

**Written Submission for the Pre-Budget Consultations in Advance of
the Upcoming Federal Budget
By the Canadian Cancer Society**

August 2020



List of recommendations:

1. Extend the Employment Insurance sickness benefit to at least 26 weeks
2. Implement an annual cost recovery fee on the tobacco industry, increase tobacco taxes, and implement an e-cigarette tax
3. Ensure that the Government's economic recovery plan includes financial support of \$16.4 million to CCS in order to continue to deliver information and support services for people with cancer and their caregivers



Introduction

This is an unprecedented time in our history – the COVID-19 health crisis is far-reaching and is having an undeniable impact on people across Canada and around the world.

More than 1 million Canadians are living with and beyond cancer. Unfortunately, cancer does not stop being a life-changing and life-threatening disease in the middle of a global health crisis. Those with cancer are among the most vulnerable in our communities right now and may be at greater risk of more serious outcomes from COVID-19. The Canadian Cancer Society's (CCS) highest priority is to support people with cancer and their caregivers.

While the impacts of COVID-19 will be felt for months and years to come, so too will the needs of people with cancer and their caregivers change as the impacts of the pandemic evolve. This perspective must be considered as the government begins to form plans for economic recovery.

Below are three recommendations to the Standing Committee on Finance from CCS, however CCS is also supportive of the government in the deliverance of their mandate commitment to invest in pediatric cancer research and develop a long-term plan to ensure sustainable funding.

Extend the Employment Insurance sickness benefit

CCS recommends that the federal government extend the Employment Insurance sickness benefit from 15 weeks to at least 26 weeks. This would bring the length of the benefit in line with the Compassionate Care Benefit, which was extended from 6 weeks to 26 weeks in 2016.

As we move past the containment phase of COVID-19 and into recovery, we need to reflect on the policy innovation we have seen, and we should start by looking at the gaps COVID-19 has highlighted — gaps that have been there all along but that can no longer be ignored. One such gap is the inadequate way we support employees when they are unable to work because they are sick. The EI sickness benefit has been virtually unchanged since the 1970s.

When Canadians face cancer, their struggle is not just medical but also financial. In addition to a decrease in income, Canadians with cancer also face a rise in expenses such as medications, the cost of medical travel, parking and home care costs. The stress of the financial burden experienced by people with cancer affects their emotional well-being and, therefore, their psychosocial needs.

The Employment Insurance sickness benefit currently provides 15 weeks of coverage, which is not adequate to cover the length of treatment for many people with cancer. A report by BC Cancer notes that the average length of treatment and recovery for people with breast



cancer is between 26 and 36 weeks and for colon cancer it is 37 weeks. These are two of the most common types of cancer for Canadians.¹

An extension to the Employment Insurance sickness benefit must coincide and ensure that there are incentives for small business owners, such as increasing awareness to the Premium Reduction Program and enhancing incentives of the program. A balanced approach is necessary to ensure that there are no unintended consequences for all stakeholders as a result of the extension to the sickness benefit. In fall 2019, CCS along with other stakeholders, assembled to have a roundtable discussion on the EI sickness benefit. The outcomes of this roundtable are captured in a report,² which provides an analysis and evaluation of Canada's EI sickness benefit.

It is time to alleviate this burden on people who are living with a disease as serious as cancer and for the government to follow through on its commitment to extend the sickness benefit to at least 26 weeks. This initiative is supported by the Liberal Party of Canada, the New Democratic Party of Canada and le Bloc Québécois.

Implement an annual cost recovery fee on the tobacco industry, increase tobacco taxes and implement an e-cigarette tax

CCS recommends that the federal government implement an annual cost recovery fee on the tobacco industry to provide full reimbursement for the \$66 million annual cost of the federal tobacco control strategy.

Tobacco companies should pay a fee based on market share. This approach would be similar to the federal cannabis annual regulatory fee to recover \$112 million annually by 2021–22³ and the US Food and Drug Administration tobacco fee in place since 2009, which is recovering US \$712 million annually.⁴ If there can be a federal cost recovery fee on the cannabis industry, a cost recovery fee on the tobacco industry is also highly feasible.

Tobacco use is the leading preventable cause of disease and death in Canada, killing 45,000 Canadians annually, including about 30% of all cancer deaths. While significant progress has been made, there are still 4.7 million Canadians who smoke⁵ and an unacceptably high number of youth who begin smoking each year. An enormous amount of work needs to be done to achieve the objective of under 5% of Canadians using tobacco by 2035.

The tobacco industry has caused the tobacco epidemic and should be held accountable. It should pay for government costs to respond to this epidemic.

¹ BC Cancer. (2019). Report developed by Cancer Surveillance & Outcomes, Population Oncology. Data endorsed by BC Cancer's Tumour Group Council and approved by the Performance Measurement Advisory Committee.

² Canadian Cancer Society (2020). Report: Employment Insurance Sickness Benefit Policy, 2019 Multi-Stakeholder Policy Roundtable. Retrieved from:

<https://www.cancer.ca/~/media/cancer.ca/News/Employment%20Insurance%20Sickness%20Benefit%20Policy.pdf?la=en>

³ *Cannabis Fees Order*, adopted under federal *Cannabis Act*.

⁴ *Family Smoking Prevention and Tobacco Control Act* (US).

⁵ Canadian Community Health Survey (2019).



A cost recovery fee of \$66 million is easily feasible for the tobacco industry to bear given the additional \$2 billion in revenue they have generated as a result of windfall net-of-tax price increases in recent years. A cost recovery fee would generate \$66 million in incremental annual government revenue, which could be used for government priorities.

During the 2019 federal election campaign, a cost recovery fee was included in the Conservative platform, and was supported in letters from the Bloc Québécois, the NDP and the Green Party.

An August 2019 Ipsos national opinion poll found that 91% of Canadians supported “a measure that would make tobacco companies pay the costs of Health Canada’s programs to reduce youth smoking.”⁶

Federal tobacco taxes should be increased, in conjunction with the cost recovery fee. Higher tobacco taxes are the most effective strategy to reduce smoking, especially among youth. Higher tobacco taxes would be a win-win, increasing government revenue and benefitting public health.

The federal government should implement an e-cigarette tax to decrease youth vaping, as many US states and Canadian provinces have done or are planning to do, and as the Ontario government has urged the federal government to do.

A cost recovery fee on the tobacco industry and new tax measures for tobacco and e-cigarettes would complement the government’s other tobacco control measures, including leading the world in plain packaging regulations.

Support for people with cancer – response to COVID-19

CCS recommends that the Government’s economic recovery plan include financial support of \$16.4 million to CCS in order to continue to deliver information and support services for people with cancer and their caregivers.

CCS is dedicated to supporting people with cancer and their caregivers during this global health crisis. We are seeing a rapidly growing need for mental health support and for practical assistance as the impact of COVID-19 has changed the way people cope and receive care.

Since the outbreak began, there has been significant demand for CCS’s live chat services, toll-free helpline and online peer support community, cancerconnection.ca, which is moderated by CCS staff to ensure no question goes unanswered. These programs help people find community and connection from the comfort and safety of their own home. Consistently, almost 50% of clients receiving our services are seniors. Almost 60% of all new cancer diagnoses and 75% of all cancer deaths occur in seniors.

As the healthcare system works towards resuming normal activities, it is important to prioritize early detection of cancer and resume cancer testing where possible. In the UK,

⁶ *Ibid, Ipsos.*



models suggest that delays in cancer diagnosis will lead to additional increases in cancer deaths with a 7.9-9.6%, 15.3-16.6%, and 4.8-5.3% increase in additional breast, colorectal, lung, and esophageal cancer deaths respectively.⁷ According to Ontario's Ministry of Health, cancer surgeries were down by 40% between March 15 and April 12 compared to the same period last year. This translates to an estimated 1,700 patients whose cancer surgeries were postponed in Ontario alone – with numbers continuing to rise as time goes on.⁸ In Quebec, reports suggest that thousands of people are walking around with malignancies that are undiagnosed and a potential backlog of about 24,000 oncology surgeries.⁹ With delays and cancellations of elective surgeries and treatments, there will be a significant backlog to our healthcare system with cancer patients who have gone untreated, hopeful their cancer hasn't spread. High-risk cancer surgeries can only be safely delayed up to six weeks.

CCS's unique national infrastructure can be augmented and leveraged to respond to these concerns and to provide practical assistance on the ground to help reduce the strain on some of the most vulnerable Canadians through the multiple waves of the pandemic and after, as the healthcare system recovers.

Support of our partners

Many Canadian health charities have seen a 50% drop in revenue compared to this time last year due to the COVID-19 pandemic. At the same time, demand for services has increased and research initiatives have been put at risk, jeopardizing years of work and hundreds of millions of dollars of investment. The Health Charities Coalition of Canada (HCCC) has developed a proposal that follows the same principles of other federal funding programs, comparing revenues during the pandemic to revenues from the same period in 2019 in order to establish clear need. We support the HCCC proposal. Based on actual revenue losses experienced during the pandemic, we are seeking the government's support for up to \$28 million per month so national health charities can support Canadians living with diseases and continue to fund vital research.

CCS is a member of the Quality of End-of-Life Care Coalition of Canada, a network of 34 national professional and health organizations, who believe that all Canadians have the right to quality end-of-life care. The Coalition believes that all Canadians have the right to die with dignity, free of pain, and surrounded by their loved ones. CCS supports the Quality End-of-Life Care Coalition of Canada's recommendations to the government regarding increasing access to palliative care for Canadians.

⁷ Maringe, C., Spicer, J., Morris, M, Purushotham, A., Nolte, E., Sullivan, R., Rachet, B., Aggarwal, A. (2020). The impact of the COVID-19 pandemic on cancer deaths due to delays in diagnosis in England, UK: a national, population-based, modelling study. *The Lancet Oncology*. [https://doi.org/10.1016/S1470-2045\(20\)30388-0](https://doi.org/10.1016/S1470-2045(20)30388-0).

⁸ Ireland, N. (2020). How hospitals will tackle the backlog of nearly 100,000 surgeries delayed by the pandemic. *CBC News*. Retrieved from <https://www.cbc.ca/news/health/covid-19-surgery-backlog-canada-1.5543530>

⁹ Derferl, A. (2020). Analysis: Quebec is facing a 'disaster' in cancer care, experts warn. Retrieved from <https://montrealgazette.com/news/local-news/analysis-quebec-is-facing-a-disaster-in-cancer-care-experts-warn>



About the Canadian Cancer Society

The Canadian Cancer Society (CCS) is the only national charity that supports Canadians with all cancers in communities across the country. No other organization does what we do; we are the voice for Canadians who care about cancer. We fund groundbreaking research, provide a support system for all those affected by cancer and shape health policies to prevent cancer and support those living with the disease.

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