

The Canadian Long Term Care Sector Requires Protection from U.S. Tariffs

There are concerns that Canada's long-term care sector will face significant challenges due to the U.S. tariffs, particularly through supply chain distributions, rising costs and potential shortages. These added expenses may further strain already tight operating budgets, making it more difficult to secure essential supplies and maintain quality care.

The following have been identified as categories of risk for long-term care with the potential for rising costs, shortages or both:

- **Pharmaceuticals** – While the Pan-Canadian Pharmaceutical Alliance contracts offer immediate stability for generic medication access through our pharmacy partners, there is concern about longer-term impacts affecting increased costs and access.
- **Supplements** – This is an important category for long-term care residents with these products commonly used as part of the treatment plan for residents. The risk is that many of the supplements used are manufactured in the U.S.
- **Medical devices and care supplies** – These commonly used medical devices—including personal protective equipment, resident beds, incontinence products, and wound care items as a few examples—are essential in all healthcare settings. Many are manufactured in the U.S., and in addition to rising costs, they face the greatest risk of potential shortages
- **Food** – Inflation has already strained operational budgets for long-term care homes, with dietary budgets being impacted. Many buying groups are adjusting to ensure they have minimized this risk with Canadian products wherever possible.
- **Building supplies** – There is substantial demand for long-term care home renovations and new developments across Canada, with thousands of individuals on provincial waiting lists. Currently, construction costs are at an all-time high across Canada, with per bed construction costs as high as one million per bed in British Columbia. Tariffs on building supplies would further strain the sector's already limited capacity to expand and modernize facilities, exacerbating existing challenges in meeting demand.
- **Digital products** – There is concern about the impact of tariffs on digital products essential to long-term care homes. Many software systems are integral to daily functions, but it remains unclear whether tariffs will apply to Canada's digital tax,



and how this will impact LTC software vendors, particularly those who are built on platforms like Google.

CALTC urges the federal government to consider these risks and request that:

- Long-term care homes be included in any emergency relief funding programs for healthcare.
- That the Government of Canada exclude healthcare products from counter tariffs.