



Keeping in Touch

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How to secure a better future for your children

Parents can find it difficult to save for their child's higher education. The costs of everyday life—from grocery bills to rent—are always at the top of the list. Yet saving for your child's education can make a big difference for their future. After all, continuing their studies after high school opens doors to better job opportunities.



Canada Learning Bonds

To help families with modest incomes save for their children's education, the Government of Canada offers the \$500 **Canada Learning Bond**. The money is put into your child's Registered Education Savings Plan (or RESP). You will receive the Canada Learning Bond even if you do not put any personal contributions into the RESP.

With the Canada Learning Bond, your child can also get an extra \$100 per year until they turn 15. That's up to \$2,000 in total. If your bank or financial institution charges a fee to open an RESP, the Government of Canada will give you an extra \$25 to cover the cost of opening an RESP. Plus, starting today means that interest on the bond will continue to grow tax-free until the money is taken out to pay for the costs of your child's trade school, college or university.

It's easy to apply. The best way to get started is to go online at Canada.ca/education-savings or call toll-free 1-800-O-Canada.

For families who are not eligible for Canada Learning Bonds, the **Canada Education Savings Grant** is available to all families with children who contribute to an RESP (see reverse).

Registered Education Savings Plans

Did you know that you can get money from the Government of Canada to save for your child's education?

The Canada Education Savings Grant (CESG) is money that the Government of Canada will add to your child's savings in a Registered Education Savings Plan (RESP).

All you need is a Registered Education Savings Plan, or RESP.



Five things to know about opening an RESP:

1. When you put money into an RESP, the Government gives you more.

Through the **Canada Education Savings Grant**, the Government could give you \$2 for every \$10 you save, up to \$500 a year. The grant is available to all families with children; however, depending on your income, some families may get up to \$4 for every \$10 saved; up to \$600 a year.

2. Even families with modest incomes can start an RESP.

Anyone in Canada can open an RESP for a child residing in Canada, regardless of their income. There is no minimum amount required. You don't even need to contribute your own money to get money from the Government of Canada.

3. Your child could receive the \$500 Canada Learning Bond.

If your child was born after December 31, 2003, and your family income is modest, the \$500 Canada Learning Bond will be put into your child's RESP. You could also get an extra \$100 each year—until your child is 15.

4. The earlier you start saving, the more affordable an education becomes.

Even a dollar a day can help create a promising future for your child. In addition to the Canada Learning Bond, you could get an additional grant of up to 40 percent of the first \$500 you save in the RESP a year. Between the Canada Learning Bond, your own contributions, the Canada Education Savings Grant and interest, that money will grow over the years. So the earlier you start putting money into an RESP, the more that money will grow.

5. There are things to consider when choosing your RESP.

Be sure to ask your bank or other financial institution if they offer the Canada Learning Bond and the Canada Education Savings Grant. They can help you set up an RESP and tell you about any service fees and conditions.

Shop around and compare the costs and types of RESPs to find the plan that best suits your needs.

You can get more information about RESPs and a list of questions to ask your bank or other financial organization at Canada.ca/education-savings or by calling 1-800-O-Canada.