



RBC Financial Group

RESP Poll Results

July, 2005



Methodology

- Telephone interviews were conducted among a randomly selected, nationally representative sample of 1004 Canadian parents of children 0-17 years of age in the household.
- If respondents were parents of more than one child 0-17 years of age in the household, we asked them to refer only to their eldest child under the age of 18 in their household.
- All interviews were conducted in English and French.
- Interviewing took place from July 12-14, July 19-21, and July 26, 2005.
- Data was weighted by region, age & sex according to 2001 Census data.



Margin Of Error

- The margin of error for the full sample is ± 3.1 percentage points, 19 times out of 20.

Region	N	+/- % 95% of the time	Education	N	+/- % 95% of the time	Income	N	+/- % 95% of the time
BC	118	9.0	< HS	69	11.8	<\$30k	159	7.8
AB	109	9.4	HS	182	7.3	\$30k- <\$60k	285	5.8
SK/MB	62	12.5	College/ some univ.	412	4.8	\$60k+	499	4.4
ON	376	5.1	Univ.	337	5.3			
QC	250	6.2						
ATL	89	10.4						



Executive Summary

■ Canadian Parents' Awareness & Understanding Of RESPs

- Awareness of Registered Education Savings Plans is very high: 92% of Canadian parents say they know what one is.
- But, while most know about the tax savings, a full third *don't* know about the government grants that are available to help parents with their saving.
- Quebec parents are particularly unaware and misinformed, as are those with low levels of education and/or household income.

■ Canadian Parents' Attitudes & Behaviours About College/University For Their Children

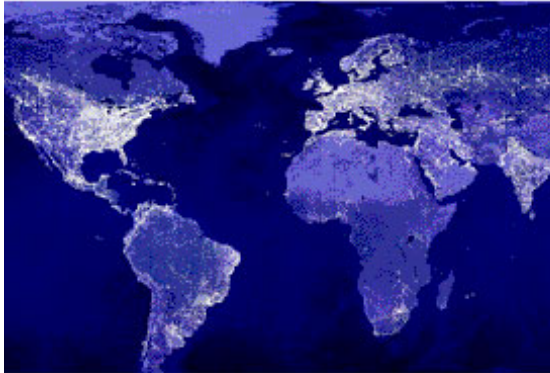
- Virtually all parents (97%) would like their child to attend college/university.
- While most have already started saving, only half have an RESP. Among those who don't have one, it may be a matter of not having enough money.
- Most parents who have an RESP opened it when their child was an infant; among all parents surveyed, there is consensus that it's best to start young.
- Again, among Quebec parents and parents with lower levels of education and/or income, the likelihood of having started saving—RESP or otherwise—is lower.



Executive Summary, cont.

■ **Canadian Parents' Attitudes & Behaviours About College/University For Their Children, cont.**

- A majority (61%) of parents fear that their child may not even be able to go to college/university because of the high costs. But, eight in ten parents think the cost is worth it because it will result in a higher salary for their child. And half would even be willing to refinance their mortgage so that their child could attend.
- Thinking about how it will all get paid for, two-thirds of parents expect their child to have scholarships/bursaries and student loans, many (37%) expect family to help out, and parents expect kids to pay at least some themselves.
- Still, 68% of parents worry their child will have a large debt after graduation.
- Even those parents with RESPs worry about their child being able to go to college/university and the possibility of a large debt for their kids.
- Quebec parents are less likely to think their child will get financial assistance or worry about their child. This may be a result of significantly lower tuition prices for Quebec residents attending Quebec universities.
- Finally, as one would expect, the anticipation for financial assistance and worry about debt is higher among those parents with lower income levels.

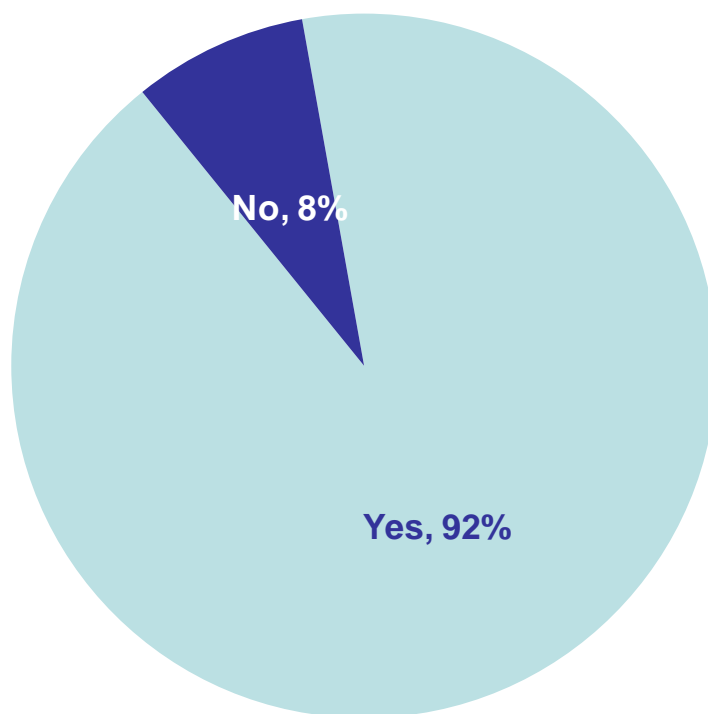


Canadian Parents' Awareness & Understanding Of RESPs



9 In 10 Canadian Parents Say They Know What An RESP Is

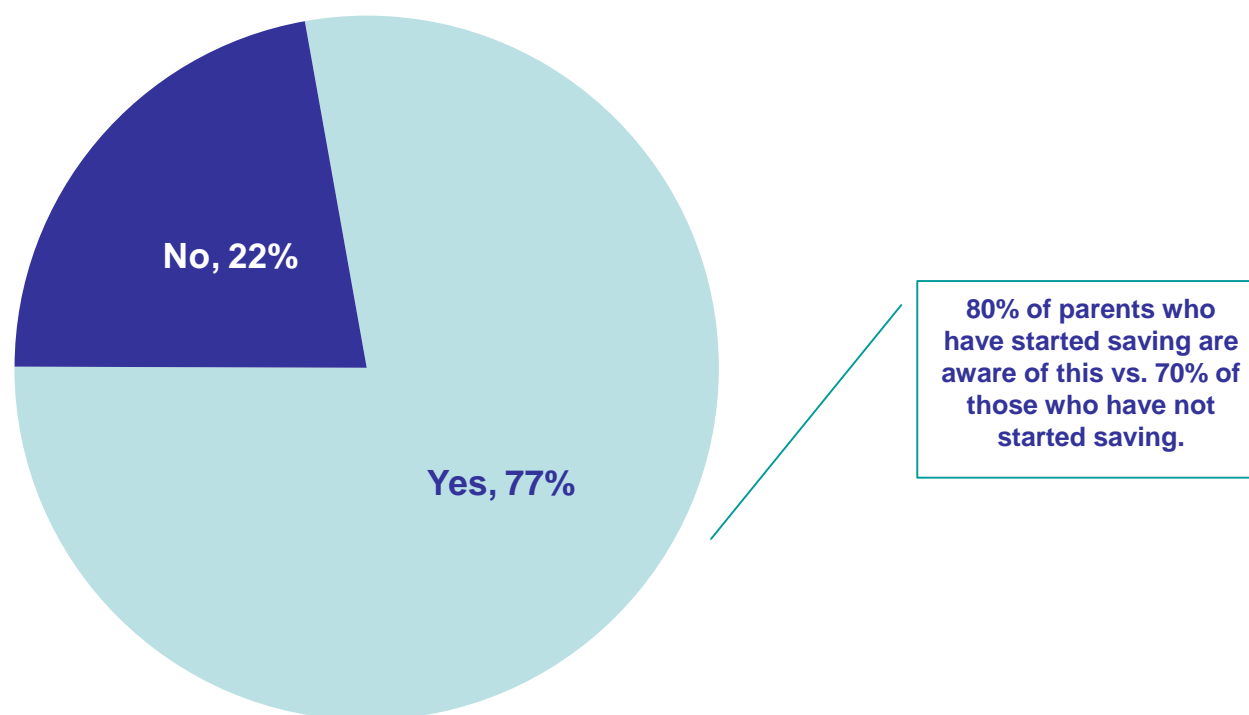
% of Canadian parents with children under 0-17 years of age in the household





And, While Most Parents Are Aware of The Tax Savings With RESPs...

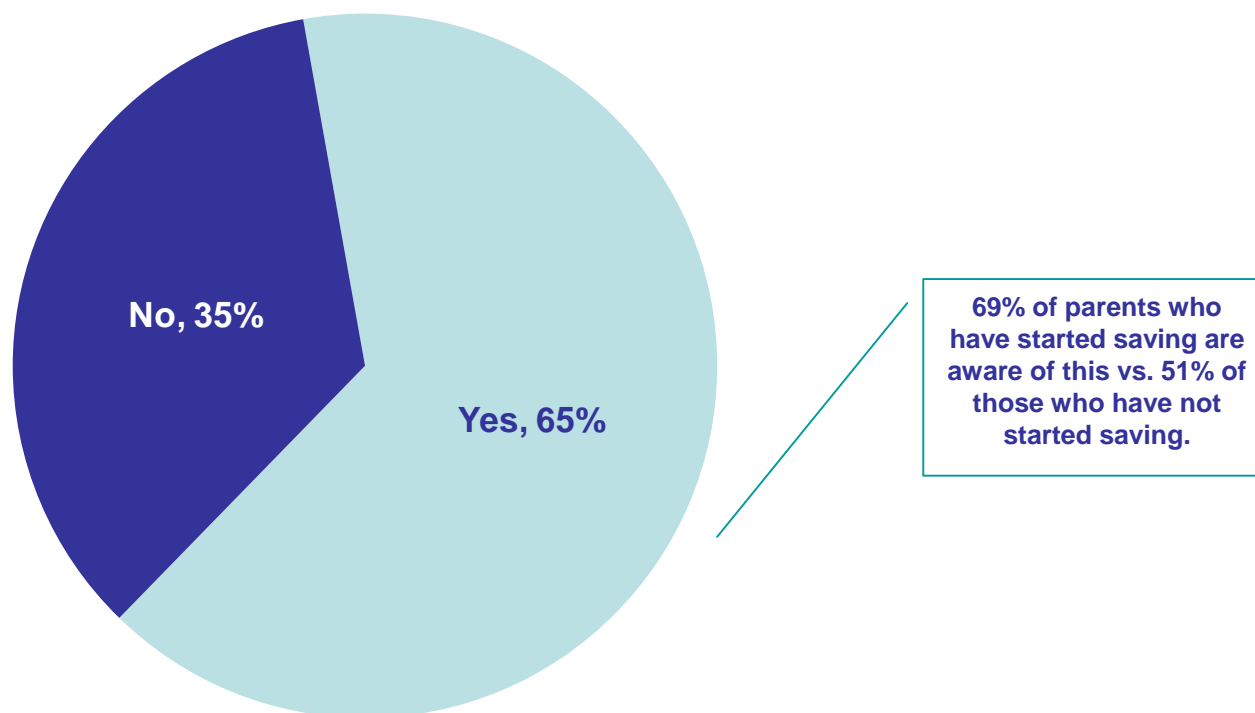
% of Canadian parents with children under 0-17 years of age in the household





One-Third Don't Know that Government Grants Are Available To Help With Saving

% of Canadian parents with children under 0-17 years of age in the household





Quebec Parents Are the Least Informed About RESPs

Region	Know what an RESP is	Aware that RESPs offer tax savings to those who contribute	Aware that government grants are available to help save inside RESP
British Columbia	89%	80%	65%
Alberta	95%	76%	64%
Saskatchewan/Manitoba	93%	74%	57%
Ontario	95%	83%	70%
Quebec	84%	66%	57%
Atlantic Canada	94%	84%	71%



And, Awareness & Understanding Of RESPs Increases With Levels Of Education & Income

Demographic	Know what an RESP is	Aware that RESPs offer tax savings to those who contribute	Aware that government grants are available to help save inside RESP
Univ.	96%	83%	76%
College/ some univ.	92%	79%	65%
HS	91%	68%	51%
< HS	71%	62%	47%
\$60k+	97%	83%	71%
\$30k-<\$60k	90%	75%	64%
<\$30k	79%	64%	49%



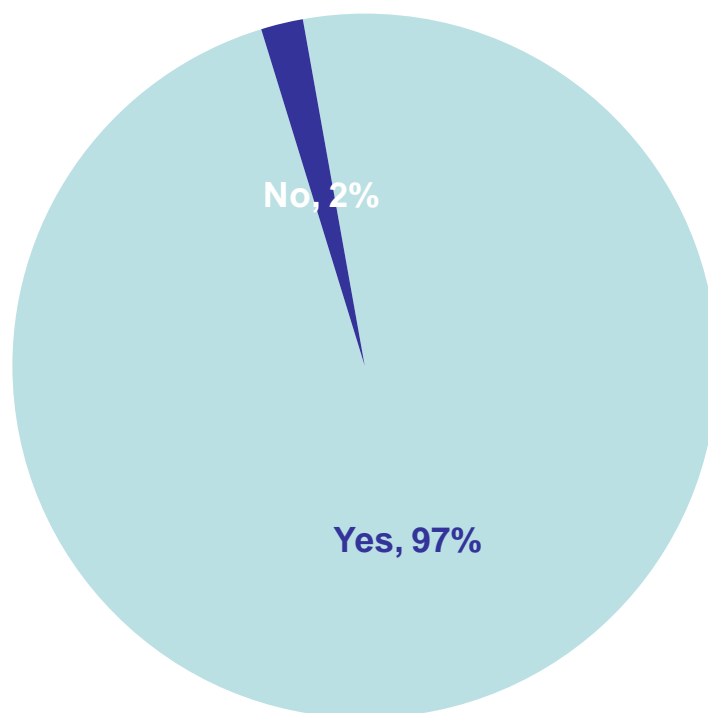


Canadian Parents' Attitudes & Behaviours About College/University For Their Children



Virtually All Parents Would Like Their Child To Pursue Postsecondary Education After High School

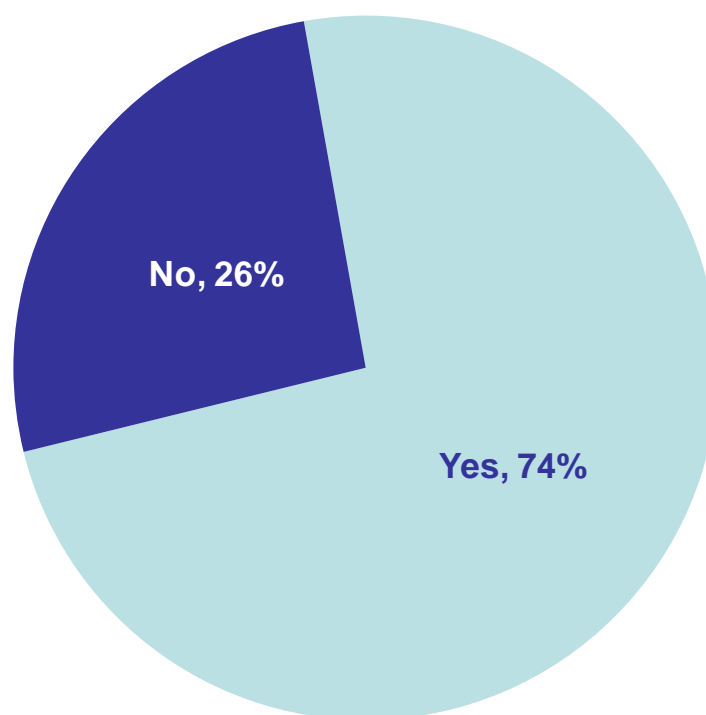
% of Canadian parents with children under 0-17 years of age in the household





And Most Have Already Started Saving For Their Postsecondary Education

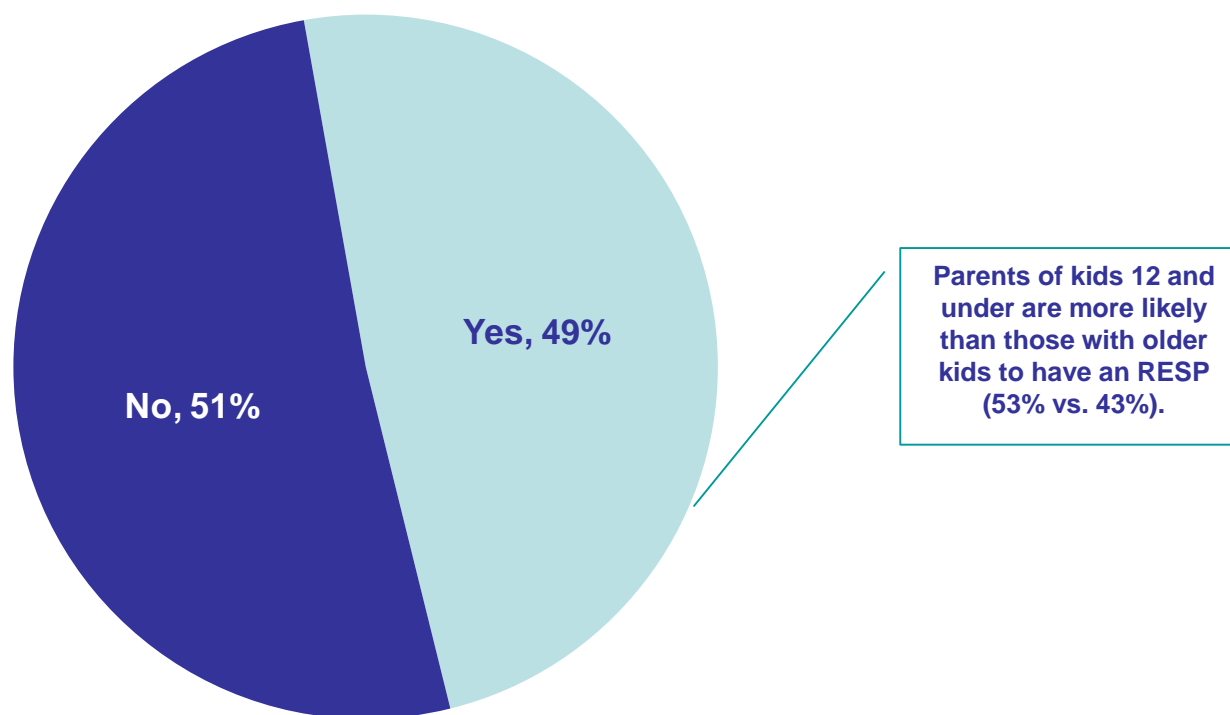
% of Canadian parents with children under 0-17 years of age in the house and would like child to attend college/university





Yet, Only Half Have An RESP For Their Child

% of Canadian parents with children under 0-17 years of age in the house and would like child to attend college/university





Quebec Parents Are Less Likely To Have Begun Saving Or Have An RESP

Region	Have started saving	Have an RESP
British Columbia	76%	49%
Alberta	80%	60%
Saskatchewan/Manitoba	68%	44%
Ontario	77%	50%
Quebec	64%	37%
Atlantic Canada	80%	58%



And, The Likelihood Of Having Started Saving Or Having An RESP Increases With Levels Of Education & Income

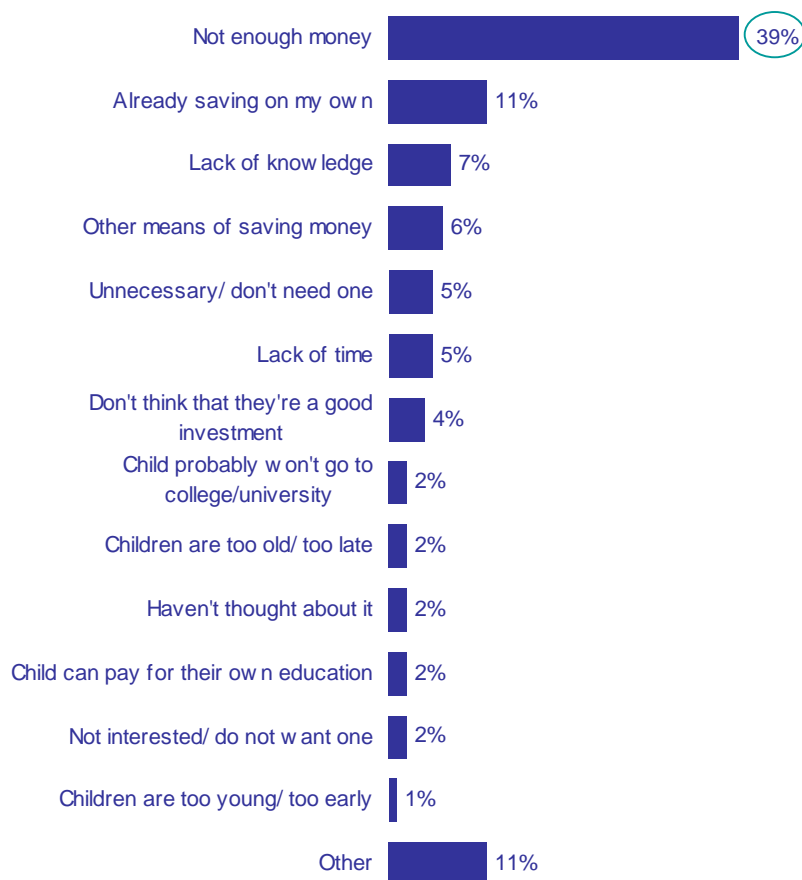
Demographic	Have started saving	Have an RESP
Univ.	84%	65%
College/ some univ.	72%	46%
HS	65%	35%
< HS	60%	18%
\$60k+	83%	60%
\$30k-<\$60k	70%	45%
<\$30k	54%	26%





Why Haven't 51% Of Parents Opened An RESP Yet? For Many, It's A Matter Of Not Having Enough Money

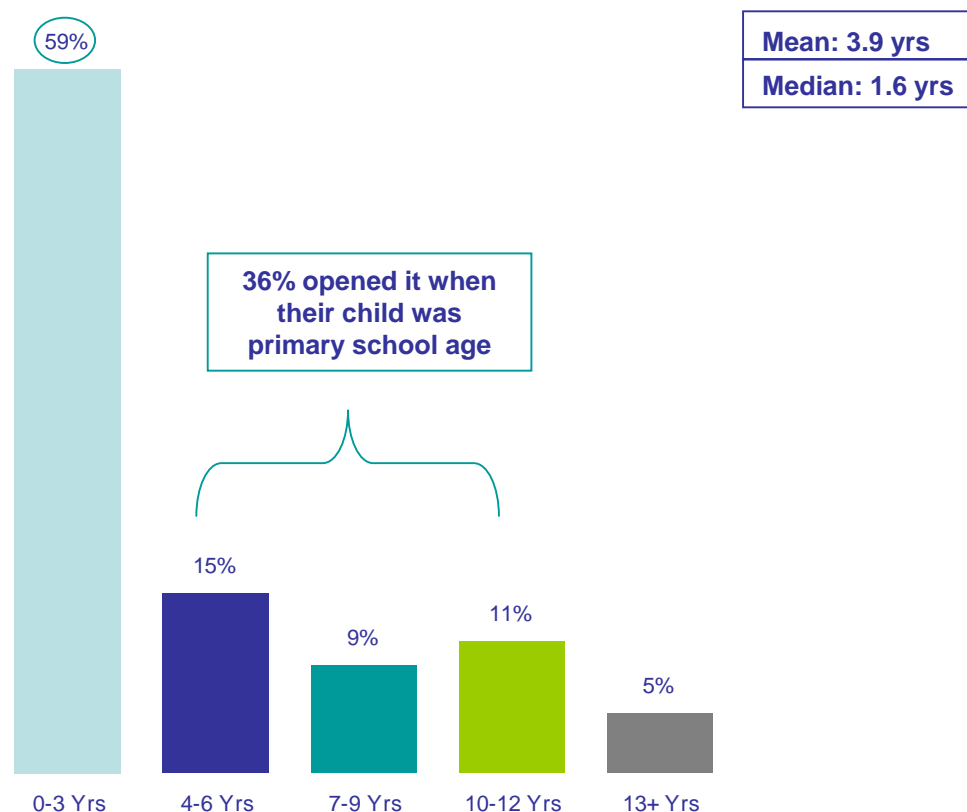
% of Canadian parents with children under 0-17 years of age in the house and would like child to attend postsecondary but don't have an RESP





Of Those Parents Who Do Have An RESP (49%), Most Opened It When Their Child Was An Infant

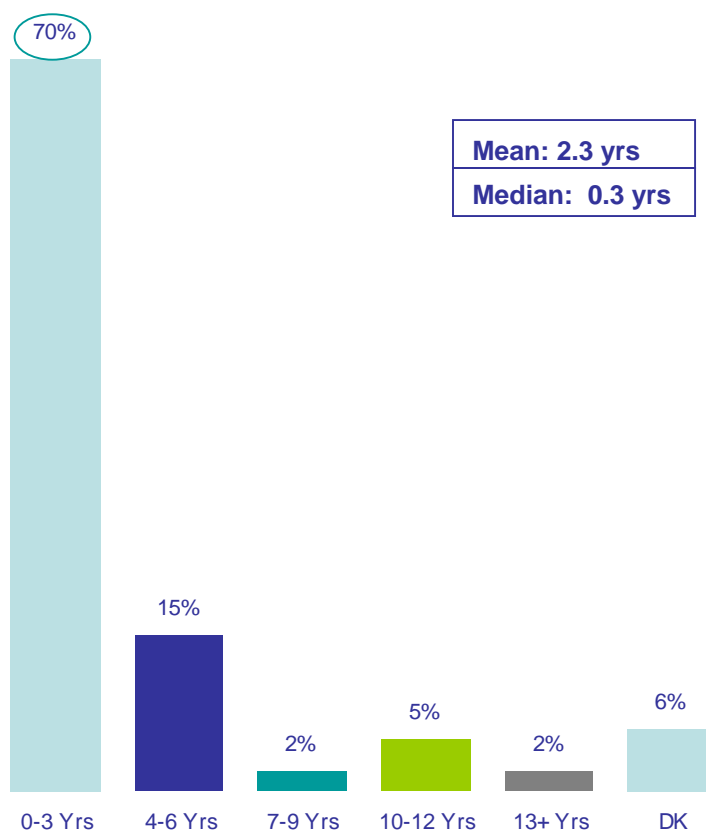
% of Canadian parents with children under 0-17 years of age in the house that would like child to attend postsecondary and have an RESP





Parents Agree, The Younger The Kids, The Better For Setting Up An RESP

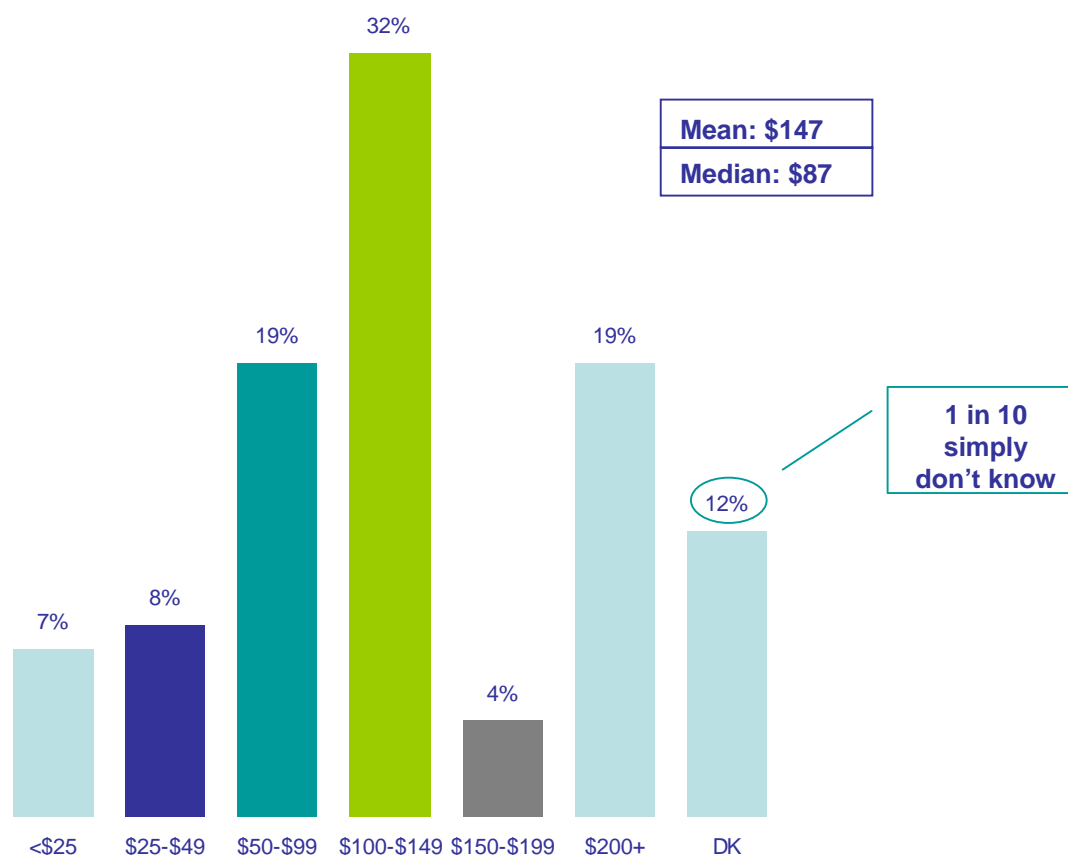
% of Canadian parents with children under 0-17 years of age
in the household





While Opinions Vary About How Much They'd Have To Save Each Month, The Mean Average Is \$147

% of Canadian parents with children under 0-17 years of age in the household

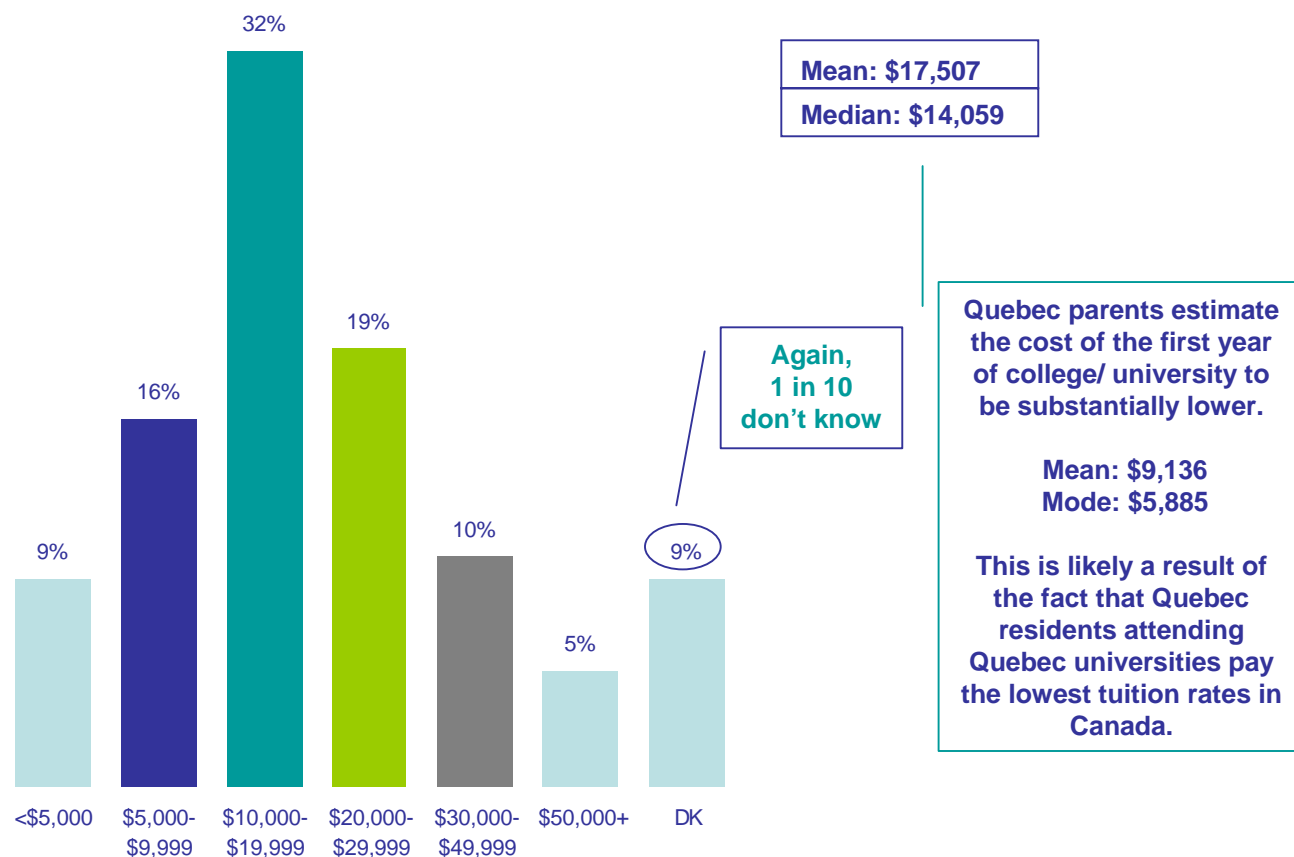


Q7: Assuming that a parent opened an RESP for their child at this age, how much do you think they would need to save each month in order to have enough to pay for their child's education? (N= 895)



Parents Who Want Their Child To Attend College/University Anticipate The First Year To Cost Around \$15,000

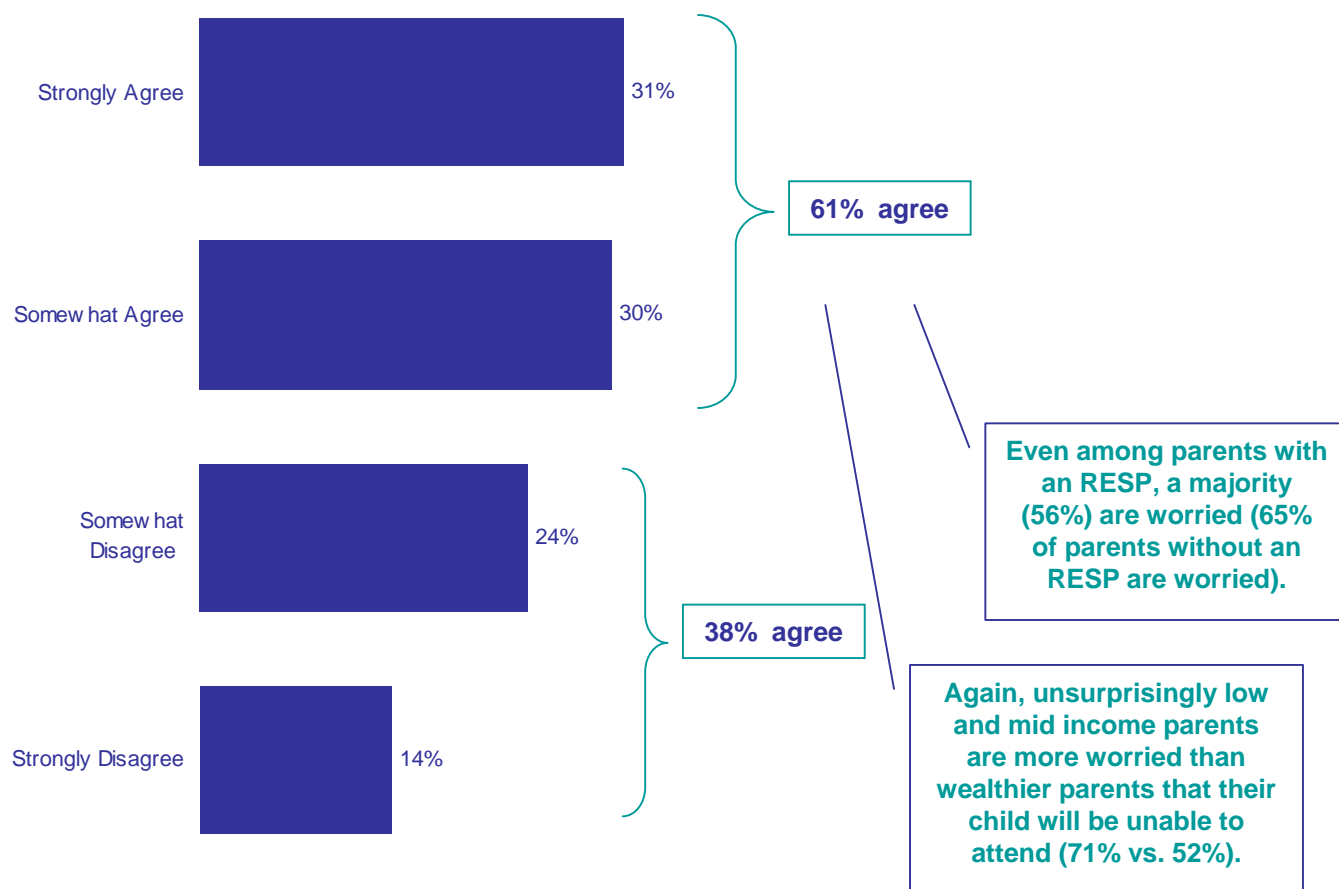
% of Canadian parents with children under 0-17 years of age in the house and would like child to attend college/university





A Majority Worries That Their Child Won't Be Able To Attend Postsecondary Because Of These Costs

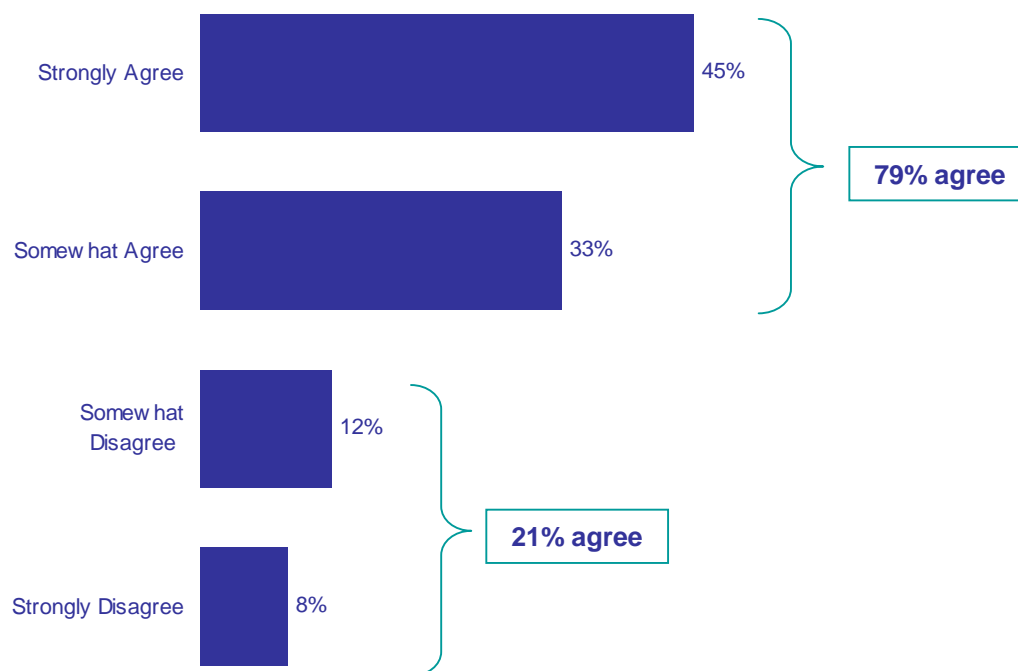
% of Canadian parents with children under 0-17 years of age in the house and would like child to attend college/university





But They Think The Costs Are Worth It... 8 In 10 Think It Will Result In Higher Salaries

% of Canadian parents with children under 0-17 years of age
in the house and would like child to attend
college/university

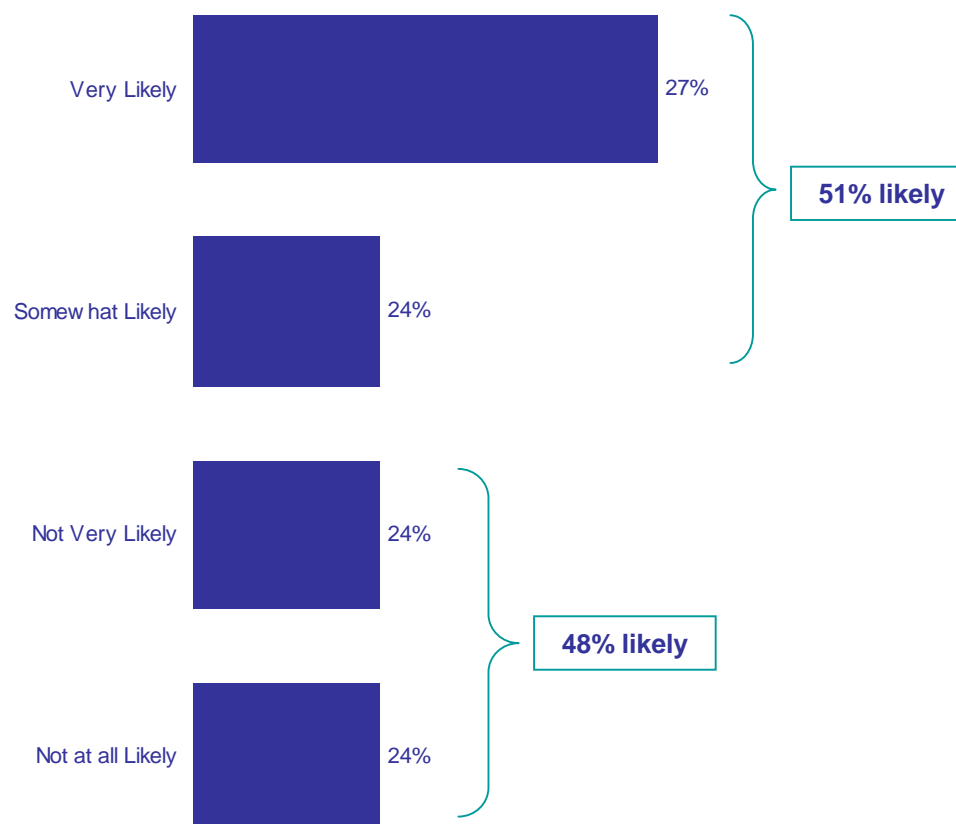


Q10b: I'm now going to read you a series of statements and I'd like you to tell me whether you strongly agree, somewhat agree, somewhat disagree, or strongly disagree with each one. How about . . . The cost of post-secondary education is worth it because university and college grads earn more money than high school grads do. (N= 973)



And, Half Of Parents Say They'd Be Willing to Refinance The Mortgage On Their Home To Help With The Expense

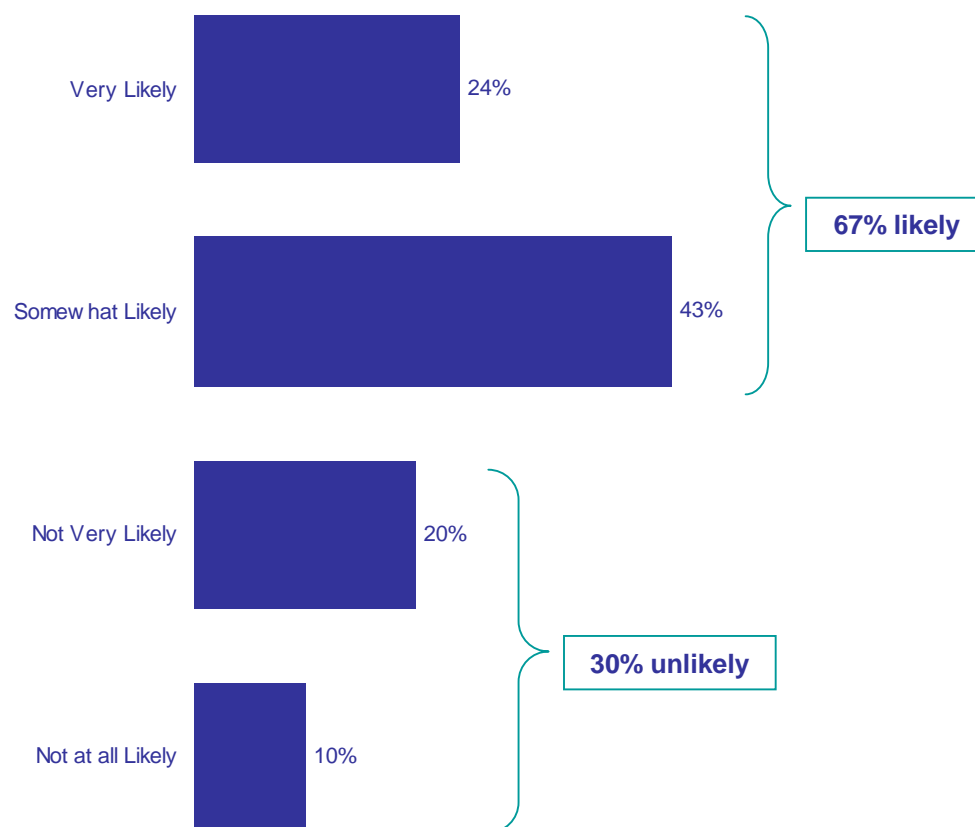
% of Canadian parents with children under 0-17 years of age in the house and would like child to attend college/university





Two-Thirds Of Parents Expect That Their Child Will Qualify For Scholarships And/Or Bursaries...

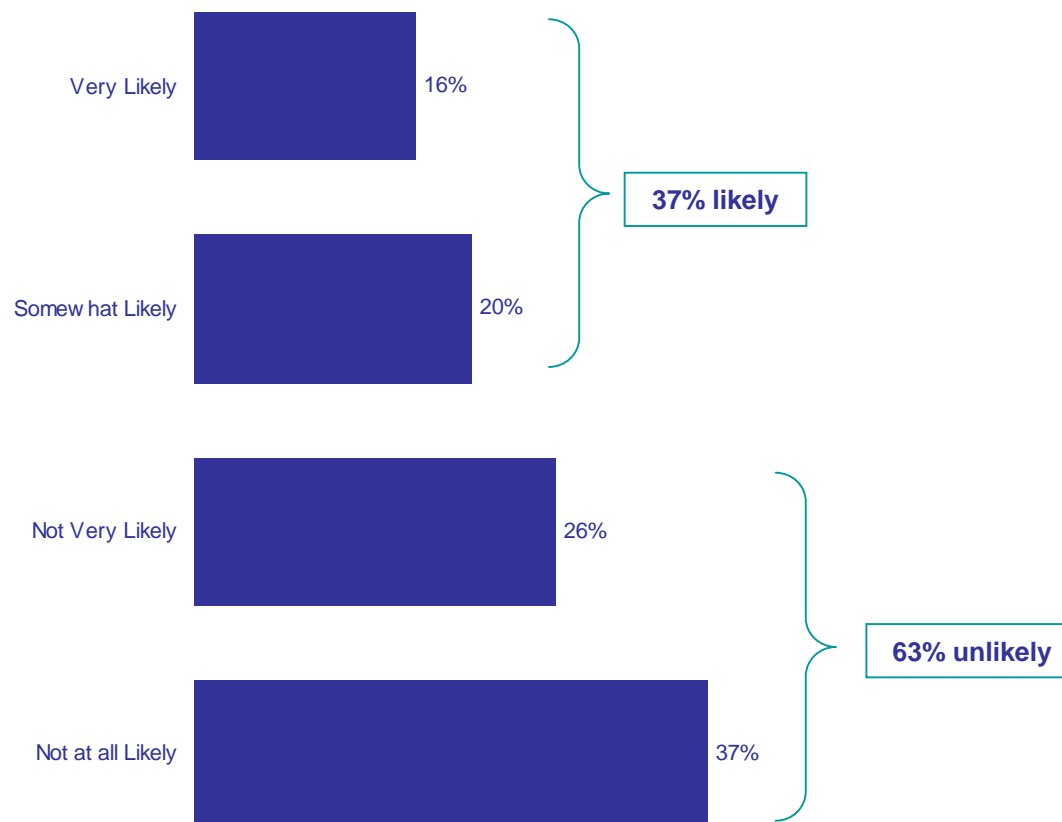
% of Canadian parents with children under 0-17 years of age in the house and would like child to attend college/university





4 In 10 Think Their Child Will Get Financial Assistance From Family...

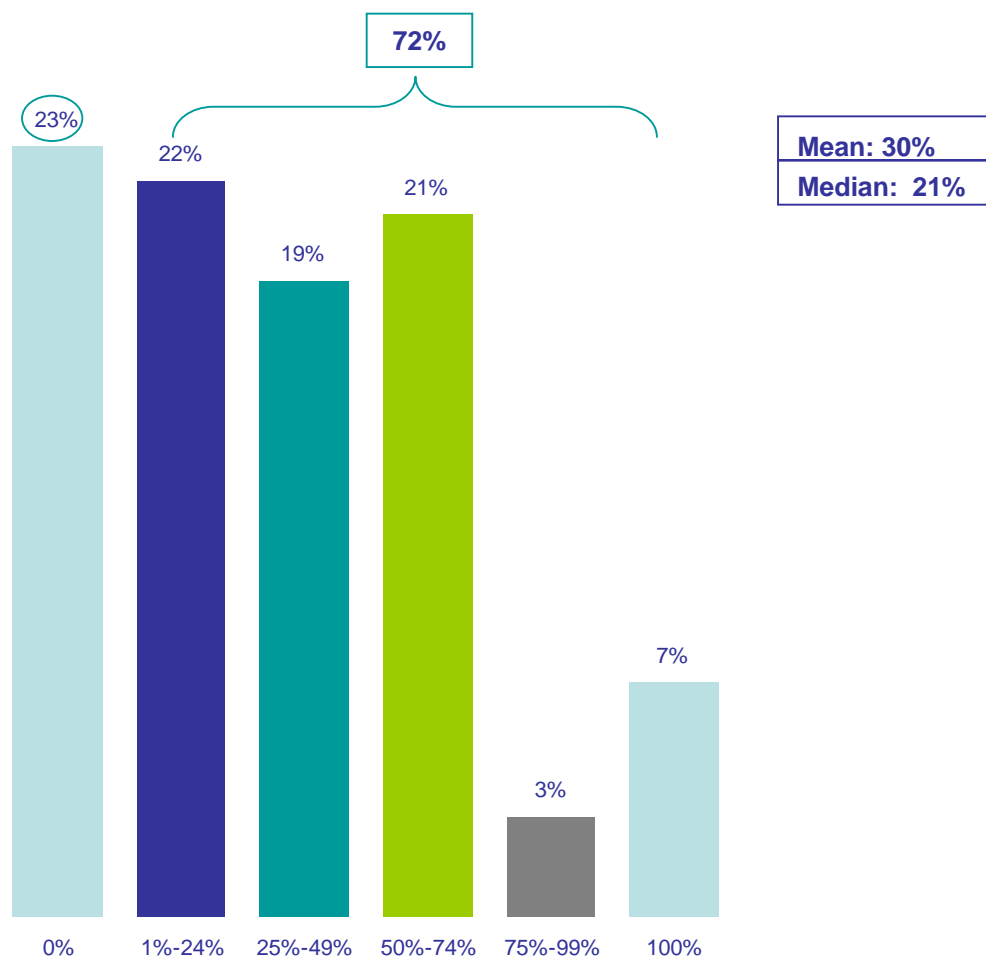
% of Canadian parents with children under 0-17 years of age in the house and would like child to attend college/university





And, Many Expect Their Child To Pay At Least Some...A Mean Average Of 30%

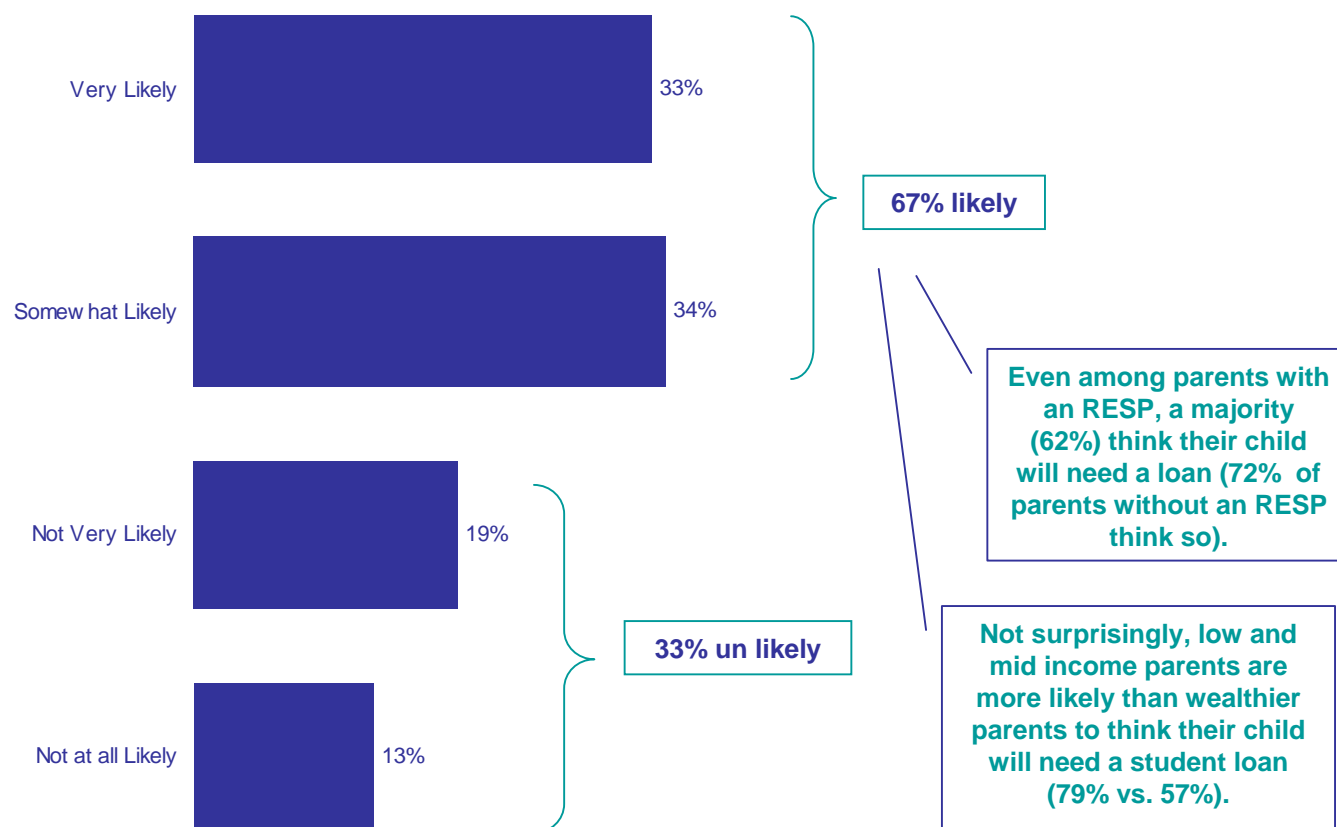
% of Canadian parents with children under 0-17 years of age in the house and would like child to attend college/university





Having Said That, Two-Thirds Think Their Child Will Need A Student Loan

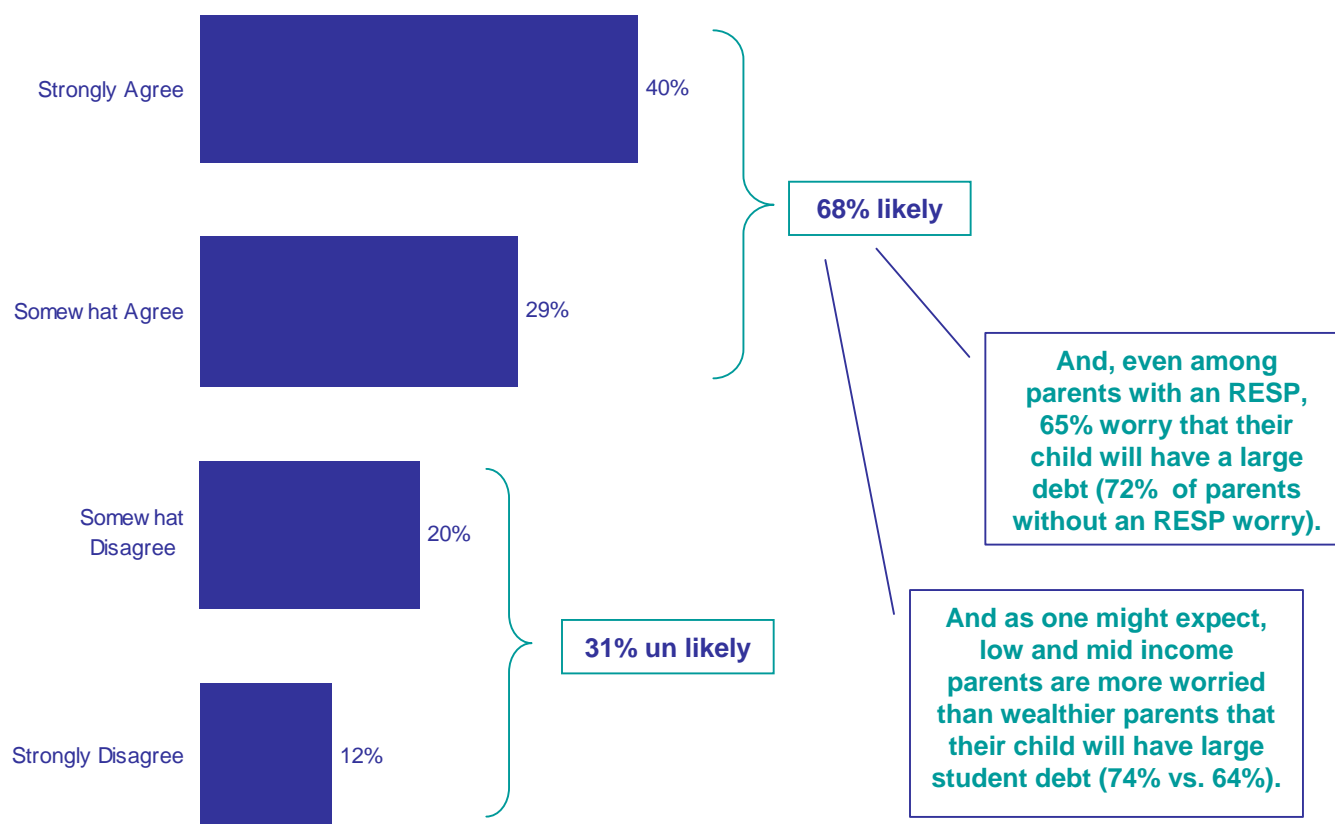
% of Canadian parents with children under 0-17 years of age in the house and would like child to attend college/university





And, Two-Thirds Worry Their Child Will Have A Large Debt After They Graduate

% of Canadian parents with children under 0-17 years of age in the house and would like child to attend college/university





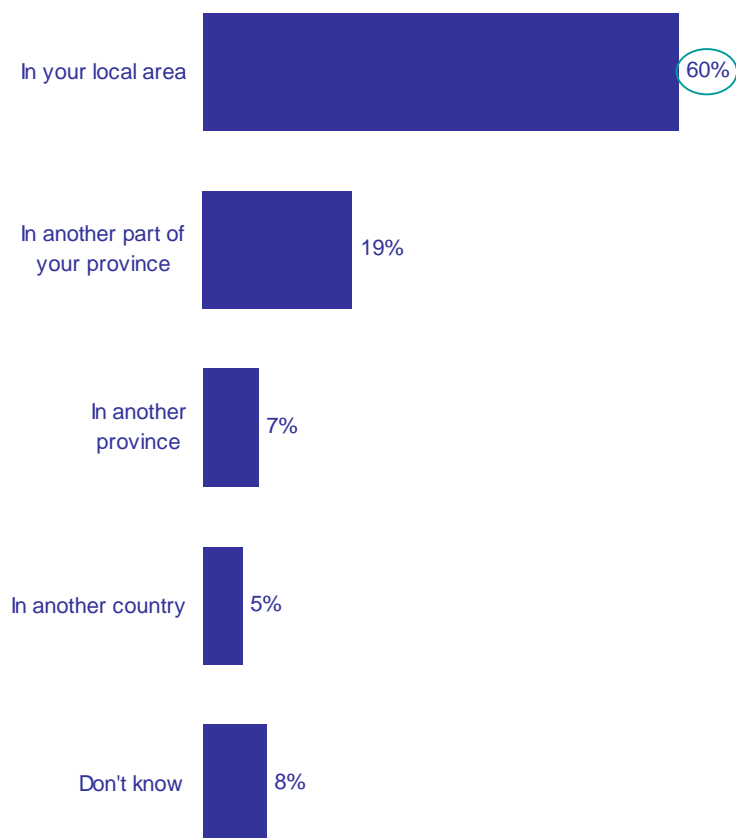
Quebec Parents Less Likely To Think Child Will Get Financial Assistance Or To Worry About Their Child

Region	Worried the cost is making it less likely that their child will be able to go to college/ university	Likelihood of child qualifying for scholarships/ bursaries	Likelihood of child getting financial assistance from other family members	Likelihood of child requiring a student loan	Worry that child will have a large debt after graduation
British Columbia	60%	75%	43%	69%	68%
Alberta	69%	76%	40%	76%	75%
Saskatchewan/Manitoba	63%	71%	36%	73%	76%
Ontario	63%	68%	40%	66%	70%
Quebec	49%	52%	25%	56%	59%
Atlantic Canada	70%	78%	37%	83%	71%



Finally, Most Parents Would Prefer That Their Child Attend College/ University Close To Home

% of Canadian parents with children under 0-17 years of age in the house and would like child to attend college/university





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