

Recognizing the Recognition*

Sometimes governments do the right thing. They recognize a given challenge and introduce measures to address it. Several provinces have taken important steps in recognizing the additional costs associated with informal caregiving.

The estimated three million informal caregivers in Canada are unpaid family members and friends who provide substantial assistance and supports to persons with severe disabilities or to the frail elderly.

The federal government has in place three tax credits which acknowledge the fact that caregivers may incur additional expenses in respect of their caregiving responsibilities. These are the caregiver tax credit, infirm dependant tax credit and newly-introduced family caregiver tax credit.

The Caledon Institute supports these tax measures but points out a major flaw. As nonrefundable credits, they provide no assist-

ance to modest- and low-income households that pay little or no income tax. This weakness can easily be remedied by converting these nonrefundable credits to refundable credits so that all Canadians with disability-related costs receive – regardless of income – some benefit from these tax measures.

Some jurisdictions have heard the message. It is time to recognize their recognition of the problem.

Quebec provides a refundable tax credit for caregivers. It is intended to help with expenses incurred in obtaining specialized respite services for the care and supervision of a person with a significant disability.

There is a list of eligibility criteria. The care receiver, for example, must have a severe and prolonged impairment in physical or mental functions or must be receiving

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palliative care. The individual cannot be left without supervision because of the disability. The services must be provided by a person who meets several criteria, including a recognized diploma in health or nursing.

Quebec's tax credit for caregivers is worth an annual maximum \$1,560 and is equal to 30 percent of total expenses paid in the year, up to \$5,200. The tax credit that may be claimed is reduced by 3 percent of family income in excess of \$50,000.

Manitoba is also making significant progress on the policy front. The government's last Budget announced a 25 percent increase to the maximum annual primary caregiver tax credit, to \$1,275 from \$1,020 per care recipient.

In May 2011, the province also introduced an Act to increase awareness and recognition of Manitoba's informal caregivers. The legislation is part of the Age-Friendly Manitoba Initiative launched in 2008.

Key provisions of the *Caregiver Recognition Act* include general principles that outline how caregivers should be treated and considered when interacting with health staff and in the workplace. The Act calls for a progress report every two years to evaluate caregiver needs and supports. It establishes a Caregiver Advisory Committee to provide the Minister with information, advice and recommendations.

On the other side of the country, Nova Scotia has in place a Caregiver Benefit (formerly the Caregiver Allowance) that recognizes the vital role of informal caregivers. The program is targeted at low-

income care recipients with a high level of impairment as determined by a home care assessment. They must have a net annual income of \$18,785 or less if single, or \$35,570 or less net income if living in a family.

Caregivers must be in a regular, ongoing caregiving relationship with the person receiving care, providing 20 or more hours of assistance per week. If the caregiver and the care receiver both qualify for the program, the caregiver is eligible to receive a benefit of \$400 per month.

The federal government has a similar measure for caregivers of children under age 18 with severe disabilities. The Child Disability Benefit is a tax-free payment of up to \$2,504 per year (\$209 per month) for low- and modest-families who care for a child under age 18 with a severe and prolonged impairment in physical or mental functions. It is delivered as a monthly supplement to the Canada Child Tax Benefit.

These selected measures recognize that modest- and lower-income households can also incur extra costs in respect of their caregiving responsibilities. These programs choose not to direct scarce tax dollars toward the households that least need public assistance.

Of course, the bigger question concerns the overall availability of disability supports – the goods and services that allow people with disabilities and frail elderly individuals to live independently in communities. Access throughout the country varies by jurisdiction, type and severity of condition, age of recipient and household income.

Calling the disjointed and incoherent provincial/territorial systems of disability supports a ‘system’ is an undeserved complement. But that is another (long) story.

Now is the time for deserved compliments – for acknowledging tax measures that take a step forward in providing financial assistance for informal caregivers. Now is the time for recognizing the recognition.

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