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FEDERAL BUDGET 2003
IMPORTANT STEPS IN THE RIGHT DIRECTION

OTTAWA, February 19, 2003 – “The Federal Budget delivered by Mr. Manley makes some important contributions to the strengthening of health care, post-secondary education and science in Canada” commented CPA President, Dr. Abraham Ross. “The CPA is pleased to see the federal government continuing on its path of strengthening Canada’s most important social programme and productivity and innovation” stated Dr Ross.

The Canadian Psychological Association strongly supports an increase in transfers to the provincial and territorial governments for health care. It is a step in the right direction and, if spent wisely, has the opportunity to bring about some important change. Canadians want real change that increases access to essential services and access to a broader range of services. This budget helps move that process of reform forward.

It is also clear that all Canadians want their tax dollars spent wisely. The federal government will need to continue to address health care needs in future budgets. An envelope of funding for the development of mental health, mental illness and addiction services much like the envelopes for primary care, pharmacare and home care is desperately needed. Mr Romanow called mental health the “orphan” of medicare. The Senate Committee Chaired by Senator Kirby is examining mental health, mental illness and addictions in Canada during 2003 and their report should give direction to federal, provincial and territorial governments.

The Canada Graduate Scholarships will allow more Canadians to go to graduate school regardless of their family income and without drowning in mountains of debt. It is gratifying to see the government award the scholarships based on the proportion of graduate students in the different areas of research. This respects both the choices made by students and the different research domains.

Productivity and innovation were further strengthened by the Government’s decision to increase funding for medical research infrastructures, funding for the base budgets of the granting councils and continuation of the funding of the indirect costs for research for the next three years. These are prudent investments in the university-based science enterprise that in no small measure hold the keys to Canada’s economic and social future.

It was disappointing to see that the Government continues to be unwilling to support social science research at a level similar to support shown for research in the health, the natural

sciences and engineering. Psychological science is funded across all three granting councils.

It is unclear why the Government chose the Natural Sciences and Engineering Research Council and the Canadian Institutes of Health Research as favourites over further understanding the human factors in productivity and innovation and a strong and vibrant Canadian society. Support for the Social Sciences and Humanities Research Council is a piece of unfinished business that must be addressed in the next budget.

CPA strongly supports the Government's decision to split the Canadian Health and Social Transfer into two components: the Canadian Health Transfer and the Canadian Social Transfer. "We have supported a health-specific transfer to the provinces and territories for a number of years," stated Dr. Ross. This decision allows for greater transparency and accountability and will increase the effective cooperation between the federal government and its partner provincial and territorial governments. "In addition," stated Dr. Ross, "we would strongly recommend the Government split the proposed Canadian Social Transfer into two parts: the Canadian Post-Secondary Education Transfer and the Canadian Social Transfer."

As is the case in health, this would allow for greater transparency and accountability. "We strongly urge the Government to make this further refinement in this important policy area," stated Dr. Ross.

Once the post-secondary education transfer is developed, the Government must increase the level of the transfer to the provinces and territories for the core funding of universities and colleges. "This core funding was seriously cut and has not been replaced at a time when more

and more Canadians are going to college and university,” underlined Dr. Ross.

In total, the Canadian Psychological Association thinks that Budget 2003 took some more, important steps to strengthen health care, science, productivity and innovation in Canada. It has also defined a blueprint for future budgetary investments and actions by the federal government.

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The Canadian Psychological Association is the national association that represents the science and practice of psychology in Canada and internationally. Through its membership and many affiliations, it represents the interests of over 16,000 psychologists in Canada.