Standing Committee on Finance (FINA)

Pre-budget consultations 2012

Interagency Coalition on AIDS and Development

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?

Sustained economic recovery and enhanced economic growth in Canada can only occur within a healthy global economy. Having weathered the financial challenges of recent years far better than many of its G8 counterparts, Canada is in a position to be a leading nation in continuing to support its developing country partners, which are increasingly in need of consistent and sufficient development aid from donor nations. For the first time ever in low- and middle-income countries, domestic investments in HIV/AIDS are greater than international HIV/AIDS spending. It is encouraging that governments are responding to the epidemics within their own countries; however, it is equally important that donors maintain their support for developing countries, especially in difficult economic times. Unfortunately, between 2010 and 2011 Canada's overseas development assistance (ODA) volume shrank by more than 5% in real terms and is set to fall further in 2012. We urge the Canadian government to return to its previously higher levels of ODA immediately. In addition, we urge Canada to draw up a timetable for achieving the international commitment of giving 0.7% of its GNI as ODA; a goal that was endorsed by all parties in 2005. In challenging economic times it is critical to find effective and efficient ways to invest scarce resources. Maximizing the benefits of international collaboration are key to successful research and development. Product Development Partnerships (PDPs) are non-profit enterprises created to accelerate the development of new tools to fight AIDS, tuberculosis, malaria and other diseases in resource-poor settings. They work with pharmaceutical companies that do not have the economic incentive to pursue these products on their own. Typically, PDPs manage resources and partnerships from across public, private and philanthropic sectors to drive the development of new products that could save and improve millions of lives. The International Partnership for Microbicides (IPM) and the International AIDS Vaccine Initiative (IAVI) are both PDPs conducting research and development for new HIV prevention technologies.

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?

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?

People from countries where HIV is endemic (over 90 percent of whom are from Africa and the Caribbean) continue to be over- represented in Canada's HIV epidemic. The estimated new infection rate among individuals from countries where HIV is endemic is at least 8.5 times higher than among other Canadians. As immigration patterns shift in Canada, so too do the needs of service providers across the country. According to the Public Health Agency of Canada, in 2001 nearly half of all Black people in Canada lived in the Toronto metropolitan area. Montreal had the second largest Black population in Canada, representing over 4 percent of its population. As immigration to Canada's Eastern and Western provinces increases, service providers across the country require adequate resources and training to provide culturally competent HIV prevention, care treatment and support services to African and Caribbean immigrants. Support is required for both local initiatives as well as national initiatives that enable service providers to share resources, expertise and best practices.

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?

At the end of 2008, an estimated total of 65,000 (54,000-76,000) people in Canada were living with HIV infection (including AIDS), which represents an increase of about 14 percent from the 2005 estimate. A productive labour market in Canada relies on the health of Canadians. With adequate care, treatment and support, people living with HIV can lead long and productive lives. Federal initiatives are required to support communities in delivering prevention, care, treatment and support programs. While such programs are required across the country and across different populations, particular attention should be paid to investing in support for Aboriginal populations across Canada. Aboriginal people experienced HIV at rates about 3.6 times higher than other Canadians in 2008. Even though the Aboriginal population only represented 3.8 percent of the general Canadian population, Aboriginal people represented about 8 percent of all people living with HIV and AIDS, and about 12.5 percent of new HIV and AIDS cases diagnosed in Canada in 2008. (Public Health Agency of Canada – Population-Specific HIV/AIDS Status Report, 2012). Aboriginal people are also diagnosed at a younger age than other Canadians. The Aboriginal population is more vulnerable to contracting HIV and AIDS because of a variety of factors and social determinants of health. These determinants of health include poverty, housing and homelessness, early childhood development, physical environments, access to health services, support networks and social environments, gender, violence, and for this population in particular, racism and the multigenerational effects of colonialism and the residential school system. We know from experience in developing countries the devastating impact that HIV and AIDS can have on productivity, as the most productive segments of society are those who are often hardest hit by the epidemic. The disproportionate impact of HIV on Canada's Aboriginal populations is likely to impact productivity in emerging sectors and regions of Canada. The Federal Initiative to address HIV/AIDS in Canada needs to be strengthened in order to mitigate the negative impact of the disease on productivity.

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?

Canada faces the challenge of addressing domestic issues while continuing to maintain its contributions to international efforts. It is in Canada's best interest-both domestically and internationally-to continue to invest in disease prevention efforts, which will save lives and money in the long term. There is an urgent need for new female-initiated HIV prevention options, including microbicides and vaccines. Prevention methods such as condoms and abstinence are not always realistic options for women, especially those who are married, who want to have children or who are at risk of sexual violence. Canada has been a strong supporter of the development of new HIV prevention technologies (NPTs). From 2005 to 2009, Canada contributed \$30 million to the International Partnership for Microbicides, and between 2000 and 2009 contributed \$82 million to the International AIDS Vaccine Initiative. We urge Canada to renew its contribution to international research institutions that have proven track records and the capacity to pool global resources—financial, technological and scientific. It is critical to the search for NPTs that global initiatives be adequately and consistently resourced, and that wealthy nations share in this global responsibility. The successes of the Global Fund to Fight AIDS, TB and Malaria have been well documented – 3.6 million people on anti-retroviral treatment, 9.3 million people on anti-tuberculosis treatment, and 270 million anti-malaria bed nets distributed. The Global Fund is a partnership between governments, civil society, the private sector and affected communities, which is often referred to as the "gold standard" for international health financing. The organisation works on a unique "demand-driven" and performance based model, which has proven to be both effective and efficient but is becoming increasingly difficult to sustain financially. We urge Canada to continue to support this model. For the first time ever in low- and middle-income countries, domestic investments in HIV/AIDS are greater than international HIV/AIDS spending. This is encouraging; however, it is equally important that donors maintain their support for developing countries. Canada's increased contribution to the Global Fund was welcomed and we urge a further increase for the next replenishment period for 2013 to 2016.