

OTTAWA CITIZEN

Family urges savings plan to support disabled

Fund would allow tax-deferred contributions to pay for future care

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OTTAWA - Ted Kuntz hopes 2007 marks the beginning of the end for a question that has haunted him for years: Who is going to care for his severely disabled son when he is gone?

Kuntz's hopes for Josh, now 22, hinge on the federal Conservative government embracing, and Parliament approving, a proposal that would allow anyone -- parents, grandparents, siblings or friends -- to contribute to a \$200,000 plan to help cover the future care of a disabled loved one.

The contributions to the proposed Disability Savings Plan would not be tax free, but the income earned on those contributions would not be taxed until the disabled person started to receive income from the plan.

"I think this is one of the most important changes to have happened in the disability movement in my son's lifetime," Kuntz said from Vancouver. "It gives me peace of mind knowing that he won't need to live in poverty."

Kuntz talks as though the change is a fait accompli, largely because federal Finance Minister James Flaherty, who has a disabled son, assured him at a private meeting during a recent visit that his public endorsement of the proposal is for real.

The proposal is the work of an expert panel appointed last summer by Flaherty.

As part of the plan, it also urged the federal government to provide parents of disabled children with annual cash grants of at least \$1,000 for 20 years. The amount would double to \$2,000 a year for low-income families.

The plan, which the panel estimated would cost \$112 million annually, is aimed at the severely disabled, namely those who qualify for the federal disability tax credit and who are unable to work.

Flaherty has said he plans to pursue the idea with his provincial counterparts and to include the measure in the next budget, expected in February. The provinces need to be on side to ensure they do not respond to the new federal assistance by clawing back provincial disability benefits.

The proposal's fate in the minority Parliament, however, is a bigger question. Though opposition parties are unlikely to dig in against helping the disabled, the budget could be defeated on other issues, forcing an election.

Kuntz's son was damaged by a vaccine shot at the age of five months. He developed an uncontrollable seizure disorder that has left him with the capacity of a two-year old. He requires round-the-clock care, now being provided by aides, and financed by the province, Kuntz and his former wife.

"What I came to understand is that our safety net around disability is actually imbedded within the welfare system," he said. "It's the wrong place. The welfare system is a temporary system of last resort. And my son's condition is not temporary."

The proposed new system will allow individuals to supplement provincial supports, worth less than \$10,000 a year for most disabled Canadians. Under the current system, the disability benefit is deducted dollar for dollar for each dollar the disabled person gets in unearned income.

Kuntz says the change will allow members of his family, including Josh's grandparents, to contribute to his financial well-being without him being penalized.

"For years they have said they want to help, but their hands have been tied around helping financially (by the disability benefit rules.)"

Kuntz says the panel has recognized a public-private partnership is required to spare the disabled a life of poverty.

"I don't want the government to do it all on their own because I don't particularly like the standard they have," Kuntz said. "And yet I can't afford to do it on my own. This begins to say, 'you know, we need to do this together.'"