



INVESTING IN CANADIANS' HEART AND BRAIN HEALTH

*Heart & Stroke's proposal to support long-term productivity by
protecting our children's health, promoting Indigenous health
capacity, and investing in science*

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

July 30, 2017

About Us

Over the past 60+ years, Heart & Stroke has become one of Canada's largest and most effective health charities. Our education, advocacy, and research efforts have saved countless lives and improved the wellbeing of millions of Canadians.

The funds we raise, primarily through private donations, are invested in groundbreaking medical research, as well as in initiatives focused on improving nutrition, tobacco control, active lifestyles, CPR and AED training, and raising awareness about the signs of stroke.

In our 60+ years of activity, there has been a 75% decrease in the death rate from heart disease and stroke in Canada. Unfortunately, an aging population and poor dietary habits – including a dramatic increase in the consumption of highly processed foods – are threatening to derail this progress.

Overview

Heart & Stroke's proposed pre-budget submission builds on our legacy of promoting health, supporting life-saving research, and adding more productive and better quality life years for Canadians.

Our proposals also support the mandates of the Ministers of Health, Indigenous and Northern Affairs, and Science. We are calling on the federal government to:

- *Adopt a manufacturers' levy on sugary beverages to raise revenue to support healthy living initiatives.*
- *Support home care programs in Indigenous communities.*
- *Increase health research funding, including Indigenous health research.*

Heart & Stroke's Pre-Budget Proposals

1. Raising Funds for Healthy Living Initiatives – A Manufacturers' Levy on Sugary Drinks

Over-consumption of sugar drives chronic disease

The chronic disease epidemic including heart disease and stroke shows no sign of relenting – with rates increasing by approximately 14% each year. While the causes are numerous, poor diet and excess caloric intake are the leading factors driving chronic disease and obesity. Also, inequity is an important factor that limits access to healthy eating.

Chronic disease rates in Canada are at epidemic proportions. Chronic diseases and other illnesses reduce quality of life, ability to work, and lifespan, while costing the economy \$190 billion annually in direct and indirect costs.

Public health experts assert that sugary drinks (including soda, juice, sports drinks, sweetened coffees/teas, energy drinks, and sweetened waters/milks) are a leading driver of obesity. These drinks are the largest contributor of sugar in Canadians' diets, which already contain more sugar than recommended safe levels.

From 2004-2015, sales of these drinks skyrocketed. Per capita sales volumes increased in energy drinks (+638%), sweetened waters (+527%), and sweetened coffees (+579%). Young Canadians are particularly vulnerable to the impact of sugary drinks with youth among the highest consumers of these harmful products. Drinking just one can of pop per day can increase the risk of diabetes by 22%. With every additional sugary beverage a child drinks daily, the odds of becoming obese increase by 60%.

Successful policy approaches

Many jurisdictions have introduced a levy on sugary drinks to address the societal costs associated with consumption and to fund healthy living initiatives. These jurisdictions are seeing positive results in reducing consumption without significantly affecting the economic viability of industry or employment in that sector.

Two years after Mexico introduced a one peso per ounce (approximately 10%) tax on sugary drinks, experts report a 10% decrease in sugary drinks purchases.

In Canada, research shows the potential benefit of a levy would yield health care savings and increased government revenue.

Should current consumption trends continue over the next 25 years, the estimated economic burden of sugary drink consumption in Canada will be over \$50 billion in direct health care costs. However, a 20% levy on sugary drinks could prevent an estimated 700,000 cases of overweight and obesity, 200,000 cases of type 2 diabetes, 60,000 cases of ischemic heart disease, 20,000 cancer cases, and 8,000 strokes. This levy would postpone 13,000 deaths and avert almost 500,000 disability-adjusted life years. Collectively, there would be almost \$7.3 billion in health care savings over these 25 years.

A sugary drink levy enables individuals to experience more productive and better quality years in the workforce and in their communities. Importantly, the modelled projections for tax proceeds in Canada over this period demonstrate a valuable opportunity for the federal government to increase revenue. A 20% levy could generate over \$43.6 billion over 25 years (\$1.7 billion/annum) in federal revenue.

A sugary drink levy is an opportunity to generate revenue for healthy living initiatives, including school lunch programs, subsidizing the cost of fruit and vegetables, improving access to potable drinking water and nutritious food for Indigenous and remote communities. These revenues could also be used to support the sustainability of Canada's healthcare system.

Canada's opportunity

A levy on sugary drinks is supported by both solid evidence and strong approval. A 2017 Pollara poll found that approximately 70% of Canadians are supportive of a levy on companies that make sugary drinks, provided some revenues are dedicated to healthy living initiatives.

Our collective challenge

As the federal government explores the available measures to increase productivity in Canada, this levy represents an innovative approach to encourage industry to reduce portion sizes and reformulate existing products. Heart & Stroke has found no quality evidence to indicate that this would negatively affect employment or harm lower-income Canadians. In fact, it would do the opposite: lower-income Canadians would be healthier and potentially more productive.

As of May 2017, over 130 First Nation communities had drinking water advisories. The choices for hydration in these communities become clear: if possible, residents can boil their water; but more likely, individuals are purchasing alternate sources of hydration. When comparing costs in remote communities, sugary beverages are often cheaper than water. Water infrastructure in these areas requires modernization and food programs, including Nutrition North, need to be overhauled. Revenue from a levy can support these efforts as a matter of urgent priority.

RECOMMENDATION #1

The federal government should create a fund to improve access to healthy eating, improve Indigenous health, and support other healthy living initiatives. This should be funded by a levy on the manufacturers of sugary drinks. This levy should be an excise tax, based on volume, and increase in rate according to the amount of free sugars per unit in the drinks.

2. Promoting Indigenous health reconciliation through home care

Ongoing health inequity & health reconciliation

Budget 2017's \$6 billion investment into home care programs provides predictable funding to the provinces and territories.

Home care programs are essential for Canadians suffering from chronic diseases or recovering from stroke. More than 400,000 Canadians live with the effects of stroke – a number that will double over the next 20 years – and many of these individuals rely on home care programs to support their quality of life and productivity within society and the workforce. For Indigenous people affected by stroke, geographical remoteness, coupled with the need for culturally relevant services increases the requirement for targeted home care. Additionally, Indigenous communities anticipate greater demand for services as a result of the Canadian Human Rights tribunal decision on the Jordan Principle. Many Indigenous children have complex medical needs that require greater support than budgets currently allow.

Yet, those who are most likely to benefit from Budget 2017's investments are urban Canadians who generally have better access to trained home care professionals and specialists.

Budget 2017's investments still leave rural regions, particularly Indigenous communities, without access to critical care. The Truth and Reconciliation Commission (TRC) called upon the federal government to acknowledge that the current state of health in Indigenous communities is related to inadequate and unfair policies of the past.

The federal government has an opportunity in Budget 2018 to continue to address these gaps and reconcile the health inequalities that Indigenous people in Canada face, particularly by providing access to home care. Indigenous people living on-reserve or in remote communities are unable to receive treatment in their region and face ongoing barriers during recovery.

As articulated by the Canadian Indigenous Nurses Association, investments in home care administered through Indigenous-based organizations will not only begin to bridge the health gaps between non-Indigenous and Indigenous people in Canada, but will also respect traditional health knowledge by recognizing and incorporating traditional healers and Elders in health care and home care.

RECOMMENDATION #2

Heart & Stroke calls on the federal government to support the Canadian Indigenous Nurses Association's budget proposal to allocate \$25 million per year over four years to support culturally relevant home care services for Indigenous communities in northern and remote communities. These services should be delivered by Indigenous communities.

3. Promoting our Talents – Investing in Fundamental Health Research

Research fosters innovation, productivity, and economic growth

Innovation from Canada's research sector, including the health research sector, supports long-term productivity. The federal government's role in research and innovation requires long-term planning, commitment, and assurance for Canadian researchers to bring pioneering advances to fields such as science, medicine, and engineering that can support sustainable economic growth.

While domestic economic growth has been improving recently, Canada continues to fall behind in fundamental science and innovation, specifically in high impact heart disease research. Innovation will sustain long-term economic vitality. Unfortunately, Canada has fewer and fewer postdoctoral fellows in this research sector, which means fewer opportunities for the discovery of innovative preventative approaches and treatment methods.

Also of concern is that research on Indigenous-specific health issues is not sufficiently led by Indigenous people.

Opportunities to enhance research

Investments in heart disease and stroke research have led to remarkable progress. However, heart disease and stroke collectively remain the second leading cause of death and cost to the Canadian economy.

Evidence presented in Dr. Naylor's report, *Investing in Canada's Future: Strengthening the Foundations of Canadian Research*, underscores the need for more fundamental, investigator-led research.

Heart & Stroke has a record of accomplishment with best in-class peer review research that can create skilled jobs, provide better health outcomes, and support more productive lifestyles for Canadians.

The reality is that there is a pressing requirement for major federal investments in fundamental research.

RECOMMENDATION #3

Echoing the Health Charities Coalition of Canada, Heart & Stroke urges the federal government to consider the Naylor report recommendations, in particular the recommendation that the federal government invest \$1.2 billion over four years to support fundamental science research, including investigator-led health research.

Promoting Indigenous-led research

Of particular significance in Dr. Naylor's report is the urgent need for research dedicated to promoting Indigenous health, led by Indigenous researchers.

There are an insufficient number of Indigenous health researchers to undertake this critical work. In light of this, Heart & Stroke applauds the federal government's recent commitment to invest \$8 million to establish a cross-country mentorship network for First Nation, Métis, and Inuit health researchers. Cultivating an environment that fosters more Indigenous researchers is important in achieving reconciliation.

However, there are opportunities to further support health reconciliation efforts. More critically, there is a lack of understanding regarding the specific heart-health needs of Indigenous communities. To be well aligned with the spirit of the TRC recommendations, Indigenous health research needs to be participatory and should not involve Indigenous people being studied solely by non-Indigenous researchers.

Research design in Canada needs to be more inclusive and led by Indigenous researchers. The inclusion of community leaders and Elders from initial research design is necessary for the execution of holistic, inclusive research. Enabling more Indigenous participants may mean that eligibility requirements will need to be scrutinized with an Indigenous-lens and inclusivity framework to ensure that participants from these communities can participate in studies.

RECOMMENDATION #4

Heart & Stroke urges the federal government to act on the Naylor report recommendation to invest in Indigenous-led, Indigenous-specific health research by quickly implementing the federal government's recent \$8 million commitment in this area.

4. Heart & Stroke supports the recommendations put forward by our partners:

- Canadian Coalition for Action on Tobacco's call for a properly funded, strengthened, and modernized Federal Tobacco Control Strategy.
- Health Charities Council of Canada's recommendation for increased access to affordable medications for Canadians.