

# Canada Learning Bond

## Improving Access for the Class of 2022

The Canada Learning Bond is money the Government of Canada adds to an RESP account for eligible children from low-income families.

### Education savings accounts are a vital tool in boosting high school completion and post-secondary enrollment

Parents across Canada work hard every day to provide a solid foundation from which their children can grow and thrive. Over the past several decades, access to post-secondary education has become increasingly important for young people seeking a pathway to personal fulfillment and financial stability.

Boosting education savings through the Canada Learning Bond (CLB) and the Canada Education Savings Grant (CESG) are two ways the Government of Canada supports these efforts, but after 15 years, uptake remains low and too many kids are missing out.

The first cohort of CLB-eligible youth, those born in 2004, will graduate high school in 2022. It is still possible for members of this cohort to be named as a beneficiary of a newly-opened Registered Education Savings Plan (RESP) and to have their CLB eligibility assessed retroactively to receive any unclaimed benefits.

That said, they have lost out on the interest earning benefits that would have accrued over the course of having an RESP along with any CESG matching funds for savings contributions made on their behalf.

**58%**

Eligible children & youth without a Canada Learning Bond

**148,000**

Eligible 2022 graduates without a Canada Learning Bond

**\$1,300**

Average amount of their unclaimed Canada Learning Bond

### Barriers to accessing the Canada Learning Bond

The prerequisite of setting up an RESP through a financial institution or other promoter has posed significant challenges to widespread CLB uptake.

### Recommendation

Introduce a screening process to match prospective post-secondary students with any unclaimed Canada Learning Bond benefits when they apply for grants and loans through the Canada Student Financial Assistance Program (and corresponding programs in Quebec, Nunavut, and NWT).

This will allow young people and their families to avoid the the administrative burdens of opening an RESP for the sole purpose of receiving retroactive CLB benefits.

More information on this recommendation and others can be found in the report, *Improving Education Savings: Policy Options for Families on Low Incomes*, <https://www.momentum.org/educationsavingsoptions> or by contacting [publicpolicy@momentum.org](mailto:publicpolicy@momentum.org)