



Attention: News/Assignment/Health Editors

Abuse of tobacco, alcohol and illegal drugs costs Canadians \$40 billion, according to new estimate

OTTAWA, ON, April 26, 2006 – A study released today describes substance abuse as a significant burden on the Canadian economy in terms of both its direct impact on health care and criminal justice costs, and its indirect toll on productivity resulting from disability and premature death. The Canadian Centre on Substance Abuse (CCSA), Canada’s national addictions agency, 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 study reveals that

- Legal substances (tobacco and alcohol) account for almost 80% of the total cost of substance abuse (79.3%); illegal drugs make up the remaining 20.7%;
- Tobacco imposes the greatest cost at \$17 billion (42.7%);
- Alcohol accounts for \$14.6 billion (36.6%); and
- Illegal drugs cost \$8.2 billion (20.7%).

The impact of substance abuse was relatively uniform across Canada, except in the territories where costs are higher than in the provinces. For a more detailed breakdown on the estimated costs, including regional breakdowns, please refer to the *Costs of Substance Abuse in Canada 2002: Highlights*.

“The costs of substance abuse in Canada are significant and rising,” said Michel Perron, CCSA’s Chief Executive Officer. “This cost study has the potential to help reverse that trend if it succeeds in convincing governments and other stakeholders to make substance abuse a high priority on the public agenda. It is an important step toward determining where we can best allocate resources to start reducing the burden of substance-related death and illness on Canadian society.”

Comparing the costs of substance abuse

CCSA published the first Canadian cost study in 1996 based on 1992 data. The total cost of substance abuse was then estimated to be \$18.5 billion. However, the authors of the new study caution against making direct cost comparisons with the previous study. Cost estimation methods have evolved since then and data contained in one study were not always available for the other. Inflation and demographic shifts also make comparisons difficult. Although it may not be possible to determine the exact magnitude of changes in costs from 1992 to 2002, there is no doubt that costs have risen.

A more telling comparison can be made in terms of the underlying estimates of death and illness linked to substance abuse:

- 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.*

Canadian Centre on Substance Abuse

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- 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.*

“The methodology for this study is complex and it’s important to note that estimating social costs is not a simple accounting exercise,” said Jürgen Rehm, Senior Scientist, Centre for Addiction and Mental Health and principal investigator for *The Costs of Substance Abuse in Canada 2002*. “The results of this study are based on well-documented economic theories and assumptions and represent an accurate estimate of the impact of substance abuse on Canada. In all cases where we could have used different assumptions to estimate costs, we routinely adopted the most conservative approach.”

Partners

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

Highlights of *The Costs of Substance Abuse 2002* are available at www.ccsa.ca. For additional background information, please click [here](#).

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About CCSA

CCSA is Canada's national addictions agency and is supported by Health Canada through Canada's Drug Strategy. Established by an Act of Parliament in 1988, CCSA provides objective, evidence-based information and advice aimed at reducing the health, social and economic harm associated with substance abuse and addictions.

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