

## 06 Saving for education

### Government supports for education savings

The **Canada Learning Bond** is a federal government grant. It is a special grant for children from families with low income. You do not need to put any money into the RESP for your child to receive it. All you have to do is open the account.

The **Canada Education Savings Grant**: When you put money into your child's RESP, the government of Canada will match a portion of what you put in each year. Children from all family incomes get the basic grant. Children from families with low- to moderate-income get some more money on top of that.

If you live in Saskatchewan or British Columbia, you may be able to get **support from the provincial government** as well.

#### Tips

- Call your bank after your RESP is open to make sure they have helped you apply for the CLB and other grants and bonds.
- Choose a financial institution you trust and find convenient. Check [the List of RESP Promoters on the government website](#) to make sure they can help you apply for the government supports you qualify for.
- Grants and bonds are usually deposited into your account once every year. The yearly contribution deadline is in December. You may want to set up yearly meetings with your RESP provider.

#### **Paying for university or college is hard for most people.**

It is a good idea to start saving for a child early. Your money has time to grow, and the government of Canada helps you out.

You do this by opening a Registered Education Savings Plan (RESP). Banks and credit unions are RESP providers.

When you put money in, the government puts in some money as well. If you have a low income, you may get more money. Read more about these supports in the section titled "Government supports for education savings".

You can invest the money so that it grows faster. You do not pay taxes on the money earned from interest or investing.

Having an RESP will encourage your child to stay in school because they have money saved up for their education. They will not be so scared about having to borrow and carry a big debt later.

Use this worksheet to plan out the steps to opening an RESP.

**Bear cubs stay close to their mother for the first part of their life, learning skills for survival. Saving early for your child's education can increase their chance of staying in school and gaining skills for their future.**



# My RESP action plan

<b>1. What I need to open an RESP:</b> <ul style="list-style-type: none"><li><input type="checkbox"/> My Social Insurance Number (SIN)</li><li><input type="checkbox"/> My photo ID</li><li><input type="checkbox"/> My child's SIN</li><li><input type="checkbox"/> My child's birth certificate, Canadian citizenship card, or permanent residence card</li></ul>	<b>2. The plan I want or have:</b> <ul style="list-style-type: none"><li><input type="checkbox"/> Individual RESP</li><li><input type="checkbox"/> Family RESP (if you are saving for more than one child)</li></ul>	<b>3. The grants and bonds I qualify for and how much I should receive:</b> <ul style="list-style-type: none"><li><input type="checkbox"/> *Canada Learning Bond (CLB) \$ _____</li><li><input type="checkbox"/> *Canada Education Savings Grant (CESG) \$ _____ (based on the amount you put in the RESP)</li><li><input type="checkbox"/> Provincial grants and bonds: \$ _____</li></ul>	<b>4. Choose a place to open your account:</b> _____ _____ _____ _____ _____ _____ _____
<b>5. How I will set money aside to put in the RESP:</b> _____ _____ _____ _____ _____ _____ _____  <b>Tip:</b> Look at your budget. When do you have money coming in that you could set aside for education savings?	<b>6. How much and how often I will put money in:</b> _____ _____ _____ _____ _____ _____ _____  <b>Tip:</b> With a bank RESP you can put in as much or as little as you want.	<b>7. How I will keep track of how my account is growing:</b> _____ _____ _____ _____ _____ _____ _____  <b>Tip:</b> Make a list of any other questions you want to ask during your visit.	<b>8. Contact information for my RESP provider:</b> _____ _____ _____ _____  <b>Date and time of our meeting:</b> _____ _____  <b>Tip:</b> Make a list of any other questions you want to ask during your visit.

\*For more information on the CLB and CESG, see the section titled "Government supports for education savings".