

B R E A T H E  
the lung association

R E S P I R E Z  
l'association pulmonaire

**Written Submission for the Pre-Budget Consultation in**

**Advance of the Federal Budget**

**By: The Canadian Lung Association**

**August 1st 2020**

## **List of Recommendations:**

- 1. Commit to taking urgent action on vaping to protect Canadian youth and prevent a new generation from vaping, including:
  - a. Implementing a Federal Vaping Tax****
  
- 2. Implement tobacco control policies which protect Canadians and recuperate costs of tobacco control programming through:
  - a. An Annual Tobacco Industry Cost Recovery Fee:**
  - b. Increase in the Tobacco Tax****
  
- 3. Make national pharmacare a priority to ensure Canadians have equitable access to the medications they need.**
  
- 4. Make strong commitments to combat the Climate Crisis to minimize the impact of increasing air quality issues on the health of Canadians.**
  
- 5. Make funding for research on lung health a priority**

## About The Canadian Lung Association

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The Canadian Lung Association is the leading organization in Canada helping Canadians breathe. We work to save lives, prevent lung disease and improve lung health through research, advocacy, education and support. As a non-profit and volunteer-based health charity, we depend on donations from the public to support our mission to lead nationwide and international lung health initiatives, prevent lung disease, help people manage lung disease and promote lung health.

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### ***Recommendation 1: Commit to taking urgent action on vaping to protect Canadian youth and prevent a new generation from vaping.***

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Youth vaping has reached epidemic proportions in Canada with 400,000 youth in grades 6 to 12 and 275,000 young adults (20-24 years of age) reporting vaping in the last 30 days<sup>1</sup>. This disturbing trend represents a 75 percent increase since 2016/2017<sup>1</sup>.

Vaping has caused irreversible lung damage, acute pulmonary lung disease, and in some cases, has resulted in death. These products also contain alarmingly high amounts of nicotine, which may lead to lifelong dependence. To date, research remains inconclusive as to the effectiveness of electronic cigarettes in helping people to quit smoking.

At the same time as youth vaping rates continue to rise, policies to protect them and regulate vape products vary across Canada in a patchwork approach that is not providing effective and equitable protection.

Recent regulatory gains were made that limit the exposure of marketing and promotion of vaping products to young people. However, flavours remain an extremely powerful marketing tool not addressed in these restrictions and nicotine levels remain far too high. **Urgent action is needed to further restrict these products to prevent youth from using them including a comprehensive flavour ban and a maximum nicotine level of 20mg/ml.**

#### ***Recommendation 1.1: Implement a Federal Vaping Tax***

Taxes are one of the most effective strategies to reduce youth use rates. Provinces have begun to implement vaping taxes including British Columbia, Nova Scotia, and Alberta. Similarly over 20 states in the US have begun to place a tax on e-cigarettes. Taxes are both an effective strategy to reduce rates as

well as a means to bring in additional dollars to the government at a time when COVID-19 spending is draining resources. The government should consider adopting a vaping tax of at least 20%.

## ***Recommendation 2: Implement tobacco control policies which protect Canadians and recuperate costs of tobacco control programming.***

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Tobacco continues to be the number one cause of preventable disease and death in Canada killing 45,000 annually<sup>2</sup>. Despite public health education and prevention efforts, approximately 16% of Canadians currently smoke<sup>3</sup>. The 2018 announcement of a new Federal Tobacco Strategy with the goal of less than 5% smoking rate by 2035, brought forward an ambitious and achievable public health goal in Canada but more needs to be done<sup>2</sup>.

### ***Recommendation 2.1: Implement an Annual Tobacco Industry Cost Recovery Fee***

Industry accountability must be front and centre to a federal tobacco strategy. This includes implementing mechanisms for the industry to make a direct contribution toward the costs of tobacco control and public health activities, of which they are the cause. Health Canada committed \$330 million over five years, or \$66 million annually to the federal tobacco control strategy to help Canadians quit and protect the health of young people and non-smokers<sup>2</sup>. An annual fee on tobacco companies would recover the costs of the strategy and give that investment back to the government to support COVID-19 recovery.

Similar strategies have been effective worldwide. The Canadian government has adopted a similar model with cannabis through an Annual Regulatory fee aimed at recovering health related costs of use<sup>4</sup>.

The tobacco industry can afford to pay the associated costs. In fact, due to their own price increases they are receiving \$2 billion per year in additional profits<sup>5</sup>. On the other hand, the effects of not implementing an annual fee leave the costs of tobacco control to taxpayers to foot the bill.

Currently we have sporadic programming based on available funding pockets. A fully funded tobacco control strategy would allow for sustained and evidence based programming to support Canadians across the spectrum; from preventing youth from starting, to supporting people to quit. It would also support recovery from COVID-19 by making the Tobacco Industry pay for the costs.

### ***Recommendation 2.2: Increase the Tobacco Tax***

Tobacco taxes have been one of the most effective ways to reduce youth smoking rates in this country. One of the reasons they are so effective as a prevention tool is that youth have less disposable income and so changes in tax rates can impact their ability to access tobacco products. Most Canadians, including those who smoke, are in favour of policy changes to reduce youth smoking<sup>6</sup>.

While the Tobacco Industry may oppose taxes, they continue to increase their prices putting the dollars in their own pockets, rather than the government. It is estimated that a \$10 per carton increase would result in more than \$1.1 billion in incremental federal tobacco tax revenue annually<sup>5</sup>.

### ***Recommendation 3: Make national pharmacare a priority to ensure Canadians have equitable access to the medications they need.***

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In the federal government's Budget 2019 the first steps were put in place in moving toward national pharmacare but more needs to be done to ensure affordable medicine is accessible for all Canadians<sup>7</sup>.

In particular, Canadians with chronic diseases are burdened with the high costs of medications needed to manage their illnesses. To help Canadians manage their diseases; care, medication and resources must be affordable and accessible regardless of geographical location and financial means of the patient.

The numbers speak for themselves. One in five Canadians report having difficulty paying for prescription medications because they have no coverage and one in ten Canadians have difficulty paying for prescription medications even when they have health benefits coverage<sup>7</sup>. While some Canadians cannot afford their prescriptions because they have no medication coverage, even patients with insurance can experience financial barriers when they must pay deductibles and copayments. Ability to pay for prescription medicines within asthma and chronic obstructive pulmonary disease (COPD) populations has been shown to have a non-adherence rate of 10%. This is concerning considering that COPD is the number one cause of hospitalization in Canada outside of childbirth and asthma is one of the top hospitalization causes for children<sup>8</sup>.

A responsive, progressive national pharmacare program should enhance access for Canadians living with respiratory diseases, including life-saving therapies for people living with cystic fibrosis and lung cancer as well as those living with chronic diseases such as asthma and COPD.

#### ***Recommendation 4: Make strong commitments to combat the Climate Crisis to minimize the impact of increasing air quality issues on the health of Canadians.***

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Canadians are calling for strong leadership to address the climate crisis and assert Canada amongst the world leaders, creating solutions to what the World Health Organization (WHO) has called the “greatest threat of the 21st century”<sup>9</sup>. While the situation is dire, strong action through decisive policies can create the meaningful and effective action needed for real health solutions while helping stimulate the economy to recover from COVID-19.

Canadians are already facing the health and financial burden of the climate crisis through extreme weather, exacerbated lung conditions, and worsened quality of air. In fact, thousands of hospital visits and more than 14,000 premature deaths each year in Canada are attributable to air pollution<sup>10</sup>. According to the WHO, an estimated 4.2 million people die each year as a result of air pollution. Of these deaths, 89% are respiratory health related<sup>9</sup>.

Healthcare costs, missed days of work, and reduced worker productivity related to air pollution cost the Canadian economy billions of dollars each year<sup>11</sup>.

As the Government of Canada looks to recover from COVID-19 they should prioritize the development of meaningful and effective climate action plans that address the health of Canadians. Such an action plan should:

- Establish scientifically sound emission reduction targets and develop policies, programs, and research that supports its implementation
- To address the concerns of worsened air quality additional efforts should be made to:
  - Transition to a low-carbon economy
  - Create solutions to the growing contribution of the transportation sector to poor air quality
  - Ensure clean energy is a central consideration of stimulus plans including an investment in the clean energy sector

#### ***Recommendation 5: Make funding for research on lung health a priority***

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The costs of lung disease are both human and financial. Chronic lung disease accounts for more than 6% of annual health-care costs in Canada and if no further enhancements are made to strategies for dealing with respiratory diseases, the annual economic burden is projected to double by 2030<sup>12</sup>.

Despite the vital need for innovative treatments and technologies research in lung health has long been underfunded. In 2013-2014 it represented only 2.4 per cent of health research funding distributed by

Canadian Institutes for Health Research (CIHR) and this was down from 4.5 per cent in 2008-2009. This is simply not sufficient to adequately address the toll of lung disease in Canada<sup>12</sup>.

The Lung Association has taken the lead in addressing this research gap but more needs to be done. We need to support the innovation and discovery of our experts in biomedical and clinical areas of research by supporting their work and providing the opportunities to advance their findings through to the policy and individual level. The end result being advancements for the person with lung disease.

As we look to recover from COVID-19, a respiratory pandemic, investing in research on lung health has never been more important as the lasting impacts on lung health remain unknown.

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