

Staying in Touch



This is the first edition of a new newsletter for you, from Income Security Programs at Human Resources Development Canada (HRDC). Income Security Programs is the part of HRDC that manages your Canada Pension Plan disability benefit. This newsletter is one of the ways HRDC is providing clients with better service and information on the Canada Pension Plan (CPP) disability benefits. A 1999 survey told us that people who receive a CPP disability benefit want to hear from the department when there is new information on Canada Pension Plan disability benefits or new information for CPP disability clients. Clients also told us that they would like to receive this information by mail in the form of a newsletter. The newsletter will be mailed out at least once a year, more often if there is news of special importance to you.

**This publication is available
in alternative formats.**





Quick Facts

- You are receiving benefits from the largest long-term disability program in Canada.
- More than 283,000 people receive a Canada Pension Plan disability benefit, and 97,000 of their children receive a children's benefit.
- Last year, the program paid \$2.7 billion in benefits.
- The amount you receive for CPP disability benefits is increased every January if the Canadian cost of living goes up. If the cost of living index goes down, your disability benefit will not change.

Are my CPP DISABILITY BENEFITS TAXABLE?

YES, Canada Pension Plan disability benefits are taxable. However, because every person's financial situation is different, tax is not automatically deducted. You will receive a T-4 statement from CPP at the end of each calendar year while you are getting CPP disability benefits. You may want to call HRDC to arrange to have tax deducted from your monthly payment.

Perhaps you are also eligible for a disability tax credit? If you want more information about tax assistance for people with disabilities, please contact Canada Customs and Revenue Agency at: **1 800 959-8281**. If you use a TDD/TTY device, call **1 800 665-0354**.

What other benefits are PAID BY CPP?

Benefits for children

Children of a person getting a CPP disability benefit and children of a deceased person who paid into the CPP may qualify for a monthly benefit.



Staying in Touch



CPP pays benefits for children if they are:

- under 18. These benefits are paid to the person who has the custody and control of the children; or
- between 18 and 25 and going to school full time. These benefits are paid directly to the child.



Benefits for a spouse or common-law partner

CPP pays a benefit to a spouse or common-law partner of a deceased person who paid into the Canada Pension Plan. The spouse or partner may be of the same or of the opposite sex. The benefit amount is based on the age of the eligible spouse or common-law partner, and on the amount the deceased person paid into the CPP.

Death benefit

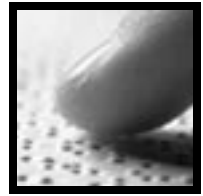
The estate of a deceased person may get a lump sum payment of up to \$2,500 from CPP to help cover funeral costs. Again, the amount is based on how much the deceased contributed to the CPP while working.

Please Note: You or your estate must apply to receive CPP benefits. If you have questions about any of these benefits, please call HRDC at the numbers listed on the back of this newsletter.

Thinking of DOING SOME WORK? _____

Human Resources Development Canada recognizes that you may want to participate in some form of work. Besides increasing your income, work can keep you connected to the community and make you more independent. However, you may be worried that if you work, your CPP benefits will be stopped. The following information will tell you how much work you can do and still continue to receive benefits.





How much can you earn and continue to receive a CPP disability benefit?

You can earn up to \$3,800 from work in 2001 without informing HRDC and without losing your benefits. This amount may change in future years.

You can also continue to receive your benefits while you:

- do volunteer work
- go to school
- take part in a re-training program



What happens when you tell HRDC you have employment earnings of \$3,800?

Once you earn \$3,800 from work we would like to talk with you about your current work situation and your future work goals. If you can only work once in a while, you may be allowed to earn more than \$3,800 while still receiving CPP benefits. It is important to talk to us so we can look at your individual situation.

If you are able to work on a regular basis, we will explain how HRDC can help you achieve your work goals. We can help you through:

- a vocational rehabilitation program, which allows you to re-train, and
- a three-month work trial period during which you will continue to receive CPP benefits while you work.

We will keep in touch with you during this time until it is clear that you are able to work on a regular basis.

When could my disability benefits be stopped?

There is no fixed dollar amount at which benefits are automatically stopped. Because everyone's medical condition and capacity to work are unique, each person's circumstances are considered individually. We look at your medical information, your pattern of work, and the number of hours worked, as well as your earnings, before deciding whether your benefits will be stopped.

If your benefits are stopped and you have difficulty staying at work because of your disability, your CPP benefits can be reinstated.



Staying in Touch



Approaching 65 YEARS OF AGE?

You should know that your disability benefit will be automatically changed to a CPP retirement pension when you turn 65. Since the retirement pension amount is lower than the disability benefit, we suggest you contact us ahead of time to see how much your pension will be. This information will help you plan for your retirement.



Once you turn 65, you are also eligible for an Old Age Security (OAS) pension. HRDC will send you an application when you are 64 years old. If you don't receive your application, please call and HRDC will be happy to send you one. The OAS application is also available on the HRDC Internet site.

You may also be eligible for the Guaranteed Income Supplement (GIS) if you are receiving an OAS pension and your income is below a certain level. You must apply for this benefit. Call the phone number on the back of the newsletter for a GIS application.

We want to STAY IN TOUCH WITH YOU

It is important to contact CPP if you:

- move, so we can make sure you receive your T-4 or other important information when you need it;
- are on direct deposit and you change banks or bank accounts (this is to make sure your payments reach you);
- have earned \$3,800 (before taxes) from employment in 2001;
- try to return to work and are not successful; or
- have any questions about your CPP disability benefit.



Staying in Touch



How to REACH US

By telephone in Canada or the United States, call:

1 800 277-9914

1 800 255-4786 (for TTY/TDD device users only)

1 800 461-3422 (Vocational Rehabilitation Program – helping people go back to work)

Note: Our phone lines are busiest at the beginning and the end of each month. If your business can wait, you will find it easier to call during the middle of the month.

In person or by mail: check the Government pages of your telephone directory and call the number listed for the address of your local office. Or call HRDC, free of charge, at the number above for the closest office in your area.

Or you can write us directly at P.O. Box 8953, Station "T", Ottawa, Ontario, K1G 3J2.

Internet:

For general information on CPP, you can also visit HRDC's Internet site at:

www.hrdc-drhc.gc.ca/isp

We keep our mailing lists as up to date as possible. If your circumstances have changed while this newsletter was being mailed, and it was mailed inappropriately, we apologize. Please call us at the telephone numbers listed above or write to us at P.O. Box 8953, Station "T", Ottawa, Ontario, K1G 3J2, if you change your address.

If you have a question or concern about your benefit or your file, please write or call HRDC at the post office box or one of the 1-800 numbers listed above.

We'd like your comments...

If you have any comments about this newsletter or any suggestions for future articles, please call **1 866 264-9872** to record a message. Please remember that this number is only for comments on the newsletter.

Watch future issues for information about other aspects of the CPP disability benefits program, such as vocational rehabilitation.