



Employment and
Social Development Canada

Emploi et
Développement social Canada

CANADA EDUCATION SAVINGS PROGRAM

2019 Annual Statistical Review



Canada

Canada Education Savings Program – 2019 Annual Statistical Review

This publication is also available upon request in multiple formats (large print, Braille, MP3, audio CD, e-text CD, DAISY, or Accessible PDF), by contacting 1 800 O-Canada (1-800-622-6232).

By teletypewriter (TTY), call 1-800-926-9105.

© Her Majesty the Queen in Right of Canada, 2020

For information regarding reproduction rights:
droitdauteur.copyright@HRSDC-RHDCC.gc.ca.

PDF

Cat. No.: Em21-1E-PDF
ISSN: 1928-3571

ESDC

Cat. No.: LC-168-12-20E

TABLE OF CONTENTS

About this report	4
Introduction	4
Definition of concepts used in this report.....	4
The Canada Education Savings Program at a glance	5
Part I: Program background information	6
Registered Education Savings Plans	6
Canada Education Savings Grant.....	6
Basic CESG	6
Additional CESG.....	7
Canada Learning Bond	7
Investing in tomorrow	8
Benefits of saving early for post-secondary education.....	8
Government priorities	9
Part II: Program statistics	10
National summary	10
More support for families with lower incomes.....	11
Withdrawing funds from RESPs to finance PSE.....	11
Contributions in RESPs	12
Contributions for CLB beneficiaries	13
CESG take-up and beneficiaries	14
CESG take-up rate by province and territory over time.....	15
CESG beneficiaries through time (0 to 17 years old)	16
New CESG beneficiaries.....	16
CLB take-up and beneficiaries.....	17
Number of new CLB beneficiaries	18
CLB payments and beneficiaries by year	18
Total RESP assets.....	19
Part III: RESP promoters	20
RESP withdrawals for PSE	21
Educational Assistance Payments versus PSE withdrawals.....	22
Part IV: Government of Canada outreach activities	23
Challenges to access education incentives	23
An updated approach.....	23
The data in this report	25



About this report

Each year, Employment and Social Development Canada (ESDC) produces an Annual Statistical Review (ASR) for the Canada Education Savings Program (CESP). The 2019 ASR provides statistics on Registered Education Savings Plans (RESP) and the federal education savings incentives, for the period between January 1 and December 31, 2019. The report also provides historical data.

The ASR focuses on Canadians who received a Canada Education Savings Grant (CESG) or Canada Learning Bond (CLB) payment, or both.

Introduction

The Government of Canada encourages the use of RESPs to save for a child's post-secondary education (PSE) including full- or part-time studies at a trade school, college, university, or in an apprenticeship program.

ESDC administers the CESG and the CLB, two education savings incentives linked to RESPs. This report presents key statistics, highlights for 2019, and an overview of the evolution of the take up of education savings incentives.

Definition of concepts used in this report

Cumulative number of beneficiaries: count of beneficiaries who received a CESG or CLB payment at least once since the inception of the program.

Example: Lisa received the CESG in 2015 and 2019. Therefore, she will be counted **once** in the cumulative number of CESG beneficiaries **as of** 2019.

Total number of beneficiaries: count of beneficiaries who received a CESG or CLB payment in a given year (for example, in 2019).

Example: consider Lisa from the above example. In this case, she will be included in the total number of CESG beneficiaries **in 2015 and in 2019**.

Total number of new beneficiaries: count of beneficiaries who received a CESG or CLB payment for the first time in a given year.

Example: Eric received the CESG in 2019 for the first time. He will therefore be included in the total number of **new** CESG beneficiaries in 2019.

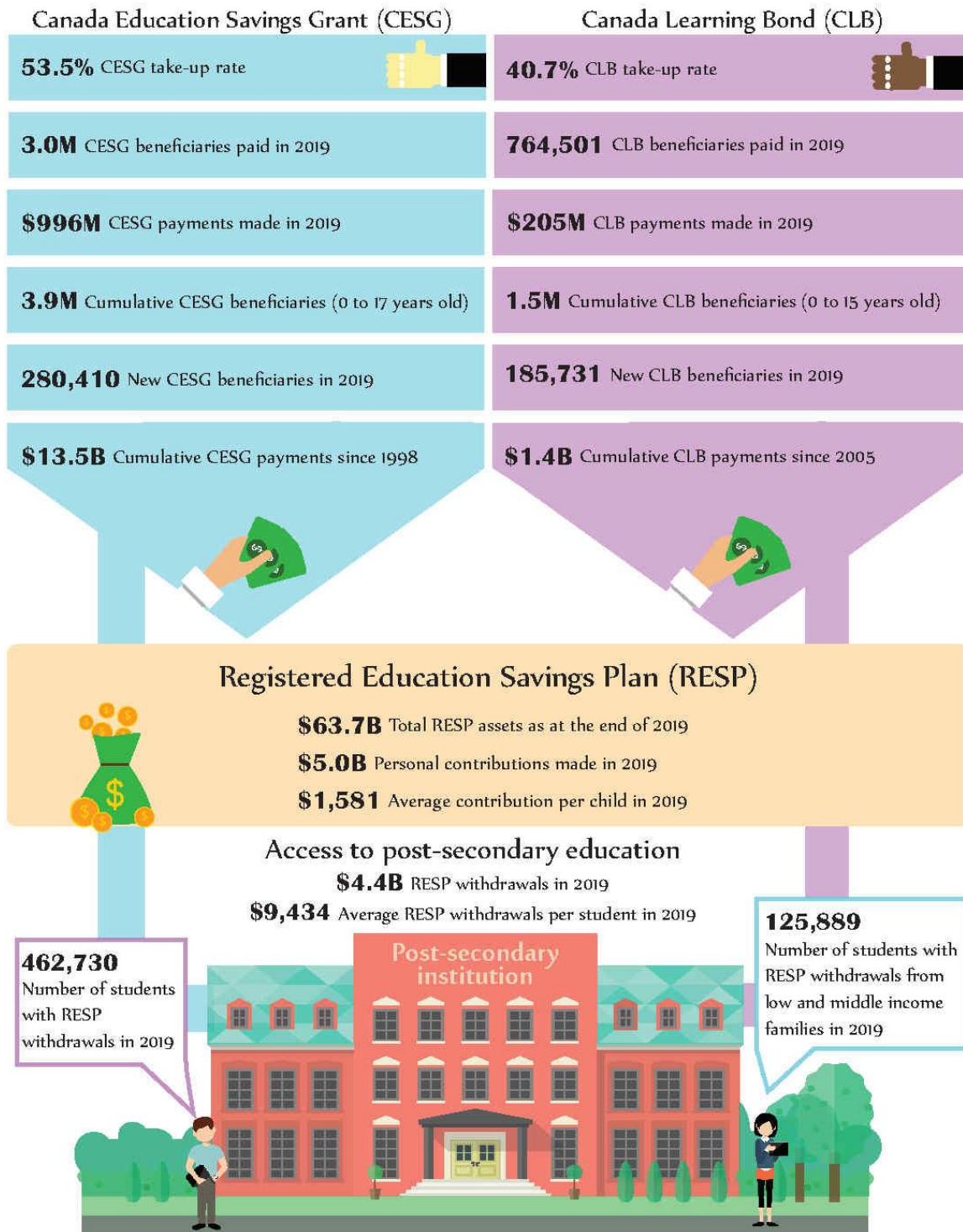
Note that, as the above definitions suggest, Eric will also be included in a) the total number of CESG beneficiaries **in 2019**, and b) the cumulative number of CESG beneficiaries **as of 2019**.

All **dollar figures** in this report are **nominal** and do not account for inflation.

In this report, the receipt of the CLB is used as a proxy for RESP beneficiaries belonging to a **low income** family, the receipt of the additional amount of the CESG (Additional CESG) but no CLB is used as a proxy for belonging to a **middle income** family, and the receipt of the Basic CESG with neither the Additional CESG nor CLB is a proxy for beneficiaries belonging to a **high-income** family.

The Canada Education Savings Program at a glance

Figure 1: Key statistics infographic



Note: Payments are education savings incentives provided by the Government of Canada and paid into an RESP. Million(s) and billion(s) are abbreviated to M and B, respectively.

Part I: Program background information

This section describes education savings incentives available for PSE in Canada.

Registered Education Savings Plans

In order to receive education savings incentives, a registered plan, called an RESP, must be opened with a bank, financial planner, scholarship plan dealer, or an insurance company.

Anyone can open an RESP and name a beneficiary in the plan. Typically, a parent, grandparent, or other family member opens an RESP and names a child as beneficiary. The individual opening the RESP is called the subscriber. The subscriber does not need to be related to the beneficiary to open an RESP.

There are two types of RESPs:

- **Individual plans:** a single beneficiary is named. Group plans are also available where savings for several (non-family) beneficiaries of the same age cohort are pooled together and collectively invested by a scholarship plan dealer; and
- **Family plans:** multiple beneficiaries may be named, but they must all be related by blood or adoption to the subscriber.



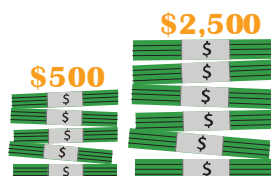
Funds in an RESP can be held in a variety of forms (for example, savings deposits, guaranteed investment certificates, mutual funds, and other types of investments) and grow tax-free until withdrawn. There are many RESP options available, including low- or no-fee options.

Canada Education Savings Grant

The CESG consists of a basic grant (Basic CESG) available to families of all income levels, and an additional amount of the CESG (Additional CESG) for beneficiaries from low- and middle-income families.

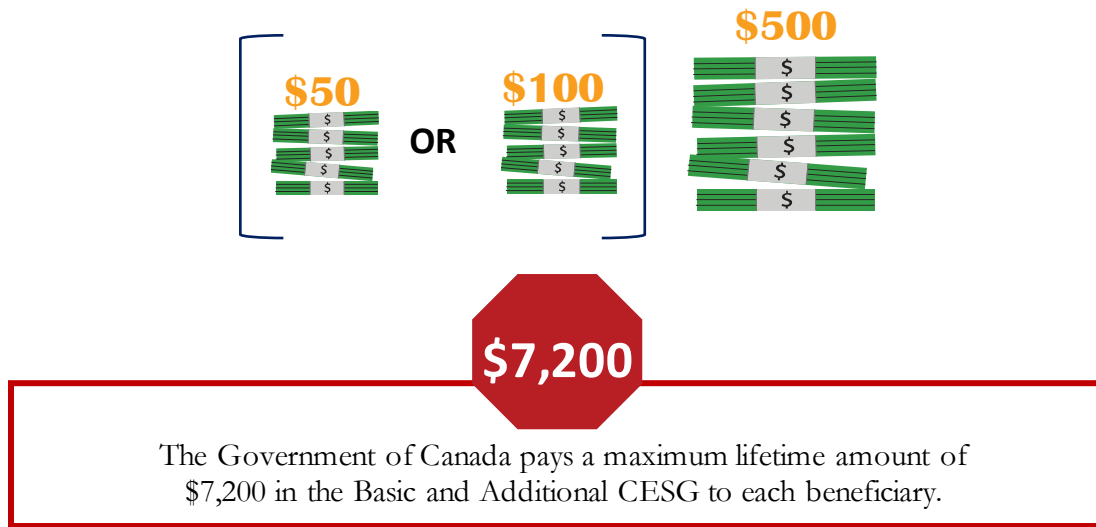
Basic CESG

The Basic CESG is a 20% payment on the first \$2,500 of contributions made into an RESP each year, up to the end of the calendar year in which the beneficiary turns 17. The Basic CESG is available to all eligible beneficiaries, regardless of income.



Additional CESG

Beneficiaries from low- or middle-income families may also qualify for the Additional CESG, a payment of 10% or 20% on the first \$500 of contributions made each year on or after January 1, 2005, up to the end of the calendar year in which the beneficiary turns 17¹.



Canada Learning Bond

The CLB is available to beneficiaries born on or after January 1, 2004, who are from low-income families or for whom benefits are payable under the *Children's Special Allowance Act*. Contributions are not required

to receive the CLB. The CLB provides an initial payment of \$500, and \$100 for each subsequent benefit year of eligibility, up to the benefit year in which the beneficiary turns 15, to a maximum of \$2,000. The CLB can be claimed for previous years during which the child was eligible, even if no RESP was open during those years.



¹ For 2019, eligibility is based on the following:

Additional CESG	Adjusted income
20%	up to \$47,630
10%	greater than \$47,630 but not more than \$95,259

As of July 1, 2017, eligibility for the CLB is based, in part, on the number of qualified children and the adjusted income of the primary caregiver, including the income of a cohabiting spouse or common-law partner, as outlined in the *Canada Education Savings Act*². A child who received the CLB in a given year may not be eligible in subsequent years. For instance, suppose that a child received the CLB in 2018. If, in 2019, the adjusted income of the child's primary caregiver was greater than \$47,630, then this child is not eligible for the CLB in 2019.

Investing in tomorrow

For youth to make the most of future opportunities, they need to be equipped with the knowledge, skills and experience that come from PSE. By offering education savings incentives to Canadians, the Government of Canada is investing in a skilled and innovative workforce of tomorrow.

According to the Statistics Canada Labour Force Survey, between 2009 and 2019, employment rates were consistently higher among individuals who had some PSE than among others. In addition, according to the ESDC Canadian Occupational Projection System, between 2017 and 2026, two thirds of Canadian jobs will require some PSE. For more information, please visit [Labour Force Population](#).

Benefits of saving early for post-secondary education

Research shows that when money is set aside for PSE, children are more likely to access higher learning opportunities. Helping more families with low and middle incomes save for the PSE of their children contributes to reducing barriers to higher learning.

In 2019, 53.5% of eligible children (0 to 17 years old) in Canada received federal education savings incentives. The Government of Canada is committed to helping all eligible children access the incentives, particularly those from low- and middle-income families.

² For the July 1, 2019, to June 30, 2020, period, eligibility is based, in part, on the following:

Table 2: CLB eligibility thresholds	
Number of qualified children	Adjusted income
1 to 3	up to \$47,630
4	less than \$53,740
5	less than \$59,876
6	less than \$66,011

Note: Beneficiaries from larger families with higher adjusted income may also be eligible for the CLB. Information on CLB eligibility for these families is available on request. The eligibility period is set up according to the Canada Revenue Agency benefit year. CLB eligibility is based, in part, on the individual's adjusted income, which is reported in the income tax return due by April 30th each year.

Government priorities

The more skills and training that Canadians acquire, the better the outcomes, both for individuals and for society as a whole. Efforts to help Canadian families saving for a child's PSE, contribute to the government's priorities to make higher education more affordable and accessible for all Canadians. ESDC is advancing several initiatives to promote the benefits of early savings through RESPs:

- A Call for Concepts for **new approaches to help Indigenous Peoples and hard-to-reach populations** resulted in twelve projects testing new community-based approaches, which are funded a total of \$5 million over three years (2018-19 to 2020-21).
- In 2018, the Government of Canada launched an Education Savings Referral Service (ESRS) in collaboration with the Government of Ontario. Integrated into **ServiceOntario's** online birth registration service, the ESRS makes it easier for Ontario families to open RESPs and access the incentives for education savings.
- Amendments to the ***Canada Education Savings Act***, which came into effect on January 1, 2018, make it easier to access the CLB and Additional CESG by allowing the cohabiting spouse or common-law partner of the primary caregiver to request the education savings incentives on behalf of an eligible child. As of December 31, 2019, 43,414 beneficiaries received the CLB and 81,183 beneficiaries received the Additional CESG, as a result of this program change.
- The Government of Canada has been **working with provinces and territories** and with child welfare organizations to facilitate the opening of RESPs and access to the CLB for children in care.
- The Government of Canada also **collaborates with a range of partners and stakeholders**, including provinces, territories, and Indigenous organizations, to promote education savings with a particular focus on increasing the awareness of the CLB.

ESDC will continue to monitor the impact of these initiatives.

Part II: Program statistics

National summary

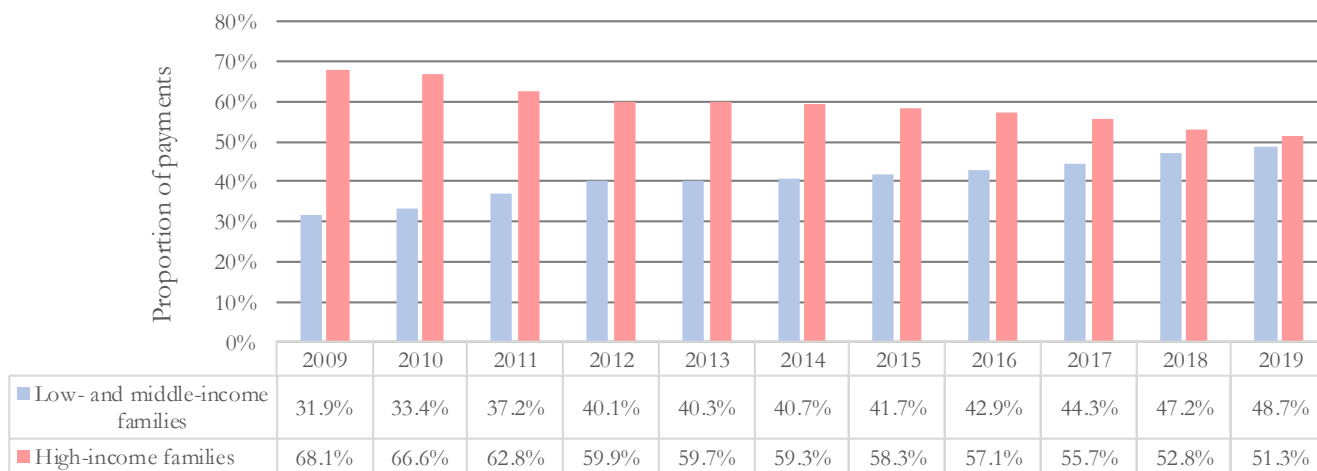
Table 3: National summary of statistics			
Description	2017	2018	2019
Registered Education Savings Plans (RESP)			
Total RESP assets as of the end of the year (billions)	\$55.9	\$56.1	\$63.7
Contributions made during the year (billions)	\$4.7	\$4.9	\$5.0
Canada Education Savings Grant (CESG)			
Total CESG payments made during the year (millions)	\$939	\$972	\$996
Cumulative CESG payments since 1998 (billions)	\$11.5	\$12.5	\$13.5
Total number of beneficiaries receiving the CESG during the year (millions)	2.9	2.9	3.0
Total number of new beneficiaries in receipt of the CESG during the year	300,355	292,137	280,410
Cumulative number of beneficiaries who have ever been in receipt of the CESG aged 0 to 17 years (millions)	3.7	3.8	3.9
Cumulative number of beneficiaries of all ages who have ever been in receipt of the CESG (millions)	6.1	6.3	6.6
CESG take-up rate	52.0%	52.9%	53.5%
Canada Learning Bond (CLB)			
Total CLB payments made during the year (millions)	\$155	\$171	\$205
Cumulative CLB payments since 2005 (millions)	\$1,011	\$1,182	\$1,387
Total number of beneficiaries receiving the CLB during the year	622,276	690,345	764,501
Total number of new beneficiaries in receipt of CLB during the year	149,640	156,699	185,731
Cumulative number of beneficiaries who have ever been in receipt of the CLB (millions)	1.1	1.3	1.5
Cumulative number of CLB-eligible children (millions)	3.1	3.3	3.6
CLB take-up rate	36.5%	38.2%	40.7%
Cumulative contributions made to RESPs of CLB beneficiaries (billions)	6.2	7.7	9.5
Average annual contribution per beneficiary	\$1,124	\$1,144	\$1,190
Access to post-secondary education (PSE)			
Annual RESP withdrawals (billions)	\$3.8	\$4.1	\$4.4
Annual number of students withdrawing funds from RESPs	433,204	445,333	462,730
Annual number of students withdrawing funds from RESPs from low- and middle-income families	98,802	111,214	125,889
Average annual RESP withdrawals per student	\$8,836	\$9,174	\$9,434

Note: All dollar figures in this report are nominal and do not account for inflation. Take-up rate calculations are described on p.14 for CESG and p.17 for CLB. Contributions are not required to receive the CLB. However, contributions are required to receive the CESG (Basic and Additional).

More support for families with lower incomes

Relatively more families with low or middle incomes are receiving RESP savings incentives.

Figure 2: Proportion of CESG and CLB payments received by children, broken down by family income level



- The education savings gap between children from low- and middle-income families and those from higher-income families is closing.
- CESG and CLB payments to RESPs of children from low- and middle-income families (i.e., those eligible for the Additional CESG³) accounted for 31.9% of incentives paid by ESDC in 2009. By 2019, that figure had increased to 48.7%.

Withdrawing funds from RESPs to finance PSE

Once a beneficiary is enrolled in a qualifying PSE program⁴, a request can be made for an Educational Assistance Payment (EAP). An EAP consists of the CESG and CLB, amounts paid under a provincial education savings program, and income earned through assets in the RESP. EAPs are taxable income for the beneficiary, who often has a modest income while studying, so the amount of income tax paid on EAPs is generally low. The beneficiary can use EAP funds to pay for their tuition and other PSE expenses, such as textbooks and accommodation.



In 2019, \$4.37 billion in funds was withdrawn from RESPs, supporting PSE for 462,730 students. Of this, \$1.12 billion was withdrawn from RESPs that had received the Basic and Additional CESG, therefore supporting 125,889 students from low- and middle-income families. These amounts include withdrawals of EAPs and subscriber contributions.

³ Children whose primary caregivers had an adjusted family net income under \$47,630 in 2019 are considered low-income, and those with an adjusted family net income between \$47,630 and \$95,259 are considered middle-income.

⁴ A qualifying PSE program is an educational program offered at a designated post-secondary institution where a beneficiary, who is at least 16 years of age, is enrolled full-time or part-time. For more information, please visit [Educational Assistance Payments \(EAPs\)](#).

Contributions in RESPs

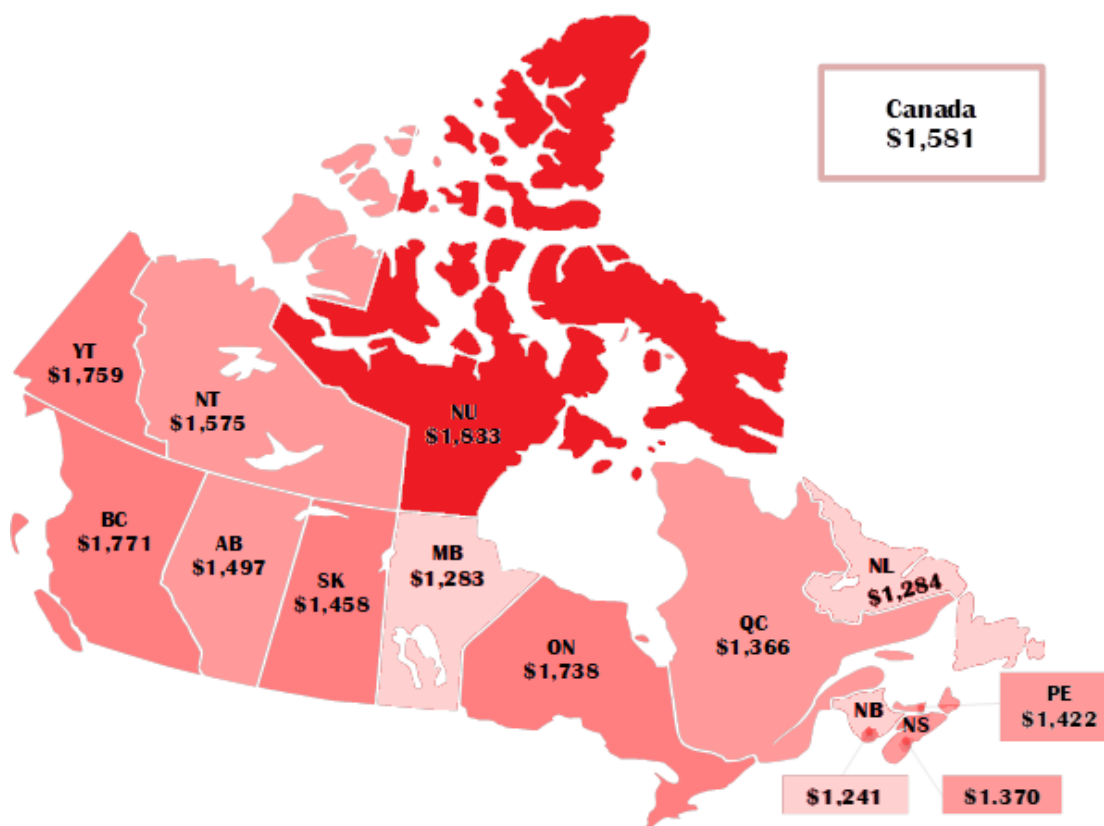
Contributions in RESPs attract federal education savings incentives and, in some cases, provincial incentives. RESP funds grow tax-free until withdrawn when the beneficiary is enrolled in PSE.



In 2019 alone, \$5.01 billion was contributed to RESPs. For historical contribution numbers, please visit [Registered Education Savings Plan \(RESP\) Contributions](#) on the Open Government Portal (OGP).

The figure below shows the average contribution by province and territory in 2019. Yukon, Nunavut, British Columbia, and Ontario had higher averages than the national mean (\$1,581).

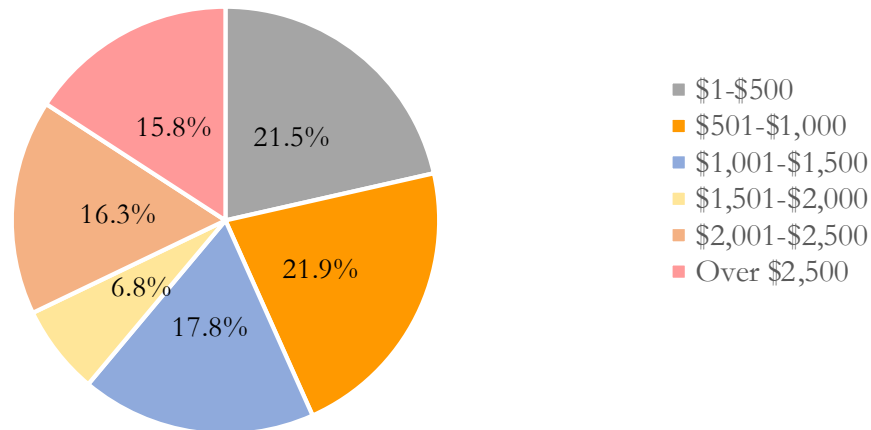
Figure 3: Average RESP contributions by province and territory



Note: For data on contributions by province, please visit [Average Registered Education Savings Plan \(RESP\) Contributions by Province/Territory](#) on the OGP.

The CESG is paid only on the first \$2,500 in contributions per year, or up to the first \$5,000 in contributions, if sufficient carry forward room exists. In 2019, the majority of contributions (61.1%) to RESPs were under \$1,500 in total, indicating that most Canadians are not saving enough to maximize the grants.

Figure 4: Contributions in RESPs (2019)



Contributions for CLB beneficiaries

Since its introduction in 2005, 1.46 million beneficiaries have received the CLB. Virtually all CLB beneficiaries (96%) also saw the subscribers of their account make at least one contribution, even though it is not required to receive this incentive. The CLB acts as a 'kick-start' for education savings.

Virtually all CLB beneficiaries have received a contribution.

Table 4: Contributions for beneficiaries in receipt of the CLB

As of	Cumulative number of beneficiaries in receipt of the CLB with RESP contributions	Cumulative number of beneficiaries receiving CLB	Cumulative contribution rate	Total contributions (billions)
2019	1,407,626	1,463,681	96%	\$9.50

However, the proportion of RESPs of CLB beneficiaries that receive contributions continues to decline.

Table 5: Contributions for CLB beneficiaries

Year	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Proportion of RESPs that receive some contribution	85.5%	83.3%	81.8%	81.0%	80.0%	78.7%	78.3%	77.0%	75.2%	73.6%	72.9%
Average contribution	\$1,022	\$1,016	\$1,008	\$1,021	\$1,033	\$1,057	\$1,070	\$1,080	\$1,124	\$1,144	\$1,190

Note: This data set is also available on the OGP. Please visit [Contribution Rate with Average Contributions for Canada Learning Bond \(CLB\) Beneficiaries](#).

CESG take-up and beneficiaries



In 2019, over 7.22 million children (0 to 17 years old) were eligible for the CESG. Of these, 53.5% received it. The CESG take-up rates in British Columbia, Ontario, and Quebec were higher than the national average. British Columbia had the highest take up at 58.1%.

The CESG take-up rate reached 53.5% in 2019 in Canada.

Table 6: CESG take-up rate: Nationally and by province and territory

Provinces and territories	Number of beneficiaries in receipt of the CESG (age 0 to 17) (1)	Number of eligible children (age 0 to 17) (2)	2019 CESG take-up rate = (1)÷(2) (3)	Cumulative CESG payment (millions) (4)
Newfoundland and Labrador	38,883	87,198	44.6%	\$139.7
Prince Edward Island	12,466	29,762	41.9%	\$38.6
Nova Scotia	72,306	165,939	43.6%	\$240.8
New Brunswick	60,341	136,096	44.3%	\$187.1
Quebec	884,728	1,584,856	55.8%	\$2,305.8
Ontario	1,530,276	2,765,376	55.3%	\$6,268.4
Manitoba	122,295	308,969	39.6%	\$347.0
Saskatchewan	114,033	272,318	41.9%	\$369.6
Alberta	515,203	970,452	53.1%	\$1,604.8
British Columbia	504,586	868,559	58.1%	\$1,956.9
Yukon	3,528	8,119	43.5%	\$12.2
Northwest Territories	3,271	10,672	30.7%	\$11.2
Nunavut	778	14,324	5.4%	\$2.4
Canada	3,862,823	7,222,640	53.5%	\$13,515.5

CESG take-up rate by province and territory over time

Quebec experienced the steepest increase in CESG take-up rate over the past decade (22 percentage points), while Nunavut had the smallest increase (1.6 percentage point).

Table 7: Evolution of the CESG take-up rate over time: Nationally and by province

Provinces and territories	CESG take-up rate			Change in percentage points 2009 to 2019
	2009	2018	2019	
Newfoundland and Labrador	39.6%	44.2%	44.6%	5.0
Prince Edward Island	34.9%	41.8%	41.9%	6.9
Nova Scotia	34.7%	43.0%	43.6%	8.8
New Brunswick	38.6%	44.3%	44.3%	5.7
Quebec	33.8%	54.6%	55.8%	22.0
Ontario	44.6%	55.2%	55.3%	10.7
Manitoba	28.9%	38.9%	39.6%	10.7
Saskatchewan	32.5%	41.2%	41.9%	9.4
Alberta	41.0%	52.5%	53.1%	12.1
British Columbia	44.4%	57.3%	58.1%	13.7
Yukon	34.2%	42.6%	43.5%	9.2
Northwest Territories	21.2%	29.8%	30.7%	9.5
Nunavut	3.9%	5.3%	5.4%	1.6
Canada	40.1%	52.9%	53.5%	13.4

Note: This data set is also available on the OGP. Please visit [Canada Education Savings Grant \(CESG\) Take-up Rate by Province/Territory](#).

Beneficiaries are eligible for the CESG until the end of the year when they turn 17.

Since the program started in 1998, 6.63 million children have received the CESG from the Government of Canada on their RESP contributions. Parents start to save early for their child's PSE, with the average age of new beneficiaries in 2019 being 3.7 years old. The earlier that Canadians start to save in RESPs, the greater the chances to maximize education savings incentives and to accumulate funds to finance PSE.



Table 8: Average age of new beneficiaries by year

Year	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Average age of new beneficiaries	3.64	3.59	3.58	3.54	3.52	3.48	3.59	3.68	3.73	3.83	3.71

For information on the cumulative number of CESG beneficiaries, please visit [Cumulative Number of Canada Education Savings Grant \(CESG\) Beneficiaries by Age Group](#) on the OGP.

CESG beneficiaries through time (0 to 17 years old)

The proportion of beneficiaries that received the Additional CESG increased from 25.7% in 2009 to 41.2% in 2019.

Table 9: Beneficiaries in receipt of the Basic and Additional CESG (millions)

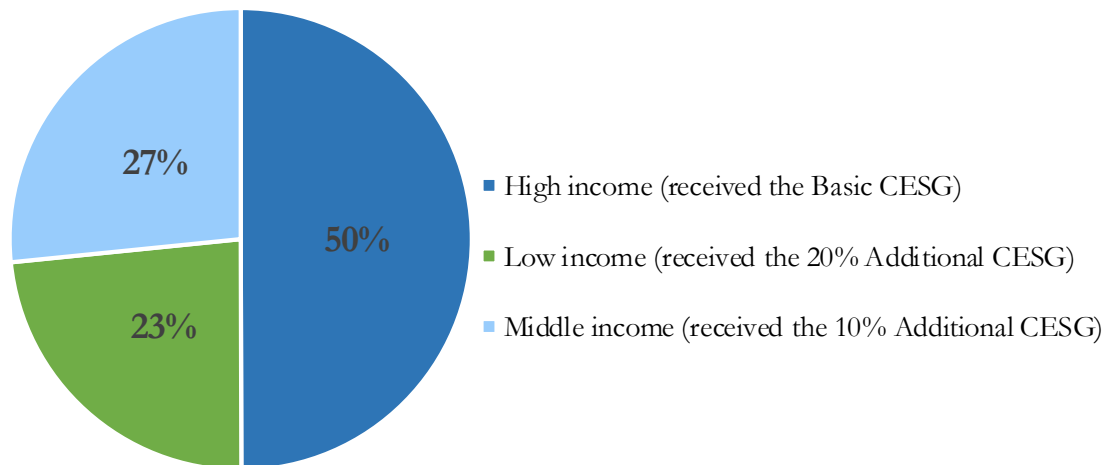
Year	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Number of beneficiaries receiving Additional CESG	0.55	0.62	0.74	0.83	0.88	0.92	0.98	1.03	1.09	1.20	1.23
Number of beneficiaries receiving Basic CESG only	1.59	1.62	1.61	1.62	1.66	1.69	1.73	1.76	1.78	1.73	1.75
Total number of beneficiaries receiving the CESG	2.13	2.24	2.35	2.45	2.54	2.62	2.71	2.79	2.87	2.93	2.98
Percentage of beneficiaries receiving Additional CESG	25.7%	27.6%	31.4%	33.8%	34.8%	35.2%	36.1%	37.0%	37.9%	40.9%	41.2%

Note: This data set is also available on the OGP. Please visit [Number of Canada Education Savings Grant \(CESG\) Beneficiaries \(Basic and Additional\)](#).

New CESG beneficiaries

In 2019, there were 280,410 new CESG beneficiaries, of which 23% had a low family income.

Figure 5: Proportion of new beneficiaries by family income



CLB take-up and beneficiaries

In 2019, the cumulative number of CLB beneficiaries increased to 1.46 million and the take-up rate to 40.7%. British Columbia had the highest CLB take-up (49.3%), followed by Quebec (46.9%).

Figure 6: CLB cumulative take-up rate

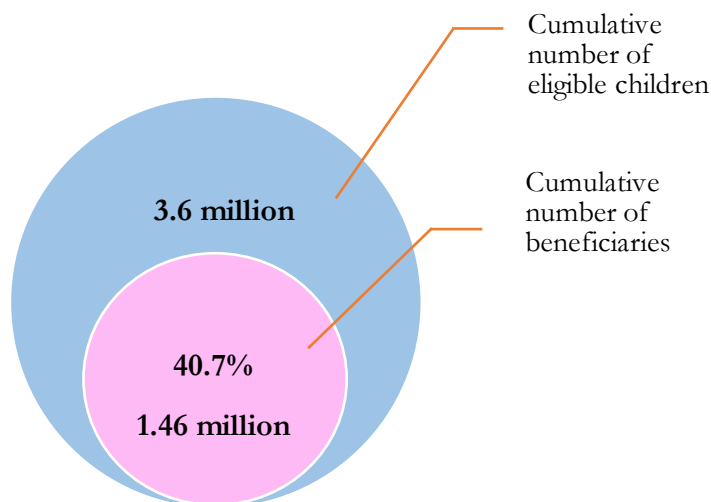
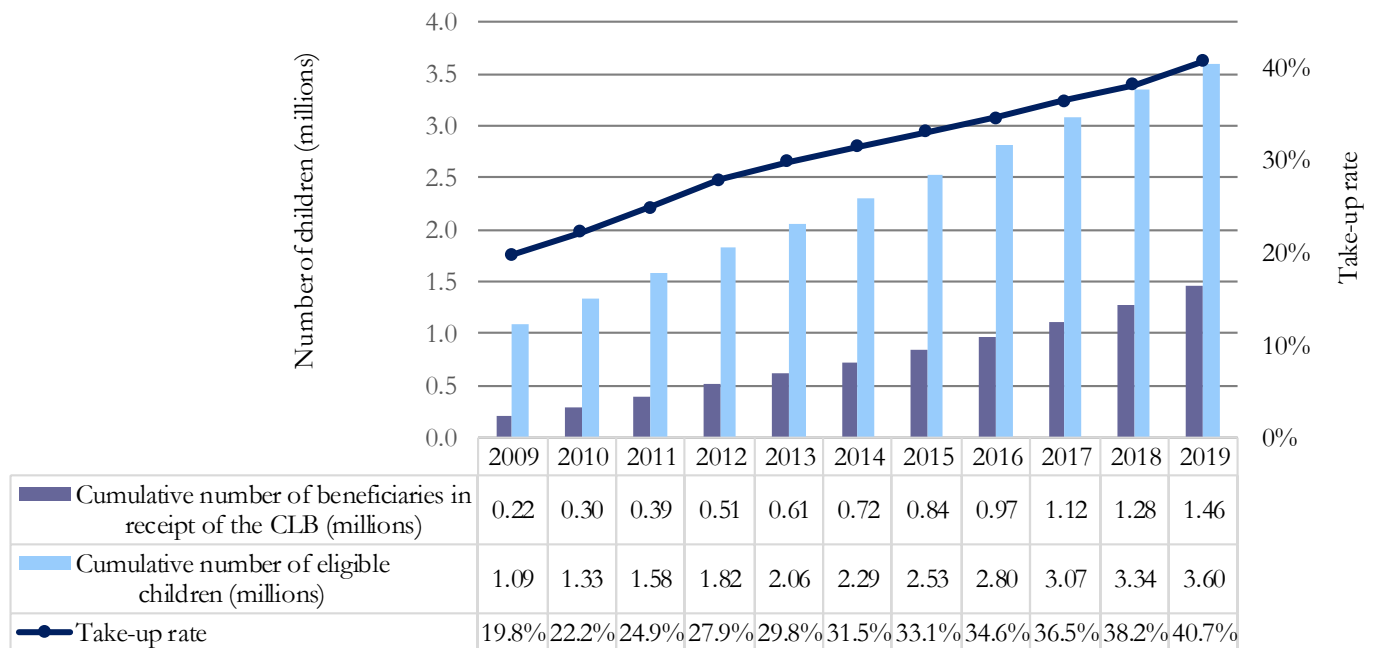


Table 10: CLB take-up rate: Nationally and by province and territory

Provinces and territories	Cumulative number of children in receipt of CLB (1)	Cumulative number of children eligible for CLB (2)	CLB take-up rate = (1) ÷ (2) (3)	Cumulative CLB payment (millions) (4)
Newfoundland and Labrador	11,521	42,725	27.0%	\$10.93
Prince Edward Island	4,361	14,412	30.3%	\$4.10
Nova Scotia	27,000	88,246	30.6%	\$26.13
New Brunswick	22,143	70,669	31.3%	\$21.77
Quebec	370,968	790,868	46.9%	\$353.21
Ontario	539,250	1,345,428	40.1%	\$532.72
Manitoba	56,189	183,468	30.6%	\$51.33
Saskatchewan	41,836	151,923	27.5%	\$36.12
Alberta	180,653	462,056	39.1%	\$156.09
British Columbia	202,838	411,326	49.3%	\$188.44
Yukon	1,048	3,395	30.9%	\$0.88
Northwest Territories	808	5,490	14.7%	\$0.73
Nunavut	228	10,012	2.3%	\$0.20
Canada	1,463,681	3,597,203	40.7%	\$1,387.28

More children from families with low incomes are supported by the Government of Canada.

Figure 7: Cumulative CLB beneficiaries



Note: This data set is also available on the OGP. Please visit [Canada Learning Bond \(CLB\) Participation Rate \(percentage\)](#).


Number of new CLB beneficiaries

A significant number of new beneficiaries receive the CLB each year, demonstrating the support of the Government of Canada to families with low incomes. The number of new CLB beneficiaries increased by 18.5% in 2019, compared with 2018.


Table 11: Number of new beneficiaries in receipt of the CLB											
Year	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
New beneficiaries	73,184	80,462	97,915	112,989	106,454	107,891	116,116	133,812	149,640	156,699	185,731

CLB payments and beneficiaries by year

In 2019, 764,501 beneficiaries from families with low incomes received \$205 million in CLB payments.

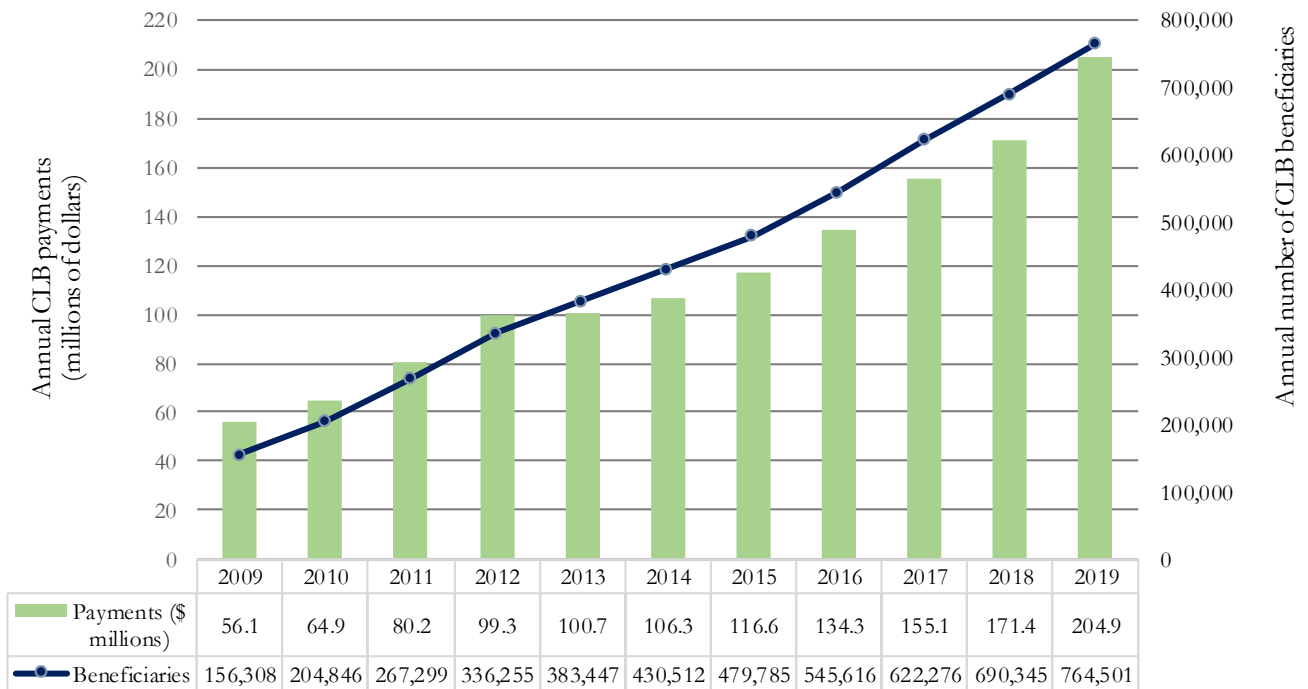


185,731
beneficiaries received
the initial \$500.



578,770
beneficiaries received subsequent
annual amounts of \$100.

Figure 8: CLB payments and number of beneficiaries in receipt of the CLB by year



Two main factors contributed to the CLB growth: the implementation of the spousal functionality and, to a lesser extent, CESP promotional activities.

The spousal functionality was implemented in June 2019. It allows the cohabitating spouse or common-law partner of a child’s primary caregiver to request education incentives on behalf of the child. By allowing this, the functionality eases access to the CLB and Additional CESG for children from low-and middle-income families. The government also allowed past spousal requests to be re-submitted by RESP promoters, therefore creating a surge in beneficiaries for 2019.

In recent years, the CESP has conducted extensive promotion of its incentives, sending letters to hundreds of thousands of families whose children were eligible to the CLB but did not request the bond. The CESP also organised numerous CLB sign-up events across Canada. All these activities contributed to increasing CLB take up.

Total RESP assets

The purpose of the Government of Canada incentives is to encourage families to save for PSE in RESPs. As of December 31, 2019, families had \$63.7 billion in RESP assets set aside for their children’s PSE, an increase of 13.6% over 2018. The explanation for this increase is twofold: the positive performance of financial markets in 2019 boosted the value of investments held in RESPs, and funds deposited into RESPs (contributions, CESG and CLB payments) were greater than amounts taken out of RESPs.

RESP assets more than doubled (in nominal terms) over the past 10 years.

Table 12: Total RESP assets by year

Year	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Assets (billions)	\$25.9	\$27.6	\$31.6	\$35.6	\$40.5	\$44.4	\$47.0	\$51.3	\$55.9	\$56.1	\$63.7

Part III: RESP promoters

The role of promoters—the organizations offering RESPs and education savings incentives—is essential. They assist with the application process and help the subscriber understand the various investment options.



There were 104 RESP promoters in 2019, classified into four categories:

- **Banking services:** deposit-taking institutions that provide private and commercial services to their clients;
- **Insurance and other:** institutions that offer insurance to clients (property, casualty, life, and health) and other registered plan promoter types;
- **Investment services:** institutions that provide services to clients in investment banking, brokerage services, wealth management, fund operations, and private equity, security and commodity exchanges; and
- **Scholarship plan dealers:** institutions that offer registered plans by age cohort, as well as family and individual plans.

In 2019, investment services held the largest share of RESP assets (44%) and received the most CESG payments (39%), while banks received the most CLB payments (55%).

Figure 9: RESP assets by promoter type

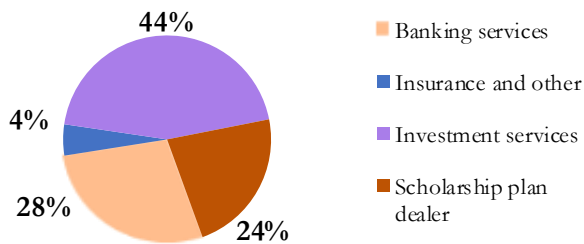


Figure 10: CESG payment by promoter type

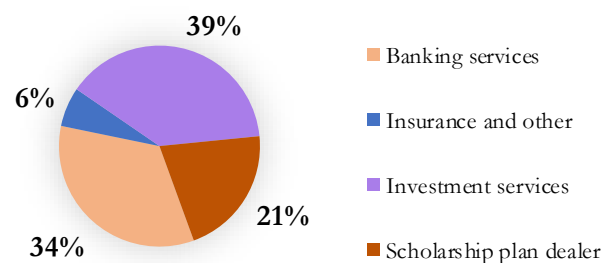
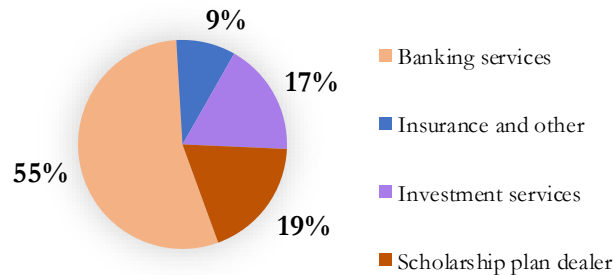


Figure 11: CLB payments by promoter type



RESP withdrawals for PSE

RESPs are a significant component of financing for a child's PSE.

Table 13: Average RESP withdrawals for beneficiaries

Year	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
(1) Total Value (billions)	\$1.57	\$1.95	\$2.15	\$2.44	\$2.77	\$3.08	\$3.30	\$3.59	\$3.83	\$4.09	\$4.37
(2) Number of students	255,864	293,038	310,536	335,964	361,011	382,245	397,089	421,874	433,204	445,333	462,730
(3) Average = (1) ÷ (2)	\$6,147	\$6,660	\$6,927	\$7,255	\$7,672	\$8,046	\$8,299	\$8,515	\$8,836	\$9,174	\$9,434

RESPs are becoming increasingly important to help families with low and middle incomes pay for their children's PSE. Additional loans and grants are also available to these families to help fill the gap. In 2019, the number of students from low- and middle-income families who withdrew funds from their RESPs increased 13%, compared to 2018.

The Additional CESG, which targets low- and middle-income families, was introduced in 2005. An increasing number of individuals who benefited from the Additional CESG are withdrawing funds from their RESPs to attend PSE.

Table 14: RESP withdrawals for beneficiaries from low- and middle-income families

Year	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
(1) Total withdrawal from low- and middle-income families (millions)	\$82	\$139	\$208	\$291	\$393	\$495	\$601	\$718	\$829	\$964	\$1,116
(2) Number of students from low- and middle-income families	11,407	19,128	27,582	38,127	49,685	61,606	73,076	87,095	98,802	111,214	125,889
(3) Average = (1) ÷ (2)	\$7,232	\$7,268	\$7,532	\$7,636	\$7,900	\$8,033	\$8,230	\$8,248	\$8,393	\$8,666	\$8,863
(4) Percentage of withdrawals made by low- and middle-income families	5.2%	7.1%	9.7%	11.9%	14.2%	16.1%	18.2%	20.0%	21.7%	23.6%	25.6%
(5) Percentage of students using RESP withdrawals from low- and middle-income families	4.5%	6.5%	8.9%	11.3%	13.8%	16.1%	18.4%	20.6%	22.8%	25.0%	27.2%

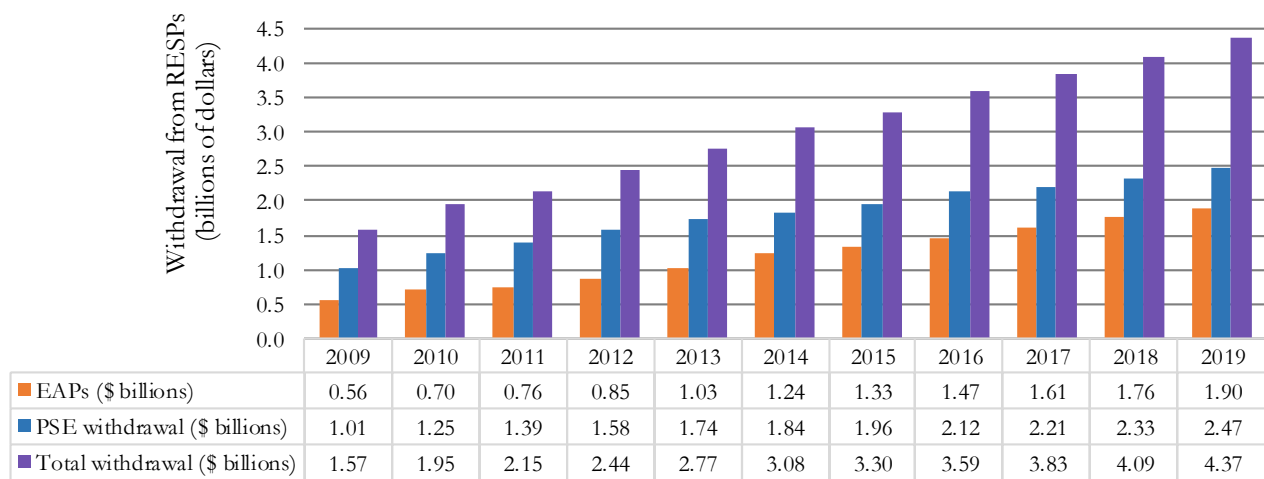
Note: Prior to 2013, families defaulted to the Basic CESG only, unless they specifically applied for the Additional CESG, so conclusions cannot be drawn regarding their family income.

Educational Assistance Payments versus PSE withdrawals

EAPs consist of federal and provincial education savings incentives paid into RESPs, plus accumulated returns over time. These amounts can be withdrawn upon proof of PSE enrolment, and become taxable income to the beneficiary. Since most beneficiaries earn limited income during their PSE, the amount of tax payable is generally low.

A PSE withdrawal is a withdrawal of contributions made by subscribers without penalty when the beneficiary is enrolled in PSE. In 2019, of the \$4.37 billion in funds withdrawn from RESPs, 43% were withdrawn as EAPs and the remaining as PSE withdrawals.

Figure 12: EAP and PSE withdrawals



Note: This data set is also available on the OGP. Please visit [Educational Assistance Payments \(EAP\) and Post-Secondary Education \(PSE\) Withdrawals](#).

If the funds in an RESP are not used to pay for a child's PSE and the RESP is closed:

- any amount contributed to the RESP is returned to the subscriber; and
- the CLB and CESG are returned to the Government of Canada.

The accumulated interest earned in the RESP can be:

- paid to the subscriber and taxed;
- transferred to a Registered Retirement Savings Plan of the subscriber or the subscriber's spouse;
- transferred to a child's Registered Disability Savings Plan; or
- gifted to a designated educational institution in Canada.

Part IV: Government of Canada outreach activities

Despite the increase in CESG and CLB take-up rates, there is still room for improvement. This section describes the main challenges faced by those who are eligible for the incentives but are not receiving them. It also summarizes government outreach activities and plans to address these challenges.

Challenges to access education incentives

Challenges that may be encountered in opening RESPs and applying for the incentives on behalf of an eligible child include:

- low awareness;
- lack of documents required to get a Social Insurance Number, including a child's birth certificate;
- choice overload when making investment decisions;
- poor experiences with, or limited access to, financial institutions and services; and
- logistical challenges attending appointments in person at financial institutions, such as transportation, childcare, and time off work.

These obstacles may be more pronounced for some groups, including newcomers, single parents and Indigenous Peoples, as well as those living in rural or isolated communities.

An updated approach

ESDC continues to promote the benefits of early savings for PSE using RESPs, and to raise awareness of the CLB and CESG, to help Canadians build savings. To this end, ESDC undertakes a number of outreach activities, such as:

Mailings to eligible families:

ESDC regularly mails the primary caregivers of children eligible for the CLB to inform them of the child's eligibility, and the process for opening an RESP and requesting the education savings incentives. In 2019, ESDC mailed nearly 830,000 letters to the households of CLB-eligible children. This includes mailings to raise awareness of community-based events, such as CLB sign-up and Community Volunteer Income Tax Preparation clinics, held in conjunction with Service Canada, the Canada Revenue Agency, and schools and municipalities across the country.



In the summer of 2019, ESDC also worked with the Canada Revenue Agency to include information on the CLB in over 2.2 million Canada Child Benefit Notices of Assessment, and with Service Canada to include information on the education saving incentives in approximately 350,000 letters to Canadians receiving a Social Insurance Number.

Support for community-based organizations:

In 2019, ESDC signed contribution agreements worth nearly \$5 million over two years with 12 community-based organizations across the country with the aim of developing and implementing innovative approaches to raising awareness, understanding, and take-up of the CLB. This investment follows a 2017 Budget announcement to engage organizations on the exploration of new ways to increase awareness of the CLB and reduce barriers to access the incentive, particularly among Indigenous Peoples and those living in rural and remote communities.

ESDC works with a range of partners and stakeholders, including through the CLB Champions' Network – a network of nearly 300 loosely-affiliated community-based organizations, financial institutions, and other organizations working to promote and enable access to the CLB, particularly among low-income families, those living in Indigenous, rural and remote communities, and newcomers to Canada.

To further support community-based partners, ESDC developed and disseminated a new suite of communication products and information resources for community-based organizations to help support ongoing efforts to reach priority populations. For example, a video testimonial on the CLB was produced in Inuktitut, and the CLB brochure was made available in six Indigenous languages: Ojibway, Denesuline, Cree, Inuktitut, Inuinnaqtun and Inuvialuktun.

Education Savings Week:

In 2019, ESDC supported 14 different community events and undertook a comprehensive social media campaign under the theme 'Take Charge of Your Finances' in support of Education Savings Week 2019. This annual initiative brings together partners and stakeholders around a common theme to increase awareness of the benefits and availability of the Government of Canada's education savings incentives. Education Savings Week coincides with Financial Literacy Month (November), National Child Day (November 20) and Financial Planning Week, and is led by a network of ESDC partners and stakeholders, notably community-based organizations, RESP promoters, and federal, provincial and municipal government departments.

The data in this report

Each year, ESDC produces an annual statistical review of the Government of Canada education savings incentives. The present report provides statistics on RESPs, the Basic and Additional CESG, and the CLB for the period covering January 1 to December 31, 2019, as well as historical data.

Data sources: The data in this report come from the CESP reporting database, which compiles information from 104 RESP promoters.

Dates: The date on which a transaction between an RESP subscriber and an RESP promoter took place (transaction date) is used for the calculation of the Basic and Additional CESG and EAPs. Statistics for the CLB are calculated using the processing date (i.e., the date when the incentive was paid into an RESP).

Rounding: Due to rounding decimals, numbers presented in this report may not add up precisely.

Aggregation and non-Canadian residents: National totals include data on beneficiaries whose regional identity is either unknown or outside of Canada; as such, provincial and territorial statistics may not add up exactly to the stated national total.

Historical data: All figures reported here are nominal and do not account for inflation. The 2019 report supersedes previous editions. Due to the nature of financial transactions, the data for previous years are updated annually to reflect corrections or additional reporting by financial institutions that may have been delayed.

Readers who require older data or who wish to refer to available data, please refer to the corresponding data sets on the [Open Government Portal](#), or contact the CESP by phone toll-free at 1-888-276-3624 or by email at cesp-pcee@hrsdc-rhdcc.gc.ca.