



CANADIAN COUNSELLING AND
PSYCHOTHERAPY ASSOCIATION

L'ASSOCIATION CANADIENNE DE
COUNSELING ET DE PSYCHOTHÉRAPIE

**Submission to the House of Commons
Standing Committee on Finance**

PRE-BUDGET SUBMISSION IN ADVANCE OF THE 2026 BUDGET

August 2025

Recommendation 1:

That the federal government reinstate Canadian Certified Counsellors (CCCs) as eligible providers in unregulated provinces under the Non-Insured Health Benefits (NIHB) and Jordan's Principle programs, and commit to reforming these programs to ensure culturally safe, equitable, and inclusive access to mental health services for First Nations and Inuit peoples.

Recommendation 2:

That the federal government strengthen mental health services in rural, remote, and northern communities by expanding the Canada Student Loan forgiveness program to include counsellors, psychotherapists, and counselling therapists, supporting both access to care and workforce recruitment.

Recommendation 3:

That the federal government enact the Mental Health and Substance Use Health Care for All Parity Act and commit to sustainable funding.

The Canadian Counselling and Psychotherapy Association (CCPA) is the largest national bilingual association representing the collective voice of over 17 400 professional counsellors, counselling therapists and psychotherapists.

Background



Within the Canadian mental health landscape, a unified front is essential to champion improved care and advocate for better mental health supports for *all* Canadians. The CCPA exemplifies this commitment through its collaborative efforts as a member of the Canadian Alliance on Mental Illness and Mental Health (CAMIMH) and Organizations for Health Action (HEAL) and supporting the work of the Canadian Mental Health Association (CMHA) and the Mental Health Commission of Canada (MHCC). As an active member and supporter of such national groups,

the CCPA works with other organizations and leaders in the health and mental health fields on shared priorities.

Canada's mental health care system continues to face considerable challenges due to lack of funding and an increasing number of Canadians seeking mental health support. In any given year, 1 in 5 Canadians will personally experience a mental health concern or illness; by age 40, about 50% of the population will have or have had a mental illness. Over 36% (more than 1 in 3) reported that their mental health needs were only partially met or fully unmet. The need for counselling and psychotherapy was the most likely to be unmet (44%).

The mental health of Canadians is 3 times worse than before COVID-19 and millions of people can't get the care they need. Yet, recent publicly available data suggest that Canada's public mental health investments account for around 6% of its health budgets, which fall significantly below the recommendation of 12% by the Royal College of Canada which CCPA supports.

CCPA's recommendations would ensure Canadians of all backgrounds have equitable and appropriate access to the mental health service providers of their choice.

Recommendation 1:

That the federal government reinstate Canadian Certified Counsellors (CCCs) as eligible providers in unregulated provinces under the Non-Insured Health Benefits (NIHB) and Jordan's Principle programs, and commit to reforming these programs to ensure culturally safe, equitable, and inclusive access to mental health services for First Nations and Inuit peoples.



Indigenous Initiatives Canadian Counselling and Psychotherapy Association

Canada's colonial genocide of Indigenous peoples and ongoing systemic neglect has contributed to mental health challenges for First Nations, Inuit, and Métis peoples, which, in turn, have led to harm in Indigenous communities. The loss of their culture, identity, and self-determination has had profound and lasting impacts on their mental well-being, with Indigenous peoples being more than twice as likely to seek mental health support as non-Indigenous Canadians. Yet they continue to face systemic barriers to accessing care.

In 2015, CCCs were delisted as eligible providers under the Non-Insured Health Benefits (NIHB) in unregulated provinces. In 2025, Jordan's Principle adopted a similar policy resulting in significant service gaps.

These exclusions are not grounded in evidence or cost-benefit analysis. CCCs remain eligible under other federally funded programs such as the Public Service Health Care Plan, Veterans Affairs Canada, and the First Nations Health Authority in BC. Maintaining inconsistent standards across programs undermines service delivery efficiency and equitable access to care.

Moreover, current policies limit the participation of Indigenous CCCs, preventing them from providing services in their home communities and reducing access to culturally grounded care. This not only weakens health outcomes but contradicts the government's commitment to Indigenous self-determination and reconciliation.

The Assembly of First Nations–FNIHB Joint Review Committee recommended reinstatement in 2015. The House of Commons Standing Committee on Indigenous and Northern Affairs reaffirmed this in 2022 in Report Six, Recommendation 17. Despite consensus among stakeholders, no corrective action has been taken.

Reinstating CCCs in these programs is a fiscally responsible measure that delivers high return on investment. With over 2,600 CCCs already certified and working in underserved areas, this policy change would immediately expand capacity without new infrastructure or lengthy onboarding processes.

As the federal government faces a projected \$5 billion decline in core Indigenous program funding by 2027 and has initiated a 15% internal budget reduction at Indigenous Services Canada, it is imperative to

adopt high-impact, cost-effective strategies. Reinstating CCCs is a low-barrier, scalable solution that strengthens mental health access without expanding overhead.

At the same time, these programs must be reformed through an Indigenous governance lens. NIHB and Jordan's Principle continue to be shaped by top-down, colonial frameworks that exclude Indigenous voices from critical decisions about eligibility, access, and care. A reformed approach must prioritize Indigenous leadership, accountability, and cultural knowledges—ensuring that mental health supports are not only available, but grounded in the rights, experiences, and self-determined priorities of First Nations and Inuit peoples.

We urge the federal government to reinstate CCCs as eligible providers in these programs in the unregulated provinces of NL, MB, SK, and AB as a fiscally sound step toward fulfilling national reconciliation obligations, improving health equity, and delivering tangible results within existing budget constraints.

Recommendation 2:

That the federal government strengthen mental health services in rural, remote, and northern communities by expanding the Canada Student Loan forgiveness program to include counsellors, psychotherapists, and counselling therapists, supporting both access to care and workforce recruitment.



Rural, remote, and northern communities in Canada lack adequate mental health resources compared to urban centres in Canada. The Federal Government has taken steps to attract and retain other health professionals in communities outside of urban centres, but it has not extended similar programs to university graduates of counselling and psychotherapy programs. Doctors, nurse practitioners, nurses, and social workers have a portion of their Canada Student Loans forgiven by the government as an incentive to practice in underserved communities.

Student loan forgiveness programs and tax subsidies are good economic incentives that should be extended to mental health care providers such as counsellors, counselling therapists, and psychotherapists to provide appropriate levels of care to rural, remote, and northern areas. Incentives such as this increase employment and economic opportunities within rural and remote areas while reducing the costs related to assisting rural and remote residents in accessing care by providing access closer to home, thereby reducing travel costs, costs to the community, and additional strain on urban centres that are already stretched thin.

CCPA recommends the expansion of the loan forgiveness programs to recent graduates of counselling and psychotherapy programs. The federal government could also consider grants, scholarships, and bursaries in exchange for a 3- or 4-year return-of-service commitment, wage incentives or a guaranteed minimum income, and/or tax credits for practicing in remote areas. These incentives would encourage counsellors, counselling therapists, and psychotherapists to move to locations where their skills and services are needed most.

This recommendation could be actioned by amending the Canada Student Loans Act, section 11.1 *Family Physicians, Nurses and Nurse Practitioners in under-Served Rural or Remote Communities* to include counsellors, counselling therapists, and psychotherapists.

Recommendation 3:

That the federal government enact the Mental Health and Substance Use Health Care for All Parity Act and commit to sustainable funding.



The current mental health crisis in Canada underscores the urgent need for sustained and predictable funding. The lack of timely, equitable, and affordable mental health and substance use health care is a critical issue, with a recent Mental Health Report Card by the Canadian Alliance on Mental Illness and Mental Health (CAMIMH) showing that almost half of Canadians rated their provincial government's mental health care provision as an "F". The Mental Health Commission of Canada projects the cost of mental illnesses to Canada's healthcare, social services, and income support systems will reach \$291 billion by 2041.

The federal government should pass the Mental Health and Substance Use Health Care for All Parity Act, a companion piece of legislation to the Canada Health Act, which equally values mental health, substance use health, and physical health. Having timely access to publicly funded mental health care services is important to 90% of Canadians, 83% agreeing that provincial governments should hire more mental health care providers. This legislation should enshrine in federal law the provision of and timely access to inclusive, accessible, and publicly funded mental health and substance use health programs, services, and supports, drawing on models like Nova Scotia's inclusion of Registered Counselling Therapists under its Mental Health Services Insurance (MSI) program.

Additionally, it should ensure these services extend beyond traditional hospital and physician settings, investing in health promotion, prevention, and education with clear accountabilities and meaningful national health system performance indicators. This Act should be linked to sustainable federal funding for expanded mental health care services access.

To address systemic mental health issues, the federal government needs to commit to sustainable, predictable, and responsible funding for mental health and substance use health care, equivalent to 12% of provincial/territorial health care spending, representing approximately \$6.25 billion annually. This investment is essential for ensuring Canadians have timely access to the mental health care they need, promoting a healthier and more productive society. The annual shortfall between the promised Canada Mental Health Transfer and the actual mental health expenditures is nearly \$1.6 billion, annually, starting in 2026-2027, rising to \$2.2 billion in 2027-2028 and beyond when the remaining 2017 bilateral funding expires. This represents a 64-88% shortfall.

Through the Act, the importance of investing in health promotion, prevention, and education, and the social determinants of health would be recognized, acknowledging that mental health is health.

