

BACKGROUND

The Government of Canada encourages Canadians to use Registered Education Savings Plans (RESP) to save for a child's post-secondary education. Currently, Employment and Social Development Canada (ESDC) administers two education savings incentives linked to RESPs as follows:

Canada Education Savings Grant (CESG)

The Canada Education Savings Grant (CESG) consists of a basic grant amount of 20% on the first \$2,500 in annual contributions to an RESP. This education incentive is available to all eligible Canadians regardless of family income. An additional amount of CESG of 10% or 20% is available to children from middle and low-income families. The CESG is available until the calendar year in which the beneficiary turns 17. The maximum lifetime amount, including the additional amount of CESG, is \$7,200.

Canada Learning Bond (CLB)

Created as part of the 2004 Canadian federal budget, the Canada Learning Bond (CLB) is a grant paid by the EDSC to a RESP, to assist low-income families with saving money for a child's post-secondary education. According to the Government of Canada's 2015 Annual Statistical Review, 66% of eligible families have yet to take advantage of this CLB savings program.

Canada Learning Bond statistics by province and territory as of December 31, 2015				
Province and territory	Cumulative number of children who have ever received a CLB (1)	Cumulative number of children eligible for the CLB (2)	CLB participation rate = (1) ÷ (2)(%) (3)	Cumulative CLB payment (\$ million) (4)
British Columbia	111,117	290,136	38.3	95.20
Quebec	208,384	563,173	37.0	180.16
Ontario	315,390	926,849	34.0	284.43
Alberta	103,846	314,298	33.0	82.94
Prince Edward Island	2,414	9,959	24.2	2.11
New Brunswick	11,716	49,501	23.7	10.59
Manitoba	30,355	129,205	23.5	25.68
Yukon Territory	547	2,340	23.4	0.42
Nova Scotia	13,937	61,597	22.6	12.30
Newfoundland & Labrador	6,998	32,178	21.7	6.08
Saskatchewan	22,993	107,300	21.4	18.84
Northwest Territory	419	4,096	10.2	0.36
Nunavut	116	7,217	1.6	0.10
Canada	830,735	2,508,359	33.1	722

According to the 2016 Census of Canada, 16.4% of the children in the City of Greater Sudbury are living with low-income based on the after tax low income measure (AT-LIM). The CLB has the ability to assist eligible families save for their child's post-secondary education.

The CLB is available to children from low-income families who meet the following eligibility requirements:

- are born on or after January 1, 2004
- are residents of Canada
- have a valid Social Insurance Number

The following chart illustrates the adjusted net family income that is used in determining the income level for eligibility:

No. of children	Adjusted net family income 2017
1 to 3	Less than or equal to \$45,916
4	Less than \$51,809
5	Less than \$57,724
6	Less than \$63,640
7	Less than \$69,556
More than 7	Determined by the formula

This education savings incentive consists of an initial payment of \$500 plus \$100 for each year of eligibility, up to the age 15, for a maximum of \$2,000. No personal contribution is required to receive the CLB.

To open a CLB, eligible families are required to:

- file annual taxes
- open an RESP
- provide a Birth Certificate or Permanent Residence card for their child
- have a SIN card for themselves and their children

In order to obtain all the required documentation, some families would have to attend as many as four separate offices/agencies as well, transportation and accessibility are also identified barriers for some families.

Furthermore, based on a recent study by Brock University entitled "Barriers to Post Secondary Education", children of low-income families experience barriers to post secondary education beyond financial limitations including; lack of belongingness, underdeveloped goals, inaccurate or incomplete information and biases towards post secondary education.

CALL FOR CONCEPT OVERVIEW

The Children's Services Section in Community Development Department, has submitted a Call for Concept application, identifying an innovative multi-tiered project concept that would increase awareness and assist in the registration of the CLB with the ability to support eligible families within the City of Greater Sudbury.

The three-year project concept includes the following:

Year One:

- A mobile centre/office, equipment with WIFI and computers, which would allow the integration of human resources of various City of Greater Sudbury divisions, Ministries and agencies to provide all documents and services required to register for the CLB in target neighbourhoods and remote areas. This mobile centre would assist families at convenient times in various neighbourhoods, to obtain required documentation for the CLB including:
 - a Birth Certificate (if required)
 - a Social Insurance Card (if required)
 - file taxes (if required)
 - open a RESP
 - register for CLB
- Additionally, City of Greater Sudbury would promote the CLB through existing facilities and service providers such as the Public Libraries, Citizen Service Centres, Social Services Division, Housing Services Division, etc.

Year Two and Three:

- Continue to provide mobile services
- Create programs and marketing for students:
 - For grades 4-6 to address barriers including; lack of belongingness, underdeveloped goals, inaccurate or incomplete information and biases towards post secondary education
 - For grade 9-10 to address; lack of belongingness, underdeveloped goals, inaccurate or incomplete information and biases towards post secondary education

NEXT STEPS

Upon receipt of a successful application by Employment and Social Development Canada, the next steps would involve:

- completing and submitting the project funding request
- development of the mobile service/office concept
- development of the school programs

REFERENCES

Canada Learning Bond Website

<https://www.canada.ca/en/employment-social-development/services/learning-bond.html>

Barriers to Post-Secondary Education Perspectives from Niagara

<https://brocku.ca/niagara-community-observatory/wp-content/uploads/sites/117/Barriers-to-Post-Secondary-Education.pdf>