

44 Victoria Street  
Suite 502  
Toronto, ON M5C 1Y2

Tel: (416) 367-3313  
Fax: (416) 367-2844  
E-mail: [admin@opha.on.ca](mailto:admin@opha.on.ca)  
[www.opha.on.ca](http://www.opha.on.ca)

**President**

Ellen Wodchis  
E-mail: [president@opha.on.ca](mailto:president@opha.on.ca)

**Executive Director**

Pegeen Walsh  
E-mail: [pwalsh@opha.on.ca](mailto:pwalsh@opha.on.ca)

**Constituent Societies**

Association of Ontario  
Health Centres

Association of Public Health  
Epidemiologists in Ontario

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The Ontario Association of Public  
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*Charitable Registration*

June 21, 2017

The Honourable Percy Mockler, Senator  
Chair, Standing Senate Committee on National Finance,  
Senate of Canada, Ottawa ON  
K1A 0A4

Dear Senator Mockler:

The Budget Implementation Act, specifically Bill C-44, contains a provision that would increase the excise duty rates on alcohol products by 2%, and subsequently adjust them annually using the Consumer Price Index as of April 2018. As an Ontario organization committed to strengthening public health via effective policy measures, we applaud the federal government for instating this timely, impactful Bill.

An obvious gain is the increase in government revenues that will result from implementation of Bill C-44, but what should not be overlooked is the potential to facilitate increased protection of the public's health. Research has well documented the link between increased prices and the reduction of alcohol-related harms at the population level.<sup>1-9</sup> Consumer behaviour (e.g., over-consumption) is directly related to the overall price of a product, making alcohol pricing and taxation one of the most effective and efficient policy levers. It is a gold standard policy.

The current alcohol landscape in Canada is complex and changing. Alcohol is expanding at a rapid rate into grocery stores in Ontario. Home delivery options are on the rise, and VQA wine and cider is now available at Farmers' Markets. It is not surprising that consumer behaviour is responsive to these changes; our society values alcohol and does not fully understand the health and societal consequences associated with it. Our role in public health is to work to minimize the societal harms associated with alcohol use and misuse, many of which include: chronic diseases, alcohol dependency syndrome, intentional and non-intentional injuries, violence, crime, enforcement costs, and youth initiation.<sup>10</sup> Supporting Bill C-44 will effectively contribute to a reduction in these adverse, population-level outcomes. As previously stated, this effect has been noted elsewhere and is well-documented in the literature. It is clear to us that an increase in excise taxes on alcohol products will benefit all sectors of government and ultimately, individual Canadians.

Alcohol consumption is on the rise in Canada<sup>11</sup>; an alarming trend that represents an increased burden on health care, law enforcement, and other sectors. Without the provision of Bill C-44, successful alcohol policy interventions by these sectors will only be delayed. Increasing excise taxes on alcohol products represents an opportunity to influence the dose-response relationship that exists with alcohol; the more one drinks, the higher the risk for alcohol-related harms. Using effective policy levers, such as taxation, is especially important for those that are most vulnerable. For example, a systematic review found that, among underage populations, increased taxes were significantly associated with reduced consumption (e.g. binge drinking) and alcohol-related harms (e.g. alcohol-related road fatalities).<sup>5</sup>

Although there are other strategies for addressing these and other alcohol related harms, excise tax is the most important in terms of potential for impact because other taxes (GST, HST, and PST) and provincial markups (profit margins) multiply its effects. For these reasons, the World Health Organization and the Canadian Public Health Association recommend increased prices through measures such as excise taxation, which are indexed to inflation. Adjusting these taxes to inflation maintains the integrity of the pricing system by ensuring that their value does not diminish over time relative to other goods. This is something that Canada has not done since the late 1980s and as a result, the real value of excise taxes has greatly diminished over the years.

Here we have an exceptional opportunity to reap mutual benefits and protect the public's health. For these reasons, we urge Parliament to retain this element of Bill C-44.

Yours sincerely,



Pegeen Walsh  
Executive Director  
Ontario Public Health Association

### **About OPHA**

*Created in 1949, the Ontario Public Health Association (OPHA) is a non-partisan, non-profit organization that brings together a broad spectrum of groups and individuals concerned about people's health. OPHA's members come from various backgrounds and sectors— from the various disciplines in public health, health care, academic, non-profit to the private sector. They are united by OPHA's mission of providing leadership on issues affecting the public's health and strengthening the impact of people active in public and community health throughout Ontario. This mission is achieved through professional development, information and analysis on issues effecting community and public health, access to multidisciplinary networks, advocacy on health public policy and the provision of expertise and consultation.*

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