

# Written Submission for the Pre-Budget Consultations in Advance of the 2025 Federal Budget



Santé  
des enfants  
Canada



Pediatric Chairs of Canada  
Directeurs de pédiatrie du Canada

## Recommendations

Children's Healthcare Canada and the Pediatric Chairs of Canada recommend four targeted investments in Budget 2025 that would significantly improve health outcomes for children and youth across Canada:

1. Fund the development of a National Strategy for Child and Youth Health and Well-Being with an investment of \$10 million to coordinate action across jurisdictions, improve accountability, and set measurable targets for child health outcomes.
2. Invest \$24 million to advance a robust, interdisciplinary maternal, child, and youth health research agenda, including a dedicated stream in the new Capstone research organization and support for longitudinal data collection.
3. Expand the Youth Mental Health Fund to \$5 billion over ten years, while ensuring funded services include infants and children.
4. Commit \$10 billion over ten years to right-size pediatric health systems through capital investments in children's hospitals and care delivery organizations, reducing backlogs, expanding access, and improving infrastructure across the continuum of care.

## **A National Imperative for Children's Health**

Children and youth in Canada are facing a perfect storm of challenges: rising wait times for essential services, mental health crises, outdated infrastructure, and widening health inequities. The impacts of COVID-19 have intensified existing backlogs and system strains, leaving young people and their families without timely access to care.

According to UNICEF's Report Card 19 (2025), Canada has a top 10 economy but only ranked 24th out of 36 high-income countries in physical health. Canada also placed 33rd in adolescent suicide compared to those same countries. These outcomes are neither inevitable nor acceptable. Countries that consistently rank highly on children's well-being have three things in common: they prioritize children in national policy, they make sustained investments, and they establish leadership structures accountable for improving outcomes.

Children's Healthcare Canada and the Pediatric Chairs of Canada urge the federal government to take meaningful and measurable action in Budget 2025 to reverse this decline and put children back at the centre of public policy. Our recommendations build on Canada's stated commitments to generational fairness, health equity, and public system renewal. They represent strategic, evidence-informed investments that would strengthen health systems, improve access, and promote the long-term health and well-being of Canada's eight million children and youth.

### **1. Fund a National Strategy for Child and Youth Health and Well-Being**

Despite the profound importance of children's health, Canada lacks a coherent, pan-Canadian strategy to guide investments, align policies, and improve health outcomes. Health services for children are fragmented across jurisdictions and sectors, with no single national framework or accountability mechanism to drive progress.

We recommend an investment of \$10 million to fund:

- The development of a National Strategy for Child and Youth Health & Well-Being
- The establishment of clear, outcomes-based targets and timelines
- A cross-sector and intergovernmental approach to implementation
- Public reporting mechanisms to track progress and ensure accountability
- Creation of a Chief Children's Health Officer to coordinate the strategy

This strategy should leverage existing work led by Children's Healthcare Canada, Pediatric Chairs of Canada, the Canadian Pediatric Society, the Canadian Association of Pediatric Nurses, Canada's Children's Hospital Foundations, and the Inspiring Healthy Futures network. These groups have already built consensus on the principles, outcomes, and frameworks necessary to transform children's health systems. This modest investment would provide the foundation for more coordinated, equitable, and effective health systems for children and youth.

## **2. Invest \$24 Million to Advance Maternal, Child, and Youth Health Research**

Canada's ability to improve child health outcomes depends on high-quality, equity-oriented, and interdisciplinary research. Yet Canada's maternal and child health research infrastructure remains under-resourced. The CIHR Institute of Human Development, Child and Youth Health (IHDCYH) has not received a base budget increase in over 20 years. Without dedicated investment, the unique health needs of children risk being overshadowed within broader research portfolios.

Research is underfunded in a number of key priority areas impacting kids:

- Mental health and the digital environment
- Developmental disabilities and chronic diseases in childhood
- Culturally relevant and community-based models of care
- Impacts of policy on child health equity

We recommend an additional \$24 million to respond to these priority areas:

- Tripling the base budget of IHDCYH with an additional \$16 million annually
- Allocating \$8 million to support the next two waves (2025 and 2027) of the Canadian Health Survey on Children and Youth (CHSCY)
- Establishing a dedicated stream for child and youth health research within the new Capstone research organization

Research is a fundamental driver of system innovation, health system sustainability, and improved outcomes. This investment would support diverse research careers, strengthen health policy development, and ensure children's voices and experiences shape the science that serves them.

## **3. Expand the Youth Mental Health Fund to \$5 Billion over 10 years**

The Youth Mental Health Fund, introduced in Budget 2024, was a promising first step. However, its \$500 million over five years falls far short of the need. It also does not explicitly include infants and young children, who require developmentally appropriate and family-centred care.

Canada is facing an infant and child mental health crisis, not just older youth:

- 1 in 4 youth report poor mental health
- Suicide is the second-leading cause of death among youth aged 10 to 19
- Over 50% of children and youth with mental health needs experience long wait times for care or difficulty accessing services
- Interventions before age 12 offer the greatest return in terms of costs avoided

We recommend \$5 billion over 10 years, with clear directives to:

- Expand services to include infants and children under age 12
- Support early intervention, school-based, and virtual mental health models
- Ensure culturally relevant, community-driven, and Indigenous-led services are prioritized
- Address workforce shortages in pediatric and youth mental health

Investing in youth mental health delivers a 5:1 economic return and prevents long-term impacts on education, employment, and chronic diseases. A \$5 billion expansion would enable sustainable, equitable growth in access to timely, quality mental healthcare for young Canadians.

#### **4. Commit \$10 Billion Over Ten Years for Capital Investments in Pediatric Health Systems**

Children's healthcare systems were designed to operate in parallel with adult systems, reflecting children's distinct developmental, physical, and psychosocial needs. However, most pediatric hospitals and care organizations are operating over capacity, with aging infrastructure and limited flexibility to respond to modern care models.

Pediatric health systems are:

- Facing record wait times for surgeries, imaging, and rehabilitation
- Limited by space and infrastructure constraints, including outdated buildings and a lack of community-based capacity
- Under growing pressure from a more complex population, including children with disabilities and chronic conditions

We recommend the federal government commit \$10 billion over ten years to capital and infrastructure investments across the pediatric health system, including:

- Rightsizing children's healthcare systems
- Health Human Resources that run children's hospitals, community-based services, and academic health centres
- Digital infrastructure, health data platforms, and virtual care systems that drive down costs over time and reduce our dependency on US-based tech products.

This investment would mirror recent federal commitments in long-term care and adult health system reform, and would be delivered through bilateral agreements with provinces and territories. These agreements should include action plans, performance targets, and public reporting mechanisms.

Such an investment would address long-standing infrastructure gaps, reduce wait times, and enable pediatric health systems to meet the evolving needs of Canadian families.

## A Turning Point for Children's Health

Canada's eight million children and youth represent 20% of the population and 100% of our future. The health and well-being of this generation will determine the strength, resilience, and prosperity of Canada for decades to come.

Children's Healthcare Canada and the Pediatric Chairs of Canada urge the federal government to act boldly in Budget 2025 by funding:

- A national child health strategy and leadership structure
- A reinvigorated child health research ecosystem
- A scaled-up youth mental health fund that includes all ages
- Historic investments in pediatric health infrastructure

The time to act is now. With targeted, sustained federal investments, we can build a health system where every child—regardless of geography, income, or identity—has timely access to the care, support, and opportunity they deserve.

## About Us

**Children's Healthcare Canada** is a national association serving healthcare delivery associations that care for children and youth and advocates to accelerate excellence and innovation in health systems serving children, youth, and their families across the continuum of care. Our members deliver health services to millions of children and youth across Canada, including all sixteen children's hospitals, community hospitals, rehabilitation hospitals, home and respite care agencies, children's treatment centres, and regional health authorities.

**Pediatric Chairs of Canada** is comprised of the department heads of Pediatrics within Canada's seventeen medical schools. PCC provides national leadership to strengthen the future of pediatrics, advancing education, workforce planning and research in support of excellent care for children and youth.