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Annual Statistical Review 2015

Canada Education Savings Program



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ABOUT THIS REPORT

Each year, Employment and Social Development Canada (ESDC) produces the Annual Statistical Review (ASR) of the Canada Education Savings Program (CESP). The 2015 ASR provides statistics on Registered Education Savings Plans (RESPs) and the education savings incentives for the period between January 1 and December 31, 2015, as well as annual and cumulative historical data.

The ASR is primarily concerned with statistical information relating to beneficiaries who have received a Canada Education Savings Grant (CESG) or Canada Learning Bond (CLB) payment.

Data sources: The CESP's Reporting Database, which compiles CESG and CLB data provided by RESP promoters, is the primary source of data used in the production of this report.

Dates: The date on which a transaction between an RESP subscriber and an RESP promoter (transaction date) took place was used for the calculation of both the CESG and the Education Assistance Payments (EAPs); whereas the CLB statistics are calculated based on the processing date, which is the date on which the incentive was paid by the Government of Canada to RESP accounts.

Rounding: Due to rounding decimal points, numbers presented throughout

this report may not add up precisely and may not always exactly reflect the absolute figures.

Historical data: The ASR updates historical data (with the exception of RESP assets, which do not change). Thus, the 2015 edition of the ASR supersedes previous editions. The updating of previous years' numbers is required due to the nature of financial transactions. These transactions may have reversals, repayments, data errors or reporting by financial institutions that may have been delayed. As a result, data reported in previous years may change slightly. For example, subscribers may apply for and beneficiaries may receive incentives from prior years in which they were entitled, which would appear in the CESP's administrative database in the current year. Another example is that promoters may report transactions up to three years after they have taken place.

For some statistics, the number of years of historical data reported varies due to space limitations. Readers who require data from earlier years should contact the CESP at 1-888-276-3624 or send an email to cesp-pcee@hrsdc-rhdcc.gc.ca.

Terms and definitions: Additional information regarding terms and definitions used in this report can be found at the end of the report.

INTRODUCTION

ESDC, through the Canada Education Savings Program (CESP), administers two federal education savings incentives linked to RESPs: the CESG and the CLB.

The education savings incentives are delivered through financial institutions (promoters). Promoters must enter into an agreement with ESDC to offer the incentives to their clients.

CESG and CLB Objectives

The objective of these education savings incentives is set out in the *Canada Education Savings Act* (CESA); namely: “...to encourage the financing of children’s post-secondary education through savings, from early childhood, in registered education savings plans.”

By increasing the value and earning potential of an RESP, these incentives encourage long-term saving for a child’s education after high school, to help make post-secondary education (PSE) more affordable and potentially reduce student debt.

RESPs

Since their inception in 1972, the Government of Canada has regularly refined RESPs in an effort to better serve Canadian families. Education savings plans existed as a financial product as early as the 1960s, but it was in 1972 that the Government of Canada first allowed them to be registered as tax-advantaged savings vehicles.

An RESP is a contract between a subscriber and a promoter that has been accepted for registration by the Minister of National Revenue, through the Canada Revenue Agency (CRA). Typically, the subscriber is the child’s parent, a grandparent, another family member or a friend of the family. The subscriber names one or more beneficiaries and may make personal contributions to the RESP. Personal contributions made to an RESP may qualify for a CESG if the beneficiary meets the eligibility requirements. The personal contributions remain the property of the subscriber. The maximum lifespan of an RESP is 35 years, or 40 years for beneficiaries entitled to a disability tax credit. As of 2007, there is no annual personal contribution limit and the lifetime personal contribution limit is \$50,000 for each beneficiary.

There are three types of RESPs:

- individual plans, in which the subscriber saves for a single beneficiary and does not need to have a blood relationship with the beneficiary;
- family plans, in which multiple beneficiaries may be named but who must all be related by blood relationship or adoption to the subscriber; and
- group plans, in which savings for all beneficiaries of the same age are pooled and collectively invested.

Funds in an RESP can be held in a variety of forms (e.g. savings deposits, guaranteed investment certificates, mutual funds, etc.) and grow tax-free until withdrawn. Once the beneficiary is enrolled in PSE, the personal contributions are returned tax-free to the subscriber and the beneficiary may access the accumulated earnings (i.e. interest) and incentive payments (e.g. CESG, CLB and provincial incentives) in the form of an EAP. EAPs are taxable income for the student (the RESP beneficiary). Given that most students are usually earning modest incomes while studying, the amount of tax paid on EAPs is generally minimal.

Since an RESP can stay open for up to 35 years, or 40 years for beneficiaries entitled to a disability tax credit, a beneficiary can still access the education savings incentives should they decide to attend PSE many years after high school.

The Canada Education Savings Grant

The CESG has been available since 1998 and is calculated based on contributions made to an RESP for an eligible beneficiary until the end of the calendar year in which the beneficiary turns 17 years of age. The CESG provides a basic grant of 20% on the first \$2,500 in annual personal contributions to an RESP. An Additional CESG of 10% or 20% is available on the first \$500 of annual contributions made by middle- and low-income families. While the basic CESG is retroactive, the Additional CESG is not.

The Canada Learning Bond

The CLB is an incentive for children born on or after January 1, 2004, who are from low-income families or are under the care of a public trustee. It provides an initial payment of \$500 followed by payments of \$100 for each year the child was, and remains eligible, up to age 15 (for a maximum of \$2,000). While the CLB is paid directly into an RESP, eligible families do not need to make personal contributions to receive it. The CLB is retroactive: \$100 payments are made for each year in which the child was eligible.

Provincial Programs

ESDC, through the CESP, administers provincial education savings incentives on behalf of Saskatchewan and British Columbia.

The Saskatchewan Advantage Grant for Education Savings (SAGES) became available to eligible beneficiaries in September 2013 and the British Columbia Education and Training Savings (BCTES) grant in August 2015.

The Province of Quebec also offers an education savings incentive. The Québec Education Savings Incentive (QESI) is a refundable tax credit paid directly into an RESP for an eligible beneficiary. The QESI is not administered by ESDC.

Although these provincial programs may influence CESP data (e.g. number of children receiving the incentives), specific performance data for each provincial program are not reported in the 2015 ASR.

INFORMATION AND PROMOTIONAL ACTIVITIES

The *Canada Education Savings Act* requires that the Minister take measures necessary to promote the CESG and the CLB.

Moreover, in support of the Minister of Employment, Workforce Development and Labour's mandate letter, ESDC, through the CESP, will work collaboratively with a range of stakeholders and partners, including provinces and territories, to further promote the benefits of RESPs to all Canadians.

The following is a list of activities undertaken to promote the CLB. The CESP is currently exploring opportunities to further engage stakeholders in the pursuit of promoting RESPs and its associated education savings incentives.

Mailings to CLB-Eligible Families

ESDC sends letters to families informing them of the education savings incentive for which they are eligible, with relevant information on how to proceed. ESDC will ensure that all CLB-eligible families are informed of this incentive, including eligibility requirements.

Education Savings Week

ESDC has been participating in Education Savings Week since 2014. This event, held annually in November, coincides with Financial Literacy Month. Throughout the week, a range of activities are undertaken

by both not-for-profit and financial organizations to promote the benefits of saving for PSE through RESPs, as well as increasing awareness and understanding of the CLB and the CESG. A working group of community organizations, financial institutions and others leads the planning of these activities, with support from ESDC.

The CLB Champions' Network

The CESP has collaborated with community-based organizations and RESP promoters that form the CLB Champions' Network. The purpose of the CLB Champions' Network is to raise awareness, understanding and take-up of the CLB among low-income households.

To support this network, the CESP has:

- developed and made available a toolkit that participating organizations can use to support their efforts;
- supported and encouraged participation in Education Savings Week; and
- promoted participation in the network and provided secretariat services.

RESP promoters and not-for-profit community-based organizations and others who wish to become involved in the CLB Champions' Network can contact the CESP by email at nc-cesp-pcee-outreach-sensibilisation-gd@hrsdc-rhdcc.gc.ca.

SUMMARY OF THE CANADA EDUCATION SAVINGS PROGRAM'S ANNUAL STATISTICAL REVIEW 2015

DESCRIPTION	2013	2014	2015	Change between 2014 and 2015	
				Total	%
REGISTERED EDUCATION SAVINGS PLANS (RESPs)					
Total value of RESP assets (\$ billion)	\$40.5	\$44.4	\$47.0	\$2.6	5.9%
Annual personal contributions to RESPs (\$ billion)	\$3.94	\$4.10	\$4.27	\$0.17	4.2%
CANADA EDUCATION SAVINGS GRANT (CESG)					
Annual Canada Education Savings Grant payments (\$ million)	\$792	\$819	\$851	\$32	3.9%
Total Canada Education Savings Grant paid since inception in 1998 (\$ billion)	\$8.03	\$8.85	\$9.70	\$0.85	9.6%
Total number of beneficiaries aged 0 to 17 years who have ever received a Canada Education Savings Grant (million)	3.27	3.37	3.48	0.11	3.2%
Total number of beneficiaries of all ages who have ever received a Canada Education Savings Grant (million)	4.86	5.14	5.43	0.30	5.8%
Average age of new beneficiaries in receipt of the Canada Education Savings Grant	3.51	3.46	3.56	0.10	2.8%
Canada Education Savings Grant participation rate	47.3%	48.7%	50.1%	1.4%	n/a
CANADA LEARNING BOND (CLB)					
Annual Canada Learning Bond payments (\$ million)	\$101	\$106	\$117	\$10	9.5%
Total Canada Learning Bond payments since inception in 2005 (\$ million)	\$499	\$605	\$722	\$117	19.3%
Total number of children who have ever received a Canada Learning Bond	613,253	720,922	830,735	109,813	15.2%
Total number of children who have ever been eligible for a Canada Learning Bond (million)	2.06	2.29	2.51	0.22	9.6%
Average annual personal contribution per beneficiary in receipt of the Canada Learning Bond (\$)	\$1,032	\$1,055	\$1,068	\$12	1.2%
Total personal contributions made for beneficiaries in receipt of the Canada Learning Bond since 2005 (\$ billion)	\$2.41	\$3.16	\$4.01	\$0.85	26.9%
Canada Learning Bond participation rate	29.8%	31.5%	33.1%	1.6%	n/a
ACCESS TO POST-SECONDARY EDUCATION (PSE)					
Annual withdrawals from RESPs for PSE (\$ billion)	\$2.77	\$3.07	\$3.27	\$0.20	6.4%
Annual number of students receiving RESP withdrawals to help cover the costs of PSE	360,903	382,050	395,027	12,977	3.4%
Average annual RESP withdrawals per student to help cover the costs of PSE (\$)	\$7,671	\$8,046	\$8,283	\$237	3.0%

1. HIGHLIGHTS

Canadians Are Saving More than Ever in RESPs

Each year, more Canadians use RESPs to save for PSE. By December 31, 2015, Canadian families had amassed \$47 billion in RESP savings to help pay for their children's future PSE. The growth in RESP assets was noteworthy when compared with 2014: total RESP assets rose by \$2.6 billion, an increase of 5.9%.

The increase in RESP assets can be explained by amounts contributed to RESPs, payments in the form of CESG, CLB, provincial incentives and the interest earned on personal contributions and payments of government incentives.

Annual personal contributions grew to \$4.27 billion in 2015, which constitutes a 4.2% increase over 2014.

By December 31, 2015, Canadian families had amassed \$47 billion in RESP savings to help pay for their children's future PSE.

Beneficiary Age

When the CESG was launched in 1998, the average age of new beneficiaries was approximately 8 years of age. Over the last 17 years, the average age has

decreased to 3.56 years of age in 2015, an indication that the CESG is achieving its objective of encouraging Canadian families to save early.

Canada Education Savings Grant

The number of Canadian families benefiting from the basic 20% of CESG offered by the Government of Canada to help “kick start” early savings for their children’s PSE continues to increase as more families continue to contribute to RESPs.

Since its inception in 1998, the total number of beneficiaries who received a CESG has reached 5.43 million.

Of those beneficiaries, over 50% of Canadian children (3.48 million) under 18 years of age had received the CESG in 2015.

The CESG take-up rate exceeded 50% of Canadian children aged 0-17 for the first time in 2015.

Additional Canada Education Savings Grant

The proportion of beneficiaries from middle- and low-income families receiving both the basic and Additional CESG has grown more than fivefold (from 7% to 36%) since the introduction of Additional CESG in 2005.

In addition to the basic CESG, an extra 10% or 20% of Additional CESG is available to middle- and low-income families on the first \$500 contributed to their RESPs annually. The proportion of beneficiaries receiving the basic and Additional CESG has grown more than fivefold (from 7% to 36%) over the last 10 years, demonstrating a significant increase in middle- and low-income families saving for their children’s PSE using RESPs.

The Canada Learning Bond

More low-income Canadian families are benefiting from the CLB, which does not require personal contributions to an RESP.

Since 2005, the Government of Canada has paid \$722 million to low-income families' RESPs to encourage early savings for their children's PSE. In 2015, the Government of Canada paid \$117 million in CLB, a 9.5% increase over 2014.

*In 2015 alone,
\$968 million was
provided by the
Government of
Canada into RESPs
in the form of CESG
and CLB.*

*Of the children who
received a CLB,
nearly 80% also
received a personal
contribution to an
RESP, even though it
is not required. The
average personal
contribution for
beneficiaries in
receipt of the CLB
was over \$1,000.*

Although they are not required to, families who receive the CLB are making sizeable personal contributions to RESPs. Total personal contributions for this group reached over \$4 billion in 2015, representing an increase of \$850 million in RESPs since 2014.

In addition, 33.1% of all eligible children in Canada received the CLB, up from 31.5% in 2014. While the number of eligible children grew by 9.6%, the total number of children who received the CLB increased by 15.2% to reach 109,813 new beneficiaries.

Students are Using Savings to Access Post-Secondary Education

RESP savings amassed by Canadians can provide a substantial source of funding for PSE that complements loans, grants, scholarships and bursaries and can help ensure that Canadians have the financial support they need for their PSE. It is notable that withdrawals of funds from RESPs were comparable to that of the Canada Student Loan disbursements in 2015, indicating that RESP savings are increasingly important in improving access to PSE and reducing student debt.

There is significant growth in the number of Canadians using RESPs to help fund PSE. In 2015, a total of \$3.27 billion was withdrawn from RESPs to help 395,027 students cover the costs of PSE, with an average of \$8,283 for each student.

Compared to 2014, there was a 6.4% increase in the total amount withdrawn and a 3.4% increase in the number of students where RESP funds were used to help support PSE attendance.

Conclusion

Funding provided by the Government of Canada has encouraged Canadians to plan early by saving in RESPs over the long term for their children's future PSE.

By December 31, 2015:

- Canadian families held \$47 billion in RESP assets.
- More than 50% of eligible Canadian children under 18 years of age had received a CESG.
- Basic and Additional CESG payments to RESP beneficiaries from middle- to low-income families increased more than eightfold to \$285 million since introduction of the Additional CESG in 2005.
- The proportion of beneficiaries from middle- and low-income families saving in RESPs had grown more than fivefold (from 7% to 36%) since 2005.
- The number of new beneficiaries from low-income families who received the CLB for the first time reached 109,813.
- \$3.27 billion was withdrawn from RESPs to help more than 395,000 students cover the costs of PSE.

This evidence suggests that savings by Canadian families in RESPs will continue to grow and that more students will be able to count on these savings to help cover the costs of PSE in the future.

2. REGISTERED EDUCATION SAVINGS PLANS

The value of RESPs grows through personal contributions made by subscribers, amounts of CESG and CLB provided by the Government of Canada, provincial incentives and growth in the value of assets.

By the end of 2015, total RESP assets reached \$47 billion, representing a growth of \$2.6 billion (5.9%) over 2014. Between 1998 and 2015, the value of assets has grown by \$2.5 billion per year on average.

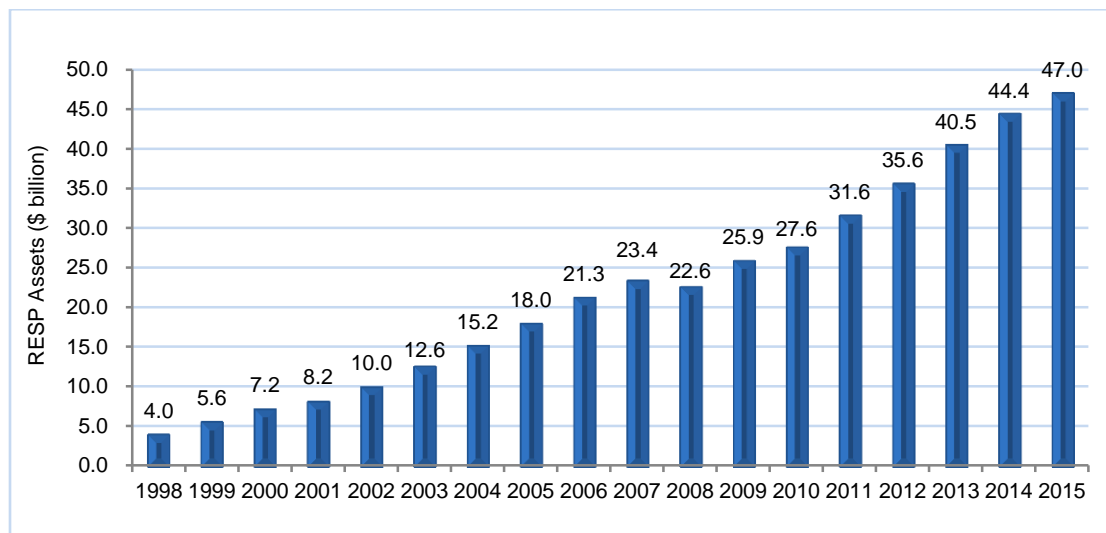
This section provides information on the total amount held in RESP assets since 1998.

2.1 Total RESP Assets by Year

The chart below represents the total market value of assets in RESPs in Canada as of December 31 of each year. This

value represents the amount potentially available to fund PSE.

RESP ASSETS BY YEAR (\$ BILLION)

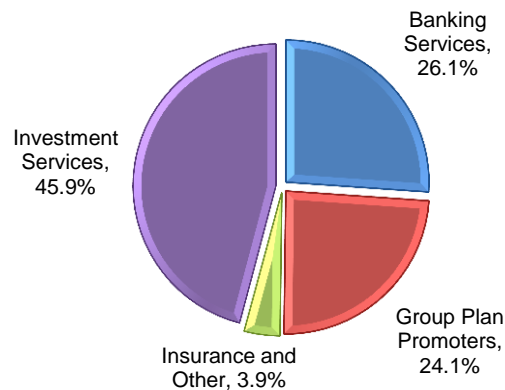


2.2 Proportion of RESP Assets by Promoter Type

RESP promoters administer all amounts paid into an RESP and ensure that the withdrawals from RESPs are made according to the terms of the plans, the requirements of the ESDC promoter agreement and the laws that govern RESPs and the education savings incentives. The education savings incentives are delivered through approximately 90 RESP promoters.

In 2015, Investment Services continued to make up the largest market share of RESP assets, with 45.9% being managed by this promoter type. Banking Services held the second largest share with 26.1%, followed by Group Plan Promoters, which managed 24.1% of the total assets. Promoters in the Insurance and Other category managed the remaining 3.9% of RESP assets.

PROPORTION OF RESP ASSET VALUES BY PROMOTER TYPE



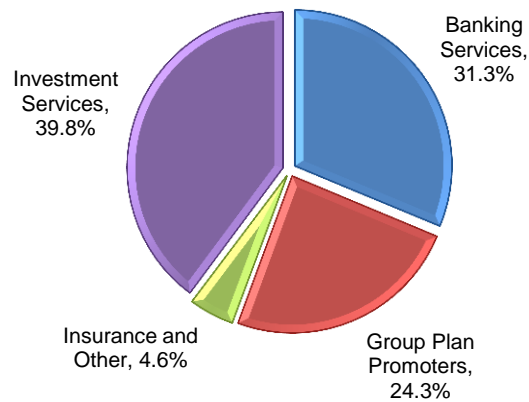
Note: See [Canada Education Savings Program terms and definitions](#) for more details on how each provider type is defined.

2.3 Proportion of Canada Education Savings Grant Payments by RESP Promoter Type

In 2015, Investment Services received 39.8% of all CESG payments, followed by Banking Services (31.3%) and Group Plan

Promoters (24.3%). Insurance and Other received 4.6% of CESG payments.

CANADA EDUCATION SAVINGS GRANT PAYMENTS IN 2015 BY PROMOTER TYPE



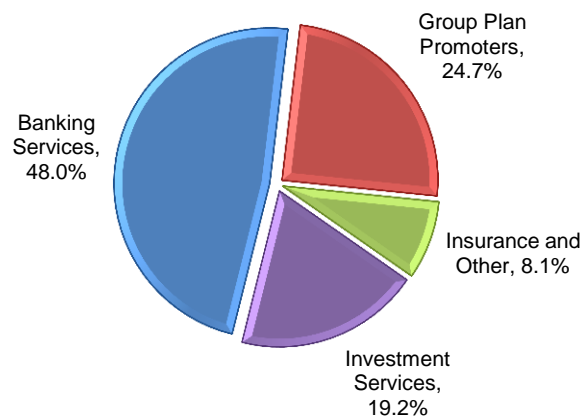
Note: See [Canada Education Savings Program terms and definitions](#) for more details on how each provider type is defined.

2.4 Proportion of Canada Learning Bond Payments by Promoter Type

In 2015, Banking Services received 48% of CLB payments that were made to RESPs. Group Plan Promoters received 24.7%,

Investment Services received 19.2% and Insurance and Other received 8.1%.

CANADA LEARNING BOND PAYMENTS IN 2015 BY PROMOTER TYPE



Note: See [Canada Education Savings Program terms and definitions](#) for more details on how each provider type is defined.

3. PERSONAL CONTRIBUTIONS TO REGISTERED EDUCATION SAVINGS PLANS

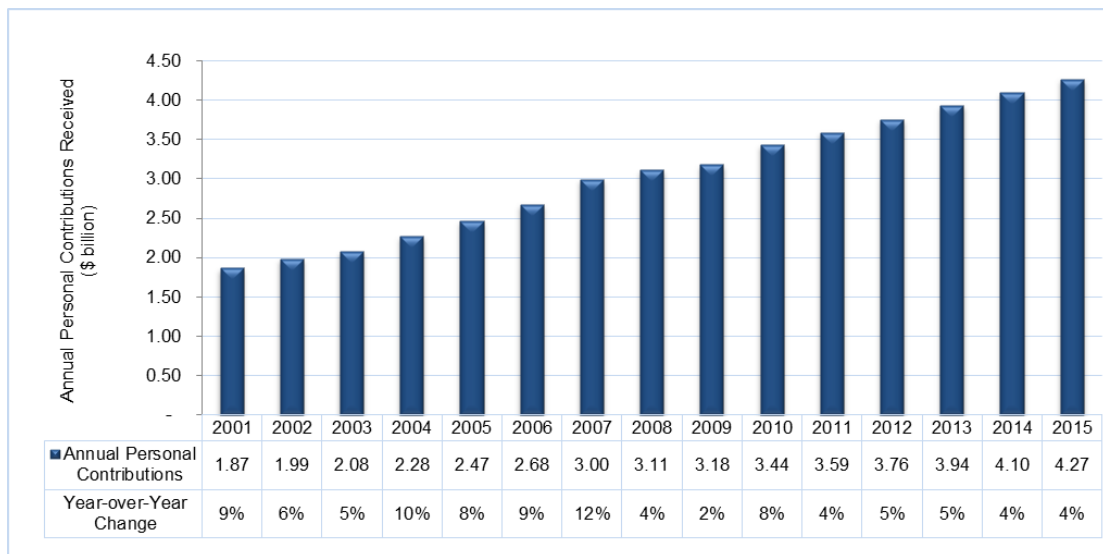
A personal contribution is the amount deposited into an RESP. Earnings on

personal contributions can grow tax-free until the money is withdrawn.

3.1 Annual Personal Contributions to RESPs

In 2015, \$4.27 billion was contributed to RESPs, a 4% increase over 2014 personal contributions.

ANNUAL PERSONAL CONTRIBUTIONS TO RESPs (\$ BILLION)

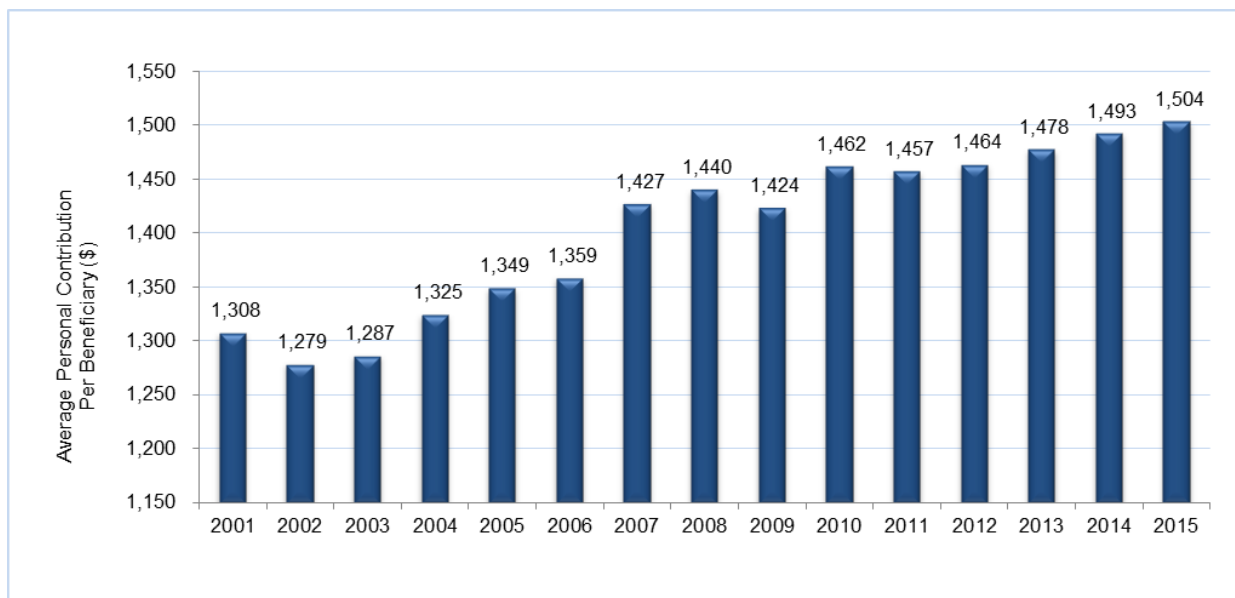


3.2 Average Annual Personal Contributions to RESPs per Beneficiary

An RESP beneficiary is usually a child (age 0 to 17) but can be any person (including those over the age of 18) named by the subscriber to whom or on whose behalf an EAP may be paid.

The average annual personal contribution made per beneficiary to an RESP continues to climb steadily. In 2015, the average personal contribution was \$1,504, up from \$1,493 in 2014.

AVERAGE ANNUAL PERSONAL CONTRIBUTIONS TO RESPs PER BENEFICIARY (\$)



3.3 Average Annual Personal Contributions to RESPs per Beneficiary by Province and Territory

In 2015, the average annual personal contribution per beneficiary experienced growth in most provinces and territories. Nunavut experienced the highest growth (10.6%) in average personal contribution

compared to all other jurisdictions. British Columbia, Ontario, Yukon and the Northwest Territories had higher average personal contributions in 2015 relative to the national average of \$1,504.

AVERAGE ANNUAL RESP PERSONAL CONTRIBUTIONS TO RESPs PER BENEFICIARY BY PROVINCE AND TERRITORY

PROVINCE AND TERRITORY	2011 (\$)	2012 (\$)	2013 (\$)	2014 (\$)	2015 (\$)
Nunavut	1,802	1,844	1,943	1,803	1,995
British Columbia	1,637	1,655	1,670	1,691	1,708
Ontario	1,596	1,604	1,626	1,644	1,661
Yukon	1,539	1,576	1,560	1,593	1,629
Northwest Territories	1,461	1,525	1,522	1,500	1,533
Alberta	1,428	1,437	1,440	1,459	1,443
Saskatchewan	1,326	1,343	1,375	1,408	1,420
Nova Scotia	1,223	1,228	1,247	1,275	1,285
Prince Edward Island	1,218	1,197	1,198	1,251	1,273
Manitoba	1,231	1,213	1,212	1,214	1,227
Newfoundland and Labrador	1,114	1,137	1,155	1,191	1,220
Quebec	1,179	1,181	1,191	1,202	1,217
New Brunswick	1,077	1,097	1,132	1,142	1,174
CANADA	1,458	1,464	1,478	1,490	1,504

3.4 Personal Contribution Amount Per Beneficiary

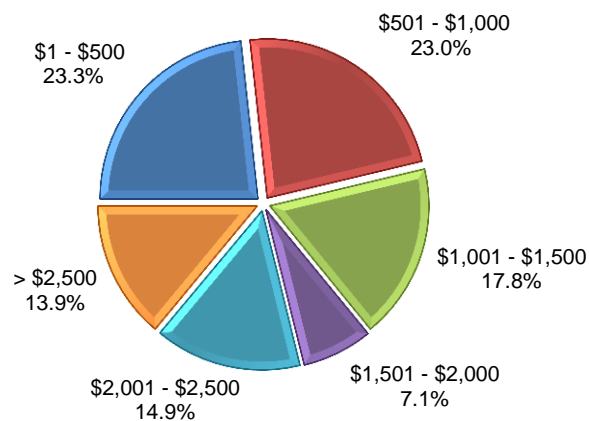
In 2015, 77% of the existing 3.48 million beneficiaries received a CESG.

In 2015, almost half (46.3%) of beneficiaries in receipt of the CESG also received a personal contribution in an RESP of between \$1 and \$1,000.

Beneficiaries that received more than \$2,500 in personal contributions in RESPs made up 13.9%, a small increase from 2014.

Canadian families continue to save for their children's PSE using RESPs. In 2015, 77% of the existing 3.48 million beneficiaries received a CESG from the Government of Canada.

DISTRIBUTION OF BENEFICIARIES BY PERSONAL CONTRIBUTION CATEGORY (2015)



4. CANADA EDUCATION SAVINGS GRANT

More children are receiving the CESG to support families in saving early for PSE.

This year, the national CESG participation rate reached a noteworthy milestone: over 50% of the eligible population aged 0 to 17 received a CESG by the end of 2015.

4.1 Canada Education Savings Grant Summary Statistics by Province and Territory

The table below presents provincial, territorial and national statistics on beneficiaries, CESG-eligible children, participation rates and cumulative payments. The participation rate is calculated by dividing the number of children 0 to 17 years of age who have ever received the CESG by the total number of children in Canada in this age

group. As of December 31, 2015, the CESG participation rate in Canada surpassed 50%. The CESG participation rates in Ontario, British Columbia and Alberta were higher than the national participation rate, as has been the case since 1999. Similar to the national rate, Alberta's participation rate exceeded 50% for the first time in 2015.

CANADA EDUCATION SAVINGS GRANT STATISTICS BY
PROVINCE AND TERRITORY AS OF DECEMBER 31, 2015

PROVINCE AND TERRITORY	CUMULATIVE NUMBER OF BENEFICIARIES IN RECEIPT OF THE CESG (AGE 0-17) (1)	NUMBER OF ELIGIBLE CHILDREN (AGE 0-17) (2)	CESG PARTICIPATION RATE = (1) ÷ (2) (%) (3)	CUMULATIVE CESG PAYMENT (\$ MILLION) (4)
Ontario	1,448,642	2,674,326	54.2	4,598.8
British Columbia	451,774	838,301	53.9	1,410.5
Alberta	462,834	913,390	50.7	1,152.4
Quebec	726,874	1,525,464	47.6	1,529.9
New Brunswick	59,175	133,576	44.3	141.2
Newfoundland and Labrador	40,147	91,979	43.6	106.7
Nova Scotia	67,970	162,892	41.7	180.7
Yukon	3,081	7,624	40.4	8.6
Prince Edward Island	11,411	28,385	40.2	28.2
Saskatchewan	97,036	257,750	37.6	263.5
Manitoba	106,783	290,999	36.7	249.9
Northwest Territories	3,265	10,911	29.9	8.8
Nunavut	720	13,341	5.4	1.8
CANADA	3,480,037	6,948,938	50.1	9,702.0

4.2 Annual Canada Education Savings Grant Payments by Province and Territory

In 2015, beneficiaries in Ontario received 45.9% of the total CESG payments of \$851 million. Beneficiaries in receipt of the CESG living in Quebec received 18.0%, while those in British Columbia received 14.2% of these payments. Another 12.4%

of the annual CESG payments went to beneficiaries living in Alberta. Those living in the remaining provinces and territories received close to 9.6% of total CESG payments made.

ANNUAL PAYMENTS BY PROVINCE AND TERRITORY (\$ MILLION)

PROVINCE AND TERRITORY	2010	2011	2012	2013	2014	2015	CESG PAYMENT PROPORTION IN 2015 (%)
Ontario	325.7	342.4	358.1	371.5	379.6	390.4	45.9
Quebec	109.2	117.6	126.8	135.8	144.2	153.3	18.0
British Columbia	98.5	103.1	107.9	113.2	116.8	120.5	14.2
Alberta	79.1	83.9	89.5	95.2	99.8	105.3	12.4
Saskatchewan	17.4	18.2	19.4	20.7	22.0	23.1	2.7
Manitoba	16.8	17.9	18.9	19.8	20.6	21.6	2.5
Nova Scotia	12.1	12.4	12.7	13.2	13.5	13.7	1.6
New Brunswick	9.7	9.8	10.1	10.5	10.6	10.9	1.3
Newfoundland and Labrador	7.3	7.5	7.7	7.9	8.1	8.3	1.0
Prince Edward Island	1.9	2.0	2.0	2.1	2.2	2.3	0.3
Yukon	0.6	0.6	0.7	0.7	0.7	0.8	0.1
Northwest Territories	0.6	0.6	0.6	0.7	0.7	0.7	0.1
Nunavut	0.1	0.1	0.2	0.2	0.2	0.2	0.02
CANADA	680	717	755	792	819	851	100

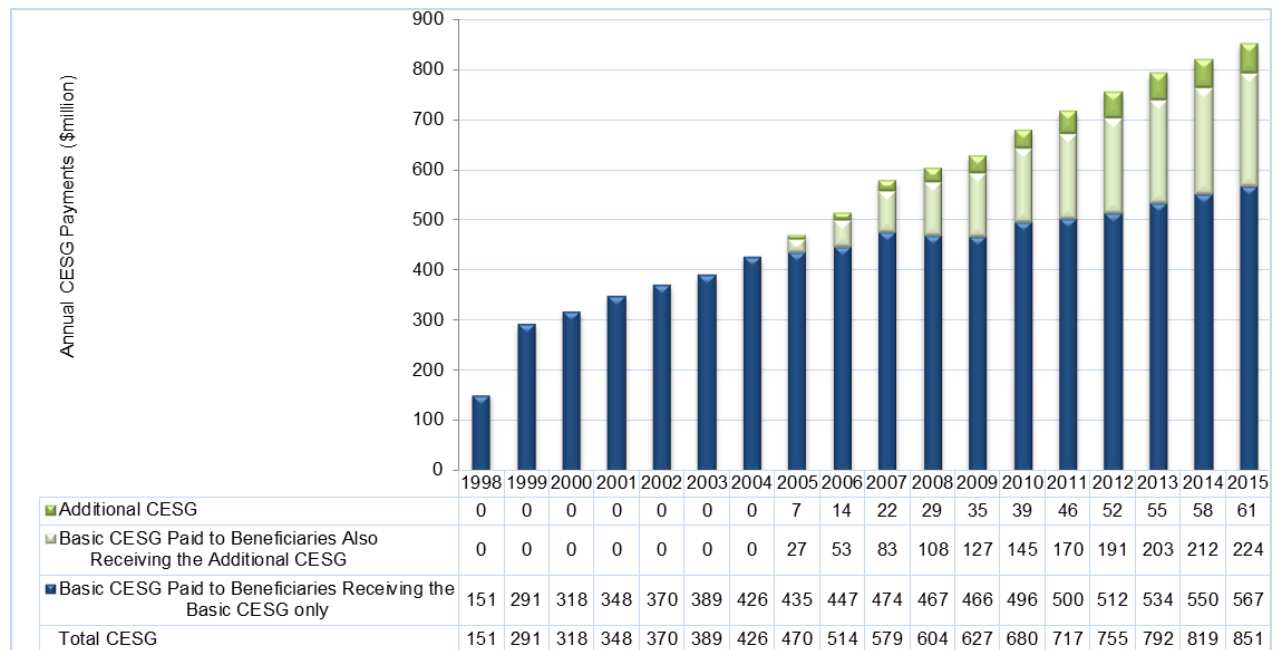
4.3 Annual Canada Education Savings Grant Payments

Each year, CESG payments are proportionate to the personal contributions made to RESPs.

In 2015, Canadians families continued contributing to RESPs as evidenced by a 3.9% increase in CESG payments from \$819 million in 2014 to \$851 million.

Of special note, RESPs held by middle- and low-income families received \$285 million in basic and Additional CESG payments in 2015, representing more than an eightfold growth in 10 years since they totalled \$34 million in 2005.

ANNUAL CANADA EDUCATION SAVINGS GRANT PAYMENTS (\$ MILLION)



4.4 Annual Number of Beneficiaries in Receipt of the basic and Additional Canada Education Savings Grant

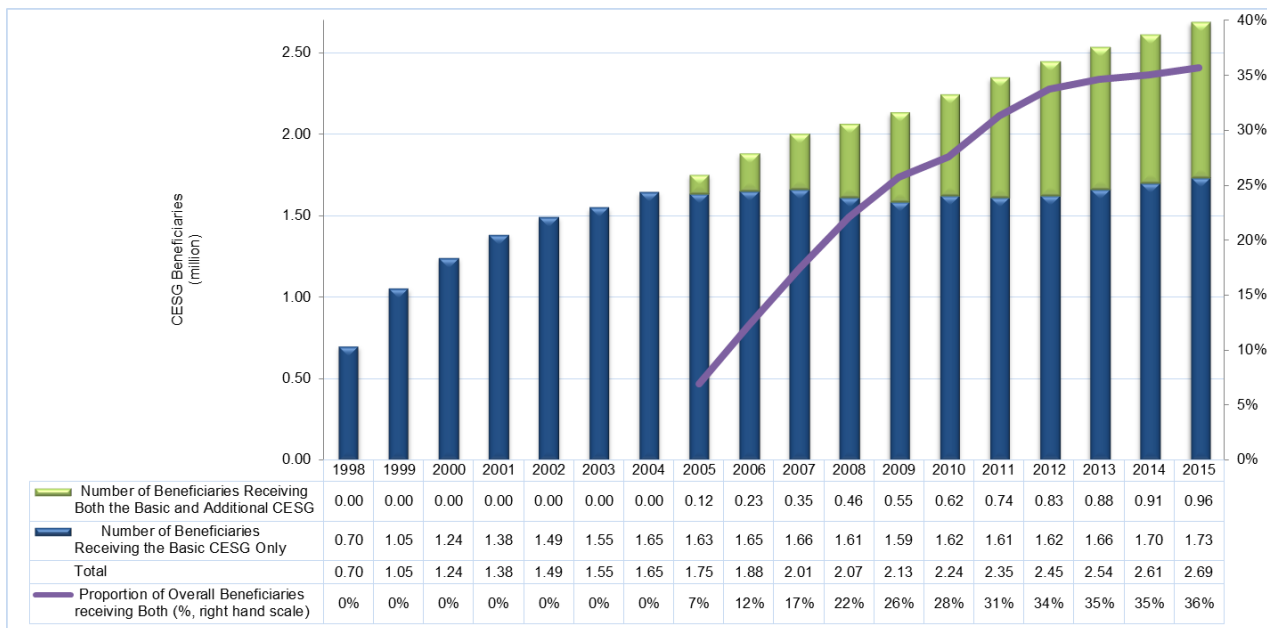
In 2015, 2.69 million beneficiaries received the CESG, an increase from 2.61 million in 2014.

Of these beneficiaries, 960,000 children (36%) received both the basic and Additional CESG, while 1.73 million children received only the basic CESG. The proportion of beneficiaries receiving both the basic and Additional CESG grew more than fivefold over the 10-year period of 2005–2015.

The growth is consistent with the increase in basic and Additional CESG payments described in 4.3 and provides evidence that an increasing number of middle- and low-income families are saving for PSE early, thereby contributing to the overall growth of the CESG.

Since 2005, the proportion of beneficiaries from middle- and low-income families receiving both the basic and Additional CESG has been growing at a faster rate than beneficiaries receiving the basic CESG only.

ANNUAL NUMBER OF BENEFICIARIES IN RECEIPT OF THE BASIC AND ADDITIONAL CESG



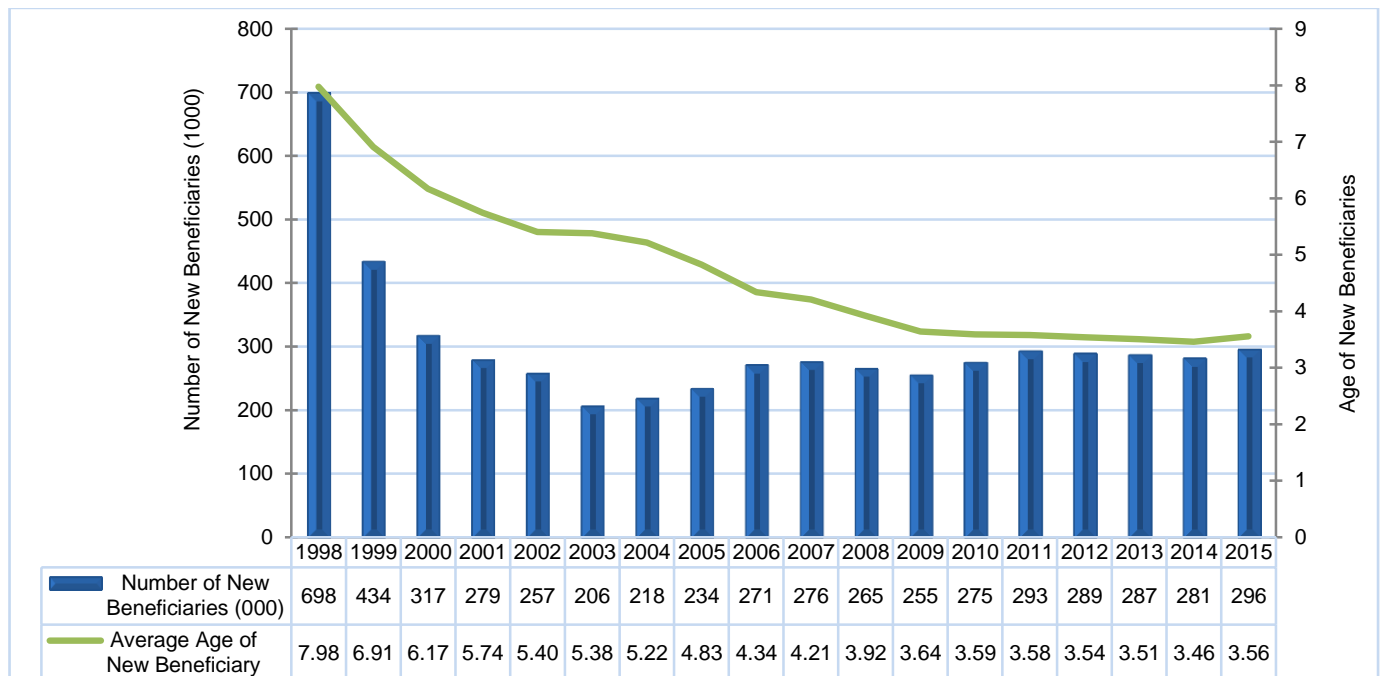
4.5 Average Age and Number of Beneficiaries Who Received the Canada Education Savings Grant for the First Time

Children between the ages of 0 and 17 are eligible to receive the CESG. The CESG is most beneficial if savings are made early, as this allows the maximum amount of time for the funds to appreciate.

The average age of beneficiaries who received the CESG for the first time was almost 8 years of age in 1998 when the CESG was introduced. It has remained below 4 years of age since 2008. In 2015, the average age reached 3.56.

In 1998, the number of Canadian families who opened an RESP to access the new CESG was high. Since then, the annual number of new beneficiaries steadily decreased until 2005, when the Additional CESG and the CLB were introduced. The addition of these incentives likely attracted new RESP beneficiaries in the years that followed. Since 2010, the average annual number of new beneficiaries has remained near 287,000. In 2015, almost 296,000 children received the CESG for the first time.

AVERAGE AGE AND NUMBER OF BENEFICIARIES WHO RECEIVED THE CESG FOR THE FIRST TIME
BY YEAR

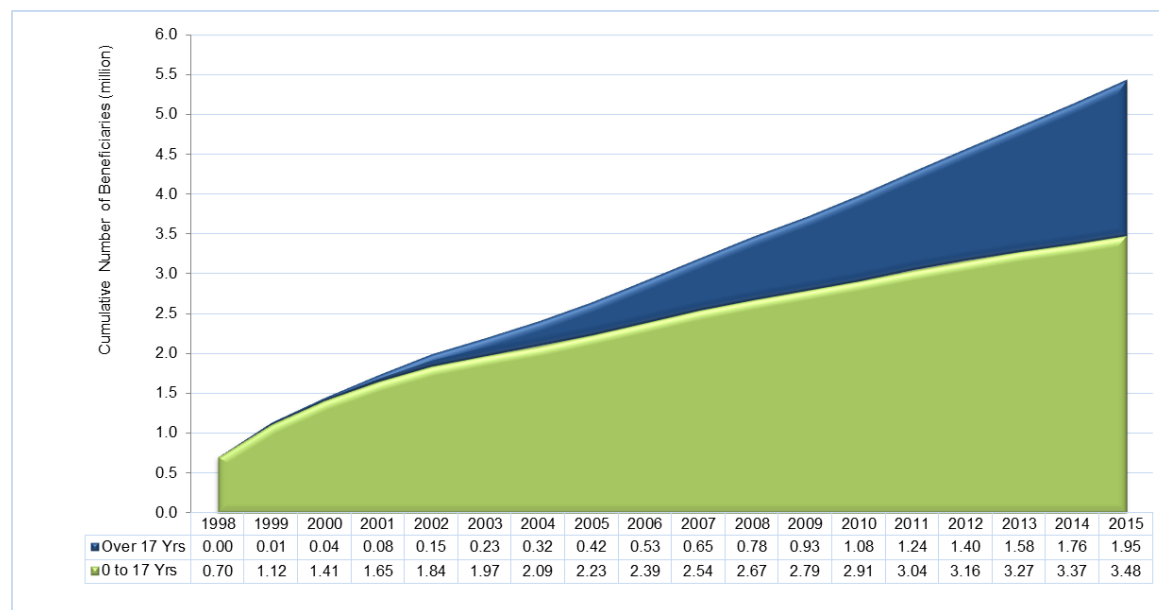


4.6 Total Number of Beneficiaries Who Have Ever Received a Canada Education Savings Grant

As of 2015, 5.43 million beneficiaries of all ages had received a CESG since the CESP began in 1998. Among these beneficiaries, 3.48 million were between the ages of 0 and 17 years, while 1.95 million were over the age of 17 and eligible for an EAP or have withdrawn an EAP to cover PSE-related

expenses. Currently, only one-third of the beneficiaries of all ages were eligible for an EAP. In the future, an increasing number of beneficiaries will become eligible for EAPs and more accumulated savings will be available to pay for PSE.

CUMULATIVE NUMBER OF BENEFICIARIES IN RECEIPT OF THE CESG BY AGE GROUP AND BY YEAR
(MILLION)



4.7 Total Number of Beneficiaries by Province and Territory

In 2015, the cumulative number of beneficiaries in Canada grew by 5.8%. Similar to 2014, Ontario, Quebec, British

Columbia and Alberta continued to account for 88% of all beneficiaries in Canada.

CUMULATIVE NUMBER OF BENEFICIARIES BY PROVINCE AND TERRITORY (THOUSANDS)

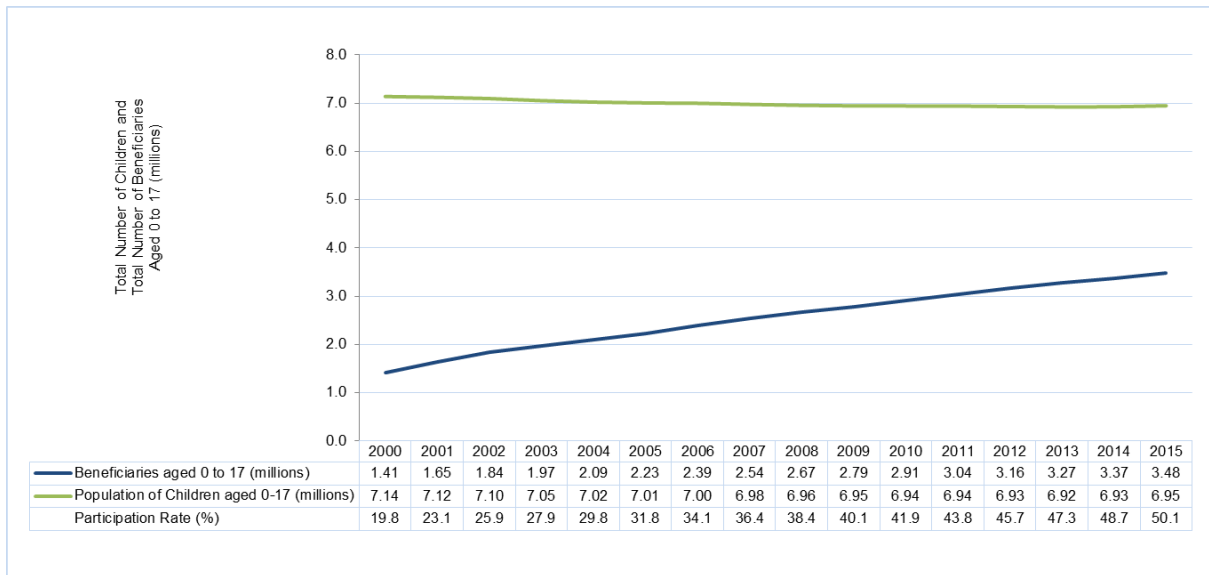
PROVINCE AND TERRITORY	2010	2011	2012	2013	2014	2015
Ontario	1,764	1,889	2,007	2,119	2,228	2,340
Quebec	713	778	843	909	975	1,043
British Columbia	544	580	616	654	690	727
Alberta	479	516	555	596	634	682
Manitoba	121	130	140	150	160	169
Saskatchewan	118	125	133	141	150	159
Nova Scotia	91	96	102	106	111	116
New Brunswick	79	82	86	90	93	97
Newfoundland and Labrador	55	57	60	62	65	67
Prince Edward Island	15	16	17	18	19	20
Northwest Territories	3.6	3.9	4.2	4.4	4.7	5.0
Yukon	3.6	3.9	4.1	4.4	4.7	4.9
Nunavut	0.7	0.8	0.8	0.9	0.9	1.0
CANADA	3,987	4,280	4,569	4,856	5,137	5,433

4.8 Canada Education Savings Grant Participation Rates

The graph below shows that between 2000 and 2015 the cumulative number of beneficiaries between the ages of 0 and 17 receiving the CESG has steadily increased, while the size of the eligible

population for this cohort has remained relatively stable. This shows that despite slow growth in the number of children in the population, more eligible children are benefiting from the incentive.

TOTAL NUMBER OF CHILDREN AND BENEFICIARIES AGED 0 TO 17 BY YEAR



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

In 2015, the national CESG participation rate surpassed 50% for the first time since inception. Ontario had the highest participation rate of 54.2%, followed by British Columbia with 53.9% and Alberta with 50.7%.

All provinces and territories experienced a moderate rise in CESG participation rates. Notably, three provinces now exceed 50% in CESG participation.

CANADA EDUCATION SAVINGS GRANT PARTICIPATION RATES
BY PROVINCE AND TERRITORY AND BY YEAR

PROVINCE AND TERRITORY	2009 (%)	2010 (%)	2011 (%)	2012 (%)	2013 (%)	2014 (%)	2015 (%)
Ontario	44.5	46.5	48.5	50.3	51.8	53.1	54.2
British Columbia	44.1	45.7	47.6	49.3	51.3	52.7	53.9
Alberta	41.0	42.8	44.7	46.2	47.7	48.8	50.7
Quebec	33.9	36.0	38.5	41.0	43.3	45.5	47.6
New Brunswick	38.7	40.0	40.9	41.9	42.7	43.6	44.3
Newfoundland and Labrador	39.7	40.8	41.6	42.1	42.9	43.4	43.6
Nova Scotia	34.7	36.1	37.6	39.1	40.2	41.1	41.7
Yukon	33.8	34.8	36.5	37.4	38.8	39.8	40.4
Prince Edward Island	34.8	35.9	36.7	37.7	38.6	39.4	40.2
Saskatchewan	32.5	33.3	34.3	35.1	36.0	36.7	37.6
Manitoba	29.1	30.3	31.7	33.2	34.5	35.7	36.7
Northwest Territories	22.5	23.7	25.0	26.2	27.1	28.7	29.9
Nunavut	4.3	4.5	4.7	4.9	5.0	5.2	5.4
CANADA	40.1	41.9	43.8	45.7	47.3	48.7	50.1

Note: The participation rate is calculated as the cumulative number of beneficiaries (age 0-17) who have ever received a CESG as of the end of each year divided by the total number of children (age 0-17) in the Canadian population, as reflected in the Annual Demographic Estimates by Statistics Canada.

5. CANADA LEARNING BOND

Like the CESG, participation in the CLB is increasing. Even though no personal contribution is required for the CLB, a

majority of beneficiaries in receipt of the CLB also received at least one personal contribution to an RESP.

5.1 Canada Learning Bond Summary Statistics by Province and Territory

The provincial and territorial cumulative statistics related to the CLB demonstrate that 830,735 of the 2.5 million eligible

children (33.1%) have received this incentive. Cumulative CLB payments amounted to \$722 million as of 2015.

CANADA LEARNING BOND STATISTICS BY PROVINCE AND TERRITORY
AS OF DECEMBER 31, 2015

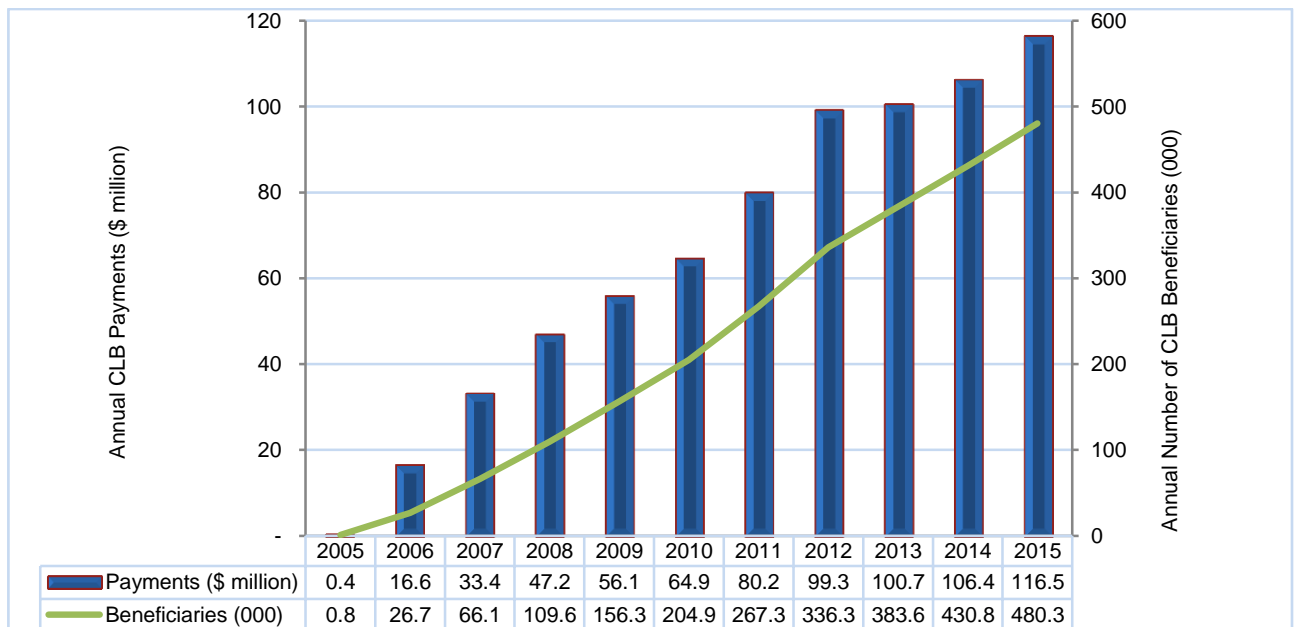
PROVINCE AND TERRITORY	CUMULATIVE NUMBER OF CHILDREN WHO HAVE EVER RECEIVED A CLB (1)	CUMULATIVE NUMBER OF CHILDREN ELIGIBLE FOR THE CLB (2)	CLB PARTICIPATION RATE = (1) ÷ (2)(%) (3)	CUMULATIVE CLB PAYMENT (\$ MILLION) (4)
British Columbia	111,117	290,136	38.3	95.20
Quebec	208,384	563,173	37.0	180.16
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 and 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

5.2 Annual Canada Learning Bond Payments and Number of Beneficiaries

In 2015, annual CLB payments increased by approximately 10% relative to 2014. A total of 480,000 children received the CLB in the same year. That was an increase of 11.5% over 2014. The annual number of

beneficiaries who receive the CLB includes 109,813 children who received the CLB for the first time and over 370,000 children who continued to receive the CLB.

ANNUAL CANADA LEARNING BOND PAYMENTS AND BENEFICIARIES



5.3 Annual Number of New Beneficiaries in Receipt of the Canada Learning Bond

In 2015, 109,813 new beneficiaries from low-income families began receiving the CLB.

NUMBER OF NEW BENEFICIARIES IN RECEIPT OF THE CANADA LEARNING BOND BY YEAR

	2009	2010	2011	2012	2013	2014	2015
Number of New Beneficiaries	73,171	80,443	97,820	112,833	106,205	107,669	109,813

Note: The number of new beneficiaries represents those who received the CLB for the first time ever in a given year, as opposed to the total number of beneficiaries who have ever received a CLB, as reported in the [Highlights](#) and in the [CLB Statistics by Province and Territory](#).

5.4 Personal Contributions Made for Beneficiaries in Receipt of the Canada Learning Bond

From 2005 to December 31, 2015, 830,735 children received the CLB. Of these, 97.7% of beneficiaries (811,551 children) received at least one personal

contribution to an RESP, for a total of \$4.01 billion in cumulative savings over the 10-year period of 2005 to 2015.

PERSONAL CONTRIBUTIONS MADE FOR BENEFICIARIES
IN RECEIPT OF THE CANADA LEARNING BOND

AS OF	NUMBER OF BENEFICIARIES IN RECEIPT OF THE CANADA LEARNING BOND WITH RESP PERSONAL CONTRIBUTIONS SINCE 2005	TOTAL NUMBER OF BENEFICIARIES IN RECEIPT OF THE CANADA LEARNING BOND SINCE 2005	PERSONAL CONTRIBUTION RATE (%)	TOTAL PERSONAL CONTRIBUTIONS (\$ BILLION)
December 2015	811,551	830,735	97.7%	4.01

5.5 Annual Personal Contribution Rate and Average Personal Contributions for Beneficiaries in Receipt of the Canada Learning Bond

In 2015, 78% of beneficiaries who received a CLB payment also received a personal contribution to an RESP even though no personal contribution is required for the incentive. The average

personal contribution for beneficiaries in receipt of the CLB was \$1,068 in 2015. This represents an increase of 1.2% over 2014.

ANNUAL PERSONAL CONTRIBUTION RATE AND AVERAGE PERSONAL CONTRIBUTIONS BY YEAR

YEAR	2010	2011	2012	2013	2014	2015
Annual Personal Contribution Rate	83.3%	81.8%	80.9%	80.0%	78.6%	78.2%
Average Personal Contributions	\$1,016	\$1,008	\$1,021	\$1,032	\$1,055	\$1,068

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

The CLB participation rate is the ratio between the total number of children who have ever received a CLB and the total number of children eligible to receive this incentive, expressed as a percentage.

all jurisdictions (except for Nunavut) experienced a rise in CLB participation rates compared to 2014. In 2015, British Columbia, Quebec and Ontario surpassed the national participation rate at 38.3%, 37% and 34% respectively.

The cumulative CLB participation rate as of 2015 was 33.1%. Similar to the CESG,

CANADA LEARNING BOND PARTICIPATION RATE BY PROVINCE AND TERRITORY AND BY YEAR

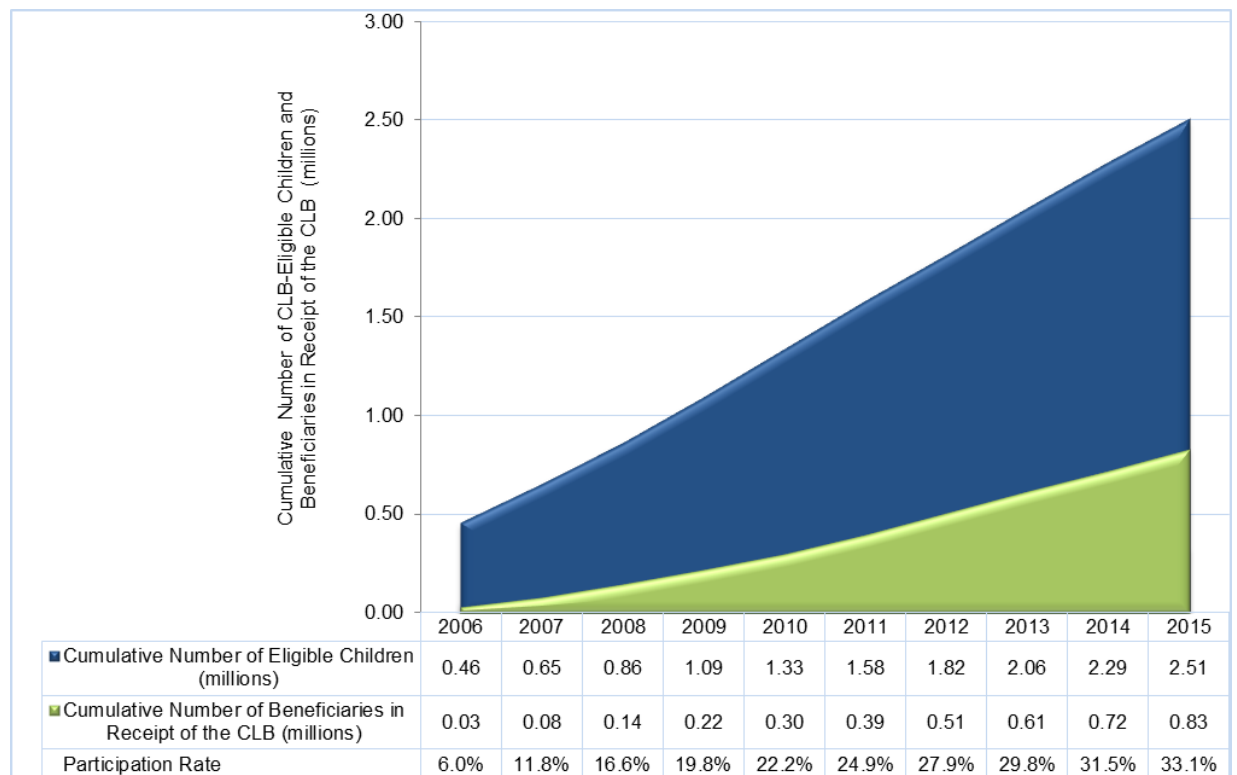
PROVINCE AND TERRITORY	2010 (%)	2011 (%)	2012 (%)	2013 (%)	2014 (%)	2015 (%)
British Columbia	26.0	29.0	31.9	34.4	36.6	38.3
Quebec	25.1	27.6	30.9	33.0	34.9	37.0
Ontario	22.7	26.1	29.4	31.2	32.8	34.0
Alberta	21.3	23.7	26.3	28.6	30.5	33.0
Prince Edward Island	14.4	16.5	19.4	21.4	23.0	24.2
New Brunswick	19.5	19.8	21.4	22.1	22.9	23.7
Manitoba	14.5	16.9	19.2	20.8	22.1	23.5
Yukon Territory	14.8	17.0	18.7	21.8	22.7	23.4
Nova Scotia	14.5	16.8	19.3	20.6	21.8	22.6
Newfoundland and Labrador	16.2	17.4	19.2	19.9	21.0	21.7
Saskatchewan	15.1	16.7	18.3	19.3	20.4	21.4
Northwest Territory	6.5	7.5	8.3	8.8	9.6	10.2
Nunavut	1.5	1.5	1.4	1.5	1.6	1.6
CANADA	22.2	24.9	27.9	29.8	31.5	33.1

5.7 Dynamics of Canada Learning Bond Participation

The CLB participation rate grew from 31.5% in 2014 to 33.1% in 2015, an increase of 1.6 percentage points. The dynamics that contribute to the growth in the CLB include: the number of new beneficiaries; the continuing eligibility of existing beneficiaries; and the number of eligible children. Thus, it is important to

note that while the cumulative number of eligible children (2.3 million in 2014) grew by 9.6% to 2.5 million children, the cumulative number of children who received the CLB increased by 15.2% to reach 109,813 new beneficiaries (from 720,922 in 2014 to 830,735 in 2015).

CANADA LEARNING BOND PARTICIPATION RATES BY YEAR



6. SUPPORTING ACCESS TO POST-SECONDARY EDUCATION

The Government of Canada supports Canadian families and individuals who want to pursue PSE after graduating from high school by encouraging them to save in RESPs. These incentives provide a sizeable source of funding for PSE that complements loans, grants, scholarships

and bursaries. Although the financial incentives provided to Canadians are significant, they will not, nor are they intended to, completely fund a student's PSE.

6.1 RESP Withdrawals

In 2015, \$3.27 billion was withdrawn from RESPs to help 395,027 students cover the costs of PSE. The average withdrawal was

\$8,283, which represents an increase of 3% over 2014.

RESP WITHDRAWALS

YEAR	2010	2011	2012	2013	2014	2015
(1) Total Value (\$ billion)	\$1.95	\$2.15	\$2.44	\$2.77	\$3.07	\$3.27
(2) Number of Students	293,004	310,467	335,894	360,903	382,050	395,027
(3) Average = (1) ÷ (2)	\$6,661	\$6,926	\$7,255	\$7,671	\$8,046	\$8,283

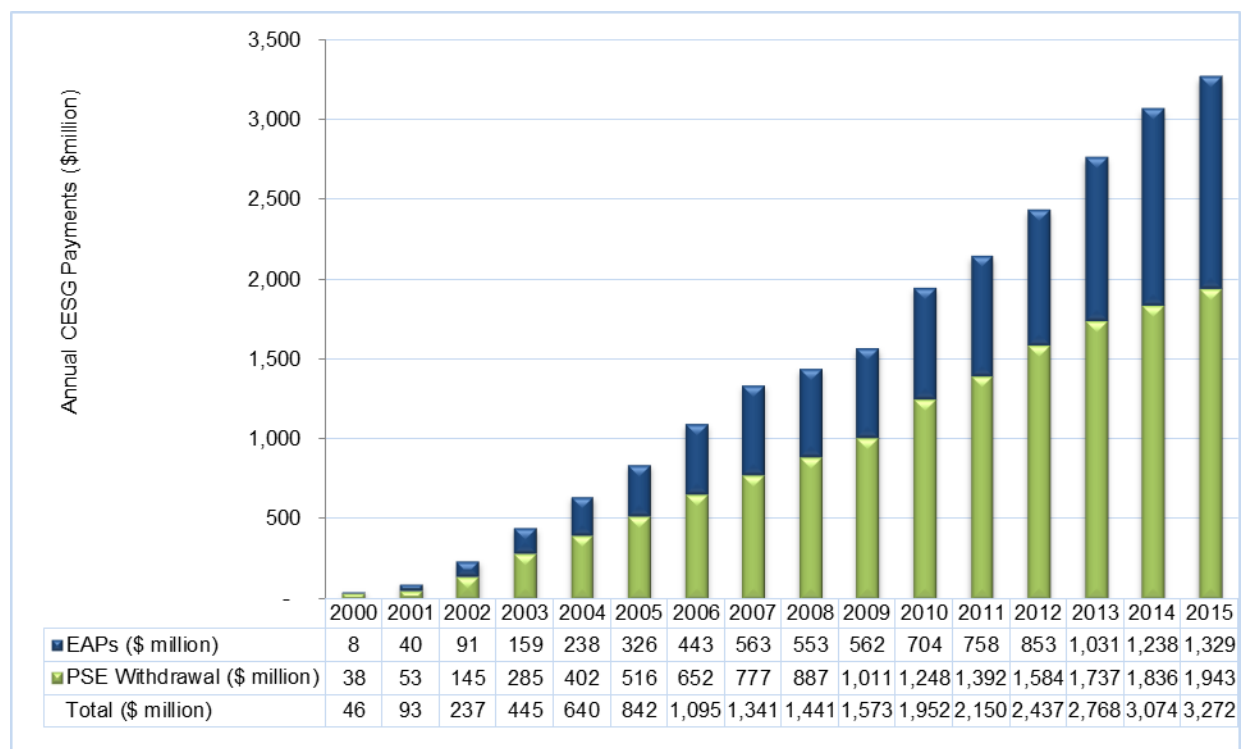
6.2 Educational Assistance Payments and Post-Secondary Education Withdrawals by Year

EAPs are amounts paid from an RESP to an eligible beneficiary to assist with education-related expenses at the post-secondary level. EAPs include the CESG, the CLB, provincial incentives, where applicable, and the interest earned on the personal contributions and incentives held in the RESP. Payments are made according to the specific terms of the

RESP. A PSE contribution withdrawal (PSE withdrawal) is a withdrawal of personal contributions made by the RESP subscribers when a beneficiary is enrolled in PSE.

In 2015, \$1.3 billion was paid as EAPs, while \$1.9 billion was withdrawn in the form of PSE contribution withdrawals.

EDUCATIONAL ASSISTANCE PAYMENTS AND
POST-SECONDARY EDUCATION CONTRIBUTION WITHDRAWALS BY YEAR



7. CANADA EDUCATION SAVINGS PROGRAM TERMS AND DEFINITIONS

ADDITIONAL CANADA EDUCATION SAVINGS GRANT (CESG)

A payment over and above the basic CESG offered by the Government of Canada to further encourage middle- and low-income families to save for their child's post-secondary education. This grant amount is paid by ESDC directly into an RESP.

BASIC CANADA EDUCATION SAVINGS GRANT (CESG)

A grant offered by the Government of Canada to encourage parents, family and friends to save for a child's post-secondary education. A CESG is paid by ESDC directly into an RESP.

CANADA EDUCATION SAVINGS PROGRAM (CESP)

A directorate within ESDC that administers the CESG and the CLB to encourage early savings in RESPs for children's post-secondary education.

CANADA LEARNING BOND (CLB)

A grant offered by the Government of Canada to help low-income families start saving for their children's post-secondary education. The CLB is paid by ESDC directly into an RESP once the parent or guardian has been found to be eligible.

EDUCATIONAL ASSISTANCE PAYMENTS (EAPs)

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 include the

CESG, the CLB, provincial incentives, where applicable, and the interest earned on the personal contributions and incentives held in the RESP.

EMPLOYMENT AND SOCIAL DEVELOPMENT CANADA (ESDC)

ESDC 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.

POST-SECONDARY EDUCATION (PSE)

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

POST-SECONDARY EDUCATION WITHDRAWAL

A withdrawal of personal contributions made by the subscriber from an RESP when a beneficiary is enrolled in post-secondary education.

REGISTERED EDUCATION SAVINGS PLAN (RESP)

An education 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 BENEFICIARY

A child or any person named by the subscriber of an RESP to receive money for education after high school in the form of Educational Assistance Payments. Payments are made according to the specific terms of the RESP.

RESP PROMOTER

A person or organization offering to the public education savings plans as defined in subsection 146.1(1) of the *Income Tax Act* and the property of which is held in trust by a Trustee.

There are approximately 90 financial institutions (promoters) that deliver education saving incentives administered by ESDC, which are categorized into four distinct types:

1. **Banking Services:** This industry group consists of companies that work in the banking, consumer lending and corporate financial services industry. The companies are deposit-taking institutions that are involved in commercial banking, retail and mortgage banking, and private banking activities.
2. **Investment Services:** This industry group consists of companies that conduct investment banking, brokerage services, investment management and fund operation, wealth management, private equity, security and commodity exchanges and diversified investment services, which combine investment banking/ security brokerage services with investment management and fund operating operations.
3. **Group Plan Promoters:** Group plan promoters offer group plan RESPs, which are a collection of individual contracts administered for a group of beneficiaries born in the same year.
4. **Insurance and Other:** Includes those companies that operate in the property and casualty insurance, life and health insurance and re-insurance industries. This promoter type also includes establishments that cannot be grouped under any other types of the classification system.

RESP WITHDRAWALS

Funds withdrawn from RESP accounts include:

1. **Educational Assistance Payments (EAPs):** Payments from an RESP to help an eligible beneficiary cover expenses associated with post-secondary education. An EAP consists of educational incentive amounts paid into an RESP, as well as the interest earned on personal contributions and incentive amounts. Personal contributions are not included in EAPs.
2. **Post-secondary education contribution withdrawals:** A withdrawal of personal contributions made by the subscriber to an RESP when a beneficiary is enrolled in post-secondary education.

SUBSCRIBER

Usually a parent, grandparent, aunt, uncle, sibling or friend who opens an RESP and makes personal contributions to the RESP.