



New online application helps lower-income families access free savings for post-secondary education

www.SmartSAVER.org is supported by BMO, Meridian, RBC Royal Bank, Scotiabank, TD and Vancity

TORONTO, Jan. 27, 2015 - Over 1.4 million lower-income children are unable to receive government education funding they're eligible for because they don't have a Registered Education Savings Plan (RESP). Today, www.SmartSAVER.org, launched a new online application form specifically created to help the families of these children open RESPs and access the Canada Learning Bond. The Bond is a contribution of up to \$2,000 to kick start the savings for a lower-income child's future education.

In a joint initiative, BMO, Meridian, RBC Royal Bank, Scotiabank, TD and Vancity have come together to support *SmartSAVER*, committing to establish RESPs for lower-income families with no fees and no minimum contribution to help them access the federal government's Canada Learning Bond. Families can apply for the Canada Learning Bond through *SmartSAVER*'s online application form in less than 10 minutes and choose any of the six participating credit unions and banks to establish their RESP with \$0. The user-friendly application is supported in five languages (English, French, Spanish, Mandarin and Punjabi).

"While more than 600,000 Canadian children already benefit from the Canada Learning Bond, another 1.4 million children who are eligible don't have it yet, largely because their parents don't know about it or don't know how to get it," says May Wong, Executive Director of the Omega Foundation, which created *SmartSAVER*.

The Canada Learning Bond, available to families with a net family income of \$44,701 or less, can provide the first contribution into an eligible child's RESP. Research shows that this modest seed-money can be an enormous boost for both children and their families.

"Research and our experience working with families demonstrate that establishing savings for lower-income children's future education sets in motion a chain reaction of successes. Savings change a young person's mindset from 'Should I go?' to 'What should I study?' notes Wong. Studies show that even before high school, children will try harder in school if they think college is financially possible for them. Children with some savings are more likely to graduate from high school and 50% more likely to pursue a post-secondary education. "The establishment of an RESP motivates a family to save; a family's growing investment in an education fund builds a child's commitment toward school and confidence to pursue and complete post-secondary; and higher education leads to improved employability, earnings and financial stability."



Yet while most Canadian parents want this future for their children, many, especially those with lower incomes aren't sure how they will afford it and don't know that RESPs and the Canada Learning Bond, can help them get savings started. In fact, although parents don't need to contribute any money to receive the Canada Learning Bond, 97% of families who receive it build on it by making their own contributions.

"As a parent, especially a single one, I worry constantly about finances," notes Jessica Graham, mother of three. "Before learning about the Canada Learning Bond, I'd get such a sinking feeling thinking about my kids relying on student loans and carrying that burden of debt into their own families-to-be. By showing me that it was right at my fingertips, *SmartSAVER* has helped me so much. The feeling of relief and security is second to none."

"*SmartSAVER's* new online application takes the guesswork out of applying for RESPs. Many families are simply not aware of the free grant money that's available to them. This unique, online tool makes it easier for Canadians to connect with an RESP provider, start an account, and access funding," says Candice Bergen, Minister of State for Social Development.

About the Canada Learning Bond

The Canada Learning Bond is a federally-funded education savings grant for children of lower-income families receiving the National Child Benefit Supplement. The Canada Learning Bond offers up to \$2,000 in RESP contributions, with no family contribution required, to children born after December 31, 2003. Once an eligible family opens an RESP the Government makes an initial deposit of \$500, plus an additional \$100 each year until the child reaches the age of 15, up to a maximum of \$2,000. To learn more about the Canada Learning Bond visit www.SmartSAVER.org.

About SmartSAVER:

SmartSAVER is a creative marketing initiative involving public, private and community partners that helps lower-income parents become successful savers using Registered Education Savings Plans (RESPs) and the Canada Learning Bond (CLB). *SmartSAVER* is a program of the Omega Foundation, a Canadian registered charity. *SmartSAVER* is supported by the Haynes Connell Foundation, the Lucie and André Chagnon Foundation, the J.W. McConnell Family Foundation, the George Cedric Metcalf Charitable Foundation and CIBC.