

**MEETING THE MENTAL HEALTH NEEDS
OF THE PEOPLE OF CANADA:
A Submission to the House of Commons
Standing Committee on Finance**

Submitted by:
Canadian Mental Health Association

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What is the CMHA?

Founded in 1918, the Canadian Mental Health Association (CMHA) is Canada's only voluntary, charitable organization that deals with both mental health and mental illness. CMHA's vision of *Mentally healthy people in a healthy society* provides the framework for the work that we do. Our mandate is to promote the mental health of all people and to support the recovery and resilience of people with mental illness. As a leading organization for mental health and mental illness in Canada, CMHA promotes mental health and advocates for policy change related to mental illness through the strong connections we forge with policy-makers, mental health consumers and their families, educators, the media, employers, stakeholders and other service providers.

With 12 provincial and territorial offices and over 125 local Branches from coast-to-coast-to-coast, CMHA is well-positioned in communities across the country. On an annual basis, CMHA serves over 100,000 people with the support of 10,000 volunteers. Communities in Canada are served by CMHA with programmes and services in education, advocacy, research, programmes, direct service, promotion, information, and public policy development. Our funding comes from government, corporations, foundations and individuals.

CMHA's Role in Public Policy Development

CMHA has had a proud history of contributing to public policy development at all levels of government. Our recent contributions to public policy at the federal level include submissions to the Senate Committee on Science, Social Affairs & Technology; submissions to the Commission on the Future of Health Care in Canada (Romanow Commission); previous submissions to the House of Commons Standing Committees on Finance, Health and Justice as well as programmes and research which have informed our work, the stakeholder community and government (eg: *Citizens for Mental Health; Routes to Work*).

CMHA plays an important role in providing a voice for a community of people who have not been active in public policy development until recently. CMHA is a strong supporter of increasing the role of all stakeholders in the mental illness and mental health communities in public policy development, most particularly the users of services.

CMHA will continue to be active in public policy development and looks forward to increasing its capacity in this area in the years to come.

The Challenge for Mental Health & Mental Illness in Canada

Supporting and ensuring the good mental health of the people of Canada has never been as high a priority for the Government of Canada as diagnosis and treatment of other medical conditions such as cancer, cardiovascular disease, diabetes or HIV/ AIDS. Mental health problems and mental illness are as damaging to the economy as almost any other condition. Too often referred to as the health system's "poor cousin," mental health and mental illness concerns are often sidelined. Over the years, services in these areas have been the first to get cut to balance the budget or to reduce the deficit.

Canada is the only G-8 country without a national strategy for mental health and mental illness. The Canadian Mental Health Association's vision of Canada is a country that takes immediate proactive action to remedy this national shame that leaves one in five Canadians, their families, friends, colleagues and caregivers in the ghetto of social programs.

Mental health and mental illness have been neglected in Canada far too long. At least one in five people is directly affected by mental illness during their lifetime. Indirectly, it affects millions of Canadians who are involved with loved ones, friends, colleagues and neighbours who have a mental illness. Good mental health is essential to everyone's well-being. The World Health Organization (WHO) has acknowledged the importance of mental health as well as physical health – we all need to be concerned.

Four thousand people commit suicide each year in Canada. According to Statistics Canada, for every completed suicide there are at least 20 attempts. Suicide is a major killer of young men aged 15 to 44 – when their contribution to society is at its prime.

Depression is the single most expensive cause of lost workplace productivity. Thirty per cent of absenteeism is linked to mental health issues. The cost to business for an employee's absence is \$10,000 per year, per employee. These costs include productivity loss, replacement costs and employee benefit insurance costs.

According to the 2002 Canadian Community Health Survey on Mental Health and Well-Being, seven percent (7%) of Canadians rate their own mental health as fair or poor and a slightly smaller proportion (5%) find their work extremely stressful and are dissatisfied with life, some very dissatisfied.

It is estimated that all costs, direct and indirect, for mental health problems, including disorders, totals almost \$17 Billion, which includes an estimated \$6 Billion in Short-Term Disability due to time away from work and other normal duties. Mental illnesses account for 50 per cent of physicians' billing. Mental illness is responsible for more hospital bed days than cancer. A recent study by the Global Economic & Business Roundtable in Canada estimates that depression alone costs the Canadian economy \$33 Billion a year.

Dealing with mental health and mental illness issues is not just a provincial responsibility nor is it only a health issue. The Government of Canada is a significant financier of Medicare. It has a responsibility to the people of Canada to ensure that funds are directed to illnesses that are chemical imbalances of the brain, just as they are directed to the cell imbalances of cancer, and the insulin imbalance of diabetes. At the same time, research has demonstrated that the determinants of health have a direct impact on the health of individuals – the importance of social supports, income security, permanent housing, etc affect our health and can not be forgotten.

The Government of Canada is the fifth largest supplier of health services to Aboriginal communities, the military and federal penitentiaries. It has a moral and ethical

responsibility to provide comprehensive health care, including access to mental health and mental illness care and services to those directly in its charge.

As a founding member of the Canadian Alliance on Mental Illness and Mental Health, the Canadian Mental Health Association is a strong supporter of the need for a Pan-Canadian Strategy on Mental Illness and Mental Health. Without such a strategy, the people of Canada experiencing mental illness and other mental health problems will continue to lack the strategic and coordinated services and supports they so rightly deserve. Not dealing with mental illness and mental health issues will have serious long-term negative consequences that create even greater demand on the system. The federal government's goal to reduce wait times in the five priority areas of cardiovascular, cancer treatment, diagnosis, vision repair and hip replacement will not be achieved without addressing other serious gaps in the system such as the care and services required by people experiencing mental illness and other mental health problems. Not dealing with mental health issues means the health care system as we know it will continue to be weighed down by a family of illnesses that remain on the periphery of care and create an even greater demand on the system.

The provinces and territories, through the Council of the Federation, have said that community mental health is the third priority under Health Renewal. The federal government has a unique opportunity to demonstrate leadership, respond to the provinces and territories and ensure that the people of Canada have a well-coordinated plan of programmes and services in mental health and mental illness.

Recommendation

Provide federal leadership in the establishment of a Pan-Canadian Strategy on Mental Illness & Mental Health.

During the last couple of years, the Canadian Mental Health Association lead a project that was funded under the auspices of the Voluntary Sector Initiative (VSI) which strengthened the capacity of the voluntary sector by engaging participants in the process of developing a mental health policy framework. *Citizens for Mental Health* provided a mechanism for the voluntary sector to come together to discuss the impact of the determinants of health on mental health policy. Two of the determinants were identified as a priority by Canadians from across the nation: housing and income support.

As a leader in nation building, the Government of Canada must collaborate with provincial and territorial governments to ensure that the key social determinants of health are included in a Pan-Canadian Strategy.

Housing: A Necessity of Life

"Housing is a necessity of life. Yet, many households in Canada cannot afford acceptable shelter. In fact, at least count, roughly one in five Canadians households were considered in this situations. Even more troubling, ten years of economic expansion have barely put a dent in the problem. As Canadian households struggle to find shelter and still make ends meet, their plight is spawning a series of related social problems in communities all

across the country making the shortage of affordable housing one of the nation's more pressing public policy issues today."

TD Economics, Special Report, *Affordable Housing in Canada: In Search of a New Paradigm*, June 17, 2003

Having no fixed address means being excluded from all that is associated with having a home, a surrounding neighbourhood and a set of established community networks. Having no fixed address means being exiled from mainstream patterns of day-to-day life.

Without a physical place to call "home" in the social, psychological and emotional sense, the hour-to-hour struggle for physical survival replaces all other possible activities. This social exclusion also increasingly means physical exclusion from many locations and neighbourhoods by municipal ordinances and police harassment. People with no place to live are the most completely excluded group of people in society.

Housing: a Health Determinant

While adequate housing is an obvious prerequisite for health, including mental health, the ways in which housing represent a socio-economic determinant of health are complex and a reminder that homelessness is about more than just housing. It has been suggested that "housing is a medium through which socio-economic status is expressed and through which health determinants operate."¹ Dunn and colleagues have developed a framework that provides a useful conceptualization of the complexities of housing and its impacts. According to Dunn, "these dimensions ... that have the potential to generate social inequalities, and either directly or indirectly, health consequences...may combine with other types of social disadvantage and vulnerability among several population subgroups to undermine health and development. The model implicitly poses the question, "Are some groups in society more vulnerable to health effects of socio-economic dimensions of housing and domestic life?"

People with serious mental illness are at increased risk of living in core housing and of facing homelessness. Like other vulnerable groups – which include aboriginals, immigrants and refugees, and sole support mothers – those with serious mental illness are more likely than the general population to live in conditions of poverty. For those with mental illness, the challenge presented by conditions of poverty is compounded by the challenge of the illness itself.

Facts to Consider

- As many as 30% of people in core housing live with a mental illness
- An estimated 75% of homeless single women live with a mental illness
- Those with mental illness who are housed often live in substandard conditions

¹ Dunn, J.R. (June 2003), Housing as a socio-economic determinant of health: Assessing research needs. *Research Bulletin #15*. Centre for Urban and Community Studies, University of Toronto

- As of 1996, 1.7 million households were in core housing need due almost exclusively to problems of affordability².
- In 2001, 34.6% of renter households spent 30% or more of gross income on shelter³.
- Since low-income households spend proportionately more of their income on housing, on average 67% of renter households earning less than \$30,000 spent above the affordability benchmark in 2001⁴.
- Between 1980 and 2000, the number of affordable housing units created by the Government of Canada dropped from 24,000 to 940.

“The lack of affordable housing cuts significant numbers of Canadians off from supportive communities, access to employment and indeed from the exercise of their citizenship rights. Quite apart from the morality of the situation, this represents an enormous waste of human potential with serious consequences for the community at large.”

J. David Hulchanski, Canadian Policy branch Research Networks News Release, January 17, 2003

Recommendation

Address the lack of affordable housing as it impacts the people of Canada and their mental health. To address this issue, CMHA recommends that in the next federal budget, funds be allocated for the following:

- 20,000 new housing units, 10,000 units of rehabilitated housing
- \$300 million to ramp up the Affordable Housing Framework Agreement
- \$150 million for homelessness initiatives
- \$500 million over five years for a new housing rehabilitation fund

Income Security

Income security is a key determinant of health related to the mental health of the community. Canadian and international studies support the role income security plays in defining the socio-economic status and its relation to health outcomes. Those representing higher social and economic strata are more likely to experience more positive states of (mental) health and well being than those in lower strata. Additionally, evidence indicates that as the gap between rich and poor increases, the health of the population suffers.

Income Trends in Canada

The economic boom of the late 1990's did not benefit most of the people of Canada. Recent figures from Statistics Canada show that between 1984 and 1999, the wealth of the top 20 per cent of families rose by 43 per cent while the wealth of the bottom 20 per

² Canada Mortgage and Housing Corporations, Special Studies on 1996 Data: Canadian Housing Conditions, *Socio-economic Series*, Issue 55-1

³ Canada Mortgage and Housing Corporations (September 2003) 2001 Census Housing Series Issue 1: Housing Affordability Improvements, *Socio-economic Series* 03-017

⁴ Ibid.

cent fell by 51 per cent. Canadian society has become increasingly polarized on the basis of income and has led to significant consequences in economic terms affected the employers, employed and unemployed.

In 1999, there were 1,025,000 families and 1,677,000 unattached individuals living in poverty in Canada for a total of 4.9 million. In the midst of prosperity low income families with children are living on average more than \$9,000 below the poverty line. More than 40 per cent of these families were headed by persons who were employed. The working poor, especially those with dependents are not making ends meet.

Seniors poverty rates declined from 20 per cent to 17 per cent over the last decade. One of the major contributors to this trend has been the availability of higher CPP premiums. The CPP/QPP were established in the mid-seventies and has only recently paid out full benefits to Canadians.

The Consequences of Low Income

Low income Canadians are most vulnerable to poor health. For example, those with the highest incomes live five years longer and are one-quarter less likely to die of heart disease. It has taken the poorest fifth of urban Canadians until the mid-1990s to reach the life expectancy experienced by the richest fifth 25 years earlier.

Chronic diseases such as arthritis, rheumatism, diabetes, heart problems, mental illnesses, cancer and hypertension are twice as common for Aboriginal person who also have generally much lower socioeconomic status than non-Aboriginals. Chronic conditions are also more prevalent in poorer regions of Canada. Maritime residents in 1996 reported higher blood pressure scores compared to the national average.

In Canada, approximately 15 percent of children and youth (one in seven) experience mental health problems serious enough to affect their development and functioning. Poor children are more likely than children from higher-income families to experience low self-esteem and associated mental health difficulties, disabilities, injury and exclusion from cultural activities and/or sports.

A Case of Social Exclusion

Those who live in poverty have constraints on their ability to participate fully in the community as a result of isolation, discrimination and marginalization from decision-making and from an adequate quality of life.

Social exclusion can increase the risk of mental health difficulties. Research has suggested that good social relationships and community involvement can act to protect people in poor material circumstances from adverse effects to their mental health.

Working Poor

The National Council on Welfare's 1993 report underlined the sharp declines in the value of minimum wages since 1976 and the trend towards part-time, precarious and temporary work instead of well-paid, secure jobs. One result of the diminishing minimum wage is

that no minimum wage worker could even reach the 1998 poverty line by working 40 hours a week – even if the worker were without dependents. A worker with one child to support would have to work 58 hours per week to reach the poverty line in Vancouver where minimum wages are the highest in the country and 103 hours a week in Winnipeg. A couple with two children would have to work 113 hours a week to reach the poverty line in Prince Edward Island and 151 hours a week in Winnipeg.

The economic reality is that greater numbers of middle class Canadians are being exposed to economic insecurity. 45 per cent of adult employees between the ages of 25-59 are employed in flexible forms of work (less than full-time tenures workers.) Flexible workers lack job ladders and have few opportunities to increase their real income earning capacity over time. 53 per cent of the adult workforce is in vulnerable employment situations because they lack employment stability and/or market sufficiency. Frequent lay-offs or irregular work without benefits are becoming more prevalent.

Recommendation

Address the limitation of income security programs as they impact the people of Canada and their mental health. To address this issue, CMHA recommends that in the next federal budget, the government:

1. Establish reasonable social assistance, disability support programs and minimum wages rates that reflect what is actually needed for basic food and housing needs and to encourage the active participation of persons affected by mental illness in the workforce according to their capacity to work.
2. Provide progressive subsidies for supports such as for training and child care.
3. Institute a Child Tax Benefit that will allow families on assistance to hold on to their money rather than have it clawed back by provincial and territorial governments.
4. Improve employment provisions for temporary or contract workers and pro-rate benefits for part-time workers.
5. Focus on the strong link between education level and income

Charities' Involvement in Public Policy

Since its inception, the Canadian Mental Health Association has been a charitable organization, as defined by the Income Tax Act. As a result, CMHA has benefited from the generous donations of individuals, corporations and foundations throughout the years.

During the last several years, progress has been made to provide for a less onerous system for annual reporting to the Canada Revenue Agency. However, there is a much more cumbersome system for contributions received from the federal government. This has resulted in greater resource allocations to reporting than ever before.

In addition to its specific issues, the Canadian Mental Health Association supports the proposals put forward by the Voluntary Sector Forum (VSF), a leadership body comprised of 20 members from across the Canadian voluntary sector. CMHA, in particular, supports the following recommendations put forward by VSF:

Change legislative and regulatory restrictions on charities' involvement in public policy development

The *Accord* and its *Code of Good Practice on Policy Dialogue* encourage the involvement of voluntary sector organizations in public policy dialogue. Yet charities in Canada continue to be limited in their participation in public policy debate and development. This restriction is commonly referred to as the 10% rule. It is rooted in poorly worded provisions 149.1(6.1) and (6.2) of the *Income Tax Act*. Charities are not allowed to use more than 10% of their financial and human resources on "political activities" which include speaking out to achieve changes to laws, policies or Government of Canada decisions which impact on their charitable work. The 10% rule applies to all of charities' resources, not just the 4.9% of revenues that charities receive from charitable donations.

We all benefit when charities lend their voices and experience to public policy development. Charities are legally required to act in the public, as opposed to private, interest and do not want to participate in partisan political activities.

Recommendation

CMHA joins with VSF to ask this Committee to recommend that the *Income Tax Act* be amended to allow more flexibility for charities to represent in the public policy arena the interests of their community of interests. This change is one that will enhance public policy development in Canada.

Facilitate "smart funding" and appropriate accountability

Problems related to financing and funding relationships continue to be the single most important issue facing voluntary sector organizations. The voluntary sector cannot deliver on its mission without adequate and sustainable financial resources. It is not profit driven, and must rely upon funders - public, private and individual - to support its work. This has complex and challenging repercussions for the organizations in the sector. The current funding environment, with its focus on short term project funding and intensive accountability requirements is jeopardizing the work and viability of many nonprofit organizations.

The impacts of short-term project funding and complex accountability requirements are well documented in *Funding Matters* and other VSI-sponsored reports. More recently, an independent study, *Community Capacity Draining: The Impact of Current Funding Practices on Nonprofit Community Organizations* found that most Government of Canada funded programs and projects do not cover the actual costs of delivering the funded program. On average the organizations in the study received 14% less funding than they needed to cover their actual operating costs.

Recommendation

CMHA joins with VSF to ask the Government of Canada of Canada to support as a priority the planned establishment of an Interdepartmental Task Force on Funding Instruments, and to find ways to streamline funding and accountability measures across all federal departments that fund the voluntary sector.

Find a place for the non-profit /voluntary sector in the "communities" agenda

The nonprofit/voluntary sector is a distinguishing feature of Canada's social and community infrastructure. It is as much a part of our lives as the physical infrastructure of our communities. Voluntary sector organizations are often the frontline provider of community-responsive and community-based Government of Canada services; they provide an indispensable link between policy and practice. Voluntary sector organizations can, and often do make a unique contribution to policy development in their areas of expertise.

Very often, the voluntary sector is also a focal point for innovative responses to community problems and aspirations. They are often the glue in initiatives that focus the resources of three levels of Government of Canada, the private sector, private foundations and other contributors, like United Way. Communities thrive when their problems are addressed in a way that includes all sectors of society. Often the voluntary sector is the catalyst to make this happen.

As the Government of Canada develops its New Deal for Communities, we urge this committee to recognize and build on the important role that the voluntary sector plays in the health and sustainability of all Canadian communities - in a wide variety of fields.

Recommendation

CMHA joins with VSF to recommend that the Government of Canada establish a new fund to support the voluntary sector as part of Canada's community infrastructure, and to encourage voluntary sector-led innovation, the incubation and scale-up of new approaches to community needs, and effective links between policy and practice.

Conclusion

Despite a healthy and highly competitive economy, Canada still faces high levels of homelessness, household debt, child poverty, diminishing health care services and the exclusion of many segments of Canadian society from a quality of life that should be expected in Canada.

In order to extend the benefits of economic growth, the Government of Canada must demonstrate its leadership with the development of a Pan-Canadian Strategy on Mental Illness and Mental Health, including a substantial investment in affordable housing and enhancing income security for all people of Canada.

The federal government must also ensure that the social fabric of this country continues to grow and respond to the needs of its citizens through a number of different initiatives including strengthening of the voluntary sector.