatically, why Canada is in a housing crisis, cost of living crisis, and most surprisingly, is struggling with immigration, we need to go back in history.

Canada is a nation of immigrants. In the mid 1800s, the population of Canada was almost entirely concentrated on the east coast, along the Saint Lawrence River, and the great lakes. To its west and north lay a vast and sparsely populated area that they wanted to populate. [11]

They used immigration as a tool to build their country. They attracted people with a comprehensive marketing campaign, “build your nest in Western Canada” was the message, calling it “the new El Dorado.” Boatloads of prospective migrants arrived in Canada and were vetted by migration officers. They were particularly eager to attract talented farmers. They could help Canada’s westward expansion by settling uninhabited areas. They built villages, and turned them into cities, attracting commerce and industry. Over time strengthening Canada’s grip on the West. [12]

By the 1920s, population centers had emerged all along Canada’s southern border. They grew from 3 million inhabitants to 9 million. [13]

These immigrants were selected not just on merit, but also on race. Canada wanted to maintain the status of a “white man’s country,” but after the World War II, these discriminatory practices came under scrutiny. [14]

Canada started to build its modern immigration system. This was based on a “points system.” Prospective immigrants were scored based on their age, education, training, and language skills. They were individually assessed by an immigration officer, who tested applications against three objectives: [15]

1. The promotion of economic, social, demographic, and cultural goals.
2. Family reunification
3. Fulfilment of international obligations related to refugees

For an immigrant’s application to be successful, you needed to help Canada achieve one of these goals. [16]

The basic philosophy is that immigrants are selected based on their merit and what they can contribute to the country. This system is still in place in Canada today, making it the oldest immigration system of any country in the OECD. [17]

An early challenge was that an increasingly large percentage of newcomers were family members. In 1971, economic migrants made up 73%, and family members 35%. But a decade later, this had turned around. Family members were seen as unproductive consumers of welfare benefits, and this prompted the government to make entry requirements stricter. By 1995, the percentage had dropped to 36%. [18]

Canada vested a lot of power in the federal executive branch of government, which makes it possible to respond to unwanted flows of migrants quickly. [19]

They kept identifying weak spots and making improvements, and by the early 2000s, the system was hailed around the world as one of the best in the world. Canada was recruiting the largest share of highly educated migrants in the OECD, and they had good integration outcomes. [20][21][22]

Even Donald Trump had good things to say.

[Trump: “Nations around the world, like Canada (...) have a merit-based immigration system.”]

But what was most impressive, were Canada’s exceptionally high levels of public acceptance. Immigration, until recently, wasn’t a controversial issue. In 2018, two thirds of Canadians believed that immigration was a good thing for the country, [23] the highest level of any country in the OECD. But that wouldn’t last.

[Trudeau: “Canadians are almost universally positively inclined towards immigration. We know that immigration is a source of strength and resilience and growth for our communities, and that's a wonderful thing we should be very, very proud of.”]

Public opinion on immigration has shifted dramatically during the last years, from people feeling overwhelmingly supportive to most people feeling concern. During the first four years under Trudeau, the population grew at a record pace, mostly because of immigration, and it slowed during the pandemic. That's where the problems started. [24]

Canada was facing a host of challenges. One of them was a shortage of workers. There were difficulties in all major sectors. [25] From construction, [26] to health care. [27] Companies were just unable to find the people with the right skills. [28]

[Fraser: "It's simple to me. Canada needs more people."

This was the new Minister of Immigration.

[Fraser: "Canadians understand the need to continue to grow our population if we're going to meet the needs of the labor force."]

Fraser, like many before him, saw immigration as a tool to fix specific issues. The worker shortage, but also demographics.

[Fraser: "It's also about correcting one of the demographic trends that worries me every day. And that's the fact that Canada has an aging population."]

All across the Western world the population is aging, and that's a problem. But in Canada it's extreme. In 1971, there were 7 people of working age for each senior. In 2012, this was down to 4. The projection is that there will only be 2 workers for every retiree by 2036. [00] The number of Canadians that's over the age of 75 will double over the next two decades, while fewer people enter the workforce. [29][30]

[Fraser: "If we don't do something to correct this demographic trend, the conversation we're going to have 10 or 15 years from now won't be about labor shortages. It's going to be about whether we have the economic capacity to continue to fund schools and hospitals and public services that I think we too often take for granted."]

This inspired a radical new immigration plan.

In 2022, Canada had set a record population growth. They announced to welcome 465,000 permanent residents in 2023, 485,000 in 2024, and 500,000 in 2025. [31]

[Fraser: "and we are staring at one of the greatest economic opportunities of our time. When people around the world are looking to move and Canada has become the world's top destination for people who are thinking of leaving their country of origin to pursue economic opportunity elsewhere, it's up to us to seize this moment and take advantage of this opportunity."]

They saw immigration as a race for global talent, and they had every intent on winning. Their target was to have economic migrants make up 60% of newcomers. An ambitious goal. And they particularly targeted workers in sectors with the highest demand, like health care, skilled trades, manufacturing, and technology. [32][33]

But when these plans were announced, immigration offices were already 2 million resident applications behind on their work. [34] And there was already a shortage of housing.

[Trudeau: “you talk about the housing crisis that we're facing, which we are facing, one of the limits on creating more housing is the challenges on having enough construction workers”]

But Trudeau and his cabinet members saw immigration as the solution, not the problem, and in 2023, Canada's population grew at the fastest rate in almost 70 years. [35] This was the fastest growing population of any country in the OECD. [36]

More extreme voices, like the Century Initiative, lobbied to grow Canada's population to 100 million by the end of the century. The plan was endorsed by a former Prime Minister, and lobbyists included several advisors to the Justin Trudeau and his cabinet members. [37]

[Trudeau “We have a population that is aging. We need people to arrive with their talents, with their hopes, with their dreams, with their capacities to work hard, to build our communities, to build our future.”]

Public opinion was shifting. Whereas in 2022, 27% of people believed there was too much migration in Canada. In 2023, this was up to 51%, and in 2024 to 58%. [38][39]

[“behind me is the Take Back Canada march against mass immigration.”]

In July 2024, there were protests. This was an unusual sight in Canada. [40]

[“There's a lot of disaffected Canadians here who feel like the government has not been listening to them”]

[“And what happens to the election in 2025? Is mass immigration going to become the main issue?”]

In 2025, there are federal elections in Canada and Trudeau might lose his seat.

[“Two broccoli heads was \$11.44 (...) Are you guys okay? Are you okay?”]

[“Somebody please tell me how the hell this small amount of stuff just came to 200 and fucking \$18? How? (...) Like, we have a serious fucking problem here in Canada. Like, why is this happening?”]

The government likes to publish figures that show how the economy is growing. This is technically true, but the growth is primarily fueled by a growing population. Per capita growth is down, along with individual living standards. [41][42]

["This apartment is 750ft², and I pay \$4,300 a month."]

["People are working three jobs just to live in the city. It's actually crazy. And they're still struggling to pay their bills or just living paycheck to paycheck. They're not even getting to really enjoy their life."]

There is a clear mismatch between how fast Canada's population is growing, and how long they need to supply housing and service infrastructure like health care and schools. This affects all layers of society, but it is most acutely visible in the cost of housing. [43]

["Okay, we need to talk rent increases because this shit is getting out of hand."]

["Would you pay 800 bucks a month to share a bed with a stranger? That's what this Vancouver listing is offering."]

The most vulnerable are people with little to spare, like students. [A story](#) broke about 25 students were living in one basement in Brampton, and it went viral. [44] The mayor of the city responded that they've "seen cases like these on a regular basis." [45]

["like this landlord who's renting out six beds on the floor with dividers between them for 325 bucks each."]

The number of temporary residents, which includes temporary workers but also international students, have increased dramatically. In 2022, they numbered 1.4 million, and in 2024, this had doubled to 2.8 million. Temporary residents now make up 7% of Canada's entire population. [46][47]

Public opinion had turned against Canadian immigration policies, and for the first time it had become a controversial topic. Trudeau, with elections coming up, needed to act.

["Prime Minister Justin Trudeau is promising a massive federal program to deal with the housing crisis in Canada."]

[Trudeau: "So today, we are releasing the most comprehensive and ambitious housing plan ever seen in Canada."]

He put Sean Fraser, former Minister of Immigration in charge of housing.

[Fraser: "I know we're going to solve the housing crisis, because I know what Canadians are capable of."]

These s were vilified in the comment section on YouTube. “It’s crazy that people believe the guy that got us into this mess is the guy that’s gonna get us out.” “Too little too late, you can’t be the solution to the problem YOU created...” [48]

[Fraser: “The reality is different parts of the country have seen different challenges. In addition to population growth, there have been supply chain constraints that have driven up the cost of building. We’re trying to address a 30 year lack of investment in affordable housing, and we’re soon going to hit a bottleneck with the productive capacity of the Canadian workforce to build the homes we need.”]

Fraser is in an awkward position. “Perhaps letting in 9 million new Canadians before homes were built for them had a “little” to do with this problem?”

A majority of people now disagreed with immigration policies, they were angry and frustrated by the cost-of-living crisis, and immigrants felt they were unfairly portrayed as the cause of the problem.

[“They miscalculated the how much immigrants they want. They miscalculated how much housing they have, how much they could accommodate over here. And now they are blaming all it on us.”]

Trudeau’s approval rating dropped in September 2024 to just 33%, [49] and only 26% favored him as prime minister. [50]

He had to turn this around.

[Trudeau: “Bonjour tout le monde. Good morning everyone. In a moment, Minister Miller will be detailing our immigration plan. Before he does, I want to say a few things. Canadians are justifiably proud of our immigration system. It has made our economy the envy of the world. It’s how we’ve built strong, diverse communities. It’s how we’ve demonstrated that differences can and must be a source of strength, not a source of weakness for communities and society. (...) Today, we are announcing that we will reduce the number of immigrants that we bring in over the next three years. Which will result in a pause in the population growth over the next two years. All of which we are implementing with a single aim: stabilize our population growth to give all levels of government time to catch up. ”]

Trudeau announced that they’ll change course. They’ll lower the number of new arrivals to slow population growth. He admitted he was wrong. [51][52]

[Trudeau: “We didn’t get the balance quite right.”]

When he took office, there was already a three-decade long lack of investment in affordable housing. There were building challenges, and supply chain issues. But as PM, he bears the

burden of responsibility. It was his choice to allow entry to such large numbers of immigrants, growing the population, and adding pressure to the housing market. The affordability of housing and the cost of living in general are very visible signs of deteriorating living standards. In 2019, 19% of Canadians felt that Canada was extremely unequal. That's now up to 38%. To the question whether the cost of living is now worse, the number rose from 66% in 2019 to 84% in 2024. [53]

And I'm still just scratching the surface. Canada, this is a real change.

CTA

OC: I hope that you learned something or found the video entertaining. I had a call yesterday with someone from YouTube that helps me with any questions that I have. My channel has been going through some ups and downs so I'm trying everything to provide the best value and to build a strong brand. One thing she told me is that only 95% of people that watch my videos are subscribed to the channel. So, if you don't mind me asking, it would actually be a pretty very helpful if you'd subscribe to Hindsight to push my videos in the algorithm. Anyways, I'm grateful you watched it until the end and here are two more videos for you to consider for your next watch.

FURTHER READING:

Good and Lucky: Explaining Canada's Successful Immigration Policies (Oxford Academic):
<https://academic.oup.com/book/44933/chapter/384861180>

Don Kerr: Canada's population growth is exploding. Here's why (the Hub):
<https://thehub.ca/2024/04/26/don-kerr-population-growth-is-exploding-heres-why/>

Backlash against immigrants challenges Canada's welcoming image
<https://www.reuters.com/world/americas/backlash-against-immigrants-challenges-canadas-welcoming-image-2024-09-06/>