

# The Canadian National Institute for the Blind

Submission to the Sub-Committee on the Status of Persons with  
Disabilities of the Standing Committee on Human Resources  
Development and the Status of Persons with Disabilities

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For further information contact:

Mr. Vangelis Nikias, National Director  
Government Relations and International Liaison  
CNIB National Office –Ottawa  
320 McLeod Street  
Ottawa, ON K2P 1A3  
Tel: (613) 563-0000 ext. 154  
Fax: (613) 232-9070  
E-mail: [nat-government@cnib.ca](mailto:nat-government@cnib.ca)

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Ms. Carolyn Bennett  
MP for St. Paul's  
Sub-Committee on the Status of Persons  
with Disabilities of the Standing Committee  
on Human Resources Development and the  
Status of Persons with Disabilities House of Commons  
Parliamentary Buildings  
Ottawa, Ontario K1A 0A6

Dear Madam Chairperson, Madame la présidente,

I wish to thank you for the opportunity to appear before your sub-committee today. The members of this sub-committee have expressed in the past their commitment to find feasible ways to assist Canadians with disabilities to achieve equal citizenship. Your expeditious response to the issue before you today is further proof of this commitment.

The issue

The issue that concerns us all today is the appropriateness, or lack thereof, of the letters recently sent to Canadians with disabilities who have been allowed the Disability Tax Credit. It appears that Canada Customs and Revenue Agency (CCRA) is asking Canadians with disabilities to resubmit medically certified proof of their disability status. The Canadian National Institute for the Blind understands the need of obtaining the Form T2201 for first time applicants. The recent exercise however goes far beyond this, as it appears to request Form T2201 from Canadians with disabilities who have provided information in the past, and whose disability status has not changed and, in fact cannot change, for example persons who are blind. This is why this exercise may be called a reassessment effort. You can understand that this has caused a great deal of concern in the community. People object to the fact that they have to re-qualify themselves.

We believe that this exercise is entirely unnecessary in the case of people who are blind, as well as in the case of people with other permanent or irreversible disabilities.

First, let me explain to you that people who are totally blind or whose vision is 20/200 or less (also known as the legal definition of blindness) are not likely to regain their vision.

According to Dr. Ralf Buhrmann, an epidemiologist and ophthalmologist with the Eye Institute in Ottawa, and Dr. Ray LeBlanc, chair of the National Coalition for Vision Health, the three leading causes of vision loss in Canada are age-related macular degeneration (55%), diabetic retinopathy (8%) and glaucoma (8%). In all these conditions, vision loss is irreversible. According to Dr. Buhrmann, "it is extremely rare that persons referred to the CNIB with blindness would have any prospect of recovering eyesight". In fact, since 1996, only 21 out of the 100,000 clients of the CNIB have regained some level of vision sufficient to have their status changed from legally blind to low vision.

To request from this entire population to obtain and file a certificate re-establishing their right to the Disability Tax Credit in order to detect a tiny number who may have regained sufficient vision to no longer qualify seems unnecessary and counter-productive.

Furthermore, this unnecessary exercise is not cost-free to Canadians who are blind or to the general population. The medical certificate required by CCRA is not normally covered by the provincial medical plans. It is an out-of-pocket expense for the person requesting it, and it generally costs around \$35 or more. It is CCRA's position that this expense can be claimed as a medical expense when filing the income tax return. This is not adequate relief in the case of persons who are blind, and who do not incur enough medical expenses by the nature of their disability to be able to use this deduction, even if their income is very low. The threshold for this deduction is 3 percent of net income, which means that for net income of \$ 15 000, one would have to incur \$ 450 in medical expenses prior to this credit becoming available. Even where the deduction is fully available, the maximum compensation would be \$ 7.77 out of \$ 35 for a single person living in Ontario. So it is an out-of-pocket expense for the blind person.

There are cases where the ophthalmologist will perform a complete eye examination for which he/she can bill the health plan, and not charge the client. These costs vary from \$ 24.50 in Quebec to \$ 49.94 in Alberta, and will be borne by the provincial health systems.

According to some information, this request for re-qualification as to eligibility may be a massive undertaking, involving up to 90 000 persons with disabilities. If that is the case, it has the potential of straining the medical system even more than is already the case. In the case of people who are blind, they would have to see an ophthalmologist, optometrist or family doctor to certify their vision loss, and there is already a shortage of ophthalmologists in this country, and long waiting lists. Some of the clients living in remote areas will receive a travel subsidy to attend a medical office far from home. It seems neither fair nor reasonable that the financially strapped provincial health care systems be burdened so heavily by a request of the CCRA that is, in a large number of cases, an exercise in futility.

Certainly, we do not object to CCRA requesting information from persons claiming the Disability Tax Credit for the first time. It would also be reasonable to request information in the case of a medical breakthrough rendering vision restoration likely. This, however, has not been the case for the last twenty to thirty years.

In fact the reasonableness of this approach has been accepted by CCRA. Based on my discussions with officials of CCRA, I am led to conclude that, while they insist on the necessity of obtaining required information, in cases where they don't have it, including first time applicants, they are prepared to take corrective administrative measures, where possible and appropriate. In particular, the CNIB identification card, which contains the same definition as Form T2201, can serve as evidence of meeting the applicable definition. I want to thank CCRA for having responded positively in an effort to address this problem.

### Expanding Eligibility Criteria

I would like to respectfully submit to your sub-committee that, instead of tightening up eligibility criteria, the Government of Canada should be taking actions to make those criteria more liberal. In fact, CNIB, and other national disability organizations have, for some time, called for the introduction of refundable tax credits, without which the tax benefits to Canadians with disabilities remain minimal.

In the Will to Act, it was clearly stated that changes to the income tax legislation had to reflect a number of principles, some of which are specifically relevant to the Disability Tax Credit:

"For persons with disabilities normal activities bring extraordinary costs which are involuntary;

Some of these costs are general and intangible and others can be supported by receipts for expenditures;

Tax recognition of these costs is not a subsidy based on sympathy or charity but fair tax treatment;

The costs associated with disability are more onerous when borne by individuals with limited income;

The costs associated with disability are not limited to those with taxable income."

Despite all the hype about it, it is doubtful that the Disability Tax Credit, as conceived, and as interpreted by CCRA, achieves the goal of compensating disabled Canadians adequately for the extra costs they incur in daily living.

Firstly, the amount of money the credit actually puts in the pocket of a blind person is not that large.

Although the Disability Tax Credit Amount is \$ 6,000, its actual impact in terms of real dollars in the pocket of a disabled person is much more modest. In 2001, the amount of \$6,000 gets converted into a tax credit of \$960 for Federal purposes (16%) and \$372 for Ontario purposes (6.2%).

Using the example of a single person living in Ontario, for the tax year 2001, we obtain the following savings:

a) for taxable income of up to \$7,412, the Disability Tax Credit will not generate any savings. At that level of income, it is not worth a penny;

b) for taxable income between \$7,413 to \$13,412, the Disability Tax Credit generates 22.2¢ for every dollar of taxable income earned by the blind person (16¢ for Federal purposes and 6.2¢ for Ontario purposes);

c) for taxable income over \$13,412, the Disability Tax Credit provides savings capped at \$1,332 for a blind single person that resides in Ontario. This is the maximum savings allowed by the Credit, which is reached at the level of \$13,412 of taxable income.

Moreover, this tax credit is not refundable. Therefore, it does not provide any relief to a blind person unless his or her income is large enough to be subject to tax, and this is not the case for many blind persons who have to rely financially on social service payments.

Secondly, the restrictive definition under the section actually screens out a large number of people who incur extra expenses in their daily living.

For instance, to qualify under the Disability Tax Credit, a person who is blind must be "blind, all or almost all the time, even with the use of corrective lenses or medication, and the impairment is prolonged"

The fact of the matter is that Canadians with visual impairment who do not meet the legal definition of blindness still incur costs associated with their vision loss.

Let's take the case of Mrs. B, who is 79 years old, lives alone following the death of her husband 5 years ago and was recently referred to CNIB for assistance adapting to Age Related Macular Degeneration. Her support system is a few close friends as her family live in another province. Her vision is 20/200 in one eye and 20/100 in the other (therefore has vision better than the legal definition). Mrs. Brown has had to give up her driver's license and finds getting out to her bridge club, her volunteer work at the museum and buying groceries a burden. She struggles to read her mail, especially her bankbooks and has given up reading for pleasure, as the struggle is not worth it.

Mrs. Brown now pays for taxis to go grocery shopping or pays extra to get her groceries delivered. She has purchased several magnifiers to assist with reading. She had an electrician install extra lights under her kitchen cupboards in order to assist her with food preparation. As writing letters is difficult, she has now bought a computer so she can stay connected to her family via e-mail. She bought large print cards for her friends so they all could continue to play bridge. All in all with these aids to daily living she is learning to live life with vision loss.

### Conclusion

In closing, let me thank you once again for your interest and support. It is highly appreciated. I believe that if the Government of Canada takes into account the points raised here today, it will serve Canadians with disabilities more appropriately. We have shown above that embarking on a massive reassessment is both inappropriate and inefficient. After obtaining proper authorization from four individuals concerned, we sample-tested their files with CCRA. We found that in three of those four cases CCRA had sufficient documentation. Therefore, requesting re-qualification was not necessary. Let's become more generous, not more stringent.

Yours Truly,

Vangelis Nikias  
National Director- Directeur national  
Government Relations & International Liaison-  
Relations gouvernementales et liaisons internationales