

A crisis in Vancouver: The lifeblood of the city is leaving

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There is a growing societal divide in Vancouver that is threatening its future.

The city is increasingly becoming an investor haven for the rich. Sure, there are some lucky souls, relatively middle-class people who got into the housing market before prices took off and who are now sitting on a gold mine. Most realize how fortunate they are, the lottery ticket they won.

And they have consciences when it comes to the plight of those who have no hope of buying a house of any description in the city.

By now, everyone has a fairly clear picture of what is taking place; the confluence of factors that have led to the moment at which we have arrived; the global influx of capital, largely from China; low interest rates, a low Canadian dollar – all of which has created a price ascension that is beyond most people's comprehension.

For many young adults, however, the city increasingly represents a place of which they no longer can afford to be a part. Consequently, Vancouver faces an almost existential threat; what happens when the lifeblood of any community, those in their 20s and 30s, decide to leave?

Frustrated over the inability to find even a condo at prices their salaries can accommodate, many young people are saying goodbye. Leaders in the city's nascent tech sector – the clean, futuristic industry upon which the city is building its economic hopes – are warning that it's going to be nearly impossible to develop this business into anything meaningful unless the affordability question is addressed.

And if you detect a greater sense of urgency in Mayor Gregor Robertson's words these days on the housing question, this is why.

Ryan Holmes, founder of Hootsuite, which is headquartered in Vancouver, wrote an op-ed piece recently decrying the dismal state of affairs. "Unaffordability is emptying Vancouver of one of its most valuable assets – young people who grew up in the city and who are invested in it." He cited as evidence the fact that the city is shuttering many of its elementary schools because of a lack of numbers.

"Vancouver risks becoming an economic ghost town, a city with no viable economy – other than the service industry catering to wealthy residents and tourists," Mr. Holmes wrote.

Another young tech-sector worker, Saeid Fard, wrote a blog post a while back titled: The Decline of Vancouver. It has been shared thousands of times since it first went up. In it, he, too, laments what he sees emerging. “We have two classes of society forming along a divide that is growingly difficult to cross,” he wrote.

Like Mr. Holmes, Mr. Fard cites the impact the present day reality is having on his field.

Eventually as young talent ages and wants the kind of things most people want – a house and a family – many can’t afford to stay in Vancouver. In fact, many can’t afford a home outside the city, either. Consequently, recruiting talent to the city is easy; retaining it is not.

For many young people, the attendant discussion about what forces are responsible for the market madness is irrelevant; all noise. They just know they are the ones dealing with the fallout.

Frankly, I’m not sure many people care about the young and their housing worries. They can find a cheap condo somewhere out in the burbs; start where everyone else starts. That is not an altogether unreasonable response. But think about the implications. A Vancouver that doesn’t have room for young people will quickly become a massive old folks’ home.

There are already enough houses and condos in the city with no lights on because no one actually lives in them. They are investments owned by someone halfway around the world who doesn’t really care about what is going on in the city as long as there is someone to valet his car when he arrives for his two-week stay.

I worry that some people don’t fully understand the danger at hand. Resentment is on the rise; frustration is widespread and palpable. Mr. Robertson knows that if something isn’t done soon to address the growing bitterness and antipathy, his city is not going to be nearly as attractive a place to live as it once was. In fact, in many ways it already isn’t.