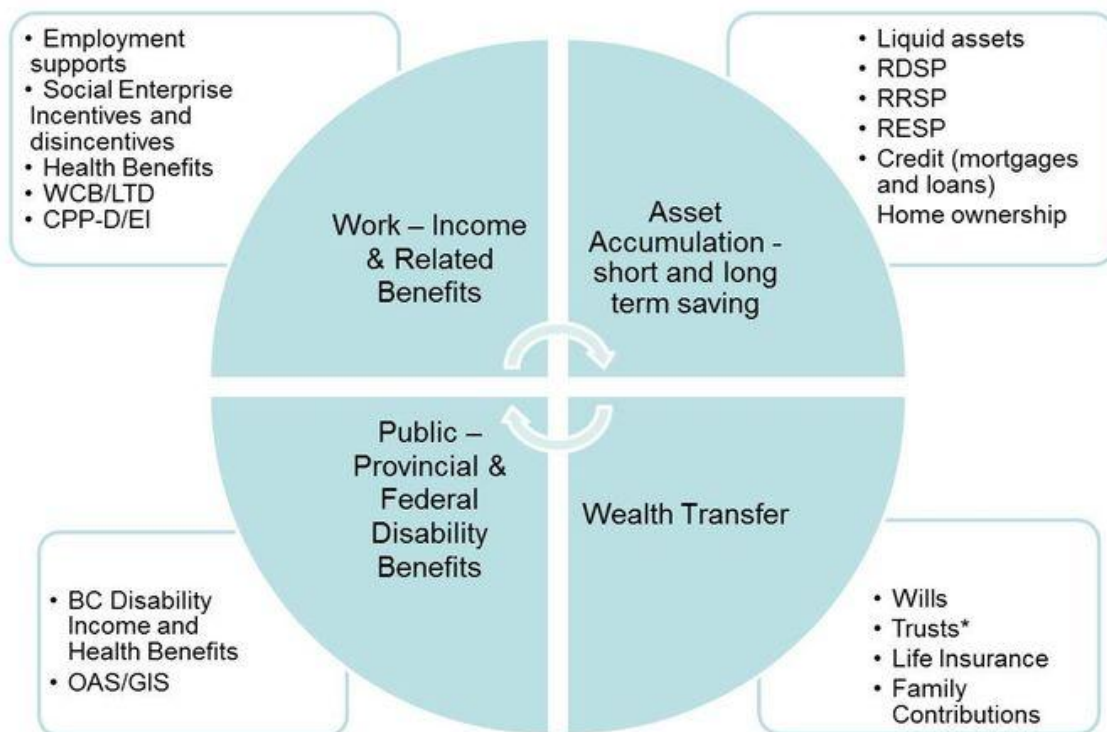


A Blueprint For Financial Security

Jack Styan

How can we increase the financial security of Canadians with disabilities?

Most Canadians secure their finances through action in four areas: work, saving, wealth transfer and public income programs. This is also a blueprint for people with disabilities, the vast majority of whom want to work and be self-reliant.



The life experiences of people with disabilities, however, usually differ from other Canadians in two critical ways. People with disabilities experience much higher unemployment and much greater dependence on provincial programs.

While employment places no restrictions on saving or the transfer of wealth – disability programs that are income and asset tested do. Consequently, people who rely on disability programs are discouraged from saving and their loved ones are discouraged from assisting them. The result is a double whammy – not

only is their income lower (provincial programs provide from \$8,665 to \$12,9053 per year) neither saving nor family assistance is encouraged.

Now to be fair, the federal government recently implemented the RDSP, which has already assisted people with disabilities to accumulate more than \$250 million in savings. Provincial governments have all made it easier for people with disabilities to save (by permitting people to have RDSPs) and enabling families to leave estates to their relatives receiving disability benefits (by permitting people to receive income from trusts). These reforms, however, have resulted in a patchwork – the rules are different in almost every province – and fall short of enabling financial security – families still face barriers in assisting their loved ones.

Most disability advocates would argue for increases in benefit levels. In tough economic times, such as we live in, public support for such changes is difficult to secure.

In my experience, however, the public widely supports initiatives which encourage resilience and self-reliance (saving) and family assistance (wealth transfer). Making changes in these two areas would afford people with disabilities the same opportunity as other Canadians – to build their financial security through action in more than one arena.



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