

The background of the entire page is a photograph of several hands of different skin tones holding white puzzle pieces. The puzzle pieces are arranged in a grid, with some being held up by the hands. The image has a teal-to-red gradient overlay.

PREVENTING CRISIS THROUGH COORDINATION

The Human Services and Justice Coordinating Committee's
2026 Pre-Budget Submission to the Minister of Finance



INTRODUCTION

The Human Services and Justice Coordinating Committee (HSJCC) Network brings together partners from health, social services, housing, justice, and government ministries to tackle one of Ontario’s most expensive system challenges – the justice involvement of people with complex needs. These needs can include addressing mental health issues, substance use concerns, behavioural dependencies, and neurodevelopmental or neurocognitive disabilities.

People with complex needs often rely on services across the health care, social service, and justice systems, but these systems rarely work together. As a result, individuals fall through the cracks, and cycle through hospitals, shelters, and jails instead of getting the support they need. Recognizing this gap in coordination, the Ontario government established the HSJCC Network in 1997 through its provincial policy framework¹.

To sustain the HSJCC Network’s operations and maintain our existing capacity for coordination, we are requesting an additional \$550,000 a year for the entire HSJCC network.

We also urge the government to increase investment in the currently underfunded services that the HSJCC Network co-ordinates, which includes:

- 1. Community mental health, addictions, and justice services**
- 2. Housing for people leaving custody**

THE IMPORTANCE OF THE HSJCC NETWORK

The HSJCC Network develops co-ordinated, practical solutions that improve service flow and outcomes. Rather than relying on top-down policy changes, it uses existing resources more efficiently to:

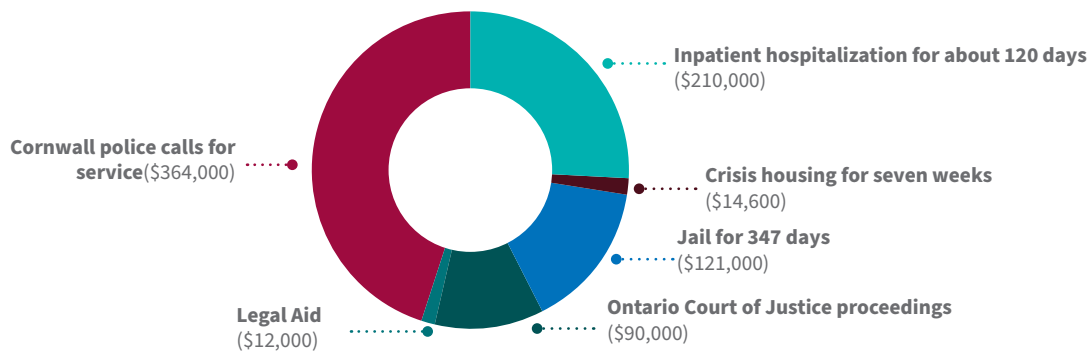
- Prevent duplication by facilitating collaboration and information sharing among agencies
- Reduce downstream system costs by diverting people away from jail and emergency rooms and into treatment, housing, and community supports that address root causes
- Leverage local, front-line expertise to design responsive and sustainable solutions that get it right the first time

When services are fragmented, individuals with complex needs fail to get the care they need while taxpayers bear the cost of this failure. Barbara Cleary’s story illustrates exactly what that looks like.

When systems fail to co-ordinate care, everyone pays

[CBC recently reported](#) on the experiences of Barbara Cleary, a woman living with bipolar disorder who has gone years without the care she needs ²:

- Since 2018, she has repeatedly cycled through hospitals, jail cells, emergency shelters, and homelessness
- This has cost Ontario more than \$800,000 in health care, policing, court, and correctional expenses
- Despite this spending, she remains unhoused while her mental health needs are still unmet
- Police in her community say they encounter about 20 people every day in similar situations.³



Barbara’s story reveals that Ontario has a coordination problem that turns health issues into justice costs. Taxpayers end up paying for these gaps through increased police calls, court time, and hospital stays. Coordination across sectors is how we stop paying twice for the same problem, and it is exactly what the HSJCC Network was created to do.

To prevent the costly cycles of crisis illustrated here, Ontario must invest to stabilize both **the HSJCC Network’s coordination capacity**, which is eroding due to chronic underfunding and **the currently underfunded services the HSJCC Network co-ordinates**, including community mental health, addictions, and justice supports and housing for Ontarians leaving custody.

Without the availability of these services and supports, there is little for HSJCCs to co-ordinate, which leaves people to cycle through costly crisis systems.

INCREASE FUNDING FOR HSJCC NETWORK'S OPERATIONS

To sustain the HSJCC Network's operations and maintain our existing capacity for coordination, we are requesting an additional \$550,000 a year for the entire HSJCC network as follows:



An annual increase of \$250,000 for the HSJCC Secretariat



An annual increase of \$50,000 for the Provincial HSJCC



An annual increase of \$250,000 for the regional and local HSJCCs

All four partner ministries should be responsible for dedicated funding for the HSJCC Network.

Since its inception, the HSJCC Network has received \$250,000 in annualized funding split across 14 regional HSJCCs and 38 local HSJCCs. The Provincial HSJCC also receives a small, annualized budget of \$50,000 to support its activities. In 2015, the MOH provided an additional \$250,000 in annualized funding to establish the HSJCC Secretariat.

Even with significant increases in workload, staffing, and rising inflation, funding has not increased in the 28 years the HSJCC has been in operation. As a result, the entire HSJCC Network is strained and can no longer sustain the level of coordination required to fulfill its mandate.

STRUCTURE OF THE HSJCC

HSJCCs are an interministerial collaboration between the Ministries of the Attorney General; Children, Community and Social Services; Health; and the Solicitor General. The HSJCC helps each of these ministries meet their mandates, whether by enhancing public safety or by easing hospital pressures. Despite its cross-ministerial work, core funding for the HSJCC solely comes from the Ministry of Health (MOH).

The HSJCC Network is made of voluntary collaborations operating at a local, regional, and provincial level:

- **Local HSJCCs** provide education and training for their members, co-ordinate care for justice-involved individuals in their communities and provide input to regional committees.
- **Regional HSJCCs** help support the local committees in their region and help resolve issues as needed.
- The **Provincial HSJCC** supports the regional and local committees and brings together ministries and system partners to address provincewide gaps in services.
- A small **Secretariat** team housed at the Canadian Mental Health Association (CMHA), Ontario supports and connects all three levels, oversees the Network's infrastructure, and implements the Provincial HSJCC's workplan and objectives.

An annual increase of \$250,000 a year for the HSJCC Secretariat would:

- **Sustain Secretariat operations.** The Secretariat has gone a decade without enough funding to cover its operations. CMHA Ontario has kept the Secretariat afloat by subsidizing staff salaries and portions of their own operating budget to sustain Secretariat activities. While these contributions reflect the importance of the Secretariat, this reliance is no longer sustainable. The Secretariat serves as the backbone of the entire HSJCC Network but without immediate funding, this backbone is at risk of collapsing.
- **Ensure the Secretariat can fulfill its mandate.** The Secretariat has received a growing number of requests to work with various ministries and partners without additional funding. Although this work is a central part of our mandate, we do not have the staffing capacity to take it on. With more funding, the Secretariat can hire the staff needed to fulfill these requests. Current funding is also insufficient to hire a dedicated policy lead, which is an essential role for translating coordination gaps identified by local and regional HSJCCs into policy solutions.

An annual increase of \$50,000 a year for the Provincial HSJCC would:

- **Strengthen engagement from people with lived experience (PWLE).** The Provincial HSJCC provides honoraria to support PWLE participation, but these dollars come directly out of the Secretariat's limited budget, which diverts resources away from other core activities. Without additional funding, we cannot sustain meaningful PWLE engagement without compromising other priorities. Increased funding would ensure PWLE are fairly compensated and properly supported to participate. PWLE bring essential insight into how Ontario's health, housing, and justice systems intersect and where service gaps remain. Their involvement ensures solutions are grounded in real-world experience and are therefore more effective.
- **Advance anti-racism and equity, diversion, and inclusion work.** The Provincial HSJCC's Anti-Racism Committee is developing a provincial framework to address systemic racism in the human services and justice sectors. This work responds to the overrepresentation of Afro-Caribbean, Indigenous, and other racialized communities within the mental health and justice systems. Current funding is not enough to implement this work or to develop the culturally relevant tools, training, and resources committees need to identify and address racism within policies, programs, and service delivery. Investing in this work also supports Ontario's Anti-Racism Strategy Plan, as well as provincial priorities to address the root causes of poverty and reduce the overrepresentation of racialized people in the justice system.

An annual increase of \$250,000 for the regional and local HSJCCs would:

- **Sustain local and regional HSJCC operations.** Existing funding does not cover the administrative and coordination work required at the regional and local level, leaving leaders to take on unpaid tasks simply to keep committees functioning. In some regions, funding is so limited that community agencies are subsidizing HSJCC staffing. For example, CMHA Thunder Bay currently covers part of the salary for a regional coordinator due to a limited budget from the regional HSJCC budget. But this reliance on already overstretched community agencies is unsustainable. An additional \$250,000 for local and regional HSJCCs equates to approximately \$18,000 per regional HSJCC, which is the bare minimum required to fund necessary administrative support so that leaders can focus on coordination work.
- **Maintain coordination capacity.** Sustainable funding would allow local and regional HSJCCs to continue coordination across service areas where gaps remain, such as discharge planning from psychiatric hospitals and holistic release planning for those leaving custody. These coordination gaps are unaddressed across several regions and are leading to avoidable crises, repeated emergency department use, and cycles of re-entry into the justice system. With increased funding, local and regional HSJCCs can more effectively align and integrate existing government funded initiatives (i.e. situation tables, HART hubs, community reintegration planning tables and justice centres), avoiding duplication of effort, and maximizing impact of work already underway.

Examples of local/regional HSJCC work:

- Hamilton local HSJCC leveraged local partners to establish a working group to improve outcomes for individuals reintegrating back into the community. As a result of local community and ministry leadership collaboration, Hamilton mobilized a community reintegration planning table
- York Region HSJCC co-ordinated with transit services to secure bus passes and transportation tokens for justice-involved individuals attending court or treatment
- Sudbury HSJCC has been bringing local service providers together to plan co-ordinated responses to the region's acute housing and encampment pressures, including improving safety planning, shelter access, and reintegration supports
- Brant/Haldimand/Norfolk HSJCC partnered with Mindful Path Counselling to provide free counselling services to justice-involved individuals
- Huron-Perth HSJCC arranged for police and CMHA frontline staff to receive mediation training to resolve disputes early and prevent escalation into criminal behaviour
- Kenora-Rainy River HSJCC identified that clients were being discharged without essential medication and escalated the issue to the regional committee, which co-ordinated with Transitions to Care to improve continuity of treatment after release.

An annual increase of \$550,000 for the entire HSJCC Network is a modest ask and is the bare minimum required to sustain our coordination capacity. This coordination is what reduces emergency department visits, prevents unnecessary incarcerations, supports transitions from custody, and helps ministries deliver on their priorities.

INVEST IN COMMUNITY SUPPORTS AND HOUSING FOR JUSTICE-INVOLVED INDIVIDUALS

As one regional HSJCC Co-Chair put it: “we can co-ordinate all we want, but without the actual services and housing to put people into, it doesn’t work”. HSJCCs can co-ordinate addiction support and discharge planning but these efforts fail when these services are unavailable and there is no stable housing for those released from custody. To ensure Ontario’s investments in co-ordination are effective, there must be parallel investments in community mental health, addiction, and justice supports as well as housing for those leaving custody.

Increase funding for the community mental health, addictions, and justice sectors

Community supports stop people from entering the justice system. But long wait times and service gaps mean many Ontarians are left to spiral into crisis until they come into contact with the justice system. This approach is much more expensive and a lot less effective than people getting the care they need in the community before hitting a crisis-point.

Community-based care reduces crime

Research shows that community mental health services are an evidence-based and fiscally responsible public safety strategy:

- A 10 per cent increase in community mental health spending is linked to a four per cent reduction in violent crime rates⁴
- Access to outpatient substance use care significantly reduces rates of recidivism⁵
- Loss of access to mental health care increases the likelihood of justice involvement⁶
- Individuals with serious mental health concerns who receive consistent community-based support have lower re-arrest rates and better long-term outcomes⁷.

Community mental health services reduce the number of people cycling through courts, hospitals, and jails, while freeing up police and correctional resources for where they are needed most.

Community organizations are operating beyond capacity

Despite their impact, community organizations delivering these services are stretched beyond capacity. HSJCC Network members report:

- Record-high caseloads
- Rising client complexity
- Longer service durations
- Flat budgets and rising inflation

Waitlists for services continue to grow, leaving fewer options for HSJCCs to co-ordinate around. Community justice agencies, whose work focuses on prevention, diversion, and reintegration, are facing the same challenges. Without new investment, Ontario will continue spending exponentially more on crisis-driven responses to problems that could be prevented for a fraction of the cost through early intervention.

Funding for community mental health, addictions, and justice sectors has not kept up with the increased needs of Ontarians, creating a vicious cycle of understaffing, burnout, and service reductions as the sector struggles to keep up. The community mental health and addictions sector has received only two base budget increases totaling nine per cent over the last 12 years, while inflation has risen nearly 35 per cent during this time, threatening the stability of essential front-line services. Sector staff face larger workloads and compensation pressures, which contribute to longer waitlists and higher staff turnover and ultimately impact timely access to support and care.

Escalating youth mental health needs

Mental health hospitalizations among youth aged 14 to 17 have increased by 136 per cent since the pandemic⁸ and HSJCC members report youth are presenting with more complex mental health and addiction needs than before the pandemic.

Early, community-based prevention delivers one of the highest returns on investment. Evidence shows that youth inclusion programs (providing mentorship to vulnerable youth in high-crime neighbourhoods) can reduce justice involvement by 65 per cent⁹ while improved access to youth mental health care reduces first-time offences by 31 per cent¹⁰. Without timely, community-based supports, youth mental health issues may escalate to the point of crises that result in costly hospitalizations, court involvement, and incarceration.

We recommend that the Government of Ontario address the base funding increases requested by the community mental health, addictions and justice sectors in the 2026 provincial budget to address critical wage and service gaps.

FASD: THE COST OF FAILING TO INVEST EARLY

Supporting one individual with Fetal Alcohol Spectrum Disorder (FASD) costs more than \$1.4 million over a lifetime^{11,12} with 40 per cent of these costs falling on the justice system¹³. People with FASD are significantly overrepresented in both youth and adult correctional systems, often because undiagnosed or misdiagnosed FASD leads to repeated justice involvement¹⁴.

Community-based programs can reverse this trend. The John Howard Society's All 4 One program provides intensive, FASD-informed case management and caregiver support to justice-involved youth with FASD¹⁵. This program cut police contact by more than half¹⁶. Investing in community supports for people with FASD reduces justice spending and improves outcomes.

Invest in bail beds, transitional housing, and supportive housing for people leaving custody

People with complex needs leaving custody face some of the most severe barriers to secure and maintain housing in Ontario¹⁷. While 40 per cent of people had housing before custody, only 21 per cent did upon release¹⁸ and in 2023-24, Ontario released 7,455 people from custody with no fixed address¹⁹. Many of these individuals are pushed into homelessness, where survival-driven criminalization is common²⁰. Individuals may resort to minor offences to access shelter during winter months, and substances are often used as a coping mechanism for the harsh conditions of living rough²¹. These realities increase the risk of addiction, arrest, and reincarceration, while simultaneously undermining efforts to secure stable housing²².

And without stable housing, finding and keeping a job is nearly impossible²³, leaving these individuals no choice but to rely on social services for their basic needs. The result is an expensive revolving door between shelters, hospitals, and jails. Stable housing is essential to stopping this cycle.

Expand bail bed capacity across Ontario

Bail beds provide a supervised place to live for people who could be safely released from custody but lack housing. With over 80 per cent of people in provincial custody being held on remand, many remain detained simply because they have nowhere to go²⁴. This growing reliance on pretrial detention can be reduced by increasing the number of bail beds available across Ontario.

Bail beds improve individual outcomes, support effective supervision of those out on bail, and help people access community supports²⁵. Bail beds are far more cost-effective than correctional beds,²⁶ but only a few regions in Ontario have them²⁷. Bail beds are one of the most fiscally responsible tools for managing pretrial populations. To make full use of this tool, the government must expand the availability of bail beds across all of Ontario.

Invest in dedicated funding for transitional housing for people leaving custody

Transitional housing is a critical part of the housing continuum for people immediately after release. Unlike emergency shelters, transitional housing offers time-limited housing with supports, including health care, food, case management, counselling, substance use supports, employment services, and life-skills coaching. These supports promote stability, compliance with release conditions, and successful reintegration.

Ontario once had provincial halfway houses for people exiting provincial corrections, but these were discontinued in the 1990s. Other provinces, such as Quebec, continue to maintain dedicated transitional housing for individuals leaving custody but Ontario lacks this critical piece of the housing continuum. This lack creates a gap between custody and long-term housing. Transitional housing stabilizes individuals so they can move into the housing option that best meets their needs, such as supportive housing²⁸.

Increase funding for supportive housing

Supportive housing is one of the most effective ways to reduce reoffending and prevent crisis. It reduces reoffending, improves mental health outcomes, reduces drug use, decreases justice involvement, and lowers emergency department and hospital use^{29,30}. For example, mental health and addictions supportive housing provided by the Dunn House in Toronto have seen their resident visits to UHN's emergency department drop by 52 per cent and total hospital admissions reduced by 79 per cent³¹. This initiative alone saved the government \$2.1 million annually in hospital costs³².

Supportive housing is also far more cost-effective: supportive housing costs \$2,000-\$5,000 per month, compared to \$17,000 for a hospital bed or \$11,000 for a correctional bed³³. Each supportive housing space replaces multiple crisis-system costs.



Despite its effectiveness, Ontario's supportive housing system is stretched beyond capacity. More than 36,000 people are waiting for mental health and addictions supportive housing³⁴, with one in five people on these waitlists being justice-involved³⁵ and wait times nearing four years³⁶. Chronic underfunding of the supportive housing sector has led to workforce shortages, inadequate rent supplements, and rising operational strain³⁷.

Ontario must increase funding to stabilize and expand the supportive housing sector so people leaving custody can reintegrate back into their communities.

Community-based care and housing keep people out of crisis, hospitals, and the justice system. We recommend that the Government of Ontario invest in both. Not only will this save millions in correctional and hospital costs, but it will also restore stability, safety, and dignity for people ready to rebuild their lives.



CONCLUSION

Ontario is paying more for crisis responses than it would for prevention. People with complex needs often wait too long for housing, treatment, and social supports, and when that help does not come, they fall into crisis and cycle through hospitals, courts, and corrections. The HSJCC Network works to end this cycle, but inadequate funding is undermining our ability to do so. Investments in preventative, community services and housing options for those leaving custody must also be made, as these are essential supports that the HSJCC co-ordinates but are currently lacking.

We are calling on the Government of Ontario to invest in:

- \$550,000 annually to sustain the HSJCC Network’s coordination capacity
- Stabilizing the community mental health, addictions, and justice sectors
- Housing for individuals leaving custody, including:
 - Expansion of bail beds across Ontario
 - Transitional housing
 - Supportive housing

These investments are modest compared to the police, hospital, court, and correctional costs Ontario currently pays when coordination breaks down. We urge the Government of Ontario to invest in coordination, community care, and housing so that the HSJCC Network can continue delivering cost-effective solutions that reduce system pressures, improve public safety, and help Ontarians with complex needs rebuild their lives.

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