



Canadian Life & Health
Insurance Association
Association canadienne des
compagnies d'assurances
de personnes



Submission to the **SENATE STANDING COMMITTEE ON NATIONAL FINANCE ON BUILD CANADA HOMES STRATEGY**

November 2025



INTRODUCTION

On behalf of the life and health insurance sector in Canada, the Canadian Life and Health Insurance Association (CLHIA) is pleased to provide comments to the Senate Standing Committee on National Finance to support its report on initiatives to support the creation of housing, including the launch of the Build Canada Homes agency.

The CLHIA is the national trade association for life and health insurers in Canada. Our members account for 99 per cent of Canada's life and health insurance business. The industry provides a wide range of financial security products such as life insurance, annuities, and supplementary health insurance. The industry is also a significant investor, having invested \$1.2 trillion in total assets in 2024.



Protecting 30 million Canadians

27 million
with drug, dental and other health benefits
23 million
with life insurance averaging
\$264,000 per insured
12 million
with disability income protection



\$143 billion in payments to Canadians

\$53 billion
in health and disability claims
\$19 billion
in life insurance claims paid
\$71 billion
in annuities



\$12.1 billion in tax contributions

\$2.9 billion
in corporate income tax
\$1.8 billion
in payroll and other taxes
\$2.1 billion
in premium tax
\$5.3 billion
in retail sales and payroll
taxes collected



Investing in Canada

\$1.2 trillion
in total assets
90%
held in long-term investments

LIFE AND HEALTH INSURANCE INDUSTRY CAN PLAY A ROLE IN SUPPORTING INFRASTRUCTURE IN CANADA

As a substantial investor in the Canadian economy, the life and health insurance industry can play a key role in scaling up investments in Canada, including in the affordable housing and infrastructure areas. In 2024, Canadian life and health insurers invested \$50 billion in domestic infrastructure, and the industry is ready to do more. To better leverage our industry's investment capacity, we have provided some recommendations below.

Leverage long-term financing structures for housing projects and housing-enabled infrastructure

There is a significant opportunity for institutional investors, such as those in the life and health insurance industry, to support the federal government's efforts to scale up investments in affordable and supportive housing and housing-enabled infrastructure. Life insurers are ideal financial partners



for long-term projects, including P3s, as they can commit to long-term financing. This inherent structural advantage makes the industry a valuable and stable partner to catalyze investment in long-term assets.

To leverage our industry's investment capacity, we recommend that Build Canada Homes leverage long-term financing structures to bring in the life and health insurance industry's sustainable debt capacity to finance supportive and affordable housing. This can be accomplished by leveraging federal land and allowing private sector consortiums to bid for the opportunity to design, build, maintain, operate and finance affordable housing on the behalf of the Government of Canada.

Pooling Smaller Housing and Infrastructure Projects

Scaling up investments in housing and housing-enabling infrastructure is essential to building a resilient and globally competitive economy. As Canada faces growing economic and competitive pressures, the need to enhance investments in infrastructure, especially housing-enabling infrastructure, is more urgent than ever.

It can be a challenge for smaller governments, particularly at the municipal level, to attract capital to finance smaller projects. We recommend "pooling" multiple projects to secure better financing terms and attract private sector investment. This will ensure that housing and infrastructure can be built across Canada, not just in densely populated areas.

This mechanism has been used in British Columbia to support the development of new homes. In this instance, multiple housing projects are developed concurrently instead of as individual projects to get better proposals from developers and housing operators. Build Canada Homes and/or the Canada Infrastructure Bank could take a similar approach by working with provinces and municipalities to pool smaller affordable housing and infrastructure projects, where appropriate.

Ensuring public investment agencies do not crowd out private capital

Build Canada Homes should operate in close collaboration with Canada's institutional investments community, including life insurers. This would ensure that public funds are not used to finance infrastructure projects that could be financed by the private sector. Closer collaboration with the private sector would provide a successful model that can be followed by other federal investment agencies, including the Canada Infrastructure Bank, by demonstrating public investment agencies can cooperate, not crowd out private capital. We look forward to advising the federal government on the development of a "strategic financing framework" announced in Budget 2025.

CONCLUSION

We appreciate the opportunity to share our views to the Senate Standing Committee on National Finance to support its report on initiatives to support the creation of housing, including the launch of Build Canada Homes. Should you have any questions, you can contact Sarah Hobbs, Vice-President, Policy (shobbs@clhia.ca) at the CLHIA.



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