Invest in evidence: A results-oriented funding plan for Canada's drug policy

Submission for Pre-Budget Consultations:

Canadian Drug Policy Coalition

July 30, 2025

Faculty of Health Sciences, Simon Fraser University
2400 - 515 West Hastings St., Vancouver, BC, V6B 5K3 | T: +1 778.782.5148 F: +1 778.782.7768 www.drugpolicy.ca

RECOMMENDATIONS

CDPC recommends that Government cut $735,795,000 in proposed spending and invest 74% of those funds over 5 years in results-oriented substance use policy and programs:

1. $12,000,000 to implement Health Canada's Expert Task Force on Substance Use recommendations;
2. $9,100,000 to:
   a. Educate front-line workers;
   b. Support community dialogue on substance use and harm prevention;
   c. Develop people-centered policy and services.
3. $496,000,000 to:
   a. Fund essential life-saving services nationally;
   b. Improve service implementation under ss 56, 56.1 of the *Controlled Drugs and Substances Act.*
4. $27,000,000 to:
   a. Decrease reliance on illegal drugs;
   b. Bring substance use care into Canada's universal healthcare system.

Faculty of Health Sciences, Simon Fraser University
2400 - 515 West Hastings St., Vancouver, BC, V6B 5K3 | T: +1 778.782.5148 F: +1 778.782.7768 www.drugpolicy.ca

Canada experiencing an "unrelenting crisis of premature deaths related to the toxic, unregulated drug supply" according to the Public Health Agency of Canada. 20 people are killed each day from opioid drug toxicity, and a further 11 from stimulants. Between 2016-2024, an estimated 786,660 people may have acquired a preventable chronic brain injury due to unregulated drug poisoning. While rates of drug use and substance use disorders have not increased over the last decade, drug-related fatalities and hospitalizations have skyrocketed. The current policy regime has not decreased availability or use of illegal drugs but has created a variable and volatile drug market that poses imminent risk to all people who consume unregulated drugs, including those who use episodically.

This crisis must be addressed with evidence-based solutions that separate people from the unpredictable and variable drug supply while providing urgently needed frontline services.

Canada's Failed Path

Canada's $1.3 billion border plan includes $11.7M spent on surveillance helicopters for 13 weeks and proposes $78.7M for two new drug analysis labs, $200M in intelligence gathering and sharing, and deployment of 10,000 border security agents. These investments are designed to create "drug enforcement hubs modelled after the U.S" and to increase information sharing with U.S. law enforcement. Further, Canada established a "fentanyl czar" whose annual salary is between $243,500 and $286,400, and who expensed $18,230.56 for travel in just 2.5 months. Canada also announced accelerated scheduling of precursor chemicals under the *Controlled Drugs and Substances Act* (CDSA).

These expenditures are not results-oriented; do not uphold the rule of law and protect democratic institutions; and do not promote public health or safety, particularly for the most vulnerable. They are:

- **Unnecessary:** Despite increased focus on border interdiction, only 56g of fentanyl or precursor chemicals were seized in February 2025; U.S.-based analysis confirms Canada plays a minimal role in the U.S. fentanyl supply; it is broadly accepted that the U.S. administration made false claims regarding fentanyl flowing from Canada.

- **Ineffective:** Canada's own evaluation shows that, despite 58% of Canadian Drugs and Substances Strategy spending between 2017-2022 going to "enforcement", data is lacking to demonstrate the efficacy of enforcement efforts. Surveillance helicopters were only deployed in *one* suspected border crossing over 6 weeks, and funds increasingly go towards tracking emerging substances rather than preventing the drug supply from becoming volatile in the first place. Enforcement relies heavily on the hypothesis that "restricting drug production and intercepting trafficking routes will drive up prices and reduce drug demand", yet "[t]here is no solid evidence that increasing the intensity of enforcement raises the actual costs for drug traffickers" or addresses demand for substances.

- **Harmful:** Experts broadly agree and Canada's data indicate that increased interdiction and scheduling of novel substances *increases* the volatility (see Fig. 1, see also) of the drug supply. Police enforcement and incarceration are correlated with increased overdose and public health harms while deterring people from healthcare. According to UN experts, this approach, "undermines health and social wellbeing and wastes public resources while failing to eradicate the demand for illegal drugs and the illegal drug market."

Meanwhile, changes to the unregulated drug supply are outpacing the demand for front-line services. Supervised consumption services (SCS), naloxone and drug checking are vital, but they are being defunded or underfunded even as government agencies urge people not to use alone and to test their drugs.

The correlation between intensified drug law enforcement, insufficient investment in healthcare, and health and social harms is demonstrable and foreseeable.

Invest for Results, Good Governance and Fiscal Responsibility

While some "costs" have been documented, the associations between drug law enforcement approaches and volatility of the supply, overdose risks, gang violence, healthcare system burden, lost economic productivity and preventable injury have not been fully assessed. As early as 1973 and up to the present day, however, government task forces and experts have decried the economic burden of policing, courts, corrections and downstream health services.

Notably, the demand for frontline services and healthcare burden due to preventable injuries would be significantly decreased if more people were separated from the unregulated market. This can be achieved by displacing the unregulated market with one that is responsibly regulated – as called for by the UN Office of the High Commissioner for Human Rights, Health Canada's Expert Task Force, the BC Coroner Service, the BC Provincial Health Officer, the Ontario Chief Medical Officer of Health, and CDPC.

Short of regulating the drug supply, frontline services like SCS, naloxone and drug checking are fiscally responsible downstream interventions that reduce fatal overdose and prevent injuries. Nationally, from January 2017 to February 2025, SCS had 5,270,321 visits from 513,719 unique clients, responded to 64,874 overdoses with **zero fatalities** and made 616,868 referrals. SCS also reduce public drug consumption, decrease strain on emergency and hospital services, and reduce healthcare costs. Despite this, in April 2025 Ontario closed 9 SCS. Since then, overdoses at drop-in centres in Toronto have increased sharply.

Further, inhaling, not injecting, drugs is increasingly associated with preventable deaths (See: Alberta, BC, Ontario data). Inhalation SCS can be supported through a range of options from indoor, ventilated rooms to simple covered outdoor areas (e.g. St. Paul's Hospital inhalation tent). Such services are

supported by law enforcement leaders. Despite this, there are only 26 inhalation SCS across Canada (mostly in BC).

Finally, drug checking services, often provided within SCS, provide real-time information on the composition of the drug supply, allowing people to better understand the contents of their drugs and reduce their risk of overdose. In Toronto alone, 78% of drug checking samples were collected through SCS that have now closed.

A Made-in-Canada Substance Use Policy and Care Plan

Canada can make better policy and budget decisions. Health Canada's Expert Task Force on Substance Use and the Global Commission on Drug Policy outline clear recommendations, and Canada's cannabis reforms and Bills C-201 and C-206 provide roadmaps to build a more equitable policy, investment and healthcare system.

Canada can promote public safety while cutting $735,795,000[1] and reallocating 74% of those savings into proven solutions – reducing expenditures by 26% *and* achieving vastly improved outcomes.

Evidence-Based Policy for Better Results

Canada must spend less to achieve more effective policy and education. $21.6M over 5 years will make a difference:

i. Implement Expert Recommendations

Invest $12,000,000 over 5 years in a Community Health and Public Policy Implementation Team to "develop and implement a single public health framework with specific regulations for all psychoactive substances" as recommended by Health Canada's Expert Task Force on Substance Use to:

- ✓ Minimize the scale of the illegal market and organized crime;
- ✓ Bring stability and predictability to the supply of substances;
- ✓ Provide access to safer substances for those at risk of injury or death;
- ✓ Improve social, economic, cultural and family health by removing criminal penalties related to drug possession and implementing cost-free, automatic record expungement for prior possession offences;
- ✓ Improve integration of future substance use strategy – decreasing harms and financial waste of siloed enforcement and public health approaches;
- ✓ Align Canada's policy with sustainable development goals and equitable economic development.

[1] Calculation: $200M intelligence budget; $234M Blackhawk rentals over 5 yrs; $78.7M new drug labs; $1.75M Fentanyl Czar over 5 yrs; $216.34M reallocating 50% of "prevention" expenditures over 5 yrs based on 2017-2022 Canadian Drugs and Substances Strategy spending.

ii. Improve Civic Engagement

Canada's spending on public advertising, education, health awareness days and social media is not increasing public knowledge nor improving support for public health initiatives. Stigmatizing and unscientific narratives about substance use and policy increasingly permeate public discourse. Canada spent $134M on "prevention" between 2017-2022, yet national survey data shows *decreased* awareness of Canada's toxic drug crisis and *decreased* belief in the crisis's seriousness. Further, only 7.9% of frontline police completed the Drug Stigma Awareness Training Investing (completion target: 25%).

Investing $9.1M over 5 years in evidence-based approaches would improve education and civic engagement:

1. Prepare frontline workers, $1.6M over 3 years: Colleges and universities do not require health and social services students to take courses in substance use and harm reduction leaving workers ill-equipped to provide quality care. Canada must invest in education:
    a. $700,000 for an independent review and consultation on existing harm reduction curricula and the development of a nationally deployable curriculum;
    b. $900,000 to tailor curricula to local needs and train instructors.

2. Support community dialogue, $2.5M over 5 years: Drawing on literature assessing promising practices to improve knowledge of and support for evidence-based policy, Canada must invest in effective community-based learning:
    a. $500,000 over 2 years to refine a community-based dialogue framework that engages community concerns and builds support for evidence-based policy;
    b. $400,000 over 2 years to develop community-specific dialogue resources for diverse Indigenous, regional, ethnic, and language communities;
    c. $600,000 over 3 years to train community dialogue leaders nationwide;
    d. $1,000,000 over 5 years for local framework deployment and evaluation.

3. Center people with lived/living experience (PWLLE), $5M over 5 years: Peer groups of PWLLE are often volunteer run and lack capacity to meet overwhelming demand. Canada must fund peer-based organizations to:
    a. Reach under-served people with low-barrier information/referrals and provide spaces of belonging and support;
    b. Create a network of PWLLE experts to inform policy and practice in keeping with Canada's evaluation recommendations to foster more diverse and coordinated engagement.

Public Dollars for Public Good

Canada must invest in "a full spectrum of supports for people who use drugs or substances or who are in recovery". Many services that save and improve lives are not included in funding agreements under the *Canada Health Act* (see also Bill C-201) in accordance with the principles of public administration, comprehensiveness, universality, portability, and accessibility.

i. Fund Essential Services

Invest $496M over 5 years to build effective services nationally:

1. Make it universal and portable: provide reliable funding for essential services including SCS, sterile equipment and drug checking:
    a. $75M/yr for 5 years for existing and recently de-funded services;
    b. $10M seed fund to establish services in smaller municipalities, rural and remote communities;
    c. $2M/yr for 5 years to implement SCS and harm reduction programs in federal correctional institutions and to support similar provincial programs;
    d. $1M to review regional changes to funding and policy support, and implement regulatory reforms pursuant to ss 56, 56.1 of the CDSA to ensure the comprehensiveness, universality, portability and accessibility of services.

2. Make it accessible and comprehensive:
    a. $100M capital investment fund to purchase, build or retrofit SCS facilities for inhalation services.

ii. Invest in Innovation

Invest $27M in a healthier future:

1. Decrease reliance on illegal drugs:
    a. $1M/yr for 5 years for innovative programs (see also) to separate people from the unregulated drug supply.

2. Invest in health, not profit: Canada does not have clear requirements for specializing in "addictions" care. Little is known about the unregulated, private for-profit addiction treatment industry because services are not tracked or evaluated to ensure their efficacy and safety. Canada must invest public dollars for public health:
    a. $2M to review the spectrum of private "treatment" services and propose options for publicly administered, effective treatment options with an advisory committee of impacted individuals and communities;
    b. $20M to support pilot projects for publicly administered, on-demand, regulated, voluntary, not-for-profit withdrawal management and treatment services.

Total spending: $544,100,000 over 5 years