

Canada Learning Bond

Insights from the Field

Programmatic Insights

Awareness is an issue.

Clients need to be better informed about what is available to them. Many of the parents that we spoke with were not aware of the CLB, but when it was explained to them, they wanted it for their children. A single channel (e.g. one or several letters sent to families) was not enough for most. Increasing awareness requires the use of diverse methods of outreach and touchpoints to reach parents, children, and potential influencers in the system.

Promoting the CLB requires a multi-sectoral effort.

We spoke to a wide range of community organizations that see a need to support parents in their journey. They tend to promote the CLB as a benefit (vs. an education savings incentive). Many parents needed the help from community organizations. We also spoke to potential influencers in the system of low income families such as social workers and teachers. Most had never heard of the CLB before.

It's complicated: the messaging, choices, and process can be overwhelming.

As people navigated through the journey to get the CLB, they encountered different layers of complexity: in the messaging, the choices presented to them, and the process. Much of the complexity is associated with the requirements of the RESP mechanism.

Parents need to feel safe when investing for their children.

With the CLB being tied to an investment vehicle, this affects the conditions that shape the decision-making context. It raises considerations about how people are informed and how the program design takes account of the distinct behavioural and psychological characteristics associated with living in low income. We heard about financial risk that ranged from losing money that was invested, to committing to locked-in, high monthly contributions while on a very low budget. Parental emotions can also factor into financial risks; parents often expressed that their calculations around education savings were connected to feelings of love and guilt and these emotions can also create vulnerabilities when making financial decisions.

Insights with Broader Implications

Aspiration isn't enough.

The systemic barriers to education are too hard for some families to overcome alone. The majority of the parents we spoke with were passionate about their children going to post-secondary education, even if the parents themselves hadn't found their own way to it. However, aspiration for higher education or a 'better' life is not enough. Many other things need to be in place besides money for educational attainment to be possible. Many challenges stand in the way including geography, disability, illness, as well as the stigma of living in poverty and experiences of racism.

People aren't finding their path.

Some parents are not finding their career path in life. This is resulting in lost potential for themselves and Canadian society. They haven't finished their own education or found their own career path. They don't know how to navigate the financial and education systems and can't see a path for themselves, let alone a path for their children. An overwhelming number of people we spoke to were single mothers. The pressures of early pregnancy (for men and women) and child rearing make it difficult for some to realize their own potential.

The needs of the present compete with the needs of the future.

Some low income families are in survival mode, struggling to survive their present circumstances. With that, it is incredibly difficult (mentally and physically) for them to plan for the future. We also met young people who lived alone, having to figure out a path with minimal resources.

For some, saving face takes precedence over thinking about the future.

Topics such as finances, education, and career development/upskilling are closely intertwined with identity and emotional wellbeing. Conversations around these topics can cause discomfort and vulnerability in many teens and parents. Those who are most vulnerable, struggling through life, tend to avoid asking for help with navigating the system or engaging in these conversations. When service interactions do occur, clients can be in a fragile psychological state.

Foundational identification (ID) is necessary for full participation in society.

Access to ID is a significant barrier for some, in particular Indigenous Peoples. In most provinces, there is a cost to applying for a birth certificate, which can make the difference in access for low income families. This is compounded by transactional issues and costs to obtain it. If mistakes are made on the application, the application has to start over, and a new fee is required. While birth bundles for SIN are now available at birth, the cost of foundational ID remains a barrier for enabling children born prior to "SIN at birth" to access government programs and benefits.

Conclusion

Many of the parents living with low income that we spoke with express deep gratitude that the Government of Canada is helping support their children's post-secondary education. Many were also not aware of the CLB before we spoke to them, and were excited to learn about it. There are clearly opportunities to make more families aware. However, we also found that education savings incentives may not be well-matched to the needs of more vulnerable populations. Even though personal contributions are not required to receive the CLB, access occurs through RESPs, which are designed to incentivize savings. Although RESPs provide opportunities for those who can save, there are families who may not open an RESP and thus may not benefit. In this sense, there may be a need to consider how other forms of early financial assistance for education planning, together with education savings incentives, may support the aspirational goals of PSE for children and youth.