

## Improving Access to Postsecondary Education for Low Income Families

Rising tuition fees can put postsecondary education out of reach for many low income families. As part of the 2004 federal budget, the Canadian government introduced the Canada Learning Bond (CLB) to encourage students from low income families to pursue postsecondary education.

Through the CLB program, the federal government deposits into an Registered Education Savings Plan (RESP) an initial amount of \$500<sup>1</sup> in the first year and annual instalment of \$100 until the child reaches the age of 15 with a total amount of \$2,000 per child. The CLB is available to children born on or after January 1, 2004 to families entitled to the National Child Benefit Supplement which is over and above the Canadian Child Tax Benefit. If the child does not continue postsecondary education immediately after high school, the RESP can stay open for up to 36 years. However, the CLB must be returned to the federal government if the child does not continue his or her education. Families can also make contributions to the RESP account.



Although the number of families receiving CLB has been increasing, the national uptake or participation rate is low and reaches only 31.6% in 2014<sup>2</sup>. The Ontario rate is slightly higher by 1.2 percentage points.

According to Employment and Social Development Canada, the uptake rate as of September, 2015 for Halton Region is 39%. About 16,000 or 61% CLB eligible children have not taken advantage of the program. Both Milton (41.1%) and Oakville (40.6%) have rates slightly higher than the regional average. The rates for Acton and Georgetown are about 30% and Burlington is at 35.8%.

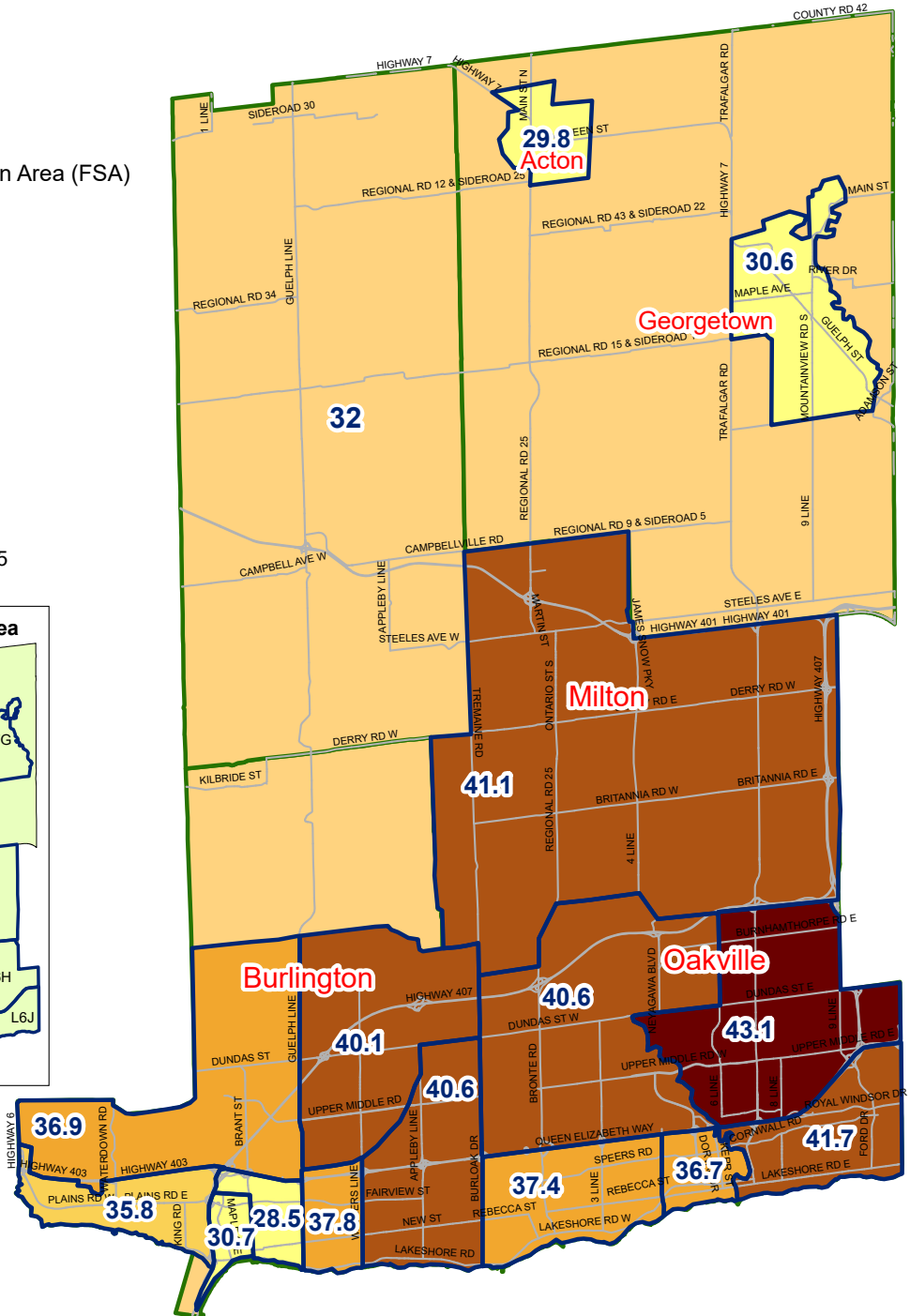
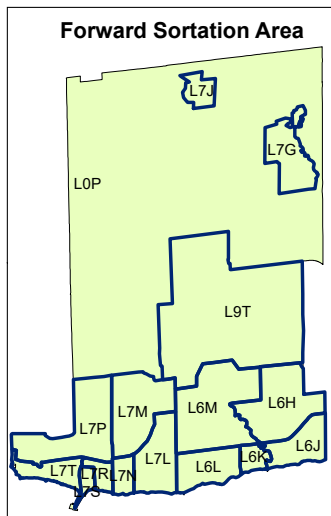
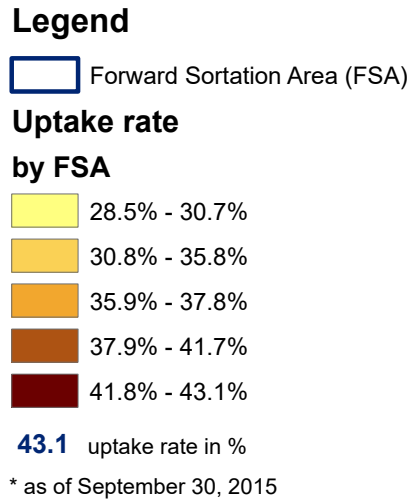
The uptake rates are also available at a lower level of geography such as the Canada Post's Forward Sortation Area (FSA). The FSA is the first three digits of the postal code. There are some variations in uptake rates among FSAs. The River Oaks area (L6H) in Oakville has the highest average at 43.1%. The lowest rate (28.5%) is found in South Central Burlington (L7R).

Canada Post assigns one general FSA (L0P) to cover the rural communities in Halton and Peel. The Halton communities include Campbellville, Hornby, Kilbride, Limehouse, Moffat, Norval and Terra Cotta. Collectively, they recorded an uptake rate of 32%<sup>3</sup>.

In its 2016 budget, the Ontario government created the Ontario Student Grant (OSG)<sup>4</sup>, starting in the 2017-18 school year, to make postsecondary education more accessible and affordable to students living in low and middle incomes. This initiative will make average tuition free for more than 150,000 eligible students.

1 The CLB also provides \$25 as a fee to open an RESP account  
2 2014 CESP Annual Statistical Review, ([http://www.esdc.gc.ca/en/reports/cslp\\_cesp/cesp\\_2014.page](http://www.esdc.gc.ca/en/reports/cslp_cesp/cesp_2014.page))  
3 As of December 31, 2014  
4 <https://news.ontario.ca/opo/en/2016/03/new-ontario-student-grant-making-tuition-free-for-tens-of-thousands-of-students.html>

# Canada Learning Bond Uptake rate by Forward Sortation Area (FSA) Halton Region, 2015\*



Source: Employment and Social Development Canada, 2015

Prepared by Community Development Halton, 2016

United Way Funded Agency



Community Development Halton would like to acknowledge the ongoing financial support of the Regional Municipality of Halton.



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