

# From Stabilizing to Sustainability and System Building

2025 Ontario Budget  
Recommendations

#KIDSCANTWAIT

# 2025 Ontario Budget Recommendations



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# Addressing the Crisis in Child and Youth Mental Health

Infants, children, youth, and families deserve equitable access to high quality mental health treatment and services in Ontario. For too many years, we have seen rising prevalence of mental health needs and increasing acuity of mental health issues in children and youth. At the same time, child and youth mental health agencies have faced increasing health human resources challenges that contribute to longer wait times and service gaps. As a result, too often, families are unable to easily get the help and treatment they need, when and where they need it.

**Service gaps and equitable access to high-quality care are even more significant for equity-deserving groups, Indigenous communities, and families from Northern, rural, and remote areas.**

The government has responded to this crisis with significant investments since 2018, which have been critical to help stabilize the community child and youth mental health sector, allowing agencies to retain some staff and limit reductions in service levels. However, rising demand for services and mental health needs among children and youth combined with workforce shortages mean there is still a significant and urgent need for new investments. Increased and targeted investments in community child and youth mental health will take pressures off other parts of the health care and social services systems and, more importantly, ensure that mental health issues across the continuum of need are addressed timely and equitably.

Child and youth mental health agencies are a critical part of the system of mental health care supporting over 130,000 infants, children, youth, and families every year. Ministry of Children, Community and Social Services (MCCSS)-funded programs like infant and parent mental health and those providing youth justice services urgently need funding to retain staff and stabilize current service levels. In addition to funding to provide stability and continuity of current service levels, there are opportunities to move beyond stabilizing the system to focus on sustainability and system building to address gaps in care so that every infant, child, youth, and family in Ontario has timely and equitable access to high-quality mental health services.

In the 2025 Ontario Budget, we are asking the government to continue partnering with us to invest **\$42 million in year 1, plus an additional \$47 million in year 2, and \$53 million in year 3, for a total new annualized investment of \$142 million**, to help meet current needs and address increasing demands for mental health services. These new investments should be focused on the following priorities to improve access, equity, quality, and outcomes for Ontario’s families:

**1 STABILIZE**  
Stabilize the workforce through a three-year funding commitment to begin to close the wage gap facing community child and youth mental health and a commitment to develop a health human resources strategy for the sector.

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**2 SUSTAIN**  
Sustain the system by prioritizing building capacity in data and quality improvement and reducing bureaucracy and administration.

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**3 SYSTEM BUILD**  
System build with a focus on health equity, closing gaps, and addressing the needs of priority populations—for example, in children and youth with complex needs, transitional-aged youth, and Northern communities, and by collaborating with youth and families with lived expertise.

# The Case for Continued and Urgently-Needed Investments

## The State of Child and Youth Mental Health in Ontario Today

### Health Human Resources Shortages

The Ontario government has recognized the challenges and made significant investments in child and youth mental health in recent years, including a 5% base funding increase in the 2023 Ontario Budget for Ministry of Health-funded community child and youth mental health centers. These new investments have helped—for example, one CMHO member in Durham has brought their mental health staff vacancy rate down from 40% in 2022, to 17% today, in part due to this new funding. Despite this progress, this same child and youth mental health agency lost ten mental health professionals last year, predominantly to higher paying jobs in schools and hospitals.

Another child and youth mental health agency in Toronto reported a 24% vacancy rate for social workers this past year, which they estimate means over 70 young people did not receive mental health counselling. In other cases, agencies have had to prioritize retaining staff, and the only way they could do that and continue balancing their budgets is by reducing their overall staffing numbers, which, even with an increase in funding, leads to decreased services and increased wait times.

That is why it is critical that we continue to build on these investments to close the wage gap and develop a workforce strategy. In some agencies, **vacancy rates can be as high as 30% and turnover rates as high as 20%**. High vacancy and turnover rates of specialized mental health staff contribute to long wait times and families turning to hospitals in crisis, as specialized staff are drawn away from community-based agencies to **other sectors like education and hospitals that offer wages that are 20% to 50% higher**.

These health human resources challenges have a real and tangible impact on the delivery of care. For children and young people receiving treatment, it is disheartening to have to re-tell your story and potentially lose the progress you were making when your therapist changes and continuity is disrupted. Wait times and wait lists can grow during periods of turnover as new staff have to be recruited, onboarded, and trained before they can carry a full case load.

## Rising Prevalence, Demand, and Severity of Child and Youth Mental Health Challenges

Even before the pandemic, children and youth were struggling with their mental health, and many encountered challenges with finding timely access to appropriate care. Data over the last several years has indicated a greater prevalence of need, increasing acuity (e.g., eating disorders), and differential effects on specific populations, meaning that challenges accessing care and rising demand remain ongoing issues. New investments, while welcome, have not kept pace with demand.

Too many young people and their families are in crisis because they can't get the help they need, and data from the Canadian Institute for Health Information showed that in 2022, **over one in four hospitalizations in Ontario for children and youth are due to child and youth mental health issues.** Additional evidence that points to increasing mental health needs and demand for services include:



Of the top ten reasons children and youth ages 5 to 17 were hospitalized, mental health issues took the **first, second, fourth, and tenth spots.**



Among these needs, we saw and continue to see significant increases in serious mental health concerns such as **eating disorders, self-harm, schizophrenia, and substance use.**

ONTARIO

NORTHERN ONTARIO

Northern regions experienced **double the rates of hospital utilization** compared to the provincial average.

x2

Data from the Ontario Student Drug Use and Health Survey show a **significant increase in psychological distress** over the last decade with both moderate and serious distress having **more than doubled between 2013 and 2023.**

## Long Wait Times and Gaps in Access to Care, Particularly for Equity-Deserving Groups

As a result of the health human resources challenges and rising demand and mental health needs, long wait times and gaps in access to care are the reality for too many Ontario families who require mental health treatment and supports. At last count, there were 28,000 children and youth waiting an average of nine months—some as long as two and a half years—for mental health treatment in Ontario. These **gaps and barriers can be even higher for those with concurrent or co-occurring needs, and those from equity-deserving communities, transition-aged youth, or those from northern, rural and remote communities.**

For example, wait times for services in the north could be as high as 600 days, and key issues for northern communities include a lack of services, particularly for intensive treatment, as well as a significant shortage of child and youth mental health professionals, which exacerbate gaps in service delivery.

Findings in our [Youth Action Committee's \(YAC\) 2022 policy paper on race and mental health](#) articulated that racialized youth face barriers from racism, discrimination, cultural insensitivity, and cultural stigma that prevent access to mental health services and cause negative experiences upon receiving service.

Reduced access to care and mistrust of health care systems for racialized and marginalized populations, as well as a lack of treatment options that are culturally appropriate, identity affirming, and responsive to their experiences and intersecting needs, are gaps that need to be filled in our sector. At the same time, Black, Indigenous, and racialized youth and those navigating their sexual orientation and gender identity have the highest rates of anxiety and depression.



**Wait times for services in the north can be as high as 600 days.**

# 2025 Ontario Budget Recommendations

## Moving from Stabilizing to Sustainability and System Building

The case for continued investments is strong, and the needs of infants, children, youth, and families are urgent. Investments of **\$42 million in the 2025/2026 budget, plus a multi-year commitment that provides an additional \$47 million in year 2 and \$53 million in year 3**, will enable community child and youth mental health to prioritize stabilizing and move towards sustainability and system building by advancing the following priorities:

### **1** STABILIZE THE WORKFORCE, ADDRESS THE WAGE GAP, AND DEVELOP A HEALTH HUMAN RESOURCES STRATEGY FOR THE SECTOR

Retaining and recruiting the specialized mental health professionals and inter-professional care teams at community-based child and youth mental health centers is critical to sustaining service delivery, providing continuity of care, and building a strong foundation for the sector. Specifically, we are asking the government to prioritize the following three areas for sector stability:

- **Begin to close the wage gap through a three-year targeted funding commitment** that delivers on the community child and youth mental health portion of the [For Us. For You recommendations](#) from Ontario's community health sector.
- **Develop a [health human resources strategy](#)** for the sector because we know that while wages are a significant part of the challenge, additional policy opportunities and strategies that attract professionals into the sector and prevent turnover into other service systems must also be considered.
- **Ensure the health human resources challenges and wage gaps are addressed across the system of care for children and youth.** For example, MCCSS-funded infant and young parent programs and youth justice programs must be included in both the new funding to close the wage gap and the workforce planning strategy. In addition, many child and youth mental health agencies are multi-service providers, so impacts on funding and wages for one program area have impacts across the entire organization.



## 2

## SUSTAIN THE SYSTEM BY PRIORITIZING BUILDING CAPACITY IN DATA, QUALITY IMPROVEMENT, AND REDUCING ADMINISTRATION

The child and youth mental health sector is eager to partner with the government to streamline processes and strengthen sector capacity to ensure data is consistently available, collected, and evaluated across child and youth mental health. We want to partner with the government to:

- **Develop and implement a data strategy** to enable child and youth mental health to advance system quality improvement, including standardized data collection and evaluation. The collection and utilization of data to support service delivery and system improvement is an important part of building system approaches in the child and youth mental health sector, and it enables the sector to better understand the impact of new investments and more effectively plan for the future.
- **Collect identity-based data** in recognition of the important role that this data can play in helping agencies measure existing inequities and disparities to inform service delivery and evaluate progress. By identifying and prioritizing data collection, the opportunity is created to improve mental health outcomes for racialized and equity-deserving infants, children, youth, and families.
- **Develop a strategy to look at no-cost and low-cost solutions to improve planning and service delivery and reduce added administrative and operational pressures**, such as moving towards three-year funding agreements and streamlining reporting and policies across Ministries and Ontario Health, so that more funding can go towards enhancing service delivery, improving outcomes, and reducing wait times.



**The adoption of three year funding agreements would allow community agencies to better plan for the long-term, maximizing the capacity to use resources to improve and expand care.**

## 3

### **PRIORITIZE SYSTEM BUILDING INITIATIVES WITH A FOCUS ON HEALTH EQUITY, CLOSING GAPS, AND COLLABORATIVE ENGAGEMENT WITH YOUTH AND FAMILIES WITH LIVED EXPERIENCE**

Addressing system service gaps and targeting approaches to ensure timely access to high-quality services in child and youth mental health across Ontario's regions and communities and among populations and intersections with mental health is critical work for system building and improvement. Targeted investments and strategies are needed to address the most significant gaps in care and treatment, including in northern, rural, remote communities, infant and young parent mental health, transitional-aged youth, and concurrent disorders, including addictions and complex needs. Meaningful and collaborative engagement with those with lived experience in the system provides a significant opportunity to support children, youth, and families, while also building expertise for system design.

- **Support child and youth mental health to implement a Health Equity Strategy for the sector.** Health inequities across the province mean that some children and youth are not able to access culturally-responsive services or services altogether due to service gaps. Prioritizing a strong equity focus acknowledges the significant influence of the social determinants of health on mental health outcomes and includes a commitment to ensuring accessible and quality services for populations such as Black, Indigenous, 2SLGBTQ+, Francophone, and immigrant communities and other equity-deserving groups.
- **Close gaps by targeting investments and strategies that build the system for populations and communities across Ontario.** Across several populations of children and youth and intersections with mental health, there is a need to advance approaches to fill service gaps and expand front line services, while also connecting with initiatives that are building more coordinated, integrated, and planned approaches in the system. By focusing on closing gaps through a system-building lens, we can advance provincial work to enable local service system improvement. For example, recent investments in children's health and pediatric care have enabled system building and addressing gaps in care, particularly for children and youth with intensive needs through the Ontario Intensive Treatment Pathway (OITP). With an added investment and strategy, the sector would be able to advance system design and improvement.
- **Collaborate with youth and families with lived experience** to ensure that new initiatives and system building are centered on the needs of infants, children, youth, and families. To help build system capacity to support youth and family-led change, CMHO is requesting new funding of \$676,000 a year to expand The New Mentality (TNM) and Parents for Children's Mental Health (PCMH) programs that support youth and family engagement, as well as deliver family peer support through networks and chapters all across Ontario.

# Building on Our Success

The community child and youth mental health sector is eager to partner with government and across children and health service systems to advance a system that places the integrated needs of children and families at the centre. We recognize that it is not just about more money to do more of the same—we need new ways of working, to be creative about how we leverage resources, and to focus most importantly on putting the needs of infants, children, youth, and families at the centre.

**Child and youth mental health agencies have shown leadership and creativity, even in the face of significant funding constraints.** With new investments and policy supports from the province, there are strong foundations to build on in community child and youth mental health that are important examples of system building and improvement. Some exciting areas that demonstrate system leadership in child and youth mental health include:

**One Stop Talk/Parlons maintenant:**  
Providing Immediate Access to Free  
Virtual Counselling and Therapy



One Stop Talk/Parlons maintenant (OST/PM) is an innovative, province-wide, virtual counselling service providing children and youth under 18 years of age with free, confidential, and immediate access to mental health support when needed. This Lead Agency Consortium initiative is staffed by a network of child and youth mental health agencies across Ontario. Designed to eliminate barriers to care, OST/PM connects young people with a registered therapist for a single therapeutic session without an appointment either online or by phone, and interpretation enables access to service in over 230 languages. Each session concludes with a personalized and co-developed action plan, empowering children and youth with strategies to manage their mental health. If ongoing support is needed, OST/PM offers in-the-moment referrals to local infant, child, and youth mental health agencies across Ontario.

The potential with this new service is enormous—one child and youth mental health agency has even been able to use One Stop Talk as their front door to services in the region of Halton to ensure access to immediate virtual therapy without waiting. With increased funding, One Stop Talk/Parlons maintenant hopes to expand to 24/7 availability, as well as serve young people up to age 25 and include more family supports. For more information and to access the service, visit [One Stop Talk](#).



## **Step Up/Step Down: Providing a Critical Bridge Between Hospital and Community Child and Youth Mental Health Care**

For young people experiencing an acute, severe, and complex mental health crisis, there is often a significant gap between the intensive care provided in hospitals and the programs available in the community. To address this gap, community child and youth mental health organizations, with the funding from the Ontario government, expanded Step-Up-Step-Down (SU/SD) programs in the province, currently offered at six sites. These programs are focused on providing shorter-term stabilization and intensive, individualized, treatment to support youth transitioning from inpatient hospital care to community-based settings (step down) or from community care to prevent hospital admissions during a mental health deterioration (step up).

SU/SD programs emphasize clinical treatment, skill-building, and holistic care, equipping young people with the tools and stability they need to reintegrate into their communities successfully. By bridging the divide in mental health services, the program not only reduces pressures on emergency departments and acute care facilities but also ensures better treatment outcomes. This allows more youth to access timely care and reduces the likelihood of treatment regression.

## **Ontario Intensive Treatment Pathway: Transforming Child and Youth Mental Health Care for those with Significant and Intensive Needs**

For too long, children, youth, and families with significant and intensive mental health needs have been unable to get timely and equitable access to high quality mental health treatment. The Ministry of Health is investing an additional \$21.9 million per year to begin addressing this long-identified system gap in intensive child and youth mental health treatment services by establishing the Ontario Intensive Treatment Pathway (OITP), with an initial focus on live-in treatment.

The planning and engagement work for this significant transformation is well underway, including defining the landscape and the clinical populations of children and youth who are most likely to experience positive outcomes from intensive and specialized community based live-in treatment, as we work to ensure that young people and families with serious mental illness can receive the treatment and supports they need to thrive.

## Provincial Training Initiative: Improving the Quality of Intensive Treatment in Child and Youth Mental Health



In recent years, child and youth mental health service providers have observed an increase in the severity and complexity of mental health illnesses young people are experiencing. The pandemic further exacerbated this trend and prompted the Lead Agency Consortium, CMHO, and the Knowledge Institute on Child and Youth Mental Health and Addictions, with funding from the Ontario government, to collaborate on evidence-based training and capacity-building for child and youth mental health professionals to meet the increasing intensity of needs. To date, this initiative has trained over 2400 professionals in Trauma-Focused Cognitive Behavioural Therapy (CBT), Circle of Security Parenting (CoSP), Dialectical Behavior Therapy (DBT), and the Attachment, Regulation, and Competency (ARC) Framework.

## Spotlight on Local innovation: Implementing an Intensive Outreach Team in Windsor



HÔTEL-DIEU GRACE  
ESTD HEALTHCARE 1888

In June 2024, Hotel-Dieu Grace Healthcare's Regional Children's Centre in Windsor launched an Intensive Outreach Team to serve children 6–12 years old with complex mental health needs. The model is based on the adult mental health service known as Assertive Community Treatment (ACT) Teams. Staffed by a core team of five transdisciplinary child and youth workers and social workers (MSWs), the service provides daily, sometimes multiple, visits to families in their homes or in the community from Monday to Friday, 8 am and 8 pm. The team also has access to a pediatrician, registered nurse, and psychologist for consultation as needed. The model is designed to be flexible, meet families where they are, and reduce families' reliance on emergency services such as hospitals, police, or other crisis services, while providing the same intensity of support that a child and family would receive in a live-in treatment setting.

By repurposing funding from live-in treatment to this new model, the team is able to serve an additional 35 children more effectively. Early results show better outcomes not only for the families in the program, but also across the agency, as it has led to reduced wait lists for other intensive services, such as day treatment, and better throughput for counselling and therapy services. With expanded funding, they hope to grow the core team to a more fulsome ACT Team model and add more disciplines, such as addictions, behaviour therapy, peer support, and occupational therapy, as well as expand the hours to the weekends.

# Kids Can't Wait: The Lives of Young People Depend on Action

Now is the time to build on our collective momentum, and for the Ontario government to continue partnering with us with new investments and system improvements that will both address immediate pressures, as well as transform how we deliver child and youth mental health care. These services are vital, and the situation is urgent. The province is at a critical point where the lives of children and young people depend on action.

We need to continue with investments to support programs that address significant service gaps and improve access, equity, quality, and outcomes, such as One Stop Talk, SU/SD, and the OITP. These new initiatives and those like it have the potential to move us beyond stabilizing to truly transforming the delivery of care to ensure all infants, children, youth, and families can get the treatment and supports they need, when and where they need them.

New investments of **\$42 million in the 2025/2026 budget, plus an additional \$47 million in year 2 and \$53 million in year 3**, will support the community child and youth mental health sector to meet current needs and address the growing demand.

These investments will:

- Enhance service continuity and support service expansion by ensuring a sustainable and inter-professional child and youth mental health workforce.
- Reduce wait times and help us to close gaps in care.
- Alleviate pressures on other children's services and healthcare, including preventing child and youth mental health emergency department visits and hospitalizations.
- Enable early intervention at the youngest age possible to prevent further mental illness and improve mental health and addictions outcomes across the lifespan.

**Every window where we can intervene early is a chance to change a child's entire life for the better. Children are our future, and investments in their mental health lead to savings and better outcomes both today and for decades to come.**