



*Canada Education
Savings Grant*



GET MONEY NOW
FOR YOUR CHILD'S EDUCATION
AFTER HIGH SCHOOL



Government
of Canada

Gouvernement
du Canada

Canada

LC-009-03-05



WHAT IS THE CANADA EDUCATION SAVINGS GRANT?

- The Canada Education Savings Grant (CESG) is a grant from the Government of Canada for your child's education after high school.
- For **every dollar** you save in your child's Registered Education Savings Plan (RESP), the Canada Education Savings Grant could add up to **40 cents more**.
- Your child can use the money for full-time or part-time studies in an apprenticeship program, trade school, CEGEP, college, or university.
- Over two million children have already benefited from this program.

WHO GETS THE CANADA EDUCATION SAVINGS GRANT?

- Every child up to age 17 is eligible to receive the Canada Education Savings Grant.

HOW DO I GET THE CANADA EDUCATION SAVINGS GRANT?

- You need to open a **Registered Education Savings Plan (RESP)**. You can do this through a financial institution such as a bank or a credit union, or also through a group plan dealer, or a certified financial planner.
- You need to get a **birth certificate for your child** from your provincial or territorial government.
- You also need to get a **Social Insurance Number (SIN) for your child** from the Government of Canada. There is no cost for a Social Insurance Number. Anyone, even a baby, can get one.
- The Canada Education Saving Grant will be deposited directly into your child's RESP.



WHAT IS AN RESP?

- An RESP is a special savings account to help you, your family, or your friends save for your child's education after high school.
- The money in the RESP will be invested so that it can grow and earn interest.
- You will not be taxed on the interest, and your child can usually withdraw the money tax-free.

HOW MUCH MONEY DO I HAVE TO PUT IN THE RESP?

- No matter how little you save in your child's RESP, the Government of Canada will still pay the Canada Education Savings Grant.
- You, your family, or friends can put money into your child's RESP whenever you want, and you can save as much or as little as you want.
- Even \$5 a week can add up quickly, especially when the Canada Education Savings Grant is added to your savings.
- The sooner you start to save, the more your savings will grow!



WHAT DOES IT COST TO OPEN AN RESP?

- At some institutions, you can open an RESP account for free. At others, there may be fees.
- Ask for advice to find an RESP that suits your needs.

HOW MUCH CANADA EDUCATION SAVINGS GRANT MONEY CAN I GET?

- If your net family income is below \$36,378,* the Canada Education Savings Grant will give you 40 cents for every dollar on the first \$500 you save in your child's RESP.
- If your net family income is below \$72,756,* the Canada Education Savings Grant will give you 30 cents for every dollar on the first \$500 you save in your child's RESP.
- If your net family income is over \$72,756,* the Canada Education Savings Grant will give you 20 cents for every dollar on the first \$500 you save in your child's RESP.

No matter what your net family income is, if you save over \$500, the Canada Education Savings Grant will give you 20 cents for every extra dollar, up to \$2000.

** This dollar amount is updated every year.*

WHAT IS THE MAXIMUM CANADA EDUCATION SAVINGS GRANT I CAN RECEIVE?

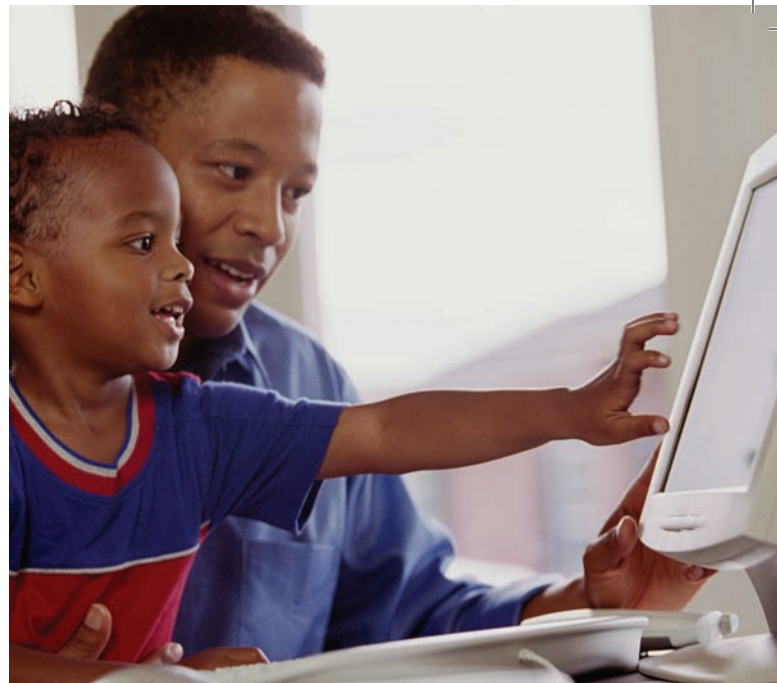
- \$500 per year; and
- \$7,200 per lifetime.

WHAT IF I CAN'T AFFORD TO SAVE FOR MY CHILD'S EDUCATION RIGHT NOW?

- Even a small amount of money can make a difference when the Canada Education Saving Grant is added. Plus, that money will earn interest over time.
- You may also be eligible for a \$500 Canada Learning Bond:
 - If your child was born after December 31, 2003, **and**
 - If you get the National Child Benefit Supplement as part of the Canada Child Tax Benefit (sometimes called the family allowance or baby bonus payment). This usually applies to families whose net family income is less than \$35,595.
- You can also get an extra \$100 per year for up to 15 years, as long as you continue to receive the National Child Benefit Supplement.
- You don't have to contribute any of your own money to get the Canada Learning Bond. All you need to do is open an RESP and the Government of Canada will deposit the money into your child's RESP account.

WHAT HAPPENS IF MY CHILD DOESN'T CONTINUE EDUCATION AFTER HIGH SCHOOL?

- **The RESP can stay open for up to 26 years**, so if your child does not continue education immediately after high school, the money can be used if he or she decides to go to school later.



- If the money is not used 26 years after the RESP is opened, **the amount you saved goes back to you**, and the Canada Education Savings Grant may be used for another child's education. The Canada Learning Bond is returned to the Government of Canada.

HOW DO I GET HELP OR MORE INFORMATION?

- Call toll-free at **1 800 O-CANADA (1 800 622-6232)** for free brochures about the **Canada Learning Bond and Registered Education Savings Plans**.
- If you use a **TTY**, call **1 800 465-7735**.
- Look on the Internet at **www.hrsdc.gc.ca** and click on *Training and Learning*.

This publication is available in multiple formats (large print, audio cassette, braille and diskette) in English and French.

Call **1 866 386-9624** (toll free) on a touch-tone phone.

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