

Ottawa, September 13<sup>th</sup>, 2024

*Letter sent by email to all members of the Standing Senate Committee on Social Affairs, Science and Technology*

**Subject: Small Businesses' Perspective: Bill C-64, An Act Respecting Pharmacare**

Dear Senators,

We are writing on behalf of the 97,000 small- and medium-sized enterprises (SMEs) who are members of the Canadian Federation of Independent Business (CFIB). Bill C-64, An Act Respecting Pharmacare, has passed the House of Commons and is now being studied by the Standing Senate Committee on Social Affairs, Science and Technology. We wanted to take this opportunity to share some survey results with you and recommendations on further deployment of Pharmacare.

While the goal behind a single-payer pharmacare system may be commendable, it raises significant concerns among SMEs, particularly regarding the financial responsibilities associated with such a plan. In fact, a report from the Parliamentary Budget Officer (PBO) estimated that total drug expenditures under a comprehensive, single-payer plan would be \$33.2 billion for 2024-25, rising to \$38.9 billion by 2027-28.<sup>1</sup> As such, there is a significant concern among SMEs about the financial implications of funding a national pharmacare system.

SMEs believe that Pharmacare should be funded primarily by cutting existing spending and by making individuals responsible for covering their own premium cost (figure 1). The financial strain of covering the cost of Pharmacare could be detrimental to the sustainability and growth of many small businesses, which are already operating with limited resources, facing massive cost increases and a difficult business environment. **As such, CFIB recommends that the cost of Pharmacare be funded through reallocation of existing funds rather than through additional or increased payroll taxes.**

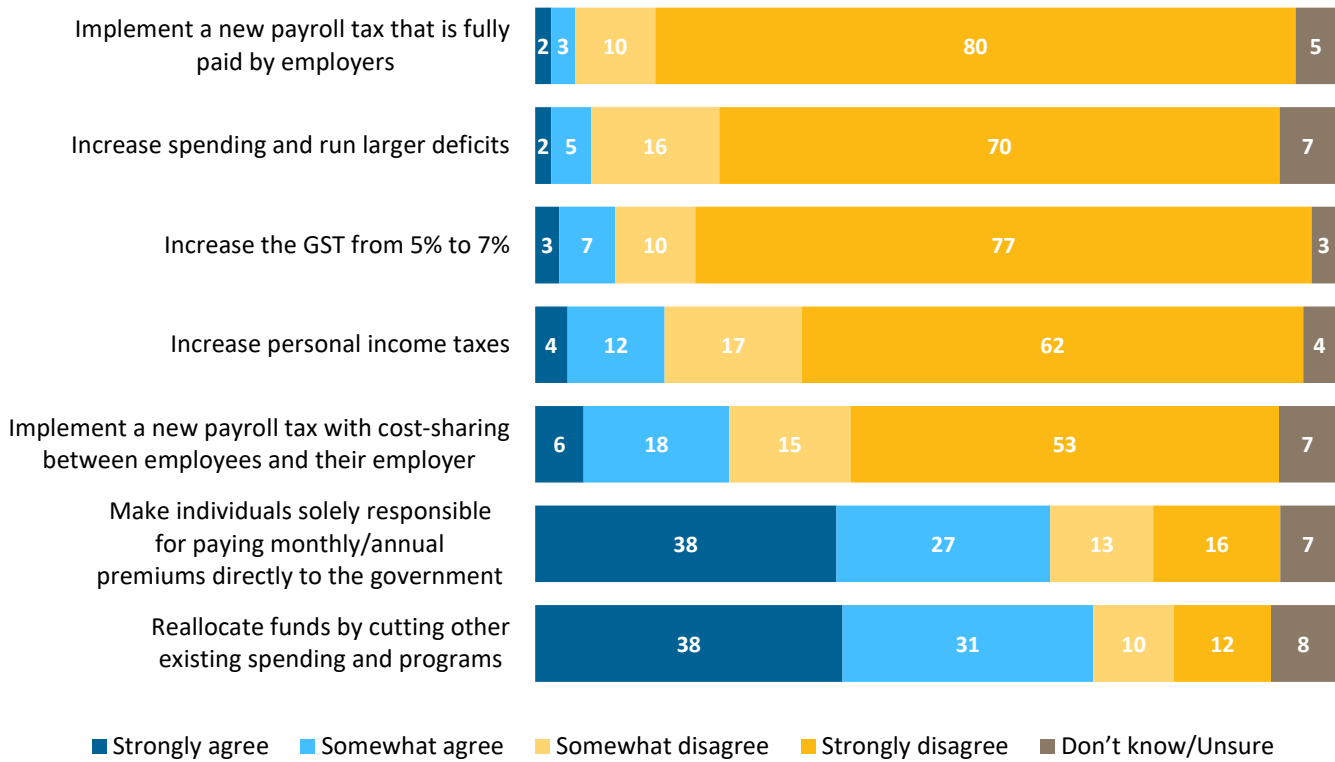
**We also recommend that consultations with SMEs should be conducted prior to any further expansion of the Pharmacare program.**

---

<sup>1</sup> Parliamentary Budget Officer (PBO), Cost Estimate of a Single-payer Universal Drug Plan, October 12<sup>th</sup>, 2023. <https://www.pbo-dpb.ca/en/publications/RP-2324-016-S--cost-estimate-single-payer-universal-drug-plan--estimation-couts-un-regime-assurance-medicaments-universel-payeur-unique>

Figure 1

To what extent do you agree or disagree with the following options to fund Pharmacare if it were to be implemented? (% response)



Source: CFIB, Your Voice - February 2024 survey, February 8-21, 2024, final results, n = 3,763.

Should you have any questions or concerns, you can reach us via e-mail at [Michelle.Auger@cfib.ca](mailto:Michelle.Auger@cfib.ca).

Sincerely,

Jasmin Guénette  
Vice-President, National Affairs

Michelle Auger  
Senior Policy Analyst, National Affairs