

Honourable Sean Fraser
Minister of Housing, Infrastructure and Communities
House of Commons
Ottawa, Ontario



December 11, 2024

Subject: Urgent Concerns Regarding the Carbon Tax Impact on Housing Providers

Dear Minister Fraser,

I am writing on behalf of the Alberta Seniors and Community Housing Association (ASCHA), the provincial association representing seniors and community housing providers in Alberta. We have more than 110 regular members who collectively serve more than 100,000 Albertans across the full housing continuum—from market seniors housing to deeply subsidized community housing programs.

To follow up on our brief exchange on this matter at the Federation of Canadian Municipalities conference in Calgary, our members are deeply concerned about the significant financial strain the carbon tax is placing on our sector, jeopardizing our sector's ability to sustainably provide housing and essential services to some of Alberta's most vulnerable populations. For many of our public and non-profit housing providers, the increased costs of operations cannot be offset by rental revenues or service fees. For our seniors housing operators, the carbon tax redistributes resources that are better expended on direct client services and care.

Impact of the Carbon Tax on Our Sector

The carbon tax is projected to cost our members approximately **\$15.8 million by the end of 2024** and **\$16.8 million in 2025**. To put this into perspective, this amount is equivalent to over **683,000 hours** for Healthcare Aide support or **547,000 hours** for Community Support Workers. These critical resources could have been directed toward supporting seniors and low-income families relying on our members' housing and services.

Note that these projections are conservative; we are leveraging data from our member energy program (an aggregated approach to purchasing energy that reduces expenses for our members—but not all members participate, as some are unable to do so).

In particular, we have seen some community housing providers have much higher per-unit carbon tax projections, which is likely related to the age of buildings. According to the most recent Social & Affordable Housing Survey, over 75% of approximately 40,000 units are in buildings built before 1986. Retrofits and upgrades are usually cost-prohibitive to many of our members¹.

It is also important to note that, in many cases, utilities are not the responsibility of those living in the building. The Canada Carbon Rebate does not count toward rent calculation. Even if it counted towards rent calculation, passing this cost onto some of the lowest-income Albertans is not a solution, nor is the status quo for housing providers utilizing scarce resources to cover these additional costs.

The additional financial burden is immense and unsustainable for many of our providers. Rising operational costs—including utilities, insurance premiums, and labour—are already stretching our members' resources

¹ [Social and Affordable Housing Survey - Rental Structures Data Tables, May 3, 2024](#)

thin. The carbon tax exacerbates these challenges, forcing providers to make difficult decisions that impact the quality and accessibility of their housing and services.

Need for Equitable Treatment and Support

We have noted that the federal government recently introduced a program (Canada Carbon Rebate for Small Businesses) allowing small businesses a retroactive exemption from the carbon tax. While we appreciate efforts to alleviate the financial burden on small businesses, we believe similar considerations must be extended to housing organizations. Our housing providers are not just businesses but essential service providers who play a critical role in supporting vulnerable Albertans. The housing crisis demands more from our sector than ever before, and we need to look for opportunities to maintain accessibility to existing stock while ensuring operators are supported well into the future.

Request for Action

We urge the federal government to:

1. **Extend Carbon Tax Exemptions or Rebates to Our Sector:** Extend the conditions of the rebate offered to small businesses to include the seniors and community housing sector or offer a similar retroactive program. This would provide immediate financial relief and allow providers to reinvest in essential services.
2. **Consider Long-Term Strategies:** Explore long-term policy measures supporting energy efficiency and sustainability in the housing sector, including additional funding for pre-retrofit assessments and infrastructure upgrades that reduce our carbon footprint while making units more energy efficient. Applying for these programs should not be onerous or require further investment and resources to acquire expertise and assessments.

Conclusion

Our commitment to providing Albertans safe, affordable housing and support services is unwavering. However, without prompt action to address the financial pressures exacerbated by the carbon tax, our ability to fulfill this mission is at serious risk.

With your support, we can find a balanced approach that aligns with the shared goals of your Government and our sector, ensuring that vulnerable populations are not disproportionately affected. Thank you for your attention to this critical matter. We are available at your earliest convenience to discuss these concerns further and to work collaboratively toward a sustainable solution.

Sincerely,



James Nibourg, ASCHA President

Cc: Honourable Chrystia Freeland, Deputy Prime Minister and Minister of Finance,
Honourable Dan Vandal, Minister of Northern Affairs, Prairies Economic Development Canada
Honourable Jason Nixon, Alberta Minister of Seniors, Community & Social Services
Honourable Nathan Neudorf, Alberta Minister of Affordability and Utilities