Standing Committee on Finance (FINA)

Pre-budget consultations 2012

Arthritis Alliance of Canada

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?

One of the biggest challenges faced by the Federal government is its ability to resource strategic investments into programs designed to drive innovation and economic growth in Canada. This is partly due to rising health care expenditures which constrain Federal resource capabilities to more fully address economic growth issues. According to the Canadian Institute for Health Information's "National Health Expenditure Trends, 1975 to 2011" report, total health care spending in Canada is expected to exceed \$200.5 billion representing 11.6% of GDP. Arthritis is one of the most frequently reported causes of physical disability, loss of independence, and rising health care costs. The Arthritis Alliance of Canada (the Arthritis Alliance) has recently released the Impact of Arthritis: Now and for the next 30 years report that clearly describes how an aging workforce, rising obesity rates and other contributing factors will result in increasing proportions of people living with arthritis along with the resulting increased burden in terms of wage-based lost productivity and health care expenditure costs. Current 2010 estimates show that Osteoarthritis (OA), the most prevalent form of arthritis, and rheumatoid arthritis (RA), the most prevalent form of inflammatory arthritis, account for approximately \$12.6 billion dollars in direct health care costs. Additionally, Osteoarthritis alone accounts for 17.3% of indirect costs considered in terms of lost productivity, equivalent to 1.0% of Canadian GDP. In order to more fully resource economic growth initiatives, governments must be able to provide a sustainable quality health care system. In September 2012, the Arthritis Alliance's Joint Action on Arthritis: Framework to Improve Arthritis Prevention and Care in Canada report will detail cost effective solutions which will effectively address the burden of arthritis while maintaining a sustainable high quality health care system thereby support a vibrant workforce. The federal government has the opportunity to take a leadership role in supporting strategies to improve the quality of care and health of all Canadians, while containing costs. For optimal healthcare reform, the government should focus on investing in prevention and care strategies for arthritis, a prevalent chronic condition affecting more than 10% of adults in Canada.

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?

As Federal government continues to develop programs designed to stimulate economic recovery and forestall economic collapse from forces abroad, it is essential that Canada's workforce capacity is fully capable of undertaking work, driving innovation and creating wealth. This will require a healthy workforce; one that is fully capable of tackling the challenges of striving for prosperity and one that is not mired with clinically unnecessary disability and/or ongoing pain. This is important for workers of all ages. However, for jobs that require experienced and highly skilled workers, if the health of these people is suboptimal, future job creation and economic growth targets will not be reached. The Arthritis Alliance's Joint Action on Arthritis: Framework to Improve Arthritis Prevention and Care in

Canada report is not a focused strategy on job creation or economic development for Canada. It is however, a framework to support a healthy vibrant workforce who will ultimately be the instruments by which economic growth and prosperity will be achieved for the nation.

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?

A critical contributor to the strength of the Canadian economic engine is the health of its labour force. However, population demographic trends will accentuate the burden of arthritis and undermine the productivity and wealth generation capacity of our citizens. The Arthritis Alliance's Impact of Arthritis: Now and for the next 30 years report clearly describes how factors such as an aging workforce and rising obesity rates will result in increasing proportions of people living with arthritis and increased burden from wage-based lost productivity and health care expenditure costs. For example, Osteoarthritis (OA) is normally considered to be a disease of older adults. Today, 1 in 8 workers (11.93% of the employed labour force) in Canada currently lives with this disease. Within a mere generation, that proportion will grow to 1 in 3 workers, or almost 30% of the employed labour force, who will suffer hip or knee pain, disability, mobility, sleep and other difficulties. Coincident with this, 1 in 68 workers (almost 1.5% of the employed labour force) will be living with Rheumatoid Arthritis (RA) and its associated pain, mobility deficits and disability, increased morbidity and mortality risks. Traditionally, health has been treated as an isolated issue with concomitant costs associated with direct care and indirect burden. However, the current economic challenges of our nation require a broader understanding of the true burden of disease and the full measure of economic benefits that can be realized from strategies designed to mitigate this burden. To this end, the Arthritis Alliance's Joint Action on Arthritis: Framework to Improve Arthritis Prevention and Care in Canada report details a number of key initiatives which can effectively address this burden, contribute toward sustaining a cost-effective quality health care system and support a vibrant workforce. This could be accomplished through a three-year Arthritis Prevention and Care Initiative funded through joint federal-provincial arrangements. This three-year \$10.2 Million investment would deliver: coordinated pan-Canadian improvements in models of arthritis care delivery; improved arthritis awareness and self-management practices among Canadians and care providers; and, applied research findings into improved prevention, self-management and quality care delivery models.

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?

A major contributor to the competitiveness and productivity of the workforce is its underlying health. While health system issues are not traditionally a focus of the Ministry of Finance, the current economic needs of the nation demand coordinated action. Ensuring a vital and innovative workforce will require multi-ministry perspectives and an integrated coordinated approach. Research has shown that chronic diseases such as arthritis are associated with work productivity losses in part due to absenteeism and presenteeism (the impact of reduced work performance while at work). Inflammatory arthridites such as RA cause significant disability quickly whereas OA effects many Canadians with limited disability, but a profound burden. These issues have a significant impact on the competitiveness and profitability of Canadian enterprises and ultimately on economic growth of the country. As arthritis becomes more prevalent with increasing age and Canadian companies become more reliant on an aging skilled workforce, it will become increasingly important to ensure that systems are in place to support the health of these workers. This is especially true with workers of increasing age who are likely to be living

with more than one chronic disease. Hence, it is imperative that an efficient, high quality health care system be available to ensure that these knowledgeable and highly skilled employees contribute optimally to the economy. Inadequacies in the health care systems will contribute to the early loss of these individuals to the workforce and the loss of their skills and expertise. Local health system improvements in the arthritis area are already underway and are showing improvements in terms of efficiency and quality of care. However, these initiatives need to be shared through a coordinated system in order to realize pan-Canadian benefits. The Arthritis Alliance's Joint Action on Arthritis: Framework to Improve Arthritis Prevention and Care in Canada report highlights some of the progress made to date and the areas for focus for the future; including: • Raising awareness about arthritis; • Strengthening research investments in prevention, management and quality indicators; • Enhancing health professional education; • Improving prevention and self-management; • Improving the efficiency and quality of care delivery

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?

Based on the 1999 report of the Arthritis Community Research & Evaluation Unit entitled Employment and Arthritis in the Working Age Population, Arthritis has a major impact on middle aged and older workers with disability rates due to arthritis in the working age population reported to be higher than for any other chronic condition. Women are twice as more likely than men to report living with disabling arthritis. When looking at the independent effects of each of the personal and disease characteristics on labour forces status, the following groups are at a higher risk of being out of the labour force due to their arthritis: middle-aged women, lower education, pain, and moderate and severe arthritis disability. Additionally, people with arthritis disability tend to have blue or white collar occupations. Furthermore, recent estimates from the Public Health Agency of Canada in its 2010 report entitled Life With Arthritis In Canada, show that arthritis prevalence is higher in the Aboriginal population in Canada compared to non-aboriginal population (27% compared to 16%, respectively). It is also important to note that arthritis is in fact the most prevalent chronic condition among aboriginals, with arthritis prevalence rates significantly exceeding diabetes and other chronic conditions. The Arthritis Alliance's Joint Action on Arthritis: Framework to Improve Arthritis Prevention and Care in Canada report presents specific strategies that can be employed to address the challenges these communities experience with respect to workplace and economic development. Some of these strategies include: • Engage employers' participation and support in raising awareness to manage arthritis in the workplace. • Integrate arthritis awareness into workplace policies and programs that help to prevent injuries leading to arthritis and support episodic disability related to arthritis • Enhance knowledge translation and exchange efforts around arthritis prevention, self-management and the effectiveness and efficiency of arthritis care • Incorporate arthritis-related curriculum into post-graduate and specialty programs that address the needs of vulnerable groups • Integrate arthritis awareness into existing obesity, diabetes, heart disease, mental health and overall chronic disease strategies across Canada.