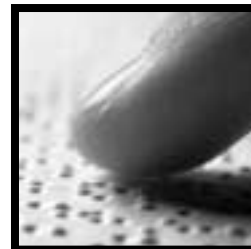


Staying in Touch



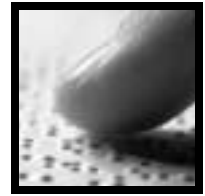
Welcome to the second edition of your Canada Pension Plan (CPP) newsletter, *Staying in Touch*. The response to our first issue of *Staying in Touch* was encouraging. Clients told us they found the information useful and easy to read. This issue contains topics and features suggested by clients who contacted us. Thank you to everyone who provided feedback and suggestions.

If you would like a copy of the first edition of *Staying in Touch*, you can find it on our Web site at www.hrdc-drhc.gc.ca/isp/pub/dsbnews_e.shtml, or leave a voice message at **1 866 264-9872**, requesting a copy.



This publication is available
in alternative formats.





Quick Facts

- In 2000-2001, some 10.6 million people in Canada contributed to the Canada Pension Plan (CPP).
- During 2000-2001, more than 4.1 million Canadians received \$19.5 billion in benefits from CPP. This included approximately 282,000 persons with disabilities, and 94,000 of their children, who received \$2.8 billion in benefits.
- Eighty-five percent of Canada Pension Plan disability beneficiaries are between 45 and 65 years of age.
- CPP benefits are adjusted in January of each year to reflect changes in the cost of living as measured by the Consumer Price Index.

A reminder ABOUT TAXES

CPP disability benefits are taxable. If you receive CPP benefits, please remember that the addition of CPP income could mean that you might owe taxes when you file your next income tax return. If you expect to have to pay tax, you may prefer to have it withheld from your monthly CPP payment rather than paying a lump sum at year's end. If you want income tax deducted from your monthly CPP payment, you must ask CPP by calling toll free: **1 800 277-9914**.

You can find information about voluntary tax deductions at www.ccra-adrc.gc.ca/newsroom/factsheets/2000/jan/sac_handout-e.html or call the Canada Customs and Revenue Agency (CCRA) at **1 800 959-8281**.

How are CPP disability benefits CALCULATED?

Your monthly CPP benefit is made up of two parts. The first is a flat-rate amount, which was \$364.49 for 2002. The second is based on how much, and for how long, you paid into the CPP, and can be up to \$591.56 a month.

As of January 2002, the maximum amount that could be paid was \$956.05. The average benefit in 2001-2002 was \$777.44 per month. If there is an increase in the cost-of-living index, your payments will be increased once a year.



Staying in Touch



Thinking of VOLUNTEERING?

The Canada Pension Plan recognizes that many of our clients are active volunteers. Volunteering can help people feel connected to their communities and, for some people, it can be a valuable first step towards an eventual return to the paid workforce. You can be a volunteer without worrying about your CPP benefits because your benefits will continue while you volunteer.

Here are some examples of how the community has benefited from client-volunteers:

- A teacher with Crohn's disease did volunteer work in a local school.
- A paraplegic client helped coach a group of disabled youths in wheelchair basketball at a local community centre.

Thinking of RETURNING TO WORK?



Today, new technology, medical treatments and skills training are making it possible for some people with severe disabilities or illnesses to re-enter the workforce on a more regular basis. Depending on your circumstances, you may be able to get help preparing for work from your private insurer or from a program in your local community. Human Resources Development Canada (HRDC) may also be able to help you. You can learn about our programs and services by visiting the "Persons with disabilities" section of our Web site at www.hrdc-drhc.gc.ca

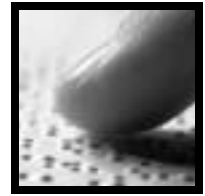
Working while you are getting CPP DISABILITY BENEFITS

You can now work and earn money without losing your CPP disability benefits. For some people, this might be the first step back to full employment; others might be able to work only occasionally. Once you earn \$3,900 or more in 2003 from working, you should contact us to discuss your current work situation and your future work goals. If you can work only once in a while, you may be able to earn more than \$3,900 while still receiving CPP benefits. It is important to talk to us so we can look at your individual situation.

Many of you have been saying very positive things about this change. Clients and disability advocates have sent us encouraging stories about clients returning to work or re-training while staying on benefits.



Staying in Touch



Here are some examples of how working can make a difference:

- A client in a Mental Health Rehabilitation day program sold some of his clay modeling work at the centre's annual craft sale.
- A client with severe arthritis was able to do some occasional contract work as a computer programmer for his former employer when he felt well enough to work.
- A client with multiple sclerosis earned some income in telemarketing when her condition went into remission.
- A client with a muscular disability built up his physical stamina by working as a crossing guard for two hours a day.
- A client with a heart transplant did some management consulting while he was recuperating.
- A nurse with a visual impairment did some occasional work answering patient phone calls at a health centre.

For some clients, this work may lead eventually to a full return to the work force; for others it may not. No matter what the outcome, being able to feel productive and earn some income can be an important step toward renewed mental and physical health.

Benefits paid to you by other programs may be affected if you earn employment income. If you return to work and are receiving benefits from other programs in addition to CPP, you should contact these programs.

APPROACHING 65? Get all the benefits you are entitled to _____

Remember that your CPP disability benefit will automatically change to a CPP retirement pension once you turn 65.

Here is some additional information that may be helpful to you:

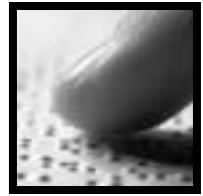
At 65, if your income is low, you may also be eligible for the Guaranteed Income Supplement (GIS) in addition to the Old Age Security (OAS) benefit. If you qualify for GIS, your spouse or common-law partner may be eligible for Allowance benefits if he or she is between 60 and 64 years old and has a low income.

Don't forget... you must apply in writing for the Guaranteed Income Supplement and for Allowance benefits.

For further information on any of these benefits, or on those for survivors, call our toll-free number **(1 800 277-9914)** or visit the Old Age Security section of our Web site at www.hrdc-drhc.gc.ca/isp



Staying in Touch



Disability Tax Credit... WHAT IS IT? ---

The Disability Tax Credit is a non-refundable tax credit. If you meet the eligibility requirements, you can claim the credit on your income tax return to reduce your taxes. You may be able to transfer part of it or the entire amount to your spouse or common-law partner, or to another person who supports you.

It is important to note that the Disability Tax Credit eligibility requirements are not the same as those for other disability programs. Therefore, your entitlement to CPP disability benefits, workers' compensation benefits or other types of disability or insurance benefits does not necessarily mean you can claim the Disability Tax Credit.

For information about the Disability Tax Credit:

- see **line 316** of the *General Income Tax and Benefit Guide*
- visit the Canada Customs and Revenue Agency Web site at:
www.cra.gc.ca/disability
- call **1 800 959-8281**

You may be eligible for other tax credits because of your disability. For more information, read *Information Concerning People with Disabilities* at www.cra.gc.ca/disability

Disability help and information IN AN INSTANT ---

The Internet provides a wealth of valuable information. The following are some helpful sites:

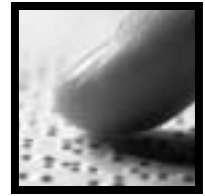


- The Government of Canada – canada.gc.ca
- Canada Pension Plan Disability Benefits – www.hrdc-drhc.gc.ca/isp/cpp/disabi_e.shtml
- Disability Weblinks – www.disabilityweblinks.ca
- The Parliamentary Sub-Committee on the Status of Persons with Disabilities – www.parl.gc.ca/disability

If you don't have Internet access at home, call **1 800 O CANADA** (1 800 622-6232) to find out where there is free Internet access in your community.



Staying in Touch



We want to STAY IN TOUCH

If you are receiving CPP disability payments, it is important to contact CPP if you:

- are seeking help in returning to work,
- have tried to return to work and were not successful,
- have earned \$3,900 or more before taxes from employment in 2003,
- change your address,
- are on direct deposit and change banks or bank accounts, or
- have any questions about your CPP disability benefit.

How to REACH CPP

By telephone in Canada or the U.S.:

1 800 277-9914 (for information)

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

1 613 957-1954 (International line in English and French)

In person: The addresses of local HRDC offices are in the government pages of your telephone directory.

By mail: Write to us at HRDC Headquarters, P.O. Box 8953, Station "T", Ottawa, ON K1G 3J2

By e-mail: Write to isp-psr.mail-poste@hrdc-drhc.gc.ca

We'd like your comments

You can leave a voicemail message with your feedback about this newsletter at **1 866 264-9872**.

If your circumstances have changed and this newsletter was mailed to you inappropriately, we apologize.

