

Federal Election Brief

Beyond the Balance Sheet: Investing in Home Care for a Resilient Economy



As Canada prepares for the 2025 federal election, the nation faces unprecedented economic pressures: rising inflation, healthcare system strain, and the demand for investments in defence, housing, and infrastructure. Every dollar must be scrutinized for return on investment. Yet, in this high-stakes fiscal climate, one fundamental truth remains: **home care is not a cost—it is an investment that yields economic and social dividends.**

Since 2017, Canada has made progress in strengthening home care, with a 10-year, \$6-billion federal investment through the Common Statement of Principles on Shared Health Priorities. The 2023 **Aging with Dignity Agreement** further reinforced federal support for aging in place, a choice preferred by over 90% of Canadians. However, rising demand, workforce shortages, and underfunded innovation put this progress at risk. Without sustained investment, Canada risks higher hospital costs, economic losses from an overstretched workforce, and avoidable pressure on institutional care.

The evidence is clear: **Investing in home care reduces healthcare costs, strengthens economic productivity, and protects the financial sustainability of the healthcare system.**

Home Care: A High-Return Investment in Canada's Economy

Investing in Home Care Reduces Healthcare Costs

- Since 2017, federal investments have helped increase home care spending from \$9.4 billion to \$12.7 billion in 2023, improving access to services.¹
- Each unnecessary hospital stay costs the system thousands of dollars per day. However, 1 in 11 patients remain in hospital longer than needed due to unavailable home care services.² Investing in home care means faster discharges, cost savings, and better patient outcomes.
- National indicator data shows that 10% of newly admitted long-term care residents could have been supported at home if adequate services were available, preventing costly institutional care.³
- Investments in home care support chronic disease management, reducing pressure on primary care providers and allowing them to focus on complex cases.
- Over 85% of Canadians who received home care services reported that it helped them remain at home longer, reducing institutional care needs.⁴
- **Remote monitoring, AI-driven decision-making, and virtual consultations** improve access to care, especially in rural communities, reducing unnecessary hospital admissions.

Investing in Home Care Supports Working Canadians

- Over 95% of individuals receiving home care rely on unpaid family caregivers, but more than one-third of these caregivers experience distress due to lack of support.⁵ The financial impact of caregiver burnout translates into reduced workforce participation, lost productivity, and increased absenteeism in the labour market.⁶
- Every \$1 invested in home care reduces economic losses by keeping caregivers employed and patients independent.⁷
- The gender gap in health access costs the global economy \$1 trillion annually. Addressing home care gaps enables more women—who make up the majority of unpaid caregivers—to participate fully in the workforce.⁸

A Call to Action for Canada's Future

The federal government has a pivotal opportunity to **reframe home care as an investment, not an expense**. By committing to strategic, evidence-based funding, Canada can achieve a more cost-effective, efficient, and resilient healthcare system while ensuring older adults, people with complex chronic conditions, and family caregivers receive the support they deserve.

As policymakers prepare for the 2025 federal election, we urge them to recognize that **funding home care is not just a healthcare decision—it is an economic strategy that strengthens Canada's workforce, enhances productivity, and safeguards public finances**.

1. Close the Investment Gap

- Home care funding currently represents only 5-6% of total provincial home care spending—a gap that must be closed to keep pace with growing demand by setting future investment targets at 10%.
- Home care investment from the federal government must be sustained beyond the current 2027 commitment, ensuring funding keeps up with inflation and demographic shifts.

2. Improve Accountability

- Ensure accountability through public reporting on home care funding, along with annual tracking on the impact, accessibility, and patient outcomes as part of the national home care indicators and healthcare expenditures work through the Canadian Institute for Health Care Information.

3. Embrace Innovation

- Expand investment in virtual care platforms, AI-assisted decision-making tools, and remote monitoring to reduce costs and improve care access.
- Continue to fund and advance national strategies that impact home care such as the Canadian Palliative Care Action Plan and the National Dementia strategy. Both these initiatives have accelerated the adoption of best practices across provinces and territories.

The choice is clear: **Invest in home care today for a stronger, healthier, and more prosperous Canada tomorrow.**

1 Canadian Institute for Health Information. National health expenditures data tables, 2024

2 [Canadian Institute for Health Information](#). Shared Health Priorities: Measuring access to priority health services, 2022

3 *ibid*

4 Canadian Institute for Health Information. Home Care Services Helped the Recipient Stay at Home: Indicator Results | January 2022

5 Canadian Institute for Health Information. [1 in 3 unpaid caregivers in Canada are distressed](#). Accessed March 18, 2025.

6 Carers Canada. Balancing Work and Care Experiences of Working Caregivers and Evidence Informing Caregiver Friendly Workplace. July 2022

7 *ibid*

8 McKinsey Health Institute. Closing the women's health gap: A \$1 trillion opportunity to improve lives and economies. January 2024

The Canadian Home Care Association (CHCA) is a national membership organization committed to fostering integrated, person-centred care in home and community settings. Representing a diverse membership of public and private organizations that fund, manage, and deliver services and products, the CHCA provides a unified voice to advance the integration of health care. Through advocacy, collaboration, and knowledge sharing, the CHCA champions a vision of a seamless, accessible, accountable, and evidence-informed health care system that prioritizes patients and their families while ensuring long-term sustainability. [CHCA Website](#) / [X](#) / [LinkedIn](#)