

Canadian Diabetes Association

Responses

1. Economic Recovery and Growth

Given the current climate of federal and global fiscal restraint, what specific federal measures do you feel are needed for a sustained economic recovery and enhanced economic growth in Canada?

The financial cost associated with the treatment and management of chronic diseases is substantial. The estimated economic burden of chronic disease in Canada is \$93 billion a year; this includes both direct costs to the healthcare system (\$38.9 billion) and indirect costs (\$54.4 billion). We know from our recent report, *Diabetes: Canada at the Tipping Point, Charting a New Path* [diabetes.ca/dpr], diabetes is responsible for a significant portion of these costs—as they currently total \$11.7 billion per year. In addition, these costs are projected to increase to \$15.9 billion by 2020. When examining the cost of diabetes in Canada, 20% can be considered direct costs, which include hospitalizations, general practitioners, specialists and medications. The remaining 80% are indirect costs, which include loss of economic output from illness or premature mortality, which accounts for 79% of the total cost of diabetes. Accordingly, the cost of chronic disease poses a staggering burden on our recovering economy. In order to mitigate the growing burden of chronic disease, including diabetes, governments must reassess and refocus their strategic approach to ensure where the greatest gains can be achieved. In terms of a specific federal measure, the Canadian Diabetes Association recommends implementing a comprehensive pan-Canadian healthy weights strategy. Maintaining a health weight is key to both preventing diabetes and other chronic disease, and their associated complications. Currently, more than 60% of Canadians are either overweight or obese.

2. Job Creation

As Canadian companies face pressures resulting from such factors as uncertainty about the U.S. economic recovery, a sovereign debt crisis in Europe, and competition from a number of developed and developing countries, what specific federal actions do you believe should be taken to promote job creation in Canada, including that which occurs as a result of enhanced internal and international trade?

Research and development (R & D) brings significant benefits to the Canadian economy through its positive impact on innovation, productivity, competitiveness and increased trade capacity. According to an EDC paper, *Research & Development: A Key Input for Enhancing Canadian Export Capacity* [<http://www.edc.ca/en/knowledge-centre/economic-analysis-and-research/documents/r-and-d-enhancing-canadian-exporting.pdf>], R&D has a strong positive influence on a country's export capabilities, established by numerous studies. Investment in R&D builds the intellectual and logistical infrastructure required to support a country's trade capacity. 84% of Canadians indicate that such research makes an important contribution to the economy. In our *Tipping Point* report, the Association revealed that investing in high-quality research is important to Canadians. A majority of Canadians are willing to pay more to improve health and research capacity even in uncertain economic times. However, Canada is not keeping pace with its peer countries for investment in diabetes research, given funding reductions to our three granting councils in 2009 and limited reinvestments. Canada needs to increase its commitment to research to build on the accomplishments that previous investments in research have achieved. Accordingly, to reach parity with its OECD peers, the federal government should endeavor to achieve a threshold of 3% of GDP for investment in research. This increase would benefit

research activity in many areas of importance to Canadians and would help increase Canada's productivity and competitiveness.

3. Demographic Change

What specific federal measures do you think should be implemented to help the country address the consequences of, and challenges associated with, the aging of the Canadian population and of skills shortages?

In our Tipping Point report we estimated the prevalence of diabetes in Canada to be at 2.7 million, or 7.6% of the population. Even worse, it is estimated that by the end of the decade this number will grow from 1.5 million to 4.2 million (10.8% of the population), and 1 in 3 Canadians will be living with diabetes or prediabetes. The likelihood of developing diabetes increases with age, especially after age 40. Men aged 45 to 54 have an increased risk of 6.3% with women at 4.6%. For those 65 or older, this risk steadily increases to 22.1% for men and 14.8% for women. The aging Canadian population is a large contributing factor to the prevalence of diabetes; therefore, it is important to keep those living with chronic disease healthy so they can continue to be active members of the Canadian workforce. To ensure this, we recommend a comprehensive secondary prevention strategy be instituted. This strategy would exclusively target people who have been diagnosed with diabetes or prediabetes and provide them with the tools, support and services needed to effectively self-manage their disease, thereby preventing or delaying diabetes-related complications. It should also provide a comprehensive diabetes risk assessment model for screening, and culturally specific educational and nutrition tools to support lifestyle modification counseling.

4. Productivity

With labour market challenges arising in part as a result of the aging of Canada's population and an ongoing focus on the actions needed for competitiveness, what specific federal initiatives are needed in order to increase productivity in Canada?

Given our aging population, ensuring a healthy workforce is key to Canada's future productivity. However, Canada is not keeping up with peer countries when it comes to access to needed medications. The current drug review process results in many Canadians not having equitable access to the medications, devices and supplies required for effective self-management. As mentioned in our report, In the Balance: A Renewed Vision for the Common Drug Review, we recommend that participating drug plans, along with the Common Drug Review, examine national and international best practices to address challenges in the drug review process. We also recommend that federal, provincial and territorial governments collaborate to enhance pharmacare coverage in Canada, as committed to under previous F/P/T health accords.

5. Other Challenges

With some Canadian individuals, businesses and communities facing particular challenges at this time, in your view, who is facing the most challenges, what are the challenges that are being faced and what specific federal actions are needed to address these challenges?

Currently Canadians living with chronic disease, such as diabetes, face tremendous challenges, including physical and financial burden. Healthcare costs for Canadians with diabetes who are not covered by either public or private insurance plans can be two to five times higher than for people without diabetes. The average annual out-of-pocket cost for a person with diabetes is just under \$2,300. Due to the excessive cost of managing diabetes, 57% of Canadians living with the disease state they can not afford to comply with their prescribed diabetes therapy and, as a result, many develop serious complications. Without appropriate management, diabetes can lead to extremely severe complications, including heart disease, stroke, kidney disease, blindness, and amputation. These complications account

for 80% of all diabetes-related healthcare costs. In order to ensure Canadians can effectively self-manage their disease, the federal government should invest in enhancing existing financial supports systems, such as the Disability Tax Credit.