CANADIAN PSYCHOLOGICAL ASSOCIATION

SOCIÉTÉ CANADIENNE DE PSYCHOLOGIE

September 30, 2026

The Honourable Majorie Michel, M.P. P.C.
Federal Minister of Health
Health Canada Address Locator: 1801B
Ottawa, Ontario K1A 0K9

Dear Minister Michel:

I am writing to you given the significant leadership role that the federal government, and you as Minister of Health, play in promoting, protecting and securing publicly funded access to health care services across this great country. While for the most part, this has focused on timely access to physical health care services via the *Canada Health Act*, the federal government has placed an increasing emphasis on improving access to mental health care services, of which the CPA is very supportive.

As of writing this letter, it is not clear if the federal government will be extending/renewing its annual (2017) investment of $600 million for mental health and substance use health care services. It is the CPA's long-held view that there is a health, social and economic imperative for the federal government to continue to provide protected funding to the provinces and territories for mental health and substance use health care services. More specifically, a mentally healthy population is an essential component to fulfilling our individual and collective potential as well as having a productive and innovative workforce that drives Canada's long-term prosperity and competitiveness.

As you know, in 2017, through a series of negotiated bi-lateral agreements with the provinces and territories, the federal government provided $5 billion over ten years to support mental health and addiction services.

More recently in 2023, the *Working Together to Improve Health Care for Canadians* agreements were announced, of which $25 billion over ten years was set aside for four specific priorities (expanding access to family health services, supporting health workers and reducing backlogs, improving access to quality mental health and substance use services, and modernizing the health care system with standardized health data and digital tools). Our understanding is that the final four years of the 2017 agreements, totalling $2.4 billion (or $600 million per year), were rolled into this funding framework.

Further analysis of each bi-lateral agreement with the federal government reveals that, to-date, the provinces and territories have invested, on average, a very modest 15.9% of this funding for mental health and substance use health care services, noting that three provinces had planned to invest none of the federal funding in mental health and/or substance use health.[1]

1101 promenade
Prince of Wales Drive
Suite #230
Ottawa, Ontario,
K2C 3W7
613.237.2144
1.888.472.0657

Email/Courriel:
cpa@cpa.ca
cpa.ca

[1] Canadian Alliance on Mental Illness and Mental Health (CAMIMH). *Take the Money and Run – How Accountable are the Provinces and Territories in Spending Federal Funding on Mental Health & Substance Use Health Care?* December 2024. Canadian Mental Health Association. *Overpromised, Underdelivered – Analysis of Mental Health Care Investments in the 2023 Working Together Health Bilateral Agreements*. August 2024.

This is unacceptable not only for the minute order-of-magnitude investment in an area that so desperately needs it, but it also undermines the principle of the federal government providing the provinces and territories with "protected" funding that would be invested in mental health and substance use health services.

The recent release of CAMIMH's *4th Annual Mental Health and Substance Use Health Care Report Card* which found that the federal and provincial governments received a failing grade of F underscores the urgent need to do more.

Moving forward, we believe that there are several policy pathways the federal government could pursue to improve the mental health and substance use health of the people of Canada, and are as follows:

1. ***Renew the 2017 mental health agreement*** – this would see the federal government effectively renewing the 2017 bi-lateral agreements with the provinces and territories. While such a fund provides the provinces and territories with the flexibility to identify their respective mental health and substance use health priorities, we would envision some strengthening of the accountability provisions.

2. ***Pass a Mental Health and Substance Use Health Parity Act*** – this would see the federal government pass a complementary piece of legislation to the *Canada Health Act* that would expand public coverage for evidence-based mental health care and substance use health care services, giving those in need, particularly from marginalized populations, better access to care and improved health outcomes. It would equally value access to mental health and substance use health care services with physical health care services. Attached to this piece of legislation would be dedicated funding to be transferred to the provinces and territories. We would note that the CPA supports the recent tabling of Bill C-280 (*An Act to enact the Mental Health, Addictions and Substance Use Services Act and to make consequential amendments to the Federal-Provincial Fiscal Arrangements Act*), by MP Gord Johns.

3. ***Create a National Psychological Services Fund or Program***[2] – In the former, building on option 1 above, this would see the creation of dedicated amount of federal funding that would be transferred to the provinces and territories to provide expanded public coverage for evidence-based mental health care services (e.g., psychological services, as a starting point). In the latter, similar to the National Dental Care Program, this would see the federal government take responsibility for the funding and administration that would provide expanded access to evidence-based mental health care services (similar to the successful Improving Access to Psychological Therapies [IAPT] program in the United Kingdom). It has been noted that such a Fund would generate a significant return-on-investment and would pay for itself.[3]

4. ***Provide additional funding via the Canada Health Transfer*** – this would see the federal government, notionally recognizing the need to expand coverage for evidence-based mental health care services (e.g., psychological services), and giving the provinces and territories the flexibility they need, provide additional funding via the Canada Health Transfer. Again, as set out in option 1, we would envision strengthened accountability provisions.

---

[2] Mental Health Commission of Canada. *The Time is Now – Considerations for a National Psychotherapy Program*. 2021.

[3] David M. Clark. *Making the Carse for Publicly Funded Mental Health Care in Canada*. University of British Columbia, May 7, 2026

In identifying the above options, we are of the strong view that this is not the time or place for the federal government to withdraw from its financial commitment to supporting the mental health care and substance use health care for the people of Canada. Now, more than ever, it is critical to continue to play a strong leadership role to ensure that everyone has an opportunity to access the care they need, when they need it and contribute to making this country increasingly inclusive, dynamic, innovative and prosperous.

It is also an opportunity to align and leverage funding through the federal government's *Health Infrastructure Fund*, which in part, is dedicated to improving and strengthening healthcare education, training and workforce capacity for mental health.

In terms of funding, we would note that as part of the *Working Together to Improve Health Care for Canadians* agreement, the federal government committed to a 5% annual increase in the Canada Health Transfer until 2027/28, after which will increase in line with annual increase in gross domestic product with a 3% floor. Given our current economic performance, this two percentage point difference amounts to an estimated annual reduction of $2.2 billion in 2028/29 that would continue to grow over time – and, reinvested, could make a significant impact in terms of funding mental health and substance use health care services.

While the CPA's preferred option would be to ensure there is protected funding for mental health care services, we recognize that each option has different strengths and limitations. That said, a key policy issue that must be non-negotiable and part of any future federal, provincial and territorial negotiation is the need to develop and strengthen public reporting on a more comprehensive set of mental health and substance use health system performance indicators.

This could mean that, on a regular basis (at least annually), a *National Mental Health & Substance Use Health System Dashboard* would be released by the Canadian Institute for Health Information. Such a report would compare and contrast the provinces and territories across a number of standardized indicators (and in time, could include evidence-based benchmarks and targets). In the best of all worlds, this dashboard would shine a public light on health system performance; accelerating the sharing of best practices and scaling innovations across Canada while creating significant momentum to improve health outcomes.

We understand that the *Working Together* agreements are currently up for renewal and include a two-part review to be undertaken in 2026 and 2027 by a joint committee of Federal, Provincial and Territorial health and finance officials. This could be an opportune moment to assess the results of the bi-lateral agreements and negotiate additional funding for mental health and substance use health care services with the *quid pro quo* being stronger transparency and accountability provisions.

In our view, this could produce a "win-win-win" scenario; a win for the provinces and territories who will receive ongoing and predictable funding, a win for the federal government in securing its leadership role in protecting access to mental health and substance use health care services, and a win for the public in terms of improved transparency and accountability when it comes to health system performance.

Equally important, it shifts the federal-provincial-territorial dynamic from exclusively fixating on *federal funding* to how health systems are *performing*. In the future, one would hope that future inter-governmental discussions would focus on how we can identify and improve performance-based gaps instead of banging the table for more money.

In closing, for too long mental health and substance use health has been on the margins of Medicare despite knowing that there can be no health without mental health and substance use health. In this letter, we have provided you with several paths forward that meet a number of public policy objectives, and most of all, take a critical step forward in giving the people of Canada better access to evidence-based mental health care services.

The CPA would welcome the opportunity to discuss these issues further with you at your convenience. I can be reached at executiveoffice@cpa.ca.

Sincerely,



Lisa Votta-Bleeker, Ph.D
Chief Executive Officer

Copies to: The Right Honourable Mark Carney, Prime Minister of Canada
The Honourable Francois-Phillippe Champagne, Minister of Finance