

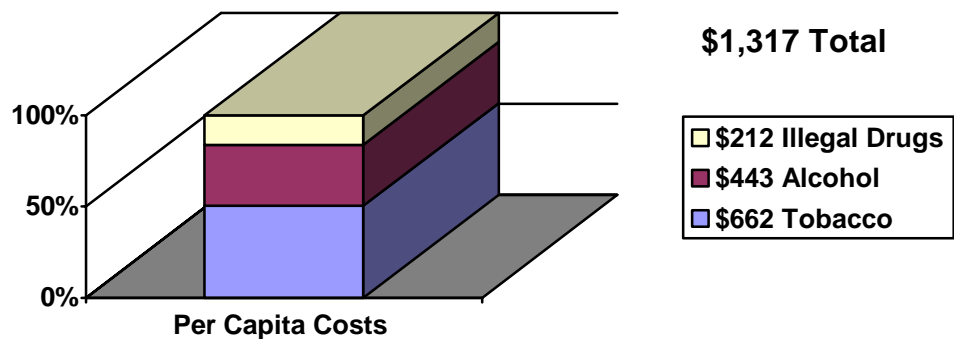
## The Costs of Substance Abuse in Canada 2002 (released April 26, 2006)

### Nova Scotia Facts at a Glance

#### Overview

- On April 26, 2006, the Canadian Centre on Substance Abuse (CCSA), Canada's national addictions agency, released the results of a major new study examining the economic impact of substance abuse on Canadian society.
- CCSA estimates the total annual cost of substance abuse in Canada to be \$39.8 billion (based on 2002 data), which represents a cost of \$1,267 to each individual Canadian.
- The total cost of substance abuse in Nova Scotia (based on 2002 data) is \$1.24 billion. This represents a cost of \$1,317 to each resident of Nova Scotia, slightly higher than the national average.

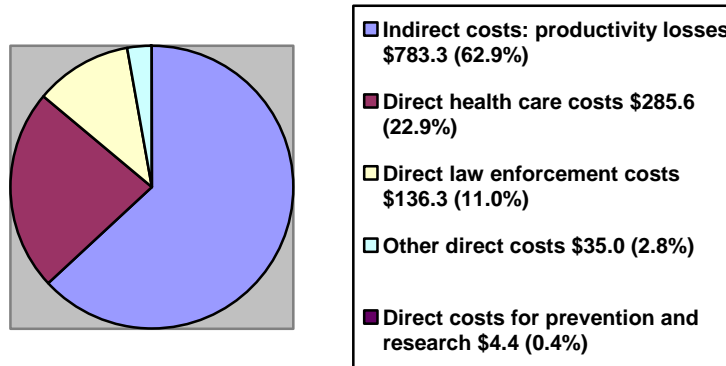
**Figure 1 Per capita cost of substance abuse in Nova Scotia, 2002**



- The vast majority of the social costs (84%) are related to tobacco and alcohol abuse.
- The costs for tobacco abuse are highest at \$625.5 million (50.3%), followed by alcohol at \$418.9 million (33.7%), and illegal drug use at \$200.2 million (16.1%).

- Productivity losses (premature death, short and long-term disability) account for 63% of all substance abuse costs, followed by direct health care costs (23%), law enforcement costs (11%), and prevention and research costs (3.4%).

**Figure 2 Costs (in millions) attributable to substance abuse by cost category in Nova Scotia, 2002**



### Nova Scotia costs compared to other provinces and territories

- Overall in 2002, Nova Scotia had a higher **tobacco** cost but lower **alcohol** and **illegal drugs** costs compared to most other provinces and territories.
- The 2002 per capita cost of substance abuse for each resident of Nova Scotia was \$1,317.
- Nova Scotia had the 3<sup>rd</sup> highest per capita costs for tobacco, the 3<sup>rd</sup> lowest for alcohol and the lowest per capita costs for illegal drug use. **Detailed per capita costs** compared to the rest of Canada are as follows:
  - Tobacco \$662 - 3<sup>rd</sup> highest in Canada (Newfoundland had the highest per capita costs for tobacco at \$684 and Yukon Territories the lowest at \$362 – national average \$541)
  - Alcohol \$443 – 3<sup>rd</sup> lowest in Canada (Nunavut had the highest per capita costs for alcohol at \$961 and Prince Edward Island the lowest at \$385 – national average \$463)
  - Illegal drugs \$212 - Lowest in Canada (Nunavut had the highest per capita costs for illegal drugs at \$526 – national average - \$262)

- **Compared to other Atlantic provinces**, Nova Scotia had the second lowest overall per capita costs (Prince Edward Island has the lowest national average at \$1162). Nova Scotia had the 2nd highest per capita costs for tobacco, 2nd lowest for alcohol, and lowest for illegal drugs.
- **Breakdown of total cost by substance**, as a percentage of the total provincial/ territorial costs for all substance abuse:
  - Tobacco 50.3% ----Highest in Canada (Yukon Territories had the lowest at 25%)
  - Alcohol 33.7% ----(Northwest Territories had the highest at 49.3% and Prince Edward Island the lowest at 33.2%)
  - Illegal drugs \$16.6% ----- Lowest in Canada (Yukon Territories had the highest at 27.6%)
- **Breakdown of total cost, by cost category (%)**:
  - Direct health care costs 23% ----- Higher than Canadian average
  - Direct law enforcement costs 11% ---- Lower than Canadian average
  - Other direct costs (including costs for prevention and research) 3.4% --- Similar to Canadian average
  - Indirect Productivity losses 63% ---- Higher than Canadian average

### **Comparison to 1992 social costs for substance abuse**

- The 2002 costs for substance abuse are not directly comparable to the 1992 costs due to improvements in estimation methods and factors such as inflation and demographic changes. For example, the costs of crime attributed to substance abuse were not included in the 1992 costs.
- Any comparisons between studies do not take these factors into consideration therefore should be used with caution. For example the total (\$418.9 million) and per capita (\$443) costs for alcohol

abuse were much higher in Nova Scotia for 2002 compared to the 1992 costs of \$240.1 million and \$261.

- A more accurate comparison can be made in terms of underlying estimates of substance abuse related death and illness. This study reveals several Canadian trends:
  - Alcohol was more of a problem in 2002 than it was in 1992. *Increases in alcohol-attributed death and illness between 1992 and 2002 may be linked to changes in patterns of use, including increased consumption of five or more drinks on a single occasion.*
  - Tobacco was stable or falling. *The reduction in smoking-attributed death and illness may result from improved tobacco control measures in the 1980s and '90s.*
  - Illegal drugs saw a substantial increase. Drug-attributed deaths, for example, more than doubled between 1992 and 2002, largely because of an increase in drug overdoses and the spread of hepatitis C, which was not measured in 1992.

### Cost study information

*The cost study was undertaken by CCSA in partnership with Addictions Foundation of Manitoba (AFM); Alberta Alcohol and Drug Abuse Commission (AADAC); British Columbia Ministry of Health; Canadian Institutes of Health Research (CIHR)– Institute of Neurosciences, Mental Health and Addiction; Centre for Addiction and Mental Health (CAMH); Health Canada; Ministère de la Santé et des Services sociaux (MSSSQ); New Brunswick Department of Health and Wellness; Nova Scotia Health Promotion and Protection; Public Safety and Emergency Preparedness Canada and was guided by steering committee composed of representatives of government, addiction agencies, private industry and academia.*

The Costs of Substance Abuse in Canada 2002: Highlights

<http://www.ccsa.ca/NR/rdonlyres/18F3415E-2CAC-4D21-86E2-CEE549EC47A9/0/ccsa0113322006.pdf>

Les coûts de l'abus de substances au Canada 2002 : points saillants

<http://www.ccsa.ca/NR/rdonlyres/749E4183-4B12-4E7B-BABC-FOF5EB23E920/0/ccsa0113332006.pdf>

**Table Social costs of tobacco, alcohol and illegal drugs in Nova Scotia, 2002**

	<b>Tobacco</b>	<b>Alcohol</b>	<b>Illegal drugs</b>	<b>Total TAD</b>
<b>1. Direct health care costs: total</b>	<b>161,500,000</b>	<b>97,300,000</b>	<b>26,800,000</b>	<b>285,600,000</b>
1.1 morbidity – acute care hospitalization	103,914,114	50,870,211	10,125,440	164,909,765
- psychiatric hospitalization	-	311,395	108,928	420,323
1.2 inpatient specialized treatment		12,785,802	6,454,968	19,240,700
1.3 outpatient specialized treatment		798,036	955,881	1,753,917
1.4 ambulatory care: physician fees	6,944,994	3,918,288	1,106,472	11,969,754
1.5 family physician visits	8,664,450	4,888,386	1,380,415	14,933,251
1.6 drugs prescribed	41,983,517	23,686,634	6,688,788	72,358,939
<b>2. Direct law enforcement costs</b>	<b>-</b>	<b>78,100,000</b>	<b>58,200,000</b>	<b>136,300,000</b>
2.1 police				
2.2 courts				
2.3 corrections (including probation)				
<b>3. Direct costs for prevention and research</b>	<b>2,400,000</b>	<b>1,600,000</b>	<b>500,000</b>	<b>4,400,000</b>
1.1 research				
1.2 prevention programs				
1.3 salaries and operating funds				
<b>4. Other direct costs</b>	<b>2,600,000</b>	<b>30,000,000</b>	<b>2,400,000</b>	<b>35,000,000</b>
4.1 fire damage				
4.2 traffic accident damage				
4.3 losses associated with the workplace				
4.3.1 EAP & health promotion programs				
4.3.2 drug testing in the workplace				
4.4 administrative costs for transfer payments				
4.4.1 social welfare and other programs				
4.4.2 workers' compensation				
<b>5. Indirect costs: productivity losses</b>	<b>459,000,000</b>	<b>212,000,000</b>	<b>112,400,000</b>	<b>783,300,000</b>
5.1 due to short and long-term disability	392,500,000	182,500,000	104,700,000	679,800,000
5.2 due to premature mortality	66,500,000	29,500,000	7,600,000	103,600,000
<b>Total</b>	<b>625,500,000</b>	<b>418,900,000</b>	<b>200,200,000</b>	<b>1,244,600,000</b>
<b>Total per capita (in \$)</b>	<b>662</b>	<b>443</b>	<b>212</b>	<b>1,317</b>
<b>Total as % of all substance-related costs</b>	<b>50.3</b>	<b>33.7</b>	<b>16.1</b>	<b>100.0</b>

Summary prepared by Nova Scotia Health Promotion and Protection, April 2006