



Federal Pre-Budget Submission

March 2025

Written Submission for the Pre-Budget Consultations in Advance of the Upcoming Federal Budget

By: Canadian Senior Living Association (CSLA)

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List of Recommendations

That the federal government:

1. Recognize the crucial role that senior living residences play in alleviating the housing crisis and ensure that all new housing programs explicitly include senior living developments.
2. Implement a refundable tax credit for home support services, modeled after Quebec's program, to improve the affordability and accessibility of senior care.
3. Introduce incentives for seniors to downsize, such as a federal moving grant or tax credit, to free up underutilized housing stock and expand access to family homes.
4. Reinstate Canada Mortgage and Housing Corporation's (CMHC) Seniors Housing Survey, which was discontinued in 2021, to provide critical data on senior housing needs and trends.
5. Direct CMHC to reassess its risk classification for senior living residences, ensuring that financing for these projects is not unnecessarily restricted.

About the Canadian Senior Living Association (CSLA)

The Canadian Senior Living Association (CSLA) is a national member-based organization connecting provincial senior living associations to support collaboration, drive federal advocacy, share information and best practices, and promote change that will help provide choice to seniors.

Our members include:

- BC Care Providers Association & EngAge BC
- Alberta Seniors & Community Housing Association (ASCHA)
- Ontario Retirement Communities Association (ORCA)
- Regroupement québécois des résidences pour aînés (RQRA)

Our priorities are to:

- Elevate the role of senior living residences in the housing and healthcare continuum.
- Advocate for federal tax policies that improve affordability for seniors.
- Advance federal workforce strategies to support long-term staffing needs in senior care.
- Advance federal policy and facilitate investments in senior housing by reducing regulatory barriers and financing challenges.

Introduction

Canada is undergoing a demographic shift, with the population of 75+ year-olds expected to exceed 6.5 million by 2045. At the same time, the housing crisis continues to be a top concern nationwide. Combined with the increasingly volatile geopolitical environment, which is causing significant economic uncertainty, we must move to reduce barriers now to build the housing we need. Given the ongoing geopolitical tensions and trade disruptions, which continue to drive up construction costs and delay projects, the federal government must act now to ensure seniors living residences can continue to alleviate the broader housing crisis.

We know that seniors have unique housing needs. As the federal government takes steps to increase housing supply, senior living must be included as a critical part of the housing solution. This submission outlines targeted, cost-effective policy changes that will:

- Ensure seniors have access to purpose-built housing options.
- Free up underutilized homes for young families.
- Alleviate pressure on hospitals and long-term care facilities.
- Support sustainable, high-quality senior living developments.

Recommendation #1: Recognizing the Role of Senior Living in the Housing Crisis

The federal government's April 2024 Housing Plan identified a need for 3.9 million additional homes by 2031. However, senior housing development has not kept pace with demand, largely due to high construction and financing costs. Rising material prices, exacerbated by an ongoing trade war with the United States, could further drive up costs and delay critical housing projects, making it even harder to meet the needs of Canada's aging population.

Without sufficient senior-specific housing, many older Canadians remain in larger family homes. This type of housing is not typically senior friendly, it no longer meets their needs and often creates safety concerns. Further, it prevents younger families from accessing housing.

CSLA recommends that the federal government:

- Ensure that all new housing programs explicitly include purpose-built senior living residences.
- Expand funding mechanisms to support the development of new senior housing.
- Incentivize conversions of existing housing stock into age-friendly accommodations.

Without adequate senior housing, more older Canadians may be forced into long-term care facilities or unnecessary hospital stays, further straining an already overburdened healthcare system and reducing the quality of life for those seniors. As the population ages, ensuring accessible and affordable housing for seniors is not just a housing issue—it's a critical step in preventing unnecessary hospitalizations and reducing pressure on healthcare resources nationwide. It keeps seniors as active as possible in senior-friendly environments, supporting their overall health and well-being.

Recommendation #2: Implementing a Refundable Tax Credit for Home Support Services

A federal refundable tax credit modeled after Quebec's successful home support program would help seniors afford services that allow them to age in place. This tax credit would be crucial for supporting independent living among seniors who might otherwise face significant affordability challenges.

CSLA recommends that the government:

- Implement a monthly refundable tax credit covering a wide range of eligible services, including home care, personal support services, and household assistance.
- Ensure the tax credit is income-tested, prioritizing lower- and middle-income seniors.
- Ensure the tax credit is provided monthly to help seniors manage their expenses more effectively throughout the year.
- Include provisions for renters and those in senior living homes to ensure comprehensive coverage.
- Ensure the criteria for eligibility have as few barriers as possible to remain accessible and simple for seniors.

By providing seniors with more choice and significantly lowering the cost burden for seniors, this policy would reduce reliance on hospitals and long-term care, align with seniors' preference to age in place, and optimize public healthcare spending.

Recommendation #3: Incentives for Seniors to Downsize

The 2016 Census identified 12.3 million empty bedrooms across Canada, with the highest concentrations in Ontario (4.3M), Quebec (2.9M), British Columbia (1.6M), and Alberta (1.5M).

Many seniors wish to move into smaller, more senior friendly housing options that meet current and future needs but face significant financial and logistical barriers to doing so.

A federal incentive program would:

- Encourage the transition of seniors into senior friendly residences, freeing up family-sized homes.
- Stimulate demand for senior-friendly housing, prompting developers to respond.
- Ensure seniors are living in homes that meet their evolving health and mobility needs.

CSLA recommends:

- A one-time moving grant or refundable tax credit for seniors who sell family homes and move into senior living residences, condos, or accessible rentals.
- Streamlined financial assistance for real estate transaction costs, moving expenses, and modifications for aging in place.

Such measures will help rebalance the housing market, improve affordability for younger families, and better support Canada's aging population.

Recommendation #4: Restoring the CMHC Seniors Housing Survey

The CMHC's Seniors Housing Survey, discontinued in 2021, provided essential insights into the supply, demand, and affordability of senior housing. Its absence has left significant data gaps for policymakers, developers, and financial institutions.

CSLA recommends:

- Reinstatement of the CMHC Seniors Housing Survey to support evidence-based policymaking.
- Ensure the survey includes data on vacancy rates, rental costs, and new developments.

A data-driven approach will lead to more effective housing and tax policy decisions.

Recommendation #5: Reassessing CMHC's Risk Classification of Senior Living Residences

Despite high occupancy rates and strong demand growth, CMHC treats senior living residences as riskier investments than other multi-residential projects, restricting access to financing. This makes it more difficult for senior living residences to be part of the housing supply solution.

CSLA recommends that the government direct CMHC to:

- Reassess its risk profile for senior living developments.
- Expand access to flexible loan insurance and financing programs.

This change will unlock investment, accelerate the development of much-needed senior housing, and support economic growth in the sector.

Conclusion

The Canadian Senior Living Association urges the federal government to adopt these recommendations to:

- Ensure seniors have affordable, accessible housing options.
- Free up larger homes for families, addressing the housing crisis.
- Reduce pressure on healthcare and long-term care systems.
- Foster private-sector investment in new senior housing.

With Canada's senior population growing rapidly, these measures will support long-term affordability and sustainability in housing and care. These measures are vital, not only for seniors' well-being, but also for our communities' sustainability and inclusivity.

For further information:

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