

***Changing the Face of Aging in Canada***

Submission to the House of Commons Standing Committee on Finance  
2017 Pre-budget Consultations

August 5, 2016

On Behalf of Canada's Home Instead Senior Care Franchise Owners



## Executive Summary

Home Instead Senior Care (HISC) is the world's trusted provider of non-medical, in-home care services for seniors. With operations in over a dozen countries worldwide, Home Instead Senior Care provides an estimated 60 million hours of service per year. Across Canada, Home Instead has over 35 offices - in British Columbia, Alberta, Manitoba, Ontario, Quebec, Prince Edward Island, and Nova Scotia.

The company's mission is to enable seniors to live happy, healthy, and independent lives in the comfort of their homes. Home Instead is also committed to giving back to the communities in which we operate. We feel a strong responsibility not only to care for, but to make this a better world for, all seniors and all families. We believe that it is time to change the face of aging and to increase the world's capacity to care. On behalf the HISC owners across the country, we are pleased to make this submission to the House of Commons Standing Committee on Finance.

### Recommendations:

*To help Canadians:*

- **Modernize Tax Policy to Support Families** who provide care and support of seniors at home either directly and/or through private pay.

*To assist businesses:*

- **Create a Senior Corps** to encourage workplace practices that are friendly to and respectful of older employees.

*To support communities:*

- **Establish an Educational Campaign** to educate Canadians about aging, dementia and the privately and publicly funded care and support options that are safe and effective.

## Discussion

### The Aging Population

*Facts*

- Seniors comprise the fastest-growing age group in Canada – a trend that is expected to continue for the next several decades.
- In 2015, for the first time, the number of persons aged 65 years and older exceeded the number of children aged 0 to 14 years.<sup>i</sup>
- By 2021, 18.5% of the population is projected to be 65 years and older – up from 14.4% in 2011.<sup>ii</sup>
- By 2036, seniors will represent 23-25% of the population.<sup>iii</sup>

This trend is a fortunate result of the medical, scientific and social advancements that represent life in 21<sup>st</sup> century Canada.<sup>iv</sup> However, as a country, we have not yet come to terms with how we want to support our seniors. Canadians want to age at home,<sup>v</sup> and therefore Canada must establish a cohesive clear strategy to enable families, communities and businesses to realize their goals. Senior care is where innovation must occur; where health care systems must continue to evolve; and, where society must shift through policy development that recognizes the new social context.<sup>vi</sup>

## Leadership through the Federal Budget

As a member of the World Health Organization (WHO), Canada must continue, and enhance, the work on the Health and Aging Strategy<sup>vii</sup> launched at the 69<sup>th</sup> World Health Assembly (2016). The 2017 federal budget provides the means to begin implementing the actions to support healthy aging consistently and cohesively across the country. Actions to support individuals, communities and businesses is an excellent framework for the federal government to address the WHO Strategy, and most importantly respond to the needs of all Canadians.

Critical questions about how to best structure and deliver care of older people are being discussed around the world and we can learn from those with older populations. The unprecedented demographic change demands the collaboration of governments and private sector; for-profit and not-for-profit players; charities and religious groups. The 21<sup>st</sup> century calls for new paradigms and possibilities in order to support the elderly.<sup>viii</sup>

## Helping Canadians

As illness occurs, regardless of age, Canadians want to be at home where they are comfortable, close to loved ones and all that is familiar. Home is where the memories are. Remaining at home is largely possible through the care and attention of family. Government funded home care programs supplement the care provided by family. In 2012, 8.1 million people in Canada provided care to a family members or friend with a long-term health condition, disability, or aging need.<sup>ix</sup>

Reliance on family and friends is normal and something that most see as their duty. Indeed, many embrace the opportunity to give back and to help someone in need. However the long-term consequence of family caregiving include declining health and high rates of depression.<sup>x</sup> The imputed costs of unpaid care, by caregivers over the age of 45 years, to the elderly was conservatively estimated to be \$25-\$26 billion per year in 2009.<sup>xi</sup>

**Private-pay home care** has emerged as an innovative solution to fill the gaps created by traditional care models, including hospitals, nursing homes, and social services... which are spread too thin to meet the growing demand for quality care.  
*Michael Hodin, CEO Global Council on Aging*

Additionally, family caregivers incur out-of-pocket expenses and productivity impacts to business of family caregiving obligations by working Canadians are significant – estimated at \$1.3 billion.<sup>xii</sup>

Today's context of dispersed families, dual incomes and child rearing later in life are factors that affect the ability of families to provide care. The demographic shift will compress the availability of people with capacity to provide aid, much of which is functional and not medical in nature.

The “non-medical” support, such as personal care, meal preparation, household maintenance, companionship, and assistance with errands and appointments is predominantly what's required to keep people from prematurely entering an institutional setting. It is this type of care and support that should be affordable for families and which could be normalized as part of the life course for Canadians.

**RECOMMENDATION:** Modernize Tax Policy to Support Families who provide care and support of seniors at home either directly and/or through private pay.

The way forward requires awareness about the extent of government support and that for which Canadians should anticipate and plan. The federal government can use tax levers to incent care at

home. These include:

- Dedicating a tax free savings account for the care of seniors. This would complement existing old age benefits engaging Canadians to consider and plan for their future care needs.
- Building on the current caregiver tax credit by making it refundable and increasing the amount of deduction scaled to the intensity of caregiving required. This would provide families with the opportunity to purchase care; to remain at home to provide care directly; to fund modifications to the home; and/or to adopt the right combination of solutions that best meets their needs.
- Eliminating GST on all forms of home care. In so doing, the underground economy of senior care services would be decreased.

### *Assisting Businesses*

Many seniors would prefer to remain in the workplace. Approximately 50% do so because they enjoy the work and see themselves as staying active in the workplace and making vital contributions. However, the other half are working to increase savings, afford the expense of caring for a family member, or, to help their children meet their expenses.<sup>xiii</sup>

**38% & 44%** Among surveyed Canadians who expect to work past age 65, the proportion of women and men, respectively, who said they plan to work because they want to, while 62% and 56% say it's because they need to. *Vanier Institute*

Seniors who want to continue working often face a number of negative incentives, ranging from full-time requirements, hours of work, physical demand, and caps on extended benefits and pension plans. While mandatory retirement has largely been eliminated and only 27% of Canadians expect to be fully retired as 66<sup>xiv</sup>,

there is much that can be done to accommodate older Canadians in the workplace.

**A Senior Corps** is needed in order to encourage workplace practices that are “friendly” to older employees. These practices would include flex hours, senior specific education and training programs to help seniors adopt new technical and/or mentoring skills, and alternate forms of payment in lieu of wage where requested, such as “senior care credits”. These credits could be used to retain non-medical care at home.

**RECOMMENDATION:** Create a Senior Corps to encourage workplace practices that are friendly to and respectful of older employees.

Senior friendly employment practices should be encouraged through federal policy and by the government itself, as one of Canada’s largest employers. HISC recommends that the government:

- Develop employment equivalency opportunities, such as senior care credits, for seniors who are willing and able to continue as members of the workforce.
- Develop a senior caregiving transition fund expressly for testing employer initiatives to better accommodate Canadians caring for older family members.

### *Supporting Communities*

Health aging as outlined the WHO requires a new approach that embeds public health thinking for a much longer lifespan. Individuals need to be supported to have improved functionality and attention needs to be paid to the quality of life in the extra years afforded in the 21<sup>st</sup> century. This will require fundamental changes to system drivers that are often linked to interventions or conditions.<sup>xv</sup> An opportunity to tie federally committed home care funding to such metrics could serve to shift approaches to care of the elderly.

Innovative technology is required to support care in all settings including at home.

Dementia, of which Alzheimer's is the best known, is one of the most prevalent and devastating chronic conditions that afflict seniors. It is anticipated that the number of Canadians living with dementia, will double the current incidence to 1.4 million by 2031.<sup>xvi</sup> Alzheimer's does not just affect the person who is diagnosed. It affects the entire family and particularly the primary caregiver's health and well-being.

Health care practitioners will need to increase their competencies, including in gerontological and geriatric skills, in order to meet the demands for care. Multidisciplinary teams which include friends, families and communities will be essential.

HISC has developed an expertise in providing Alzheimer and dementia care and has found worldwide that among older adults with some form of dementia, paid in-home non-medical care appears to be the preferred means of augmenting other forms of care. Research on the impact of this care has shown that those with dementia are able to remain at home longer, able to take advantage of services such as adult day programs and require less direct physician care and fewer hospitalizations than do those without such care.<sup>xvii</sup>

**RECOMMENDATION:** Establish an Educational Campaign to educate Canadians about aging, dementia and the privately and publicly funded care and support options that are safe and effective.

HISC recommends that the federal government undertake to:

- Adopt the National Strategy for Alzheimer's Disease and Other Dementias Act, Bill C-233.
- Educate Canadians about aging and the care and support options that are safe and effective, private and public.
- Increase the awareness and sensitivity of communities to the needs of seniors with Alzheimer's and other dementias; and to fund initiatives.
- Link federal home care funding to performance metrics that demonstrate improved functionality and quality of life in the elderly.

## Conclusion

A new approach to aging requires that government, industry and society as a whole come together. For the first time ever, the World Health Organization connects health and aging policy to questions of personal freedom, financial planning, fiscal sustainability, and economic growth.

Our experience around the world is that private-sector home care providers have a critical role to play in responding to the inevitable increase in demand for quality, affordable care, and the need for financially sustainable solutions.

Together, we can create a new and better vision for aging.

### For more information:

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**ENDNOTES**

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