

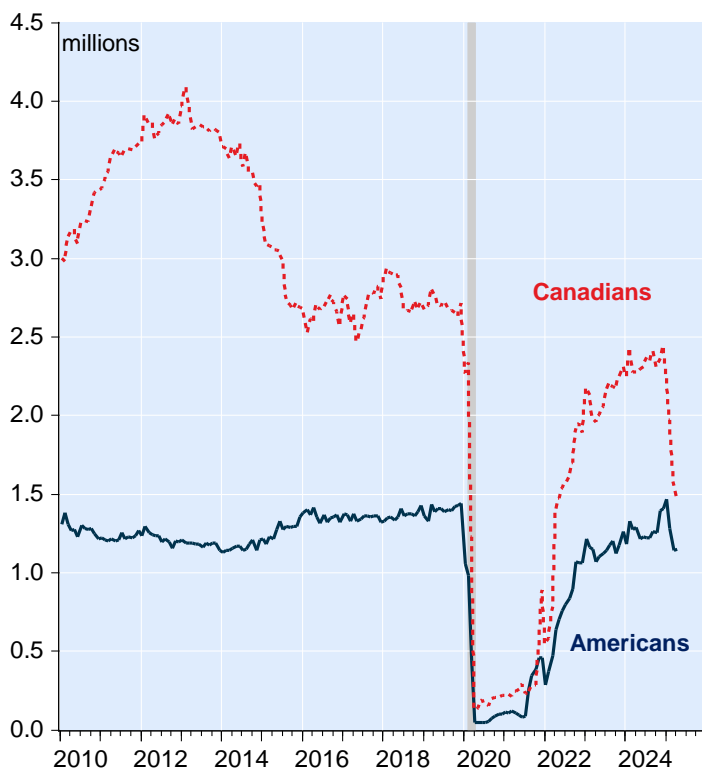
Canada Watch

By Matthieu Arseneau and Kyle Dahms

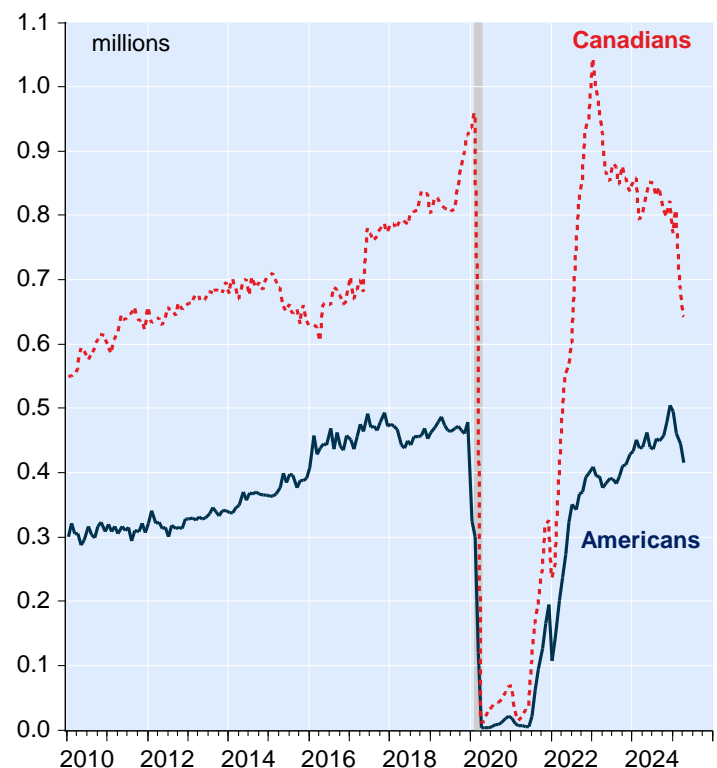
American protectionism is taking a significant economic toll on Canada. Tariff uncertainty has paralyzed many companies, leading to the suspension of numerous investment projects. The ripple effects are now reaching the labour market, with private sector employment down by more than 75K since February ([link](#)). Consumer confidence has plunged to an all-time low, and the housing market is clearly feeling the strain. While the Canadian government has responded cautiously to U.S. tariff measures, public sentiment is far less restrained. Discontent with the U.S. administration is growing, and Canadians are increasingly voting with their wallets. As today's Hot Chart shows, travel to the United States has collapsed; down 34% by land and 17% by air since January. A recent Léger survey revealed that 71% of Canadians have cut back on purchases of American products, while 74% report buying more local goods. By redirecting spending toward domestic tourism and Canadian-made products, households are attempting to cushion the blow of U.S. protectionism. But such measures can only go so far. Ultimately, both countries stand to gain from restoring normal trade relations—a true win-win scenario.

Canada: Economic friction reflected in fewer trips

Travelers entering Canada by land
(from the U.S.)



Travelers entering Canada by air
(from the U.S.)



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