



Memorandum

To: Canadian Psychological Association
From: Impact Public Affairs
Subject: Federal Budget 2014
Date: 11 February 2014

Today Finance Minister Jim Flaherty announced the 2014 Federal Budget in the House of Commons. CPA had a representative invited to a private stakeholder Budget lock up on Parliament Hill where a small group of major national associations had an advanced preview and briefing on the Budget prior to Minister Flaherty delivering his Budget Speech on national television.

The deficit will be reduced to 2.9 billion in 2014-2015, and the government will return to surplus of \$6.4 billion next year.

Key Highlights of interest to CPA

The Budget contained many research-related provisions which could be of interest to CPA and its members. They include:

Creating the new Canada First Research Excellence Fund with \$1.5 billion in funding over the next decade to help Canada's post-secondary institutions excel globally in research areas that create long-term economic advantages for Canada.

Providing new funding of \$46 million per year for the granting councils to support advanced research and scientific discoveries, including the indirect costs of research, of which:

- \$15 million per year to the Canadian Institutes of Health Research, for the expansion of the Strategy for Patient-Oriented Research, the creation of the Canadian Consortium on Neurodegeneration in Aging and other health research priorities.
- \$15 million per year to the Natural Sciences and Engineering Research Council, to support advanced research in the natural sciences and engineering.
- \$7 million per year for the Social Sciences and Humanities Research Council, to support advanced research in the social sciences and humanities.
- \$9 million per year for the Indirect Costs Program.

HST Changes to Non-Health Care Services

Though there was nothing specific related to last year's changes to the HST treatment of "non-health care services", there was a line item in the budget indicating the government

expects that this measure will cost the government only \$1 million per year in foregone revenue, indicating that the change will not be large in scope.

CPA continues to dialogue with the government and the Canada Revenue Agency on this important matter and will have a further update for members soon.

Housing First Approach

Budget 2013 announced nearly \$600 million over five years starting April 2014 to renew and refocus the Homelessness Partnering Strategy using a Housing First approach. The Housing First approach involves giving people who are homeless a place to live, and then providing necessary supports to help them stabilize their lives and recover. As demonstrated by the Mental Health Commission of Canada's At Home/Chez Soi project, the Housing First approach is an effective method to reduce homelessness and help those with mental illness. Through the Homelessness Partnering Strategy, the Government is implementing the Budget 2013 commitment, and continues to work with communities, provinces and territories and the private and not-for-profit sectors to find flexible and effective ways to respond to homelessness.

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