



Why Can't Canada Spend More on Mental Health? Executive Summary

This report examines national and provincial investment in mental health compared with performance in the UK, Australia and New Zealand, and makes the case on why and how this could change.

Impact of mental health issues

Current estimates indicate that more than 6.7 million Canadians out of a total population of 37 million live with mental illness. By 40 years of age, half of the Canadian population will have had or will have a mental illness. Despite these numbers, only one in three adults and as few as one in four children receive mental health treatment and support when needed.

Furthermore, estimates indicate the direct and indirect costs of mental health issues to the Canadian economy are \$50 billion per year with cumulative costs to the national economy over the next 30 years pegged at \$2.5 trillion..

National spending on mental health care

The Canadian federal government has increased federal fiscal transfers for health care by \$6.6 billion, but has not earmarked any of these payments to the provinces to improve mental health. As a result very little of this amount has been accrued to new investments in mental health services. In addition to increasing general health care transfer payments, the Canadian government has invested in the Mental Health Commission of Canada to catalyze action on mental health since 2007.

Canada's performance compared to others

Including recent housing investments and the development of the Mental Health Commission of Canada, Canadian investments in mental health represent mental health spending of \$5.22 per capita in 2011 (compared to \$187.51 invested in health care generally). This pales in comparison with the UK (\$62.22), Australia (\$98.13) and New Zealand (\$198.93).

Provincial spending on mental health care

In Ontario, the burden of mental health and addictions is estimated at more than 1.5 times of all cancers and more than seven times that of infectious diseases.

While investments in community mental health have increased it still only represents a fraction of overall health care spending. Between 2004 and 2011 on a per capita basis, Ontario invested \$1,361 in health care versus \$16.45 for mental health.

Further analysis shows that Ontario allocates slightly less of its health spending to mental health than the 7.2 per cent national average. Per capita spending on community mental health supports this finding. Ontario spends \$51.19 on community mental health while the weighted Canadian average is \$53.00.

Recommendations

Canada's new mental health strategy provides a useful blueprint to improve access to community services and supports, as well as better integration with primary care. To ensure access to care, this report recommends implementing the Mental Health Commission of Canada's recommendations to:

- Increase investment in community services
- Increase the mental health share of health spending to 9% across the country
- Increase social spending by 2% to ensure investments in housing, employment and income support.

These are not unreasonable targets. For example, increasing spending in Ontario by \$160 million per year would add 0.3% to health spending increases and offset costs in hospitalization, hostels and jails.



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