



Submission to the Standing Committee on Finance

## **2019 Pre-Budget Consultations**

Submitted by:

**The Canadian AIDS Society**

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## **2019 Pre-Budget Recommendations from the Canadian AIDS Society:**

- 1) That the federal government increase funding for Canada’s HIV and Hepatitis Community Action Fund by \$10 million, from \$26.4 million a year to \$36.4 million a year.**
  
- 2) That the federal government provide \$1 million annually over the next five years to support the execution of a National HIV Testing Day, in the form of national coordination, marketing and uptake of new testing technologies.**

## The CANADIAN AIDS SOCIETY

The Canadian AIDS Society (CAS) is the national voice for a coalition of 85 community-based HIV/AIDS organizations across Canada. CAS and its community members are dedicated to reducing HIV infection rates and strengthening the care and support for those living with, or affected by, HIV/AIDS.

For almost 30 years, the Canadian AIDS Society has played a critical leadership role in rallying governments, the health care system and research and development of new drug therapies to successfully fight the AIDS epidemic.

Today, recognizing the strong parallels between the AIDS crisis in the 80's and 90's, and the current opioid crisis, CAS is sharing its advocacy knowledge and expertise to help address the growing opioid epidemic.

Without a doubt, taking a proactive approach to public health threats, such as those posed by growing HIV infection rates, is in Canada's economic interest.

## SCOPE OF THE HIV CHALLENGE: A THREAT TO CANADA'S PUBLIC HEALTH AND ECONOMIC PROSPERITY

### Growing HIV Infection Rates in Canada

HIV continues to be a national public health issue in Canada. In 2016, the number of new diagnoses of HIV reported rose to 2,344<sup>1</sup> – the highest in the last five years. The Public Health Agency of Canada (PHAC) estimates that seven new HIV infections occur every day<sup>2</sup>.

In 2016, Saskatchewan physicians called on their government to declare a public health state of emergency over the high number of people diagnosed with HIV<sup>3</sup>, especially in Indigenous communities, where they highlighted HIV rates have become comparable to those in some African Nations.

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<sup>1</sup> HIV in Canada: 2016 – Surveillance Report, 2016, <https://www.canada.ca/en/public-health/services/reports-publications/canada-communicable-disease-report-ccdr/monthly-issue/2017-43/ccdr-volume-43-12-december-7-2017/hiv-canada-2016.html>

<sup>2</sup> CATIE, Fast Facts: New Infection Rates in HIV, <http://www.catie.ca/en/pif/spring-2016/fast-facts-new-hiv-infections-canada>

<sup>3</sup> CBC News Saskatoon. Saskatchewan doctors call for state of emergency over HIV spike, September 19, 2016. <https://www.cbc.ca/news/canada/saskatoon/saskatchewan-doctors-state-of-emergency-hiv-1.3768183>

In July 2018, the Nova Scotia Department of Health issued an urgent advisory to doctors and nurses of a sudden spike in the number of new HIV infections, warning the province is heading towards a doubling of the number of reports of new cases of HIV this year.<sup>4</sup>

**Today, some 75,000 Canadians are living with HIV/AIDS<sup>5</sup>.** One in five people do not know they have HIV and many are reluctant to get tested. The behaviours associated with HIV transmission are highly stigmatized, and this can result in individuals not wanting to come forward and be tested. As a result, the shame of being HIV positive is a huge driver for new infection rates.

Furthermore, younger generations who did not experience the HIV/AIDS crisis in the 1980s and 1990s may not understand the potential severity of the disease.

### **2018 Federal Funding Cuts to Community Based HIV/AIDS Organizations**

In 2018, the Canadian AIDS Society and 33 per cent of community-based HIV/AIDS organizations – more than 40 groups – had their federal funding cut to zero by PHAC, while many others had it significantly reduced.

The funding cuts from PHAC to these organizations have resulted in a drastic reduction in vital programming offered by community-based organizations to support the care and treatment of people living with HIV/AIDS.

As well, public awareness campaigns to promote HIV testing and prevention to reduce infection rates have been severely curtailed or cut all together.

For the Canadian AIDS Society, the immediate negative impacts of being defunded by PHAC include:

- a significantly diminished inaugural National HIV Testing Day, in June 2018;
- the end of CAS' national leadership to champion the annual AIDS Walk which raised \$1.4 million in 2017 and \$45 million over the last 30 years; and,
- the cancellation of a national public awareness campaign to prevent new HIV infections.

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<sup>4</sup> The Star Halifax, Nova Scotia Sees Spike in Newly Diagnosed HIV Cases, July 18, 2018,

<https://www.thestar.com/halifax/2018/07/18/nova-scotia-sees-spike-in-newly-diagnosed-hiv-cases.html>

<sup>5</sup> CATIE, The Epidemiology of HIV in Canada, <http://www.catie.ca/en/fact-sheets/epidemiology/epidemiology-hiv-canada#footnote>

While federal funding represents less than half of CAS', or its community members' overall budgets, this support is critically important to the viability of these small non-profit

organizations. For example, the "seal of approval" of federal funding makes it far easier to compete and successfully secure corporate sponsorships and donations from foundations.

### **Canada at Risk of Missing United Nations Targets to Fight HIV/AIDS**

Canada supports the global targets established by the Joint United Nations Programme on HIV/AIDS and the World Health Organization, including the 90-90-90 targets (by 2020, 90% of all people living with HIV know their status, 90% of those diagnosed receive antiretroviral treatment, and 90% of those on treatment achieve viral suppression).

In 2016, Prime Minister Justin Trudeau pledged an additional \$785 million over three years to the Global Fund to fight AIDS, tuberculosis and malaria. This financial commitment represented a 20 % increase from Canada's previous contribution level.

CAS applauds the federal government's increased investments for the fight HIV/AIDS globally.

However, domestically, funding for Canada's HIV and Hepatitis Community Action Fund has remained unchanged.

And as noted previously, more than 40 HIV/AIDS community groups, and the Canadian AIDS Society, had their funding from this program cut to zero in 2018.

These cuts occurred at the same time PHAC reported HIV infection rates rising, demonstrating that Canada is clearly at risk of badly missing the 2020 targets.

## THE STRONG ECONOMIC RATIONALE FOR INVESTING IN HIV/AIDS PREVENTION AND TREATMENT

HIV/AIDS is a highly preventable disease. Acting to reduce HIV infection rates will save the economy billions of dollars in gained labour (and volunteer) productivity and reduced health care costs, every year.

### The Economic Burden of Health Care Costs of HIV/AIDS

According to a 2015 study by the Canadian Journal of Infectious Diseases and Medical Microbiology, **the cost of treating someone with HIV is up to \$24,000 a year.**<sup>6</sup>

Given that HIV is now a manageable disease, and with proper medications, HIV-positive patients can expect to live long lives, the cost of treating someone diagnosed with HIV for 30 years can amount to some \$720,000.

Based on the estimates of approximately 2,500 new HIV diagnoses in Canada annually, this amounts to \$60 million in increased costs to the over-burdened health care system each year.

For example, reducing the number of new infections each year by 50% over a five-year period would save Canada's health care system \$150 million.

### Lost labour productivity and supply costs of HIV patients

HIV has a significant impact on an individual's lifetime earnings since it generally affects people in their prime earning years. HIV may cause an individual to reduce their time spent working for three main reasons:

- an HIV infection leaves a person fewer healthy hours per week to spend working;
- the individual may succumb to the disease prior to reaching the age of retirement;
- since the individual will likely spend fewer years, if any, in retirement, they have reduced incentive to work to save for retirement.

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<sup>6</sup> CBC News, HIV prevention pill could save health care dollars, July 12, 2016, <https://www.cbc.ca/news/health/prescription-drugs-cost-insurance-hiv-prep-truvada-aids-health-canada-1.3673871>

Were it not for their infection, those with HIV would have had the same attachment to the paid and unpaid work forces, and same earnings, as the average Canadian of the same age and gender.

Specifically, a 2011 study<sup>7</sup> **found the economic loss to people recently infected with HIV is some \$1.3 million per person.** Notably, this study did not include the value of lost volunteer hours or the impact on spouses or partners, involved in the care and support of their loved one with HIV.

Based on the Public Health Agency of Canada's estimates that seven new HIV infections occur every day, or approximately 2,500 a year, the loss labour productivity costs to Canada's economy from new HIV infections in 2018 alone could be some \$3.25 billion over these people's lives.

## **CAS PRE-BUDGET RECOMMENDATIONS**

In recognition that HIV/AIDS remains a persistent health issue in Canada, costing Canada's economy billions of dollars in lost labour productivity and supply, and adding additional billions in medical costs for care and treatment to Canada's overburdened health care system, CAS recommends that:

- 1. The federal government increase funding for Canada's HIV and Hepatitis Community Action Fund by \$10 million, from \$26.4 million a year to 36.4 million a year.**

This increase recognizes the significant role community-based HIV/AIDS organizations play in education and prevention, as well as supporting people living with HIV to lead healthy and productive lives.

- 2. The federal government provide \$1 million annually over the next five years to support the execution of a National HIV Testing Day, in the form of national coordination, marketing and uptake of new testing technologies.**

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<sup>7</sup> Institute of Health Economics at the University of Alberta, The Economic Cost of HIV/AIDS in Canada, 2011, <http://www.cdnaids.ca/wp-content/uploads/Economic-Cost-of-HIV-AIDS-in-Canada.pdf>

This funding would build on the cross-country success of the [June 2018 National Testing Day](#), which included participation by every province, despite no federal government financial support.

In addition to CAS, the steering committee for this new initiative included:

- AIDS Moncton
- COCQ-Sida
- the Ontario AIDS Network
- Nine Circles Community Health Centre
- AIDS Saskatoon
- Alberta Community Council on HIV
- HIV Edmonton
- The Pacific AIDS Network

These groups collaborated with community-based organizations across the country to implement local HIV Testing Day events in their communities. Local and provincial health authorities also collaborated to deliver the project, stating it addresses an unmet need in the current Canadian healthcare system. Moreover, CAS obtained financial support from private sector partners.

In addition to testing over 1,500 people, the 2018 National Testing Day garnered a large amount of national and local media attention, in French and English, over all types of traditional and social media platforms, thus increasing public awareness about the importance of getting tested, and the prevalence of HIV across Canada.

However, there are limits to how much CAS can do without federal funding for testing.

Since 21%<sup>8</sup> of those living with HIV in Canada are unaware of their status, it is paramount that significant investments are made in testing initiatives throughout the country, in an effort to curb infection rates which are rising in many communities. CAS seeks to use its proven model and wide-reaching networks to continue this critical awareness and testing work in 2019 and beyond.

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<sup>8</sup> CATIE, The Epidemiology of HIV in Canada, <http://www.catie.ca/en/fact-sheets/epidemiology/epidemiology-hiv-canada#footnote>



The Canadian AIDS Society appreciates this opportunity to update the Standing Committee on Finance on the fight against HIV in Canada and urgent need for increased investments at the community level.

We believe that Budget 2019 represents an opportunity to also accelerate progress toward the 90-90-90 2020 goal domestically, and the elimination of HIV in Canada, by 2030.

The Canadian AIDS Society and our community-based members look forward to continuing to work with federal officials toward these important goals for Canadians, our economy and our health care system.