

News Advisory

August 20, 2019

NWT Literacy Council launches Canada Learning Bond program

Date: August 27, 2019

Time: 2 pm

Location: 5122 48th Street NWT Literacy Council Front Yard

The NWT Literacy Council is formally launching its new Canada Learning Bond Awareness program Thursday, August 27 at 2 pm.

Through this program, the Council will help families across the NWT access this federal program that provides money for post-secondary education. Right now, approximately 4,400 eligible NWT children are not getting this federal money.

Find out how the program works and the supports the Council can offer.

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Canada

The project is funded in part by the government of Canada's Canada Learning Bond Program.

The Canada Learning Bond

Background

The Canada Learning Bond aims to help parents of lower-income families save for their children's post-secondary education. Children must have been born in 2004 or later to be eligible for this federal program.

The federal government will put \$500 into an eligible child's Registered Education Savings Plan (RESP) when application is made for the Canada Learning Bond. Anyone can set up an RESP for a child and apply for the Canada Learning Bond. Eligible children receive \$500 once approved for the learning bond, and then \$100 a year up to a potential total of \$2,000.

The Canada Learning Bond is retroactive. That means if your child is five years old when you apply for the learning bond, and your income qualified each year since they were born, your child's RESP will get the money they qualified for since birth.

Children are eligible if they were born in 2004 or later and the household income qualifies. Families can find if they are eligible by calling the Canada Education Savings Program 1-888-276-3624.

Apply for the Canada Learning Bond

To apply for the Canada Learning Bond, first set up an RESP. You can go to your bank or other financial business that offers RESPs.

You don't need to put your own money into the RESP. You can ask for a plan that does not have fees and does not need contributions from you.

Make sure you ask that they apply for the Canada Learning Bond on your behalf.

You can apply in person or start your application online through www.smartsaver.org/nwt/. Some financial institutions will help you open an RESP over the phone.

To open an RESP you need:

- The child's Social Insurance Number (SIN)
- The parent's Photo ID and SIN

Anyone can open an RESP

Parents are often busy people. Friends and relatives can open an RESP for a child. A person between the ages of 18 and 21, can open their own RESP. You can apply for and receive the Canada Learning Bond until age 21.

The Canada Learning Bond will only be deposited into one RESP for each child.

Other ways to save for a child's education

If you can put money aside for a child's education, the federal government will top up your contribution. The Canada Education Savings Grant (CESG) provides between 20-40% top-up on RESP contributions, depending on the family income. Children up to age 17 are entitled to the CESG.

\$2,000 can make a difference

For students who qualify, the NWT has a generous Student Financial Assistance program. Even so, students say \$2,000 could make a difference. It could reduce financial stress, pay for unexpected expenses such as a computer repair, or cover the cost of a trip home to visit family.

Research shows having education savings can improve chances that students will go on to post-secondary education.

RESP money can be used for

- university
- college
- trade school
- apprenticeships
- CEGEPS

Students don't have to use their RESP right after high school, the account can stay open for 35 years from the date the account was opened.

The NWT Literacy Council role

The NWT Literacy Council wants NWT children to get the money they are eligible for. Right now, 4,400 eligible NWT children aren't getting the Canada Learning Bond. We'll help change that so NWT students can reach their goals.

Contact us to learn more about education savings and how we can help.

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