

The Unfulfilled Promise of Registered Disability Savings Plans

March 2026

Summary

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The Unfulfilled Promise of Registered Disability Savings Plans

When he introduced the Registered Disability Savings Plan (RDSP), the late Jim Flaherty promised that the initiative would “help improve the lives of people with disabilities.” According to Flaherty, a key goal for the program was to “help as many people as possible benefit from the savings plan and its related grant and bond.”

In light of these statements, it is unfortunate that, eighteen years after its introduction, the RDSP – while benefiting many thousands of people – is excluding some people with disabilities and making life more precarious for others.

It is widely known that Jim Flaherty is survived by a son with a disability, and his experience as a parent – with spouse (and former Ontario Deputy Premier) Christine Elliott – had a significant impact on his work. Flaherty’s statements on the RDSP reflect an insider’s knowledge of the history of developmental disability, and of the drive for inclusion and belonging among a deeply stigmatized group. For example: “Our government invests in programs and services to meet the needs of Canadians with disabilities *and is committed to their equal participation in all aspects of life.*”

The RDSP is an initiative that is admired around the world; it has had a huge impact for people with disabilities across Canada. However, it remains out of reach for some people with intellectual disabilities, and is acting as a gateway to state guardianship for others, including in Flaherty’s home province of Ontario.

The problem revolves around Ontario’s narrow and parochial approach to mental capacity. If a person has been found ‘mentally incapable’ in an official capacity assessment, they cannot open an RDSP on their own – they need a legal representative (e.g., a legal guardian) to do so for them. However, for people who have not officially been found ‘incapable’ but who may be judged as lacking capacity



when applying for an RDSP, a bank may refuse to allow them to open an account (a problematic issue in its own right). The only option in this situation is for a ‘Qualifying Family Member’ to open an RDSP for that person.

The Qualifying Family Member (QFM) is a federal provision that allows a parent, spouse, or biological sibling to act as RDSP plan holder, though the money in the RDSP remains the property of the person with a disability. Enacted in 2012, this was supposed to be a temporary stop-gap response to the fact that people with intellectual disabilities were being denied access to the program. It has now been around for about as long it took to build Toronto’s [cursed Eglinton Crosstown](#) rail line.

Unfortunately, the QFM provision has left gaps and created its own problems. For affected people without a parent, sibling or spouse in their lives, the RDSP remains out of reach unless they submit to state guardianship. And for RDSP beneficiaries who lose a plan holder to death or incapacity, their RDSP assets – and, perhaps even more importantly, their legal personhood – are being put at risk.

Take, for example, the case of Janice (age 75), Michael (age 77) and their son David (age 39). When RDSPs were first introduced in 2008, the family opened one for David, which has grown to more than \$100,000. Janice and Michael act as Qualifying Family Member plan holders. When they pass away or become otherwise unable to act in their capacity as plan holders, there is no sibling or spouse to step into that role. Under federal policy, there is no solution apart from state guardianship that responds to this situation.

As for state guardianship, let’s just say that no reasonable person wants the Ontario government in charge of their life or their finances if they can help it. We have repeatedly seen the truth of this in the [residential school system](#), institutions for



people with [developmental disabilities](#), the [child welfare](#) system, and in [long term care](#) facilities.

We have [written a lot about this topic](#), and there is a widespread movement of parents doing everything they can to save their adult children with intellectual disabilities from the Public Guardian and Trustee. Janice and Michael are part of this movement, and they have planned and saved so that David can live without a government case worker overseeing his life. But the RDSP – something that was supposed to make David’s life more secure, not less – is putting all of this at risk.

Many alternatives to guardianship exist. Other provinces have figured this out. It is long past due for Ontario to do the same.

To learn about the problem in more detail, you can read our two previous documents about RDSPs [here](#) and [here](#).

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Community Living Ontario is a non-profit provincial association that has been advocating with people who have developmental disabilities and their families for more than 70 years. We proudly work alongside people, family networks, and more than 120 local agencies operating in communities across the province, to ensure that people's personal, health, and social support needs are met.

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