

Immigration and the Affordable Housing Crisis

Historically, both the Conservative and Liberal parties of Canada have recognized that Canada's growth and economic development were dependent on immigration, and peoples who were seeking to emigrate from their native country were encouraged to settle in Canada. However, there was a mutual consensus among Canada's political parties that immigration levels needed to be based on the numbers that Canada could readily accommodate and assimilate with a focus on fulfilling the needs of the Canadian economy. The emphasis was on obtaining immigrants who wanted to become Canadians, who were prepared to work hard to better themselves, and who had the skills, knowledge, and work ethic needed to settle the western prairies, to work in industry and commerce, or in Canada's resource extraction sector. Family reunifications were a secondary immigration focus. The admission of refugees was an exception decided on an ad hoc basis in response to humanitarian crises.

In 1978 a new Immigration Act was introduced that for the first time set forth fundamental objectives to govern Canada's immigration system. The federal government was given the responsibility to set immigration targets and was required to consult closely with the provinces concerning immigration planning and management. The fundamental principles cited were that immigration was to promote 'Canadian economic, social, and cultural goals'; that immigration was to favour the re-unifications of the families of Canadian citizens and permanent residents; and that the immigrant selection process was to be non-discriminatory. In addition, refugees -- as defined by the U.N. Convention Relating to the Status of Refugees -- were classified as a distinct group of immigrants, and Canada as a signatory of the Convention recognized the rights of refugees to protection and support once granted asylum.

Three classes of admissible immigrant were recognized in the new Immigration Act. Among them were an independent immigrant class which was based on a points system of selection that rated the prospective immigrants for their language skills (English and/or French), education, work experience, age, arranged employment in Canada, and the adaptability of the prospective immigrant and the spouse to living in Canada. The aim was to ensure that immigrants who were granted entry to Canada would be capable of integrating into Canadian society, would be capable of securing employment to support themselves and their families, and would not become an economic burden to the country. Secondly, there was a family reunification class encompassing the admission of the immediate family members of a Canadian citizen or of a permanent resident; and a third class consisted of refugees granted admission to Canada once their refugee claim was validated. It was an immigration system that greatly benefited Canada, and that resulted in Canada being peopled by immigrants who were hardworking, productive, and proud to be Canadians.

Since the coming to power of the Liberal party under Prime Minister Justin Trudeau in October 2015, the traditional priorities of Canada's immigration policy have been reversed, and immigration quotas have been raised to unprecedented levels. Moreover, the Liberal government has adopted an open immigration policy that is aimed at 'transforming Canada' by increasing its cultural and racial diversity. Currently, Canada has annual immigration level targets that -- on a per capita basis -- are far in excess of any other country in the world, and no longer is a priority being given to the entry of economic class immigrants with the skills and work experience needed by Canada. This dramatic change in Canada's immigration policy was introduced by the Trudeau government without any debate in parliament, or any public consultations, or any input from the provinces.

At present, Canada is incurring heavy costs in providing support and accommodations for a massive annual influx of immigrants, is experiencing a severe shortage of affordable housing and soaring housing prices and is suffering from a shortage of skilled workers that are needed to drive Canada's economic

recovery following the COVID lockdowns. Among the key factors responsible for the housing crisis are the exceedingly low interest rates that have been in effect, foreign investors buying up Canadian properties, and a large influx of international students seeking affordable housing. However, by far the principal factor in soaring housing prices was, and is, the high number of immigrants entering Canada under the unprecedentedly high immigration quotas introduced by the Liberal government of Justin Trudeau. What we have is a Trudeau government that is acting contrary to the common good and national economic interest of Canadians, and that is ignoring public opinion where immigration levels are concerned.

International Students: The presence of a massive number of international students in Canada is a significant factor in the shortage of affordable rental accommodations in our university towns and cities. Currently, there are 650,000 international students studying in Canada, by far the greatest number on a per capita basis of any country in the world. Only Australia has had a massive influx of international students on a par with the numbers admitted into Canada. However, with the economic downturn and job losses during the COVID pandemic lockdowns, the Australian government sent home any international students who could not afford to financially support themselves and placed a complete ban on foreign nationals entering the country, inclusive of international students. Moreover, Australia has greatly reduced its intake of international students as part of its effort to relieve the stress on affordable rental accommodations in the college towns and cities.

In contrast, the Trudeau government made international students eligible for the \$2,000 per month CERB payments during the COVID lockdowns. Moreover, the Trudeau government inexplicably exempted international students from the mid-March 2020 ban on foreign nationals entering Canada that was intended to preclude foreign nationals introducing new variants of the COVID-19 virus into Canada. Apparently for the Liberal government the continuing education of international students took precedence over the health and lives of Canadians. Moreover, during the height of the COVID pandemic -- during the year 2020 -- international students were not tested upon entering Canada, in spite of the fact that the vast majority of the students were coming from countries where COVID variants were spreading rapidly among the population. The international students were simply instructed to self-isolate for 14 days after their arrival in a university residence, or in their rental accommodation. No monitoring or enforcement was provided. As a result, the number of international students studying in Canada declined only slightly during the COVID pandemic from 638,280 in 2019, to 528,190 in 2020, and increased to 621,561 in 2021. One wonders how many of the COVID variant outbreaks were centred on university campuses and student housing areas.

At present in 2022, an estimated 650,000 international students are studying in Canada, and the Trudeau federal government has recently adopted an immigration policy that gives a priority to facilitating international students and migrant workers to attain a permanent resident status. The Trudeau government remains oblivious to the reality that a drastic reduction in the number of international students entering Canada, will greatly reduce the demand for rental accommodations in our cities and will greatly alleviate the severe shortage of affordable rental accommodations.

Canada does not owe foreign nationals an access to higher education. It is true Canadian colleges and universities welcome international students who pay higher tuition fees than Canadian students, but that extra income is only a fraction of the costs that Canadians are paying to expand our university infrastructure and facilities, and the teaching and support staffs, to accommodate the international students. The current policy of the Trudeau government in admitting an inordinate number of international students to study at Canadian colleges and universities is significantly exacerbating the severe shortage of affordable rental accommodations, is resulting in abnormally large lecture classes, and

has had a negative impact in limiting the number of qualified Canadians who can enter the high-demand STEM programmes – science, technology, engineering and mathematics courses -- in graduate schools where there is a limited enrollment in force.

Foreign Investors: According to Statistics Canada, non-residents – individuals who are not living in Canada – currently hold ownership of 8.9 percent of residential properties in Vancouver, of 5.4 percent in the City of Toronto, and of 2.7 percent in Ottawa. Foreign investors primarily enter the low-maintenance condo market and have a significant impact in driving up purchase prices. Investors living in unstable countries have been pursuing secure investments in the Canadian real estate market, have been purchasing properties without having a property to put on the market to maintain market balance, and are aggressive in what they will pay for a property. In 2019 in Vancouver, 13.6 percent of the newer condos were purchased by non-residents, and in Toronto 7.7 percent of the newer condos were purchased by non-residents. According to Statistics Canada the assessed value of residential properties held by non-residents (foreigners) was \$3.4 billion in 2020 compared to \$126 billion held by Canadians. Moreover, the past few years there have been reports that international crime syndicates have been laundering money through the purchase of Canadian real estate, inclusive of residential properties. Why our federal and provincial governments have been ignoring this growing lack of affordable housing, and the role of foreign buyers and organized crime in contributing to that crisis, is beyond belief. Only recently have rather tepid steps been taken to address this aspect of the housing problem.

As of January 1, 2022, the Trudeau government placed a one percent tax on vacant or unused real estate to discourage foreigners from purchasing properties to park their money in a secure place, while leaving the housing, particularly condo units, unoccupied. Earlier in 2017, the Ontario government placed a Non-Resident Speculation Tax of 15 percent on residential real estate purchases by foreigners in the Golden Horseshoe area around Toronto, and that will now be increased and extended. As of March 30, 2022, the non-resident speculation tax was extended across the entire province and increased to 20 percent. In British Columbia, non-residents are free to purchase residential properties, but a Foreign Buyers Property Transfer Tax of 25 percent has been imposed on sales of property by non-residents. Finally, the federal Liberal government, in the April 2022 Budget, announced its intention to impose a two-year ban on non-residents purchasing Canadian residential properties. No doubt, these steps will have some impact in reducing housing prices, but what is needed is a permanent ban on non-residents purchasing residential properties in Canada. Moreover, the Trudeau government needs to close a major loophole that will undermine the impact of the proposed temporary ban legislation.

According to reports in the press, the proposed temporary ban on non-residents purchasing Canadian residential properties will not apply to international students who are in the process of becoming permanent residents or to people in Canada on work permits. However, international students through family financial connections, and individuals in Canada on work visas, account for 80 percent of foreign buyers in the residential housing market in Ontario, and presumably a similar high percentage among foreign buyers in British Columbia. International students at our universities and colleges in our major cities are driving up housing prices and are a significant factor in contributing to the shortages of affordable rental accommodations and housing. Yet, it appears that the Trudeau government is more interested in providing unlimited educational opportunities for international students, rather than in protecting the housing market and affordable housing for Canadians. The projected ban on foreigners purchasing residential properties in Canada ought to be extended to include international students. It would drastically reduce the demand for housing in our major cities. International students are welcome in Canada, and do make a positive contribution to our nation, but Canadians need to start questioning

whether the exceedingly high number of international students studying and living in Canada, is a good thing.

Immigration Levels: The exceptionally low interest rates over the past few years, foreign buyers of residential properties, and the high number of international students living in Canada has contributed substantially to the high price of housing and the affordable housing crisis in Canada. However, the principal cause of the shortage of affordable housing and the soaring cost of housing in Canada, is the annual influx of massive numbers of immigrants far beyond Canada's needs and capacity of the country to accommodate them. Prior to the Justin Trudeau coming to power in October 2015, Canada admitted about 260,000 new immigrants per annum. They were admitted on the points system that gauged the capacity of potential immigrants to integrate into Canada and secure gainful employment. The selected number of new permanent residents were able to secure affordable housing without the federal government having to introduce massive spending programs to create new housing. However, that has not been the case since the Liberal government of Justin Trudeau introduced an 'open immigration' policy and set in motion a massive increase in Canada's intake of immigrants.

Canadian Population Growth: Since coming to power in October 2015, the Liberal federal government under Prime Minister Justin Trudeau has introduced a phenomenal increase in immigration quotas. Initially, the Trudeau government increased the immigration quota to just over 300,000 people per annum. However, when the immigration quota of 341,000 for 2020 was not realized during the COVID lockdowns, the subsequent annual quotas were increased to make up for the shortfall. The Trudeau government increased the immigration quota to 351,000 for 2021, and 431,645 for 2022, and plans to welcome 431,645 new permanent residents in 2023, and 451,000 in 2024. The Liberal government budget of 2020 called for 1.4 million new permanent residents to be settled in Canada by 2024, but with the subsequent increases in the annual immigration quotas that number will now be over two million.

Statistics Canada has reported that in less than two decades, new immigrants will represent 30 percent of Canada's population, and that in less than fifty years Canada will have a population of 55 million people - an increase of 37.1 percent - with the population increase largely composed of new Canadians. In Ontario, the provincial population will increase from 14.3 million to 20.4 million in but a quarter of a century. In Toronto today, almost 50 percent of the population is foreign born. These are phenomenal numbers. Over the past five years, Canada's population has increased at almost double the rate of any other G7 nations and given the low birth rate of Canadians, that population increase has been driven by the high immigration numbers. (The Group of Seven includes Canada, France, Germany, Italy, Japan, the United Kingdom, and the United States.)

Yet rather than lowering the annual quota for immigrants in keeping with Canada's capacity to accommodate and assimilate new Canadians, the Trudeau government has continued to raise the annual immigration intake quotas far beyond any previous levels. Moreover, during the early spring of 2022 when Canada was facing a major shortage of skilled workers, the Trudeau government actually suspended the issuing of work visas in the skilled workers category, which effectively denied entry to men and women applicants with the skills needed to support a revival of the Canadian economy. Contrary to all common sense and the best interests of Canada, the Trudeau government chose to focus its efforts on facilitating the removal of the backlog of cases among the general 'independent class' of immigrants, inclusive of refugees, who were entering Canada under its 'open immigration' policy.

Among the provinces only Quebec is taking action to curb the massive influx of immigrants. Quebec has called on the federal government to transfer control to the province over the selection of immigrants who are seeking to settle in that province, has sought to reduce the number of immigrants entering Quebec by

20,000 per annum, and wants a points system to be enforced for immigrants wanting to settle in Quebec. The intention of the Quebec government is to give a priority to selecting prospective immigrants who are French-speaking, and capable of integrating into a francophone society. A study of Quebec immigrants has found a problem in the existing immigration policy. A significant number of recent immigrants settling in Quebec from Syria, Afghanistan, Pakistan, and Burundi, were found to be illiterate in their native language, which calls into question whether they will be able to function in French after a six-month government language training programme, and raises doubts as to whether they will be capable of integrating into the provincial francophone community.

As early as 1968, Quebec established its own immigration ministry which has enabled prospective immigrants to apply directly to the provincial government, rather than to the federal immigration programme. Under the provincial immigration programme, permanent immigration levels are capped at between 40,000 and 50,000 per annum, and the selection process focusses on granting a permanent residency to 'skilled workers' who speak French and intend to settle in Quebec. Moreover, a priority is given to skilled workers in the high-tech sector, as well as to international student who have graduated from a Quebec school in the high tech and information technologies fields, and skilled foreign workers who have been offered a job in one of those sectors. Yet another priority class for the granting of a permanent residency is businesspeople. In addition, the Quebec immigration ministry has introduced special programmes to facilitate the entry of foreign temporary workers in sectors where a labour shortage exists, such as currently in the food processing industry and long-term care homes.

At present, the federal government is responsible for the temporary workers entering the provinces with work visas. However, Quebec is concerned about how the federal government is running the temporary workers program. From 2012 through 2016 the temporary workers entering Quebec –principally international students with work visas, and foreign workers with a needed skill – represented nine percent of the total number of foreign nationals entering the Province of Quebec. However, under the Trudeau government that number has risen. As of 2019 the number of international workers on work visas entering Quebec rose to represent 64 percent of the influx of foreign nationals seeking permanent residency. Currently, there are 177,000 temporary workers in Quebec on work visas, the majority of whom are international students. Quebec is now seeking control over the temporary workers program through which the number of persons entering the Province of Quebec has soared under the Trudeau government.

The Quebec government is seeking to select immigrants who will strengthen the French-speaking culture of the province while promoting the growth of the provincial economy and the social cohesion of society. In effect, from among the many peoples of the world the intention is to recruit a limited number of the best and the ablest of prospective immigrants for the benefit of the economy of the province, and Quebec society, while ensuring that the provinces distinct culture is safeguarded and sustained.

In the past, Canada's immigration policy had similar aims to select immigrants who would be able to contribute to the growth of the Canadian economy and who were judged capable of becoming Canadians in adopting Canadian values, in participating in Canadian society, and in entering the workforce, the professions, and the political life of the nation. Yet, today the Trudeau government has abandoned that traditional immigration policy approach in introducing an 'open immigration' policy with unprecedentedly high annual immigration quotas in seeking to increase the diversity of Canada and the development of a multi-cultural, pan-national society in abandoning any concern for the common good and national interests of Canadians.

It is long past the time for the other Canadian provinces, and the Canadian public, to demand that the federal government dramatically reduce the current annual influx of immigrants, inclusive of international students, that is far beyond Canada's needs and ability to accommodate them. The federal government needs to enforce a points system to ensure that the immigrants admitted into Canada are capable learning English or French, have strong work ethic and a belief in the value of education, and want to become Canadians. Only prospective immigrants who are capable of entering into Canadian society, of integrating into the Canadian workforce or of establishing businesses, ought to be welcome to settle in Canada.

Housing Crisis: The current massive influx of immigrants each year is placing unbearable strains on Canada's supply of affordable housing in our major cities. Yet, Canadian governments at all levels remain focussed simply on increasing the supply of affordable house by introducing massive multi-billion-dollar spending programs to accelerate new housing starts. To the contrary, action needs to be taken by the federal government to drastically reduce the annual intake of new immigrants. Canada's natural population increase is not sufficient to impose any substantial demand for additional affordable housing beyond the traditional market increase in new building construction. Clearly, it is the massive influx of immigrants each year that is the principal cause of the shortage of housing and of the affordable housing crisis in Canada.

It is beyond belief as to why the Trudeau federal government remains fixated on achieving unprecedentedly high immigration quota targets is beyond belief when Canada is currently in the midst of a housing crisis, is faced with a massive federal, provincial, and municipal public debt load, and is struggling to fully re-open the economy. In the current situation, the federal government ought to greatly reduce the intake of new immigrants to a level that Canada can readily absorb without massive government expenditures being necessary to secure accommodation for the new immigrants, ought to permanently close the irregular border crossing points to illegal migrants; and ought to re-introduce a points system to evaluate the capacity of prospective immigrants to readily accommodate themselves to living in Canada, to entering the workforce and to participating in the social and political life of the Canadian community. Moreover, a priority should be given to providing works visas to economic class immigrants with the skills and knowledge needed to enter directly into the Canadian workforce and become self-supporting, with a secondary focus on family re-unions where a prospective immigrant has immediate family members in Canada who can provide a social and financial support system.

With the Trudeau government introduction of an open immigration policy with increasingly massive annual immigration intakes, what we have is not only an affordable housing shortage, but a resultant urban population growth that will increase traffic congestion, urban sprawl, crime, pollution, and homelessness, and place an increased pressure on our overwhelmed social services and public health systems. It will destroy the quality of life of Canadians in our major cities.

Housing Crisis Response: Faced with a dearth of affordable housing, the response of the Trudeau government has been to dispense large sums of money to various public and private entities in an effort to greatly increase the housing supply. A massive growth in Canada's population through an aggressive immigration policy is being actively promoted by the federal Liberal government. There is no questioning of the need for the massive influx of immigrants, inclusive of refugees, that is fueling an unprecedented population growth, that has generated an affordable housing shortage, and that has driven housing cost skyward. To date, no study has been undertaken, on a cost-benefit analysis, of impact of the projected unprecedentedly large scale immigration influx on the growth of the Canadian economy and the cost of Canadian social services.

The rapid population growth driven by immigration has been accepted without any parliamentary debate or public discussion in the Liberal media, and the heavy cost of providing new housing has been taken on without question. The federal government response is to seek to foster the construction of “at least 3.5 million new homes by 2031”. In effect, Canada generally constructs about 200,000 new housing units – single family dwellings, condos, townhouses, and rental units – per annum. However, now the Trudeau government is seeking to using massive government expenditures to achieve a hoped for doubling of Canada’s rate of new housing construction over the next decade. (Dept. of Finance, Budget April 2022).

In the three years prior to 2019-20, the federal government investment in new housing was less than \$4 billion per annum, the housing supply was adequate for Canadians and for the accommodation of new immigrants under the existing lower levels of immigration. Home ownership was affordable for working Canadians and economic class immigrants with job skills. However, under the Trudeau administration, the level of federal government investment in housing soared each year thereafter and, according to Budget 2022, it will reach a projected \$12 billion in 2022-23, with a further projected increase in 2023-24. In effect, federal government per annum ‘investment’ in housing has more than tripled in just over three years, and yet today there is a critical shortage of housing supply and the prices are far beyond what many working Canadians can afford in seeking to purchase a single-dwelling home or condo. Clearly, the Liberal government penchant for throwing public money at the housing situation is not solving the housing affordability crisis; yet the Trudeau government intends to continue to do so, as indicated by the federal government budget of April 2022.

Through the National Housing Strategy, the federal government has already committed to deliver \$72 billion in financial support to make housing more affordable since coming to power in 2015. Included among the ongoing commitments are \$42 billion for constructing and repairing rental housing, affordable housing and shelters, \$15 billion in joint funding with the provinces and territories to provide direct rent assistance under the Canada Housing Benefit; \$11 billion for community and social housing; \$2.7 billion “in distinctions-based support for housing in Indigenous communities; \$3 billion “to eliminate chronic homelessness by 2030” through the Reaching Home: Canada’s Homelessness Strategy.

The range of financial measures is meant to encourage municipalities “to build more homes and create denser, more sustainable neighbourhoods, to build new affordable housing units faster, to invest in co-op housing, and to “accelerate retrofits and build more net-zero homes”. Moreover, homelessness is to be addressed through doubling the funding support for the ‘Reaching Home’ program aimed at building of affordable units for the chronically homeless, as well as for veterans who are homeless.

Among the new spending programmes introduced in Budget 2022 are: \$4 billion in new money over five years, starting in 2022-23, to enable the Canada Mortgage and Housing Corporation to launch a new ‘Housing Accelerator Fund’ to speed up ‘the municipal planning and delivery process’ to facilitate “the creation of 100,000 new housing units over the next five years”; \$1.5 billion in new spending over two years to expand the Rapid Housing Initiative to create 6,000 new affordable housing units, “with at least 25 percent of funding going towards women-focused housing projects”; and the advancing of a payment of \$2.9 billion in funding, under the existing National Housing Co-Investment Fund, to accelerate the creation of 4,300 new units and the repair of up to 17,800 housing units for Canadians in need.

The Politics of Immigration: One must question, why western countries alone are expected to absorb massive numbers of immigrants and refugees. The wealthy Arab countries are not doing so, even where Muslim immigrants and refugees are concerned. Japan is not doing so despite an aging and declining population, and none of the Asian countries or Black African countries, are willing to accept a massive influx of immigrants, inclusive of refugees. It is similarly the case for most eastern European countries.

Indeed, with few exceptions – the current flood of Ukrainian refugees into Poland – only in western countries is a massive influx of immigrants and refugees encouraged by government and supported by the media.

In Canada, the Modern liberals in currently in control of the federal government are persisting in an ideologically-driven-agenda to transform Canada into a multi-cultural country with a culturally and racially diverse population, despite pollsters finding that upwards of 62 percent of Canadians are convinced that immigration levels are far too high. However, the Liberal government is receiving the support of the Liberal media and academe within which any criticism of Canada's open immigration policy is muffled or denounced as 'racist' or xenophobic, and any debate on immigration issues is taboo.

Prime Minister Justin Trudeau takes pride in having introduced an open immigration policy that is transforming Canada into the first pan-national country in the world. In an interview with the *New York Times* (November 15, 2015), shortly after coming to power with a majority government, young Trudeau articulated his Modern liberal view of Canada:

“There is no core identity, no mainstream in Canada. ... There are shared values – openness, respect, compassion, willingness to work hard, to be there for each other, to search for equality and justice. These qualities are what makes us the first post-national nation.”

There is no recognition among Modern liberal internationalists of Canada as a nation-state with a distinct history, culture, and patrimony, and a record of national achievements and established freedoms, worth safeguarding, supporting, and cherishing. Canada is viewed as nothing more than a friendly, egalitarian, and diverse place to live that ought to be open to anyone who wishes to settle there. Such a dismissal of Canada as a nation-state with distinct cultural values and accomplishments, is an insult to Canadians, as well as an abdication of the role of the federal government to protect and promote the wellbeing of Canadians, the common good, and the national interest.

Do Canadians want 'denser' urban communities, and a continuing rapid growth of our cities, with the heavy infrastructure, health and welfare costs, and major increases in pollution, street traffic and crime, the loss of green spaces, and overcrowded neighbourhoods? Do Canadians want their national character, their culture, and their sense of sharing a common history, to be overwhelmed with a future majority population composed of diverse language communities having different cultures, histories, and loyalties? Is Canada not worth preserving as a sovereign nation-state with a distinctive culture -- two national cultures -- and a common way of life to which immigrants ought to be expected to assimilate and become Canadians?

One can only question a federal Liberal government housing strategy that throws large sums of money at an affordable housing problem that is being imported through the implementation of its own 'open immigration' policy. What is clear is that the growing housing crisis can largely be resolved through greatly reducing the annual immigration quota – to perhaps 200,000 per year – with a points system in force to select immigrants who will benefit Canada and not become an economic burden. Such an immigration policy would enable new housing to keep pace with demand and would result in housing being much more affordable. It would eliminate the need for governments at all levels – federal, provincial, and municipal -- to introduce and finance costly housing construction programmes and would preclude our major cities from becoming overcrowded and overbuilt. No one has a right to come to Canada to settle simply because they want to live a better life, and Canadians do not have any obligation to take in the surplus population of failed nation-states.

Passrob

June 2022/Posted July 2022