

2021 Budget Consultations submission  
to  
Deputy Prime Minister and Finance  
Minister,  
Honourable Chrystia Freeland  
and  
Minister of Middle Class Prosperity and  
Associate Minister of Finance,  
Honourable Mona Fortier

By: Arthritis Society



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Charitable Number: 10807 1671 RR0003



## List of Recommendations:

1. Develop and implement a coordinated plan to address wait times for joint replacement surgeries, starting with the COVID-related backlog
2. Address access to medicine issues, including through implementation of a national pharmacare program
3. Invest in research and support the contributions of the charitable sector
4. Stop the taxation of medical cannabis and expand access by enabling pharmacy distribution



On behalf of the Arthritis Society, thank you for the opportunity to provide input to the 2021 pre-budget consultations.

The Arthritis Society is a national health charity that gives voice to the one in five Canadians – and one in two seniors – who have arthritis, a collection of conditions affecting joints and other tissues. Arthritis can cause excruciating pain, limit the ability to walk and move, interrupt sleep, and significantly diminish quality of life for patients. Arthritis is a leading cause of long-term disability in the country and can severely impact a person's ability to participate in the labour force.

As Canada continues to battle the COVID-19 pandemic, it is vital that we take steps to support the 6 million Canadians living with arthritis, many of whom have encountered significant hardship during the crisis. In this context, the Arthritis Society respectfully provides the following recommendations.

1. Develop and implement a coordinated plan to address wait times for joint replacement surgeries, starting with the COVID-related backlog

As we continue to confront COVID-19, a new health challenge is emerging — an alarming backlog of joint replacement surgeries. Arthritis is the leading cause of joint replacement, including over 99% of knee replacements and over 80% of hip replacements. Even before COVID-19 there were already significant challenges meeting the 6-month benchmark for knee and hip replacement surgeries. The COVID-19 pandemic has greatly exacerbated this issue through the delay or cancellation of tens of thousands of surgeries across Canada.

While we understand the need to do this, this will unfortunately lead to unnecessary pain and suffering for many Canadians who are prevented from contributing to their families, communities, and workplaces. There are also concerns about the downstream health impacts that increased wait times could have for arthritis patients waiting for joint replacement surgery, such as the increased use of opioids for pain relief. Surgery delays are not only devastating for individuals but can also lead to significant additional costs for the healthcare system due to the co-morbidities associated with the disease, including weight gain, diabetes, heart and circulatory issues, mental health conditions, and other compounding health challenges.

Canada needs to have a clear, immediate and sustained response to this growing crisis. If we are to improve wait times and outcomes for joint replacement surgery, we need a pan-Canadian strategy and action plan that is consistent across all provinces. The Arthritis Society has developed a [position statement on wait times](#) and we also support the Canadian Orthopaedic Association's [position statement on restorative surgery](#). We strongly believe the patient voice should be included in all discussions and decisions. Specifically, the Arthritis Society recommends:



- The federal government provide funding for the provinces to address the enormous backlog of joint replacement surgeries and earmark a part of its COVID-related financial assistance to the provinces and territories to be used to increase capacity for joint replacement surgeries and health system adjustments that are required.
- The federal government work in collaboration with a cross section of stakeholders including provincial governments, hospitals, clinicians, researchers, industry, and patient groups such as the Arthritis Society to revitalize the 2005 National Wait Times Initiative and make timely access to care a pan-Canadian priority

## 2. Address access to medicine issues, including through implementation of a national pharmacare program

There is currently no cure for arthritis, so pharmaceutical treatments play a large role in the management of the condition, which can persist over many years. In the context of the current COVID-19 crisis, it is absolutely critical patients continue to have access to medications that can help them manage their conditions. Unfortunately, this has become a major concern for many Canadians who have lost their jobs and their private insurance during the COVID-19 pandemic.

To manage their conditions, people living with arthritis must continue to have access to their medications without financial barriers or risk of shortages. The federal government must work with stakeholders, including patient groups, to address the immediate medicine access challenges patients face as a result of the COVID-19 pandemic.

The loss of jobs and health benefits caused by the pandemic also underscores the need to move forward on the implementation of a national pharmacare program. A national pharmacare program that aims to achieve both access and affordability – with a primary aim to improve the health of Canadians – would ensure all Canadians have equitable access to the medicines they need, regardless of employment status. As the government moves forward on pharmacare, including the exploring the development of a common formulary, it is essential that the patient voice be included in these conversations in a meaningful manner. For arthritis, it critical that there be a range of treatment options, as what works for one patient may not for other, it is still very much a matter of trial and error to find the find right treatment.

## 3. Invest in research and support the contributions of the charitable sector

COVID-19 has had a substantial impact on Canadian scientists, researchers, and hospital-based research institutions, limiting non-COVID research and causing a massive and immediate funding crunch. We appreciate the federal measures announced to help support the research sector, including eligibility for the Canadian Emergency Wage Subsidy for hospital-based research institutions and other funding support.



At the same time, charitable organizations that support research are facing significant financial hardship, up to a 50% drop in revenue compared to this time last year and are struggling to maintain current research programs. Many research institutions and centres rely heavily on funding from the charities, and if funding is greatly reduced it will have devastating short-term and long-term consequences on Canadian health research. Decisions made today will also impact the long-term future of Canadian health research. With research competitions delayed or cancelled for 2020, the lack of funding will be deeply felt by young researchers, will reduce the ability to attract and retain research talent in Canada, and will impact the research sector for years to come.

The Arthritis Society is the largest charitable funder of arthritis research, and advances in research help with prevention, diagnosis and improved health outcomes and quality of life for Canadians living with arthritis. It is vital that we continue to invest in research.

As a member of the Health Charities Coalition of Canada (HCCC), we support the ask to establish a \$131 million funding program for health charities over two years to support Canadians living with diseases. This funding program will allow health charities to continue to help Canadians with living with diseases, often exacerbated by the pandemic, and protect research projects, while providing time for health charities to re-starting fundraising efforts.

We encourage the federal government to explore all options to expand and stabilize financial support for the research and charitable sectors, including investment in CIHR to for research recovery and restart post pandemic; removing the capital gains tax on donations of shares in private corporations or real property to charities; and reviewing tax measures to encourage giving to, and supporting the recovery of the health charities sector.

#### 4. Stop the taxation of medical cannabis and expand access by enabling pharmacy distribution

There are a range of effective treatments that can help patients manage their arthritis pain and lead productive lives, and one of those treatments is medical cannabis. The majority of patients authorized to possess medical cannabis were diagnosed with severe arthritis.

While we are largely pleased with the Cannabis Act's preservation of a distinct system for medical cannabis, and strongly believe it should remain a distinct system, one outstanding issue that continues to be a concern is the ongoing taxation of medical cannabis. The costs associated with the use of cannabis for medical purposes (sometimes upwards of \$500/month) can put an enormous financial strain on many patients, particularly during the pandemic. In combination with limited insurance coverage, the taxation of cannabis for medical purposes presents additional access barriers to this effective form of treatment. It is also inconsistent with the taxation of prescription drugs and medical necessities, which are zero-rated under the Excise Tax Act.



To further support patients, pharmacies should also have the authority to retail medical cannabis. This will create a clear distinction between medical cannabis and cannabis for recreational/non-medical use and help ensure that patients receive reliable education on the safe and effective use of medical cannabis from trained health care professionals. This will also help facilitate reimbursement by health insurance plans.

### Closing thoughts

The Arthritis Society, on behalf of the millions of Canadians with arthritis, greatly appreciates this opportunity to provide input on the 2021 federal budget. Minister Freeland and Minister Fortier, we strongly encourage you to consider these recommendations and include them in the federal budget. We would welcome the opportunity to elaborate on our recommendations in a meeting and will follow up with your offices to do so.

Sincerely,



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### About the Arthritis Society

The Arthritis Society is Canada's largest charitable source of investment in cutting-edge arthritis research, and a leader in proactive advocacy, education and support towards delivering better health outcomes for people affected by arthritis. Safety and improved care are our top priorities, with our advocacy focused on improving access to care, timeliness of care, and innovative research. The Arthritis Society is accredited under Imagine Canada's Standards Program.



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