



Written Submission for the Department of Finance 2026
Pre-Budget Consultations

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Recommendations

Recommendation 1: That the Government of Canada provide support and resources to provinces and territories to implement and expand team-based and interdisciplinary collaboration models.

Recommendation 2: That the Government of Canada fund innovative investments for specialty care to complement work being done to support primary care in Canada.

Recommendation 3: That the Government of Canada invest in research infrastructure and the digitalization of medicine to expand teledermatology and AI applications alleviating the strain on the limited dermatology workforce and increasing access to care in rural and underserved communities.

Recommendation 4: That the Government of Canada help increase the number of trained dermatologists in Canada.

Summary

Canada is facing a critical and worsening shortage of dermatologists. With just over 800 certified dermatologists serving a population of 41.5 million, there are only 1.9 dermatologists per 100,000 people.¹ This ratio is far below leading peer nations such as Australia, the United States, France, and Germany.² As a result, Canadians face long wait times to see a dermatologist, with the average wait time being five months, and in some cases, it can extend to years.³ Rural and remote communities are particularly affected, where access is even more limited.

These delays can lead to worsened conditions like skin cancer, psoriasis, and eczema, which result in higher treatment costs and greater physical and mental suffering, and, in the most severe cases, can even lead to death. The shortage of dermatologists in hospitals also increases the risk of missed diagnoses for emergencies, such as severe drug reactions, which can be life-threatening. Beyond the clinical risks, long wait times impose a heavy economic burden on Canada's economy. Chronic skin conditions and delayed skin cancer diagnoses lead to substantial lost workplace productivity, absenteeism, and disability claims. Furthermore, managing advanced-stage conditions in acute care settings creates higher direct costs for the health care system than timely outpatient dermatological care. Reducing delays in dermatological care would in turn reduce pressure on hospital resources, and support the Canadian workforce. Immediate action is needed to address this shortage and ensure timely, life-saving care for all Canadians.

The Canadian Dermatology Association (CDA) calls for immediate federal action to bolster system capacity through workforce planning, technological integration, and expanded training.

Recommendation 1: That the Government of Canada provide support and resources to provinces and territories to implement and expand team-based and interdisciplinary collaboration models.

Dermatologists often encounter skin conditions that are linked to or indicative of broader systemic health issues, such as autoimmune diseases, diabetes, or infectious diseases. By working closely with other specialists, such as rheumatologists, primary care physicians, and oncologists, dermatologists can ensure that underlying health issues are identified and managed appropriately.

Better outcomes: This collaborative approach allows for a more holistic understanding of patients' health, leading to better diagnosis, treatment plans, and overall outcomes. For example, when a dermatologist collaborates with a primary care physician, they can more effectively manage chronic and acute skin conditions like psoriasis, which require coordination with other treatments the patient is receiving. In cases where skin issues are a side effect of medications prescribed for

¹ <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC5470415/>

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<https://www.connexionfrance.com/practical/long-wait-for-dermatologist-appointments-in-france/106438#:~:text=In%202022%20there%20were%20only,shortage%20in%20more%20rural%20areas.>

³ Liddy, C., Moroz, I., Affleck, E., Boulay, E., Cook, S., Crowe, L., Drimer, N., Ireland, L., Jarrett, P., MacDonald, S., McLellan, D., Mihan, A., Miraftab, N., Nabelsi, V., Russell, C., Singer, A., & Keely, E. (2020, June 1). How long are Canadians waiting to access specialty care?: Retrospective study from a primary care perspective. PubMed Central (PMC). <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC7292524/>

other conditions, communication between dermatologists and the prescribing physician is essential to adjust treatment plans without compromising the patient's overall health.

Better referrals: Interdisciplinary collaboration facilitates smoother referral processes, ensuring that patients are directed to the right specialist quickly and efficiently. This reduces delays in diagnosis and treatment, which is particularly important for conditions like skin cancer, where early detection is critical. Timely referrals and reduced delays also promote health care system efficiencies and cost savings, preventing repeat visits to primary care or emergency departments for unmanaged skin conditions, directly cutting down redundant administrative and clinical expenditure across provincial health care systems.

Better staff retention: Team-based care models can be a good example of interdisciplinary collaboration. The CDA is currently exploring different approaches for dermatologists to supervise teams to enable more comprehensive dermatology care with the help of other non-dermatologist health professionals. These team-based models can not only help provide patient-centered care and reduce wait times through more efficient collaboration but can also help retain health care professionals through better work-life balance and improved mental health. Reducing turnover in this way also spares the health care system the significant financial cost of recruiting and onboarding replacement specialists.

In all of these scenarios, the CDA strongly believes that optimum care for patients is delivered under the leadership of a certified dermatologist who provides direct, on-site supervision to all non-dermatology personnel.

Recommendation 2: That the Government of Canada fund innovative investments for specialty care to complement work being done to support primary care in Canada.

In 2023, the federal government provided \$45.3 million to fund a team-based care project through Employment and Social Development Canada's Sectoral Workforce Solutions program. This initiative was designed to build the capacity of interprofessional, comprehensive primary care practitioners working in teams through improved training, retention, and planning tools.

This project, known as Team Primary Care, was an interprofessional initiative of the Foundation for Advancing Family Medicine. It was co-led by the College of Family Physicians of Canada and the Canadian Health Workforce Network, in partnership with over 100 health professional and educational organizations across Canada.

While the CDA applauds these investments in primary care human resources, parallel support is urgently needed for specialist care. Primary care capacity alone cannot absorb specialized chronic skin conditions or complex referrals. Bottlenecks at the specialist level often spill over into emergency departments which is the most expensive care setting in our health systems. Federal investment in specialist workforce planning mitigates high-cost hospital admissions and emergency room visits, yielding significant savings for the health care system. Thus, broadening

federal Health Human Resource initiatives to include dermatology and other specialties, through dedicated training, retention, and workforce planning, is essential to completing the care continuum and promoting efficiencies. Moreover, as the government rolls out forward-looking frameworks like the health pillar of the *AI for All* strategy, specialist sectors must be integrated into these technology solutions to complement and enhance patient care.

Recommendation 3: That the Government of Canada invest in research infrastructure and the digitalization of medicine to expand teledermatology and AI applications alleviating the strain on the limited dermatology workforce and increasing access to care in rural and underserved communities.

A wide range of technologies exists to support dermatological care, which can alleviate the strain on Canada's limited dermatology workforce. Digital and artificial intelligence solutions can be deployed across the care continuum to reduce wait times and improve access to care, particularly in rural, remote, and underserved communities.

The CDA recognizes the transformative potential of AI, and applauds the federal government's leadership in designating health and life sciences as a flagship priority under Canada's national AI strategy, *AI for All*. The strategy backs this priority with major structural commitments, such as the \$200 million AI Missions Program investment in high-impact health outcomes. Alongside this, the strategy dedicates another \$200 million to health data infrastructure, including \$100 million for a Health Sector Data Space to standardize clinical datasets and \$100 million for VITAL, a platform connecting hospital data to accelerate research and improve care, as well as dedicated funding for workforce upskilling. AI, including machine learning and deep learning algorithms, has the potential to enhance clinical decision-making and streamline administrative workflows. It also serves as a valuable decision support tool to triage cases and enhance overall care planning.

However, while current federal health and AI initiatives remain heavily focused on providing support and reducing administrative burden for primary and emergency care and reducing their administrative burden, specialty care has largely been left out of these targeted frameworks. Future funding initiatives must extend AI support across specialist care, as well. In dermatology, AI-assisted diagnostic tools, automated referral triaging, and teledermatology platforms can directly address severe backlog challenges and reduce long wait times. They can also bridge geographic access barriers for rural and remote Canadians, who face personal and economic costs associated with traveling to urban centers for specialist care, including missed workdays, travel subsidies, and lost local economic productivity. Expanding teledermatology drastically reduces these indirect economic burdens while improving early detection rates.

By opening federal AI streams, data spaces, and upskilling programs to specialist care, the government can build on existing digital investments to complement physician expertise, streamline referrals from primary care referrals, and optimize outcomes across the full continuum of care.

While AI has the potential to improve efficiency within dermatological care, the CDA stresses that technology complements, rather than replaces, the need for face-to-face care. The human aspects of care, including empathy, communication, and shared decision-making, remain essential components of high-quality dermatologic care. Therefore, close oversight by physicians remains essential to ensure the safety, reliability, and quality of care.

To fully realize the benefits of digital innovation, the CDA calls on the federal government to:

- **Integrate Specialists in Policy Development:** Ensure that specialists, including dermatologists, are consulted and included in decision-making processes while new policies, regulations, standards, and guidelines are developed around AI and other digital tools that impact dermatological care.
- **Fund Research and Digital Infrastructure:** Invest in research infrastructure and the digitalization of medicine to refine AI capabilities and expand applications in dermatology. This includes investments through future funding stemming from the government's AI Strategy, *AI for All*.
- **Establish National Regulatory Oversight:** Establish standardized ethical and regulatory frameworks for AI in dermatology, including a national oversight body to audit AI tools and support professional self-regulation.
- **Ensure Data Equity and Inclusion:** Invest in collaborative efforts between government, academia, and industry to create diverse and inclusive datasets that reflect the full spectrum of Canadian skin tones and conditions.
- **Support Medical Education Modernization:** Include AI fundamentals and digital health education into dermatology residency programs and continuing medical education to prepare the workforce for evolving models of care.

Recommendation 4: That the Government of Canada help increase the number of trained dermatologists in Canada.

There must be progress at both the domestic as well as international levels when it comes to increasing the number of trained dermatologists in the health care system. This involves the collaboration of multiple stakeholder groups, including both the provincial and federal governments, medical schools, teaching hospitals, and professional organizations. Ensuring an adequate number of dermatologists to meet the health needs of Canadians will help to support health care system cost savings through reducing wait times and improving access to dermatological services.

Grow capacity in medical schools: The federal and provincial governments must allocate additional funding to medical schools and teaching hospitals to create new residency positions. This funding would cover salaries, educational resources, and infrastructure needs. With additional resources from government, it would allow medical schools and teaching hospitals to invest in expanding their capacity to train more residents by hiring additional faculty, expanding clinical facilities, and enhancing training programs. Expanding domestic training capacity also reduces

long-term reliance on higher-cost stopgap measures, such as locum coverage and out-of-country referrals, to fill service gaps.

Attract international professionals: From an international standpoint, streamlining the credential recognition process for internationally trained dermatologists will simplify their path to practicing in Canada, helping to meet the growing demand for dermatological care. Additionally, providing a robust support system to help integrate international professionals into the Canadian health care system will ensure they can contribute effectively and feel welcomed in their new professional environment.

Increase the number of dermatology positions: In addition to expanding the pipeline for dermatologists in Canada, there also needs to be investment in the expansion of dermatological positions for these professionals. To start, there is a disproportionate number of dermatologists opting to work in urban areas, and more are needed in rural and remote areas. The federal government could help provincial and territorial governments with incentive programs for relocation to rural and remote areas. Programs could include loan forgiveness, relocation bonuses and higher salaries. In addition to this, robust networks to support dermatologists moving to underserved areas are necessary to their success and require funding which governments can help support.

Governments also need to ensure that health care workforce planning includes dermatology as a priority. This can be achieved through data-driven workforce assessments, long-term planning, and funding commitments to ensure dermatologists are integrated into Canada's health care strategy.

Retain Current Dermatologists: The federal government can play a critical role in addressing the shortage of dermatologists by investing in retention strategies that focus on improving working conditions, reducing burnout, and supporting career development. In addition to some of the solutions mentioned above, like supporting interdisciplinary collaboration, investing in technology to assist dermatologists and providing incentives, there are additional initiatives that would help improve retention.

The government could provide loan forgiveness or grants for dermatologists who commit to practicing in underserved or rural communities, which are often the hardest hit by shortages. They could also enhance targeted funding for wellness programs and bolster provincial and territorial programs to allow better access to mental health services for health care professionals. Also, by including the CDA and dermatologists in policy development targeted at improving health care systems, it can help encourage commitment to the sector and ensure retention activities align with the realities of the burden these shortages have placed on the profession.

Investing in retention ensures that current dermatologists remain engaged and supported, helping to alleviate workforce shortages and improve patient care. It is also more cost-effective for the system because retaining an experienced dermatologist avoids the substantial recruitment, onboarding, and lost-productivity costs of replacing one.

About the Canadian Dermatology Association

Established in 1925, the Canadian Dermatology Association (CDA) is a member organization that advocates for dermatologists across Canada, underscoring their essential role in the health care system. As a community of Certified Dermatologists, we are dedicated to advancing the science of dermatology encompassing over 3000 skin, hair and nail conditions. Our commitment extends beyond professional support; we also protect and educate the public through comprehensive educational initiatives and our product recognition programs.