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April 26, 2024

The Honourable Chrystia Freeland

Minister of Finance and Deputy Prime Minister
House of Commons
Ottawa, Ontario K1A 0A6

The Honourable Kamal Khera

Minister of Diversity, Inclusion and Persons with Disabilities
House of Commons
Ottawa, Ontario K1A 0A6

Re: The Canada Disability Benefit parameters outlined in the 2024 Federal Budget are inadequate and exclusionary

Dear Ministers Freeland and Khera:

We are writing on behalf of over 50 community legal clinics across Ontario that serve thousands of people living with disabilities in deep poverty. Our clinic, the [Income Security Advocacy Centre](http://www.incomesecurity.org), specifically focuses on income security issues.

At first glance, we were pleased to see that the 2024 Federal Budget included funding for the much-anticipated Canada Disability Benefit (CDB), [designed to](#) “reduce poverty and to support the financial security of working-age persons with disabilities”.

Unfortunately, the details reveal that the proposed benefit amount and the Disability Tax Credit (DTC) as the gateway fall glaringly short of fulfilling the intent of the *Canada Disability Benefit Act*.

The proposed amount will fail to lift persons with disabilities out of poverty

The disability community has [pointed out](#) that the maximum benefit of \$200 per month that the Budget proposes will not reduce poverty. In Ontario, the federal and provincial social assistance received by a person with a disability leaves them [\\$11,760](#) below the Official Poverty Line. While

the Budget “aspires to see” the combined amount of federal and provincial income supports grow to the level of Old Age Security and the Guaranteed Income Supplement, its proposed amount for the first five years of CDB delivery falls embarrassingly short of this goal. The maximum amount per person per year outlined in the Budget is lower than the lowest estimate produced by the Parliamentary Budget Office’s [costing tool](#). Low-income persons with disabilities are left to wonder how the government will bridge the gap between what was announced and what is needed, and how long this will take. Above all, they feel abandoned and outraged by how the Budget envisions the CDB.

The Disability Tax Credit is a gatekeeper, not a gateway

Access to the CDB should not be tied to the DTC. The DTC is inaccessible and underutilized because of its restrictive disability definition, non-refundable tax credit status, and burdensome Canada Revenue Agency (CRA) eligibility process.

As law practitioners, we are especially concerned with the use of the DTC certificate as the access point for the CDB. The certificate sets a higher bar for people living with disabilities to meet because the test for disability is much more stringent for the DTC than the definition of disability chosen for the *Canada Disability Benefit Act*. The DTC’s restrictive definition excludes hundreds of thousands of low-income people living with disabilities.

Further, the DTC’s status as a non-refundable tax credit makes it useless for those who do not owe income taxes. The Senate of Canada estimated that as high as [60-66%](#) of people who would be eligible for the DTC on the basis of disability are low-income and not paying income tax, leaving them out of the DTC’s scope.

Access to the DTC also involves a complex application process and an inaccessible dispute resolution process. Due to these barriers, using the DTC as the only gateway to the CDB will embolden predatory third parties. In addition, the CRA, which administers the DTC, has no expertise in serving people with disabilities. Courts have [criticized](#) the CRA’s DTC application process as using eligibility criteria that fails to accurately reflect the practicalities of living with a disability.

Still time to change the course on the “[once-in-a-generation](#)” Canada Disability Benefit

People with disabilities need to hear from you immediately that the DTC is not going to be the sole gateway for accessing the CDB. In unity with the [National Disability Network](#), we strongly urge the government to expand CDB eligibility through the regulatory development process in close consultation with disability communities and advocates.

We further call on the federal government to build on the initial investment in the Budget and increase the maximum monthly amount for eligible recipients starting in July 2025. The changes must be implemented no later than in the 2024 Fall Economic Statement.

We hope that the government takes these recommendations under urgent consideration and delivers on the original promise of the CDB that so many counted on. Our client communities cannot and should not have to wait any longer.

Sincerely,



Melinda Ferlisi, Executive Director
Income Security Advocacy Centre (ISAC)

Endorsed by (in alphabetical order):

Aboriginal Legal Services Legal Clinic
Advocacy Centre for Tenants Ontario
Advocacy Centre for the Elderly
ARCH Disability Law Centre
Black Legal Action Centre
Canadian Environmental Law Association
Centre for Spanish Speaking Peoples
Chatham-Kent Legal Clinic
Chinese & Southeast Asian Legal Clinic
Clinique juridique francophone d'Ottawa (CSCVanier)
Clinique juridique Roy McMurtry Legal Clinic (Stormont, Dundas & Glengarry)
Community Advocacy & Legal Centre
Community Legal Assistance Sarnia
Community Legal Clinic Brant Haldimand Norfolk
Community Legal Clinic of York Region
Community Legal Services of Ottawa
Don Valley Community Legal Services
Downtown Legal Services
Durham Community Legal Clinic
Elgin-Oxford Legal Clinic
Grey-Bruce Community Legal Clinic
Hamilton Community Legal Clinic
HIV & AIDS Legal Clinic Ontario (HALCO)
IAVGO Community Legal Clinic
Injured Workers Community Legal Clinic
Keewaytinok Native Legal Services
Kensington-Bellwoods Community Legal Services

Kingston Community Legal Clinic
Kinna-aweya Legal Clinic
Lake Country Community Legal Clinic
Legal Assistance of Windsor
Legal Clinic at Lincoln Alexander School of Law, Toronto Metropolitan University
Legal Clinic of Guelph and Wellington County
Mississauga Community Legal Services
Neighbourhood Legal Services (London & Middlesex)
Neighbourhood Legal Services (Toronto)
Niagara Community Legal Clinic
Northwest Community Legal Clinic
Parkdale Community Legal Services
Peterborough Community Legal Centre
Renfrew County Legal Clinic
Rexdale Community Legal Clinic
Scarborough Community Legal Services
South Asian Legal Clinic of Ontario
Sudbury Community Legal Clinic
The Legal Clinic
Unison Health and Community Services
Waterloo Region Community Legal Services
West Scarborough Community Legal Services
West Toronto Community Legal Services
Willowdale Community Legal Services
Windsor Essex Bilingual Legal Clinic
The Steering Committee on Social Assistance

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