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Canada Education Savings Program  
**Annual Statistical Review - 2009**



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### **CANADA EDUCATION SAVINGS PROGRAM**

The Canada Education Savings Program is an initiative of the Government of Canada. As part of the Department of Human Resources and Skills Development, the program administers the Canada Education Savings Grant and the Canada Learning Bond. These two initiatives help Canadian families save for a child's post-secondary education in Registered Education Savings Plans. This report is the 2009 Review of the Canada Education Savings Program.

#### **About this Report**

This report which aims to provide a status update on the Program is made available online for the benefit of a range of external partners and stakeholders (i.e. financial institutions, other government departments, provincial and territorial governments and members of the general public).

The primary source of data used to produce this report is Canada Education Savings Program's Reporting Database, which compiles Canada Education Savings Grant and the Canada Learning Bond data supplied by RESP providers.

Canada Education Savings Grant statistics are calculated based on the transaction date, which is the date that an application is filed or a transaction is made, while Canada Learning Bond statistics are calculated based on the processing date (to be consistent with the reporting of Canada Learning Bond payments), which is the date that the grant is paid.

Throughout the report, prior year's data is restated to account for late transactions received in 2009, but pertaining to prior years. This can affect data from 2006-2008 when compared to previous reports.

This report also contains information stemming from other sources such as Statistics Canada's Labour Force Survey and the 2006 Census.

## Summary – Canada Education Savings Program 2009 Review

### 2009 Canada Education Savings Program Successes

2009 was a success for the Canada Education Savings Program (CESP). By encouraging families to plan and save early for their children's post-secondary education (PSE), education becomes more affordable and students may be less reliant on student loans. The Canada Education Savings Program has helped Canadians save for post-secondary education for over a decade.

The following summarizes some of the 2009 successes and offers a summary of the information provided in this report:

#### Value of RESP Assets and Annual RESP Contributions

- RESP assets reached \$25.9 billion by end of 2009. Since 1998, when the Canada Education Savings Program started, RESP assets have grown steadily. RESP assets reached \$23.4 billion in 2007, but declined in the 3<sup>rd</sup> and 4<sup>th</sup> quarter of 2008 because of the economic downturn (see RESP Assets by Year for more detail).
- RESP contributions grew just under 1% to \$3.13 billion in 2009. The economic downturn of 2008 affected the rate of growth in RESP contributions. Until that point, the annual contributions grew 3.7% from \$2.99 billion in 2007 to \$3.1 billion in 2008. Overall, contributions in RESPs increased (see Annual RESP Contributions for more detail).

#### Canada Education Savings Grant

- In 2009, the annual Canada Education Savings Grant payments increased by more than 2% over 2008.
- Just over 40% of Canadian families with children now receive the grant (see Canada Education Savings Grant Payments for more detail).

#### Canada Learning Bond

- In 2009, participation in the Canada Learning Bond reached 19.3% of eligible families. On average, this is an increase of 3% over previous years and represents an additional 71,602 children from low-income families receiving help for saving for their post-secondary education (see Canada Learning Bond for more detail).

#### Supporting Access to Post-Secondary Education

- In 2009, the average RESP rate of withdrawals decreased by 1.6%. In 2008 withdrawals increased by more than 7%.
- In 2009, the combination of the Canada Education Savings Grant and Canada Learning Bond savings incentives helped a total of 251,159 students withdraw a total of \$1.6 billion to finance their participation in post-secondary education (see Supporting Access to Post-Secondary Education for more detail).

DESCRIPTION	2007	2008	2009	Change between 2008 and 2009
<b>REGISTERED EDUCATION SAVINGS PLANS (RESPs)</b>				
Total value of RESP assets (\$ billion)	\$ 23.4	\$ 22.6	\$ 25.9	\$ 3.3
Value of annual RESP contributions (\$ billion)	\$ 2.99	\$ 3.10	\$ 3.13	\$ 0.03
<b>CANADA EDUCATION SAVINGS GRANT</b>				
Canada Education Savings Grant payments (\$ million)	\$ 578	\$ 599	\$ 612	\$ 13
Total Canada Education Savings Grant paid since inception in 1998 (\$ billion)	\$ 3.86	\$ 4.45	\$ 5.06	\$ 0.61
Total number of children under 18 who have ever received a Canada Education Savings Grant (million)	2.54	2.66	2.76	0.10
Total number of beneficiaries who have ever received a Canada Education Savings Grant (million)	3.19	3.45	3.68	0.23
Average age of new Canada Education Savings Grant beneficiaries	4.15	3.87	3.63	-0.24
Canada Education Savings Grant participation rate	37.8 %	39.7%	40.6%	0.9%
<b>CANADA LEARNING BOND</b>				
Canada Learning Bond payments (\$ million)	\$ 33.70	\$ 47.42	\$ 56.46	\$ 9.04
Total Canada Learning Bond paid since inception in 2005 (\$ million)	\$ 50.87	\$ 98.29	\$ 154.75	\$ 56.46
Total number of children who have ever received a Canada Learning Bond	75,700	140,185	211,787	71,602
Total number of children eligible for Canada Learning Bond	643,337	857,613	1,094,545	236,932
Percentage of Canada Learning Bond subscribers who have ever made a contribution to RESPs	Not Reported	94.2%	94.0%	-0.2%
Average cumulative contribution per Canada Learning Bond beneficiary	Not Reported	\$ 2,128	\$ 2,520	\$ 392
Total amount of contribution to RESPs by families of Canada Learning Bond beneficiaries (\$ million)	Not Reported	\$ 298	\$ 533	\$ 235
Canada Learning Bond participation rate	11.2%	16.3%	19.3%	3%
<b>ACCESS TO POST-SECONDARY EDUCATION</b>				
The total amount withdrawn from RESPs in a calendar year to pay for PSE (\$billion)	\$ 1.32	\$ 1.50	\$ 1.60	\$ 0.10
The total number of RESP beneficiaries using RESPs to pay for PSE	218,834	231,679	251,159	19,480
The average amount of RESP withdrawals per student to pay for PSE	\$ 6,032	\$ 6,474	\$ 6,370	- \$ 104

## RESPs – Registered Education Savings Plans

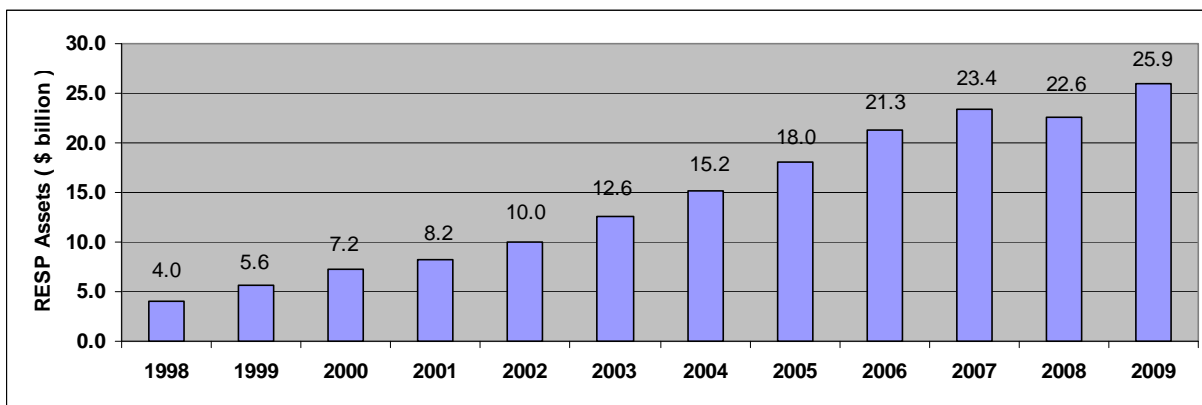
A Registered Education Savings Plan (RESP) is a savings plan (like a savings account) that can help Canadians save for post-secondary education. RESPs are registered by the Government of Canada to allow savings for education to grow tax-free until the person named in the RESP enrolls in post-secondary education.

This section provides information on the amount held in Registered Education Savings Plans (RESP Assets) in Canada, and on the amounts contributed to them.

### *RESP Assets by Year*

RESP Assets represent the total market value of all RESPs in Canada as of December 31 each year. These assets represent the amount available for funding children's post-secondary education. RESP assets grew to \$25.9 billion by the end of 2009. RESP assets have steadily grown since 1998 when the Canada Education Savings Program started. RESP assets reached \$23.4 billion in 2007, but declined in the 3<sup>rd</sup> and 4<sup>th</sup> quarter of 2008 when asset values dropped due to the economic downturn.

### *RESP Assets Trend by Year ( \$ billion )*

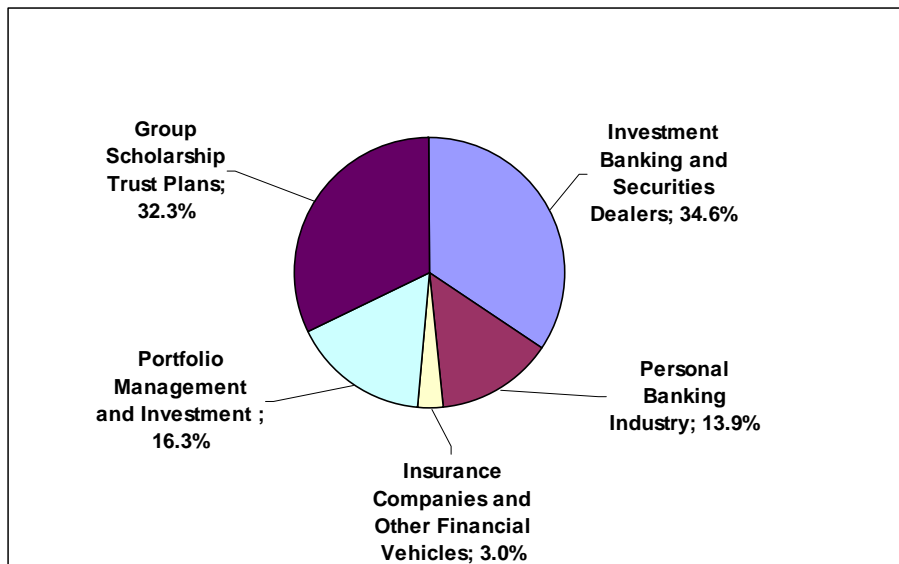


***Proportion of RESP Asset Values by Provider Types***

RESP Providers are financial organizations that provide RESPs to the public. They administer all amounts paid into the plan and ensure the payments from the RESP are made according to the terms of the plan and the laws that govern it.

The largest market share of the RESP assets belongs to Investment Banking and Securities Dealers that manage over one-third (or 34.6%) of the total assets. However, there are several RESP provider types contributing to the overall market.

***Proportions of RESP Asset Values by Provider Types***

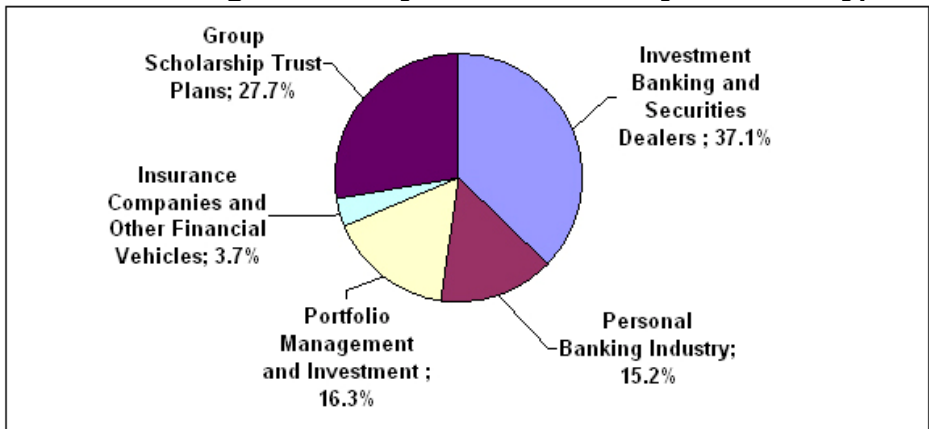




**Proportion of Canada Education Savings Grant Payments by Provider Type**

In 2009, Investment Banking and Securities Dealers received the largest amount of Canada Education Savings Grant in RESPs at 37.1%, followed by Group Scholarships Trust Plans, which manage more than a quarter of the total annual Grant payments. Canada Education Savings Program’s partners consist of over 70 RESP providers through which the program pays out the Canada Education Savings Grant every year.

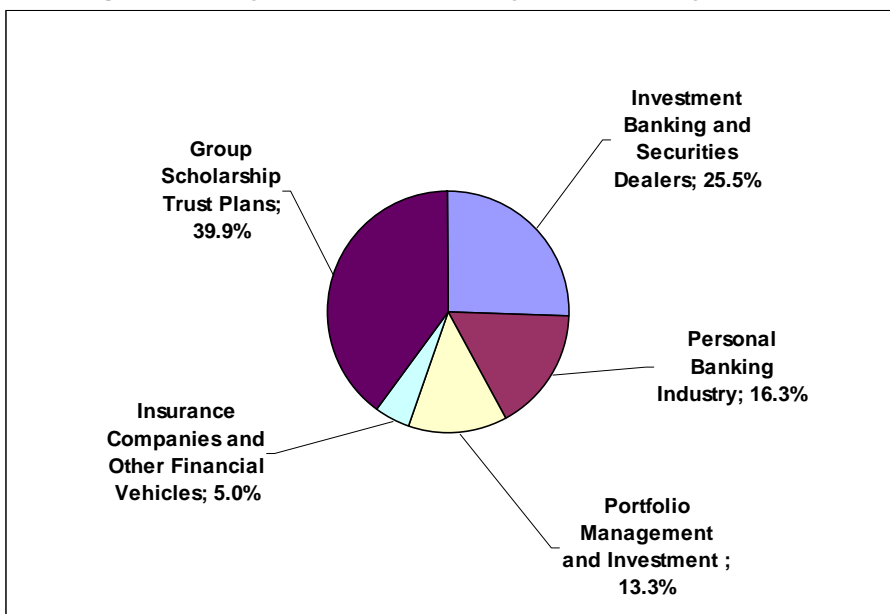
**Canada Education Savings Grant Payments in 2009 by Provider Type**



**Proportion of Canada Learning Bond Payments by Provider Type**

In 2009, Group Scholarships Trust Plans accounted for almost 40% of the total Canada Learning Bond payments that were made by the Government of Canada to Registered Education Savings Plans. They were followed by Investment Banking and Securities Dealers who received 25.5% of Canada Learning Bond payments.

**Canada Learning Bond Payments in 2009 by Provider Type**



## CONTRIBUTIONS TO REGISTERED EDUCATION SAVINGS PLANS

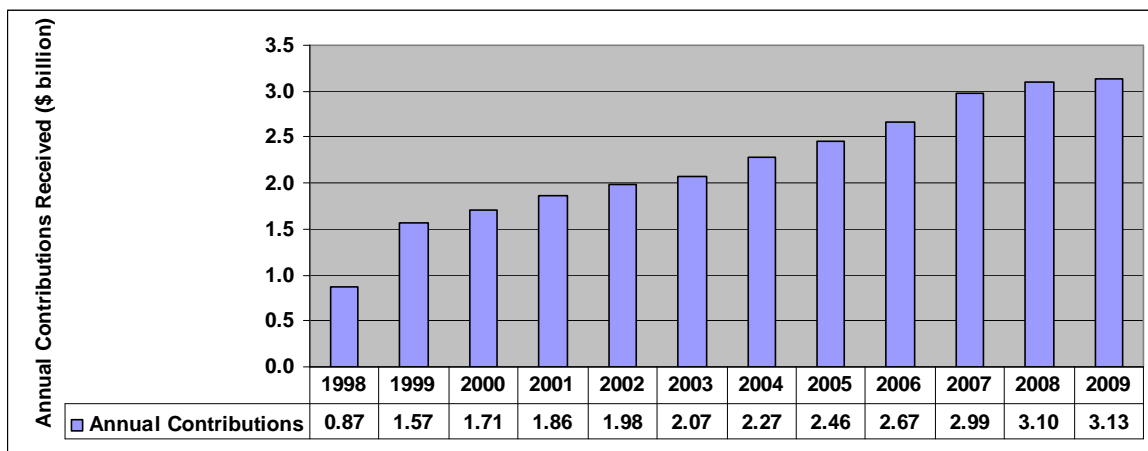
A contribution to a Registered Education Savings Plan (RESP) is the amount of savings made in an RESP account on behalf of a child, known as the beneficiary of the RESP account. Earnings on RESP savings for education can grow tax free until the beneficiary enrolls in studies after high school.

### *Annual RESP Contributions*

While 2009 saw more contributions to RESPs, the average rate of increase has been slower. In 2009 the rate of increase was 0.97% and in 2008 the rate was 3.7%.

The annual amount saved in RESPs (contributions) has been steadily increasing since program inception in 1998. Between 2000 and 2007, the average rate of increase was 8.4%. However, the growth rate of contributions slowed in the last two years, as mentioned above. The slower rate of savings was attributed to the economic downturn, which saw a reduced ability on part of the Canadian families to save for their children's education at the level that they had maintained prior to the downturn.

### *Annual RESP Contributions (\$ billion)*



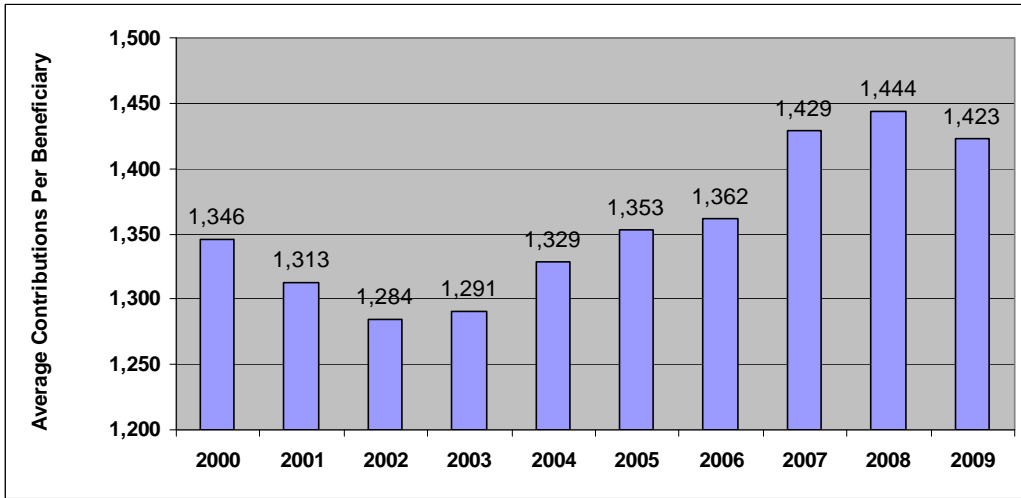
### *Average Annual RESP Contributions per Beneficiary*

A Registered Education Savings Plan (RESP) beneficiary is usually a child, but can be any person named by the subscriber of an RESP to receive money for education after high school. Payments to a beneficiary are made according to the specific terms of the RESP.

Average RESP contribution per beneficiary was \$1,423 in 2009. This is a slight decrease from \$1,444 in 2008.

From 2002 to 2007, the annual average contributions increased at a rate of 3% every year. In 2008, average contributions per beneficiary increased by only 1% due to the economic downturn. In 2009, it dropped by 1.5%.

**RESP Average Annual Contributions Received Per Beneficiary**



**Average Annual RESP Contributions per Beneficiary by Province and Territory**

The national average of annual RESP contributions per beneficiary in 2009 was \$1,423. Beneficiaries residing in BC, Ontario and the three territories each had higher contributions than the national average.

**Average RESP Contributions by Province and Territory**

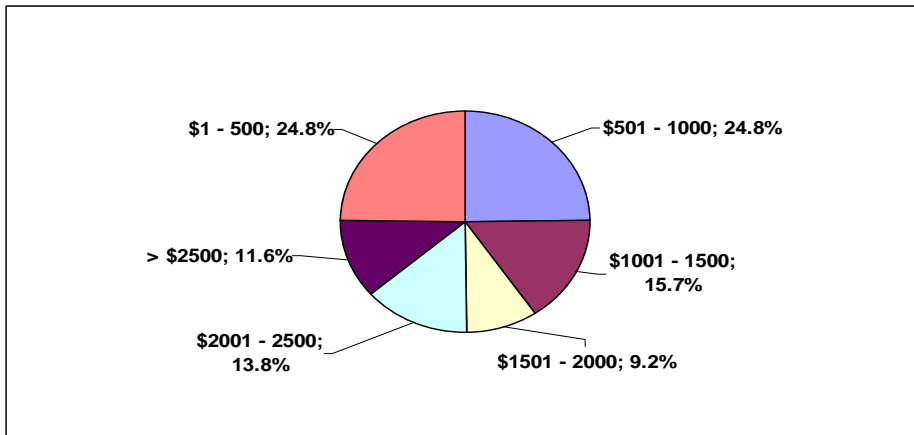
Province and Territory	2005 (\$)	2006 (\$)	2007 (\$)	2008 (\$)	2009 (\$)
British Columbia	1,461	1,478	1,572	1,592	1,580
Northwest Territories	1,442	1,405	1,505	1,576	1,575
Nunavut	1,423	1,412	1,505	1,530	1,565
Ontario	1,468	1,479	1,552	1,571	1,552
Yukon	1,375	1,370	1,487	1,493	1,432
Alberta	1,373	1,380	1,438	1,461	1,413
Saskatchewan	1,229	1,217	1,273	1,298	1,286
Manitoba	1,201	1,198	1,237	1,231	1,219
Nova Scotia	1,121	1,137	1,192	1,205	1,194
Prince Edward Island	1,096	1,088	1,121	1,157	1,168
Quebec	1,118	1,120	1,179	1,177	1,165
Newfoundland and Labrador	962	972	1,019	1,039	1,052
New Brunswick	979	985	1,028	1,044	1,039
<b>CANADA</b>	<b>1,353</b>	<b>1,362</b>	<b>1,429</b>	<b>1,444</b>	<b>1,423</b>

**Contribution Amount Saved per Child in 2009**

In 2009, almost 50% of all children received less than \$1,000 in RESP contributions while 39% of children received between \$1,001 and \$2,500 in contributions. Only 11% of beneficiaries received over \$2,500 in contributions to their RESPs last year.

Although there is no annual limit to the amount saved in an RESP each year, Canada Education Savings Grants are only paid on the first \$2,500 saved annually.

**Distribution of Beneficiaries by Contribution Category**



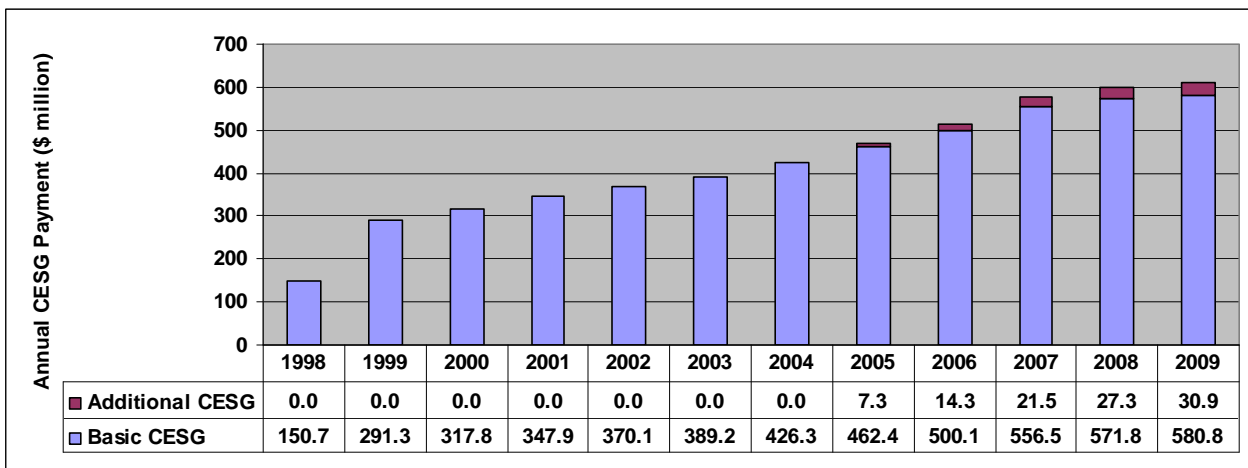
**CANADA EDUCATION SAVINGS GRANT**

Canada Education Savings Grant is a grant provided by the Government of Canada to help families start saving early for their children’s education after high school. When a family saves in a child’s Registered Education Savings Plan, the Government provides up to \$200 on the first \$500 saved annually, and up to \$400 on the next \$2,000 saved. The maximum lifetime grant that the Government may provide to a child is \$7,200.

***Annual Canada Education Savings Grant Payments***

Canada Education Savings Grant payments increased slightly in 2009. In total, the program provided \$612 million in Grant payment to RESPs compared to \$599 million in 2008.

***Annual Canada Education Savings Grant Payments (\$ million )***



**Annual Payments by Province and Territory**

Of the total Canada Education Savings Grant payments of \$612 million in 2009, the beneficiaries residing in Ontario received \$292.4 million (47.8%), followed by beneficiaries in Quebec receiving \$97.5 million (15.9%). In addition, \$89.3 million (14.6%) in Grant payment was made to beneficiaries living in British Columbia and \$71.8 million (11.7%) to beneficiaries living in Alberta.

**Annual Payments by Province and Territory (\$ million)**

Province/Territory	2004	2005	2006	2007	2008	2009	CESG Payment Proportion in 2009 %
Alberta	50.1	55.4	61.6	68.5	70.7	71.8	11.7
British Columbia	63.9	70.0	76.2	85.6	88.1	89.3	14.6
Manitoba	11.2	12.2	13.2	14.6	15.0	15.3	2.5
New Brunswick	6.9	7.4	7.9	8.7	8.9	9.0	1.5
Newfoundland and Labrador	5.1	5.3	5.6	6.1	6.4	6.6	1.1
Northwest Territories	0.3	0.4	0.4	0.4	0.5	0.5	0.1
Nova Scotia	9.0	9.5	10.1	11.0	11.0	11.1	1.8
Nunavut	0.2	0.2	0.2	0.3	0.3	0.3	0.05
Ontario	205.4	225.8	247.5	277.5	287.1	292.4	47.8
Prince Edward Island	1.3	1.4	1.5	1.6	1.7	1.7	0.3
Quebec	60.2	68.4	75.8	88.0	93.3	97.5	15.9
Saskatchewan	12.1	13.1	13.8	15.1	15.6	15.7	2.6
Yukon	0.4	0.4	0.4	0.5	0.5	0.5	0.1
<b>CANADA</b>	<b>426</b>	<b>470</b>	<b>514</b>	<b>578</b>	<b>599</b>	<b>612</b>	<b>100</b>

**Canada Education Savings Grant Summary Statistics by Province and Territory**

The Canada Education Savings Grant (CESG) participation rate as of December 31, 2009 was 40.6% at the national level.

The Canada Education Savings Grant participation rate is obtained by dividing the number of Canada Education Savings Grant beneficiaries by the number of children eligible to receive the grant. The table presents the provincial and territorial statistics related to Canada Education Savings Grant.

**Canada Education Savings Grant Summary Statistics by Province and Territory as of December 2009**

Province/Territory	Number of CESG Beneficiaries (1)	Eligible CESG Children (2)	CESG Participation Rate = (1)/(2) (%)	Cumulative CESG Payment (\$ million)
British Columbia	371,700	828,900	44.8	747.9
Ontario	1,208,100	2,744,800	44.0	2,426.2
Alberta	332,100	768,700	43.2	597.9
Newfoundland and Labrador	37,400	89,300	41.9	59.8
New Brunswick	55,100	138,900	39.7	81.1
Yukon	2,400	6,300	38.4	4.6
Prince Edward Island	10,100	28,100	35.9	15.9
Quebec	516,300	1,476,300	35.0	744.5
Nova Scotia	61,100	175,100	34.9	103.7
Saskatchewan	77,000	227,600	33.8	142.7
Manitoba	82,100	275,600	29.8	135.2
Northwest Territories	2,000	11,900	17.1	4.2
Nunavut	1,400	12,100	11.2	2.5
<b>CANADA</b>	<b>2,757,000</b>	<b>6,783,600</b>	<b>40.6</b>	<b>5,066.2</b>

**Canada Education Savings Grant Beneficiaries**

A Canada Education Savings Grant (CESG) beneficiary is a child between the age of 0 and 17 who receives the Canada Education Savings Grant from the Government of Canada based on the amount saved in his or her RESP account by a parent, grandparent or other individuals (subscribers of RESPs).

**Average Age of New Beneficiaries**

The average age of new beneficiaries has steadily decreased to 3.6 years of age by December 2009. The trend observed provides evidence that the Canada Education Savings Program has encouraged families to save early for their children's post-secondary education. As a case in point, when the Program first came into being in 1998, the average age of new beneficiaries was almost eight years of age.

**Average Age of New Beneficiaries by Year**

	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
<b>Average Age</b>	<b>7.98</b>	<b>6.91</b>	<b>6.17</b>	<b>5.74</b>	<b>5.40</b>	<b>5.38</b>	<b>5.22</b>	<b>4.82</b>	<b>4.34</b>	<b>4.15</b>	<b>3.87</b>	<b>3.63</b>

**Canada Education Savings Grant Payments by Beneficiary Age Category**

In 2009, the Canada Education Savings Grant was almost evenly distributed in all four age categories. By contrast, the Additional Canada Education Savings Grant (A-CESG), an enhancement designed to further encourage low- and middle-income families to save for post-secondary education, shows that 43.3% of children receiving this incentive are under 5 years of age. This may be indicative of the fact that the Additional Canada Education Savings Grant is a relatively new incentive that was introduced in 2005 and RESP subscribers who began contributing prior to 2005 needed to formally apply to receive the additional grant.

**Canada Education Savings Grant Payments and Additional CESG Payments by Beneficiary Age Category**

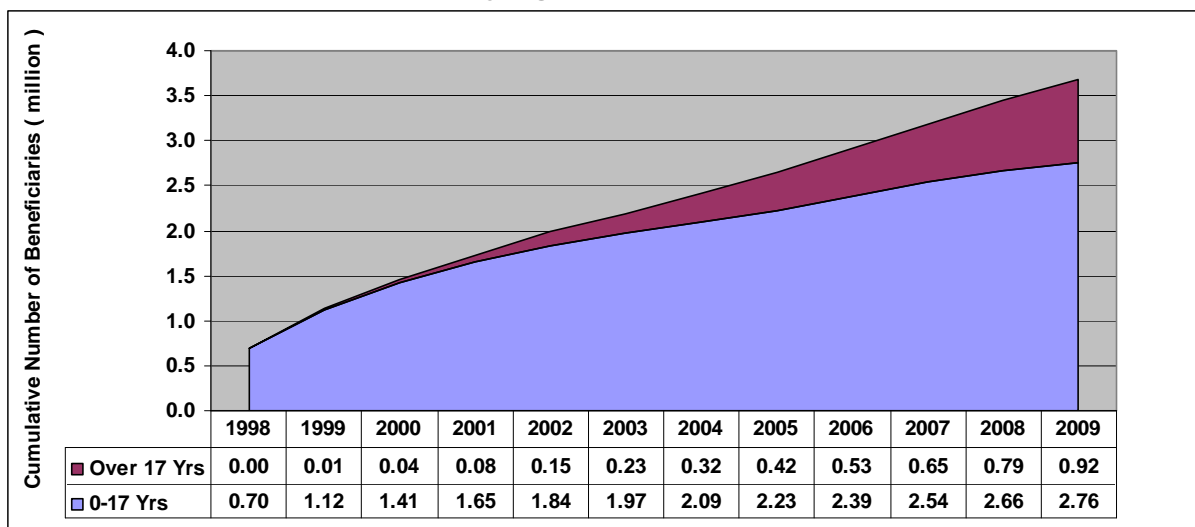
Beneficiary Age Category	CESG in 2009 (%)	Additional CESG in 2009 (%)
1) 0-4 Years	25.5	43.3
2) 5-9 Years	27.4	29.1
3) 10-14 Years	28.7	20.1
4) 15-17 Years	18.4	7.5

**Cumulative Number of Beneficiaries Who Have Ever Received a Canada Education Savings Grant**

In 2009, approximately 2.76 million children 0-17 received Canada Education Savings Grants (CESG) on their RESP savings. In addition, 920,000 individuals over the age of 18 have RESPs that previously received the Canada Education Savings Grant. They are now eligible for Education Assistance Payments (EAP) from their RESPs to fund their post-secondary education.

In total, 3.68 million children have benefited from the Program since 1998.

**Cumulative Number of Beneficiaries by Age Group and Year (million)**

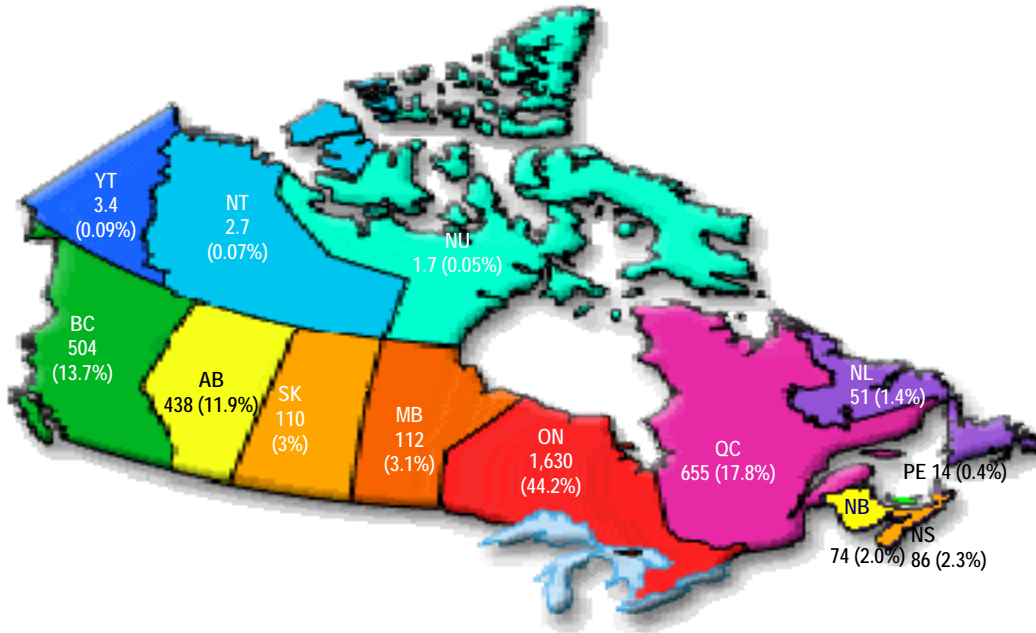




**Cumulative Number of Beneficiaries by Province and Territory**

The map below provides the cumulative number of beneficiaries by province and territory. The cumulative numbers represent the total number of beneficiaries who have received the Canada Education Savings Grant up to end of 2009.

**Cumulative Number of Beneficiaries by Province and Territory (1000)**



The table below provides the number of beneficiaries by province and territory and the average rate of growth in the number of beneficiaries over the period of 2005 and 2009

Jurisdictions with the most beneficiaries are: Ontario (44.2%), Quebec (17.8%) and British Columbia (13.7%). While Ontario continues to have largest number of beneficiaries, the highest average growth rate of 9.8% over the period of 2005 to 2009 was observed in Quebec.

**Cumulative Number of Beneficiaries by Province and Territory (1000)**

Province/ Territory	2005	2006	2007	2008	2009	Average Growth Rate 2005-2009 (%)
Quebec	451	501	555	607	655	9.8
Alberta	304	340	375	407	438	9.6
Ontario	1,173	1,294	1,414	1,529	1,630	8.6
Manitoba	82	89	97	105	112	8.3
British Columbia	370	405	441	474	504	8.0
New Brunswick	57	61	66	70	74	7.0
Prince Edward Island	11	12	13	14	14	7.0
Saskatchewan	84	90	97	104	110	7.0
Yukon	2.6	2.8	3.0	3.2	3.4	6.9
Nova Scotia	67	72	77	81	86	6.5
Nunavut	1.3	1.4	1.5	1.6	1.7	6.5
Northwest Territories	2.1	2.3	2.4	2.6	2.7	6.4
Newfoundland and Labrador	41	43	46	49	51	6.0
Canada	2,645	2,916	3,187	3,448	3,683	8.6

**Canada Education Savings Grant Participation Rates**

The Canada Education Savings Grant participation rate shows the percentage of children, between 0 and 17 years of age, who have ever received the a grant from the Government as a result of the contributions made to RESPs.

**Canada Education Savings Grant Participation Rates by Province and Territory and by Year**

The national Canada Education Savings Grant participation rate surpassed 40% in 2009. The participation rate in British Columbia was the highest at 44.8%, closely followed by Ontario, Alberta, Newfoundland and Labrador.

**Canada Education Savings Grant Participation Rates by Province/Territory and Year**

Province / Territory	2003 (%)	2004 (%)	2005 (%)	2006 (%)	2007 (%)	2008 (%)	2009 (%)
British Columbia	30.7	33.0	34.9	37.0	39.3	41.1	44.8
Ontario	31.9	33.8	36.0	38.5	41.2	43.2	44.0
Alberta	30.0	32.6	35.8	39.5	43.6	46.0	43.2
Newfoundland and Labrador	29.1	31.3	33.1	35.2	38.4	39.4	41.9
New Brunswick	26.8	29.2	31.6	33.9	37.1	38.5	39.7
Yukon	28.3	31.0	33.2	35.2	38.2	39.4	38.4
Prince Edward Island	25.5	27.2	28.7	30.2	32.2	33.2	35.9
Quebec	21.8	23.9	25.9	28.3	31.5	33.6	35.0
Nova Scotia	25.4	27.1	28.8	30.5	32.9	33.6	34.9
Saskatchewan	24.4	26.1	27.5	28.9	30.9	31.9	33.8
Manitoba	21.9	23.4	24.8	26.5	28.6	29.9	29.8
Northwest Territories	13.2	14.2	15.0	16.4	18.1	18.6	17.1
Nunavut	8.5	9.5	10.2	10.6	11.7	12.0	11.2
CANADA	28.2	30.3	32.4	34.9	37.8	39.7	40.6

Canada Education Savings Grant Participation Rate is calculated as the cumulative number of beneficiaries (0-17) who have ever received a Canada Education Savings Grant divided by the total number of children (0-17) projected for 2009, based on 2006 Census data. Please refer to Base Population Statistics on page 27 for more detail.

**Canada Education Savings Grant Participation by Age Group and by Province and Territory**

The table below presents the information on participation rate as of December 31, 2009. The participation rate in the Canada Education Savings Grant is the highest at 45.2% for the 5-9 age group, followed by 42.9% for the 10-14 age group. The participation rate for children between 0 and 17 years of age at the national level was 40.6%.

**Canada Education Savings Grant participation rate by Age Group and Province and Territory, as of December 31, 2009**

Province/Territory	Age: 0-4 (%)	Age: 5-9 (%)	Age: 10-14 (%)	Age: 15-17 (%)	Age: 0-17 (%)
British Columbia	39.8	49.7	47.6	40.6	44.8
Ontario	37.5	48.1	47.2	41.8	44.0
Alberta	42.4	46.4	44.4	37.8	43.2
Newfoundland and Labrador	34.9	50.4	45.5	33.9	41.9
New Brunswick	36.1	47.9	40.2	32.4	39.7
Yukon	35.7	47.1	37.9	32.2	38.4
Prince Edward Island	27.9	40.1	39.6	34.2	35.9
Quebec	34.2	40.6	35.4	28.1	35.0
Nova Scotia	27.8	41.2	37.7	31.3	34.9
Saskatchewan	27.1	37.6	37.2	32.8	33.8
Manitoba	23.8	33.0	32.4	29.4	29.8
Northwest Territories	15.4	19.0	17.5	16.2	17.1
Nunavut	9.0	11.9	12.7	11.1	11.2
<b>CANADA</b>	<b>36.3</b>	<b>45.2</b>	<b>42.9</b>	<b>36.6</b>	<b>40.6</b>

Canada Education Savings Grant Participation Rate is calculated as the cumulative number of beneficiaries (0-17) who have ever received a Canada Education Savings Grant divided by the total number of children (0-17) projected for 2009, based on 2006 Census data. Please refer to Base Population Statistics on page 27 for more detail.

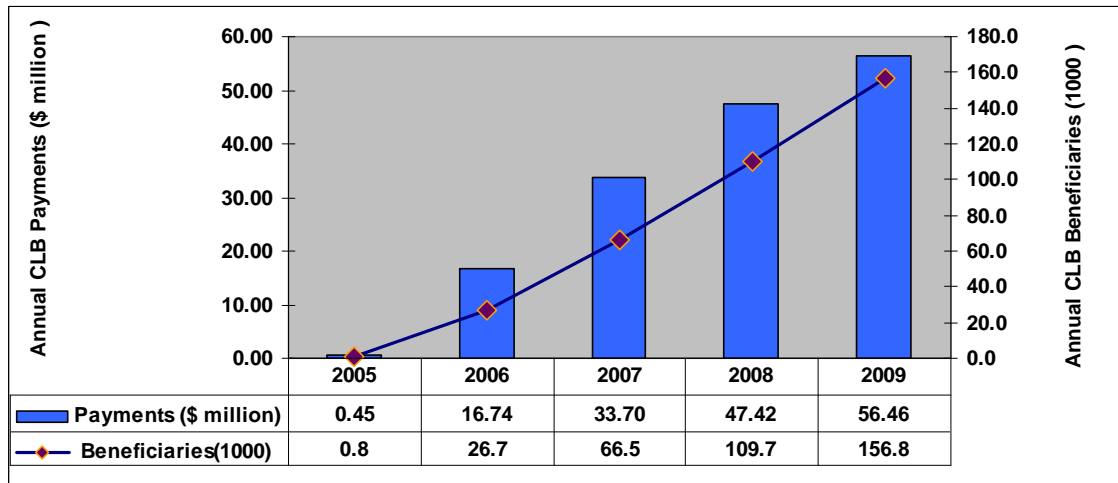
## CANADA LEARNING BOND

The Canada Learning Bond, introduced in 2005, provides a kick-start to savings for education for children from low-income families. The Canada Learning Bond is paid to a child's RESP and does not require matching savings from the parents. The Canada Learning Bond provides \$500 for children born after 2003 to families entitled to the National Child Benefit Supplement (NCBS), which is a component of the Canada Child Tax Benefit. Annual payments of \$100 are available for each year the child remains eligible, up to age 15 and to a maximum of \$2,000.

### *Canada Learning Bond Annual Payments and Number of Beneficiaries*

In 2009, 156,800 Canadian children benefited from the Canada Learning Bond. Canada Learning Bond payments have increased dramatically since 2005 when this incentive was first launched. In the past 5 years, the Government of Canada has provided over \$154 million in education savings through the Canada Learning Bond to almost 212,000 children from low-income families.

### Canada Learning Bond Annual Payments and Beneficiaries



**Canada Learning Bond Participation Rate by Province and Territory and by Year**

The national Canada Learning Bond participation rate in 2009 was just below the 20% mark (i.e. 19.3%). Also of note was the significant increase in Canada Learning Bond participation in the provinces of Manitoba and Saskatchewan. Canada Learning Bond participation has been increasing since its introduction in 2005.

**Canada Learning Bond Participation Rate by Province and Territory and Year**

Province/Territory	2005 (%)	2006 (%)	2007 (%)	2008 (%)	2009 (%)
British Columbia	0.3	6.0	15.0	20.2	22.7
Quebec	0.2	5.6	14.1	19.2	22.2
Ontario	0.1	4.2	11.2	16.4	18.8
New Brunswick	0.2	5.2	11.6	15.2	18.5
Alberta	0.3	4.9	12.2	15.8	18.4
Manitoba	0.3	2.9	6.8	9.6	15.4
Saskatchewan	0.1	3.3	7.2	10.1	15.4
Newfoundland and Labrador	0.2	3.4	8.0	11.6	15.1
Prince Edward Island	0.1	2.7	5.8	10.2	13.1
Nova Scotia	0.2	2.8	6.6	9.7	12.5
Yukon	0.0	2.0	6.2	9.3	11.3
Northwest Territories	0.0	1.3	3.0	4.1	6.0
Nunavut	0.0	0.3	0.6	0.7	1.3
Other	0.0	1.1	2.3	1.8	0.6
Canada	0.2	4.7	11.8	16.3	19.3

**Savings Made for Canada Learning Bond Beneficiaries**

In 2009, 94% of the 211,787 families who have received a Canada Learning Bond since 2005 also put aside their own savings in their children's RESPs. This has been occurring even though personal savings are not required in order to receive the Canada Learning Bond. This is good indication that the Canada Learning Bond has had the effect of encouraging families to begin saving on their own.

**Savings Made for Canada Learning Bond Beneficiaries**

Up to Date	Total Number of Canada Learning Bond Beneficiaries	Total Amount Saved (\$ million)	Number of Beneficiaries with Savings	Contribution Rate (%)	Average Cumulative Contribution (\$)
Dec-2009	211,787	533	199,130	94.0	2,520

**Canada Learning Bond Summary Statistics by Province and Territory**

The provincial and territorial statistics related to Canada Learning Bond show that the jurisdictions with the highest participation rates are British Columbia (22.7%) and Quebec (22.2%).

**Canada Learning Bond Summary Statistics by Province and Territory as of December 31, 2009**

Province/Territory	Number of Beneficiaries (1)	Canada Learning Bond Eligible Children (2)	Canada Learning Bond Participation Rate (3) = (1)/(2) (%)	Cumulative Canada Learning Bond Payment (\$)
British Columbia	30,433	134,242	22.7	21,934,650
Quebec	55,924	251,942	22.2	40,889,675
Ontario	78,481	418,518	18.8	58,301,185
New Brunswick	4,123	22,245	18.5	3,076,750
Alberta	23,728	129,282	18.4	16,585,875
Manitoba	6,702	43,517	15.4	4,915,545
Saskatchewan	5,964	38,800	15.4	4,295,100
Newfoundland and Labrador	2,246	14,888	15.1	1,681,775
Prince Edward Island	573	4,359	13.1	421,375
Nova Scotia	3,339	26,814	12.5	2,454,275
Yukon	117	1,035	11.3	81,925
Northwest Territories	102	1,713	6.0	74,400
Nunavut	24	1,892	1.3	17,900
<b>CANADA</b>	<b>211,787</b>	<b>1,094,545</b>	<b>19.3</b>	<b>154,754,630</b>

**Comparison of Urban and Rural Participation Rates for the Canada Learning Bond**

The table below provides a breakdown of the urban and rural Canada Learning Bond participation rates by province and territory. At the national level, the participation rate is higher in urban areas (20%) than the participation rate in rural areas (14%).

In noticing the spread between urban and rural areas in each jurisdiction, one can see that participation rates in Saskatchewan, Newfoundland and Labrador and Nova Scotia are very close. In British Columbia and Quebec the spread is a little wider, however, not as significant when compared to remaining jurisdictions.

**Canada Learning Bond Summary Statistics for Participation Rates by Urban and Rural**

Province/Territory	Eligible Canada Learning Bond Children			Canada Learning Bond Beneficiaries			Canada Learning Bond Participation Rate (%)		
	Urban	Rural	Total	Urban	Rural	Total	Urban	Rural	Total
British Columbia	119,182	15,060	134,242	27,767	2,666	30,433	23.3	17.7	22.7
Quebec	202,974	48,968	251,942	46,931	8,993	55,924	23.1	18.4	22.2
Ontario	364,365	54,153	418,518	72,468	6,013	78,481	19.9	11.1	18.8
New Brunswick	22,245	N/A	22,245	4,123	N/A	4,123	18.5	N/A	18.5
Alberta	105,871	23,411	129,282	20,502	3,226	23,728	19.4	13.8	18.4
Manitoba	29,478	14,039	43,517	5,291	1,411	6,702	17.9	10.1	15.4
Saskatchewan	21,128	17,672	38,800	3,354	2,610	5,964	15.9	14.8	15.4
Newfoundland and Labrador	8,308	6,580	14,888	1,234	1,012	2,246	14.9	15.4	15.1
Prince Edward Island	1,964	2,395	4,359	292	281	573	14.9	11.7	13.1
Nova Scotia	18,530	8,284	26,814	2,252	1,087	3,339	12.2	13.1	12.5
Yukon Territory	796	239	1,035	95	22	117	11.9	9.2	11.3
Northwest Territories	710	1,003	1,713	66	36	102	9.3	3.6	6.0
Nunavut	N/A	1,892	1,892	N/A	24	24	N/A	1.3	1.3
CANADA	900,849	193,696	1,094,545	184,405	27,382	211,787	20.5	14.1	19.3

Data Source: Canada Post webpage on Household Counts and Maps



**SUPPORTING ACCESS TO POST-SECONDARY EDUCATION (PSE)**

Supporting access to post-secondary education relates to the Government’s effort to support Canadian families and individuals who want to pursue post-secondary education after graduating from high school. The Government provides loans, grants and other forms of incentives to ensure that Canadians have the support they need when they participate in post-secondary education.

**RESP Withdrawals**

In 2009, 251,159 students withdrew \$1.6 billion from their RESPs to finance their participation in post-secondary education. The average withdrawal decreased by 1.6%, from \$6,474 in 2008 to \$6,370 in 2009.

**RESP Withdrawals**

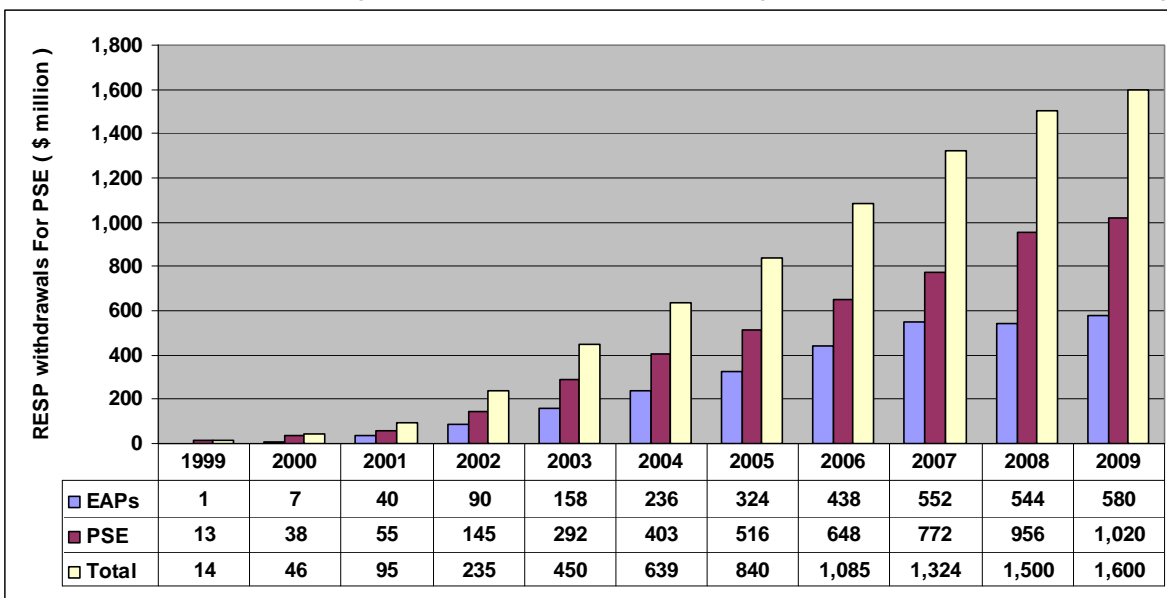
Year	2004	2005	2006	2007	2008	2009
(1) Total Value (billion)	\$0.64	\$0.84	\$1.09	\$1.32	\$1.50	\$1.60
(2) Number of Students	132,422	163,061	193,134	218,834	231,679	251,159
(3) Average = (1)/(2)	\$4,833	\$5,151	\$5,644	\$6,032	\$6,474	\$6,370

**Education Assistance Payments and Post-Secondary Education Withdrawals by Year**

Education Assistance Payments (EAPs) are amounts paid from an RESP to an eligible beneficiary to assist with education-related expenses at the post-secondary level. As such, EAPs are comprised of the Canada Education Savings Grant, the Canada Learning Bond, and the income earned on the money saved in the RESP. A Post-Secondary Education (PSE) Withdrawal is a withdrawal of contributions made by the subscriber to an RESP when a beneficiary is enrolled in PSE.

In 2009, students withdrew \$100 million more from their RESP accounts to fund their post-secondary education than in 2008. The increase in Post-Secondary Education (PSE) withdrawals was higher than the increase in Education Assistance Payments (EAPs). PSE withdrawals increased by \$64 million, whereas EAPs increased by \$36 million over the previous year. The instability in the financial markets in 2008 and 2009 still appears to be affecting the earnings in RESPs and hence less is available for Education Assistance Payments.

**Education Assistance Payments and Post-Secondary Education Withdrawals by Year**



**RESP Withdrawal Rate for Attending Post-Secondary Education by Year and by Age**

In 2009, the highest RESP withdrawals, 46.1%, occurred at age 19. RESP withdrawal rate is calculated as the number of beneficiaries who have withdrawn assets in order to attend post-secondary education divided by the total number of beneficiaries in the same age group.

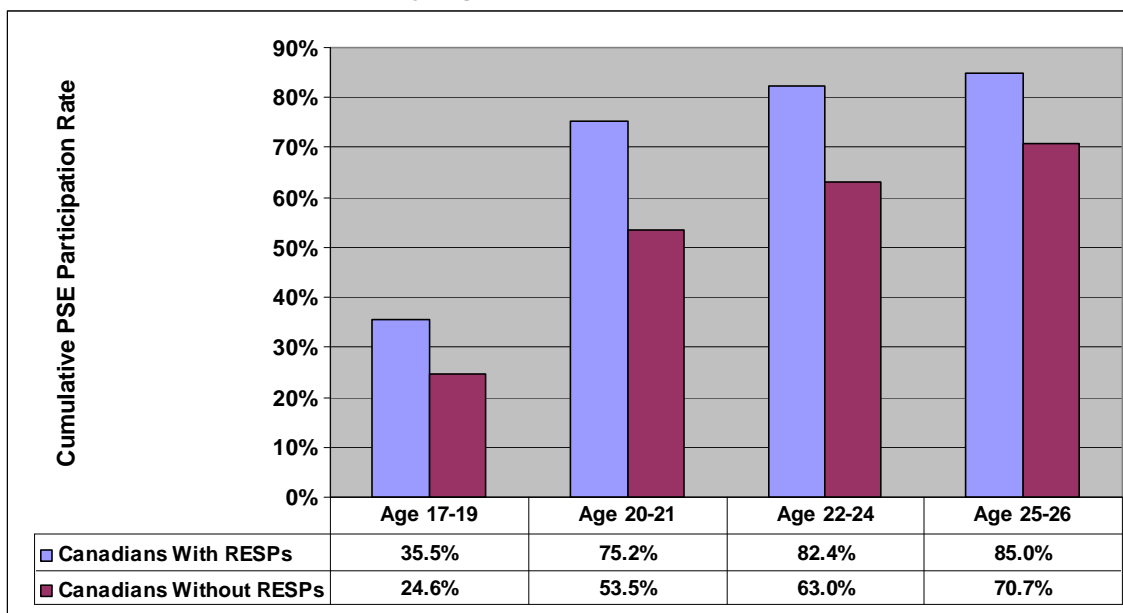
**RESP Withdrawal Rate by Year and Age**

Age\Year	1998 (%)	1999 (%)	2000 (%)	2001 (%)	2002 (%)	2003 (%)	2004 (%)	2005 (%)	2006 (%)	2007 (%)	2008 (%)	2009 (%)
17	0.3	0.8	1.2	1.6	2.2	2.8	3.0	3.2	3.5	3.9	3.9	3.9
18		18.1	21.7	17.2	24.2	36.5	39.2	40.7	42.7	43.2	41.8	41.3
19			31.7	36.8	46.5	46.3	47.6	48.3	49.5	50.0	47.7	46.1
20				49.8	49.5	44.7	43.7	42.5	42.3	43.0	40.8	40.1
21					50.4	46.7	39.9	36.9	35.3	34.9	33.3	33.1
22						35.9	34.8	28.7	26.0	22.4	20.4	20.5
23							16.3	15.8	14.6	13.2	10.9	10.6
24								6.5	6.9	6.8	6.0	5.4
25									2.7	3.0	3.0	3.0
26										1.3	1.4	1.4

**Post-Secondary Education Participation Rate**

The chart below draws a comparison between the post-secondary education participation rates of two groups of Canadians: those with RESPs and those without. For Canadians with RESPs, the participation rate is calculated by dividing the total number of beneficiaries (under each age group) who have ever withdrawn from RESPs (Education Assistance Payments or Post-Secondary Education withdrawals) by the total number of beneficiaries in the same age group. The participation rate for those without RESPs is calculated by dividing the total number of Canadians without RESPs who have ever attended Post-Secondary Education (under each age group) by the total number of Canadians without RESPs in the same age group.

**Cumulative PSE Participation Rate by Age Group: Canadians with RESPs and without RESPs**



Data sources include: numbers of Canadians attending PSE from Statistics Canada's 2009 Labour Force Survey and administrative data from the Canadian Education Savings Program.

### BASE POPULATION STATISTICS

The Base Population data was collected from the Statistics Canada Census 2006. This statistics are used in this report to calculate the Canada Education Savings Grant participation rates by province and territory and by age groups, and the overall Canada Education Savings Grant participation rate.

### Projected Number of Children by Age Group and by Province and Territory for 2009 Based on 2006 Census data

Province/Territory	Age Group				
	0-4	5-9	10-14	15-17	0-17
Alberta	210,700	205,400	214,700	137,900	768,700
British Columbia	204,600	217,400	245,300	161,600	828,900
Manitoba	71,000	72,300	80,900	51,400	275,600
New Brunswick	34,200	36,200	41,000	27,500	138,900
Newfoundland and Labrador	21,700	23,100	26,700	17,800	89,300
Northwest Territories	3,100	3,300	3,400	2,100	11,900
Nova Scotia	42,600	45,100	52,200	35,200	175,100
Nunavut	3,300	3,600	3,300	1,900	12,100
Ontario	675,000	728,900	820,300	520,600	2,744,800
Prince Edward Island	6,600	7,300	8,500	5,700	28,100
Quebec	375,800	382,700	426,500	291,300	1,476,300
Saskatchewan	60,300	60,200	64,800	42,300	227,600
Yukon	1,500	1,500	2,000	1,300	6,300
Canada	1,710,400	1,787,000	1,989,600	1,296,600	6,783,600
<i>Data Source: Statistics Canada</i>					

## TERMS AND DEFINITIONS

### **BENEFICIARY**

A Registered Education Savings Plan (RESP) beneficiary is usually a child, but can be any person named by the subscriber of an RESP to receive money for education after high school in the form of Educational Assistance Payments (EAPs). Payments to a beneficiary are made according to the specific terms of the RESP.

### **CANADA EDUCATION SAVINGS GRANT**

Is a grant offered by the Government of Canada to encourage parents, family and friends to save for a child's post-secondary education. A Canada Education Savings Grant is paid by Resources and Skills Development Canada (HRSDC) directly into an RESP in which the child is named as beneficiary.

### **CANADA EDUCATION SAVINGS PROGRAM**

Is a program within Human Resources and Skills Development Canada (HRSDC) that administers the Canada Education Savings Grant and the Canada Learning Bond to encourage early savings for a child's post-secondary education (PSE) in RESPs.

### **CANADA LEARNING BOND**

Is a grant offered by the Government of Canada to help modest-income families start saving for their child's post-secondary education. The Canada Learning Bond is paid by HRSDC directly into the RESP of a child who is a named beneficiary and whose parent or guardian is eligible to receive the National Child Benefit Supplement.

### **EDUCATION ASSISTANCE PAYMENTS (EAPs)**

Are amounts paid from an RESP to an eligible beneficiary to assist with education-related expenses at the post-secondary level. As such, EAPs are comprised of the Canada Education Savings Grant, the Canada Learning Bond, and the income earned on the money saved in the RESP.

### **HUMAN RESOURCES AND SOCIAL DEVELOPMENT CANADA**

Is a department of the Government of Canada whose mission is to build a stronger and more competitive Canada, to support Canadians in making choices that help them live productive and rewarding lives, and to improve Canadians' quality of life.

### **MARKET EFFECTS ON RESP ASSETS**

Can be estimated based on the change in RESP asset value and the net cash inflow of RESP accounts. As such, Market Effects equals a change in the RESP Asset Value minus the Net Cash Flow of RESP accounts.

### **POST-SECONDARY EDUCATION (PSE)**

Refers to qualifying educational programs in designated institutions (e.g., universities, colleges, CEGEPs, or others) in Canada or abroad.

### **PSE WITHDRAWAL**

Is a withdrawal of contributions made by the subscriber to an RESP when a beneficiary is enrolled in PSE.

### **REGISTERED EDUCATION SAVINGS PLAN (RESP)**

Is a savings plan (like a savings account) that can help Canadians save for post-secondary education. RESPs are registered by the Government of Canada to allow savings for education to grow tax-free until the person named in the RESP enrolls in post-secondary education.

**RESP PROVIDERS**

Are financial organizations that provide RESPs to the public. They administer all amounts paid into the plan and ensure the payments from the RESP are made according to the terms of the plan and the laws that govern it.

**RESP WITHDRAWALS**

Are made from an RESP to pay for post-secondary education. It includes both Education Assistance Payments and/or Post-Secondary Education withdrawals.

**SUBSCRIBER**

Is an individual who opens an RESP and may make contributions to that RESP on behalf of an individual named as a beneficiary. A subscriber can be a parent, grandparent, aunt, uncle, sibling or friend or the beneficiary.