



**Canadian Psychological Association:  
Pre-budget submission  
House of Commons Standing Committee on Finance  
(July 2015)**

## **About**

The Canadian Psychological Association (CPA) is the national association for the science, practice and education of psychology in Canada.

### **1) Productivity: What federal actions regarding health, education, tools, technology, the federal public service and supports for the involvement of all Canadians would improve Canada's rate of productivity?**

The cost of mental illness in Canada is estimated at 51 billion annually. Yet, Canada has no parity in its public funding of mental and physical healthcare with spending on mental health in Canada at only 7% of total health spending. Mental disorders that are addressed promptly and effectively will yield a cost offset of their treatments and decreases in short or long term disability. On the other hand, untreated or undertreated disorders have an estimated impact on productivity in the workplace of tens of billions of dollars annually. The promotion of psychological health and safety in the workplace reduces absenteeism, presenteeism, turnover, accident and injury rates.

Psychological services are not covered by our public health insurance plans. Canadians either pay out of pocket or rely on the private health plans provided by employers. Coverage through private plans is almost always too little for clinically meaningful service. Access to evidence based treatments should not depend on employment benefits or income level. Those who cannot afford to pay for treatment end up on long wait lists, have to depend on prescription medications, or simply do not get help at all.

Research has demonstrated that psychological treatments are among the most effective treatments for the most common of mental disorders such as depression and anxiety.

The Mental Health Strategy for Canada called for increased access to evidence-based psychotherapies by service providers qualified to deliver them. The federal government has an important role to play in Canada's mental health. This role includes delivery of care in jurisdictions of its authority, increasing or targeting mental health transfers to provinces and territories, and collaborating with provinces and territories to improve access. All governments and industry stakeholders need to work together so that Canadians can access the care they need.



## Recommendations:

- Set up an innovation fund to assist the provinces and territories in developing a sustainable mental health infrastructure across Canada to improve access to psychological services. The fund could be used by the provinces/territories to adapt the United Kingdom's Improved Access to Psychological Therapies program and expand the role of primary health care.
- Revisit the extended health care insurance plans for federal public employees. Effective treatment of anxiety and depression typically requires 15-20 sessions with most patients attending fewer than 10. A) Remove the requirement that employees obtain a medical referral in order for psychological services to be reimbursed under the extended health insurance plans. As a regulated profession, psychologists' scope of practice does not require medical referral or oversight. B) Increase coverage for psychological services from \$2000 to \$3500 under the Public Service Health Care Plan. C) Provide incentives to employers who offer their employees an amount of coverage that enables them to access the 15 to 20 sessions of psychological treatment.
- Expand the Can Learn program so that psychologists who work in rural or remote communities can earn up to \$40,000 in Canada Student Loan forgiveness over a maximum of five years (\$8,000 per year). It is estimated that in rural areas, the number of psychologists to population ratio is approximately 1: 28,500 whereas, on average, it is 1: 3,848 in urban areas.
- Revise Chapter 7 of the Agreement on Internal Trade (AIT). Entry to practice standards for psychologists varies across the country but in 2014, Canada's regulatory bodies of psychology endorsed the doctoral degree. Currently, Chapter 7 of the AIT permits a single jurisdiction to define entry to practice for the rest of the country by permitting that jurisdiction's member to gain access to scope and title in every other jurisdiction. This has created a back door to practice where candidates can seek licensure in a jurisdiction with the least onerous standards and then become licensed somewhere else –without ever have lived or practiced, or intended to live or practice, in the jurisdiction in which they sought initial licensure. Canada's regulatory bodies need a mechanism to develop and apply a community standard for entry to practice.
- Help meet the mental health human resource needs at the Federal level, by recruiting, training and retaining psychologists to work in Federal departments. A) Ensure that remuneration is competitive with the private sector. B) Develop a federal residency program to enable doctoral students in psychology to complete practical training in federal departments where there is need such as in Correctional Service Canada, the Department of National Defence, and Veterans Affairs Canada C) Establish a chief



clinical psychologist position at the Department of National Defence within the Mental Health Directorate.

- Those Federal government departments that enter into contracts for service from registered psychologists pay at least the recommended rate set by provincial and territorial associations of psychology across Canada.

## **2) Infrastructure and communities: What federal actions would ensure that Canada's communities have the infrastructure they need to support people and businesses, including in work, leisure and getting goods to market?**

Continued increases in core funding for research and research infrastructure are paramount to the success of our country. Psychological research has broad and significant application to the well-being of Canadians and their communities, creating an understanding of people, human problems and the many environments in which we live. Psychology is both a social science and basic science whose relevance to societal well-being, human functioning, health, technology and innovation is everywhere.

The granting councils are widely admired internationally and form the bedrock of support for Canadian research. However, there is little parity in the amount of funds the granting councils receive. Further, success rates for the granting councils continue to fall as a result of decreased funding levels when adjusted for inflation. While investments have been made in programs of excellence, many individual researchers rated highly by international standards of excellence have been unable to secure funding. For example:

- In 2014, less than 1 in 4 SSHRC researchers received a grant despite another 40% of researchers being deemed eligible by peer-review committees.
- Fewer than 1 in 5 CIHR researchers are now typically funded while selection committees deem about two-thirds worthy of funding.

Data collected via national and standardized surveys is also crucial to the research community and to government, industry, business and communities which depend on these data to develop reliable, informed decisions and policies that can improve productivity, the economy and health.

Statistics Canada has provided a mechanism for reliable regular data collection on a national scale. Having national statistics available ensures that researchers are working from a common set of data points when considering issues of common concern.

The discontinuation of various Statistics Canada surveys, including but not limited to the University and College Academic Staff System (UCASS), Survey of Earned Doctorates (SED) and long-form Census, have left significant gaps in our ability to track the progress of academic positions, predict faculty age distributions and retirements, or examine the composition of faculty

and faculty salaries by field, age, gender, or rank. A response rate of 68.6% to the National Household Survey (NHS) compared to 95% for the last census is of great concern. Reliable data and research that is both collected and conducted in a standardized manner from a representative sample can be used to inform public policy, direct innovation, influence economic and social prosperity and examine complex socio-economic issues.

Because of the discontinuation of Statistics Canada surveys we are unable to assess how many psychologists are needed to provide adequate care for the millions of Canadians with mental health disorders because there is no standardized method by which to collect this data.

### **Recommendations:**

- Ensure core research funding for Canada's granting councils through SSHRC, CIHR and NSERC. The funding should be equally distributed amongst the councils.
- Increase investments in the tri-council basic research discovery funding programs alongside funding for targeted initiatives.
- Expand the Scientific Research and Experimental Developmental tax credit to include the social sciences.
- Appoint a Chief statistician and make Statistics Canada fully independent.
- Create a chief science officer to ensure that scientific analyses are accessible and taken into consideration when the government makes decisions and develops policy.
- Reinstate the long-form mandatory census.
- Reinstate previously discontinued surveys such as the University and College Academic Staff System (UCASS) and the Survey of Earned Doctorates (SED).
- Invest in collaborative efforts involving national organizations to collect data specific to Canada's mental health human resource.

### **3) Jobs: What federal actions would support Canadian residents as they secure employment, adapt their skills to meet the evolving needs of employers, and move to locations where jobs exist?**

Psychology is the most popular undergraduate major in Canadian universities, with approximately 8,000 new honours or majors students admitted each year. Approximately 10

times that number takes an introductory psychology course during their undergraduate degrees in other fields. Many of these students will go on to pursue graduate studies.

Facing significant burdens of high tuition and rising debt, additional funding is key for Canada's graduate students as they seek to complete their studies and make the transition into the labour market. Canada's continued high youth unemployment rates necessitate a more robust active labour market policy. Students represent the next generation of researchers who, with the proper education and inspiration, will make ground-breaking discoveries and tackle the many economic, social, and cultural challenges facing Canadians.

### **Recommendations:**

- Invest in core funding for students to expand graduate scholarships, full-time internships, and post-graduate training.
- Expand the scope of MITACS to allow graduate students and post-doctoral fellows from research-based universities to intern with not-for-profit organizations.
- Create a federal internship program – where private companies such as research facilities, large corporations and universities can hire new researchers as interns.
- Increase funding for students travel grants.
- Reverse the Government's 2012 decision to eliminate SSHRC's Aid and Attendance Grants to Scholarly Associations (AAGSA) program.

### **4) Taxation: What federal actions in relation to personal and business taxation would result in the desired incentives for work, saving, spending, investment, job creation and other positive outcomes?**

Budget 2013 introduced a new sales tax on psychological services that had previously been exempt. A recent CRA consultation process confirmed that this new tax will make it harder for Canadians to access care. CPA opposes the Federal Government and Canada Revenue Agency's plan to tax mental health care and other social services.

Canada Revenue Agency's interpretation of the term "qualifying health care supply" is extremely troubling and ignores the fact that much of health care in Canada is funded through private insurance.



The Federal Government will now be taxing assessments done for the very purpose of helping an insurer determine the type or amount of benefits that the individual is entitled to receive. This is extremely problematic because these assessments may be necessary for patients to get the financial assistance they need in order to gain access to treatment.

Some examples of the types of services that CRA will now be taxing:

- Medical examination and completion of a disability certificate required by an insurance company.
- Medical assessment and report to determine whether an individual meets the “catastrophic impairment” criteria conducted on the request of an insurer.
- Assessments and reports about fitness to stand trial.
- Mental health capacity assessment and report to determine an individual’s capacity to consent to treatment or for the power of attorney/legal guardian.
- Mediation services rendered by a psychologist as part of a divorce proceeding.

The CPA opposes any measure that makes needed psychological service less accessible to the Canadian public such as taxing this service in the hands of users.

**Recommendations:**

- All psychological assessments and interventions should be deemed a qualifying health care supply and remain HST/GST exempt.
- Due to the prolonged gap between the coming into force date and the issuance of the guidance we recommend that the tax not be retroactively applied.