

Many Canadian Parents Not Making the Most of Potential Tax Savings

Just One Half (49%) of Parents with Kids under 13 Years Old Currently Have an RESP

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Toronto, ON – Four in ten (42%) Canadian families with children under the age of 13 may not be taking full advantage of the tax savings available to them, according to a new Ipsos Reid poll conducted on behalf of RBC. More specifically, one quarter (25%) say they aren't taking full advantage of these savings, while an additional 17% admit they're unaware of the tax savings available to them as a parent. Six in ten (58%), though, say they are taking advantage of these savings, including, for example, the Child Amount Tax Credit, the Child Fitness Tax Credit, childcare expenses, etc.

Only one half (49%) of parents with children under the age of 13 have opened a Registered Education Savings Plan for their child's future education costs. While 56% say they have a plan in place to help them find the money to put towards their child's future education costs, 32% say they are not currently saving for their child's future education, 9% say they don't need a plan because they can find the money, and 3% say they don't plan to save for their child's education at all.

Among those who are not saving for their child's education, most (84%) say they would like to but can't afford to given their current economic situation, while others believe that their child is still too young (10%), that paying for education is their child's responsibility (7%) or



that they do not see any need to save since their children might not pursue an education after high school (4%).

Thinking about challenges to their financial situation, a plurality (30%) of parents say that having money left over from paycheque to paycheque is the most challenging aspect of their finances, while others say that paying down debt (28%), saving for a large purchase (11%), sticking to a budget (9%) trying to determine where they should put their money (9%), minimizing the tax they pay (6%), setting up a budget (4%) or finding money to save for their child's education (4%) is the most challenging part of their financial situation.

These are some of the findings of an Ipsos Reid poll conducted between January 29 and February 5, 2010, on behalf of RBC. For this survey, a national sample of 517 young Canadian families with children under the age of 13 from Ipsos' Canadian online panel was interviewed online. Weighting was then employed to balance demographics and ensure that the sample's composition reflects that of the adult population according to Census data and to provide results intended to approximate the sample universe. A survey with an unweighted probability sample of this size and a 100% response rate would have an estimated margin of error of +/-4.3 percentage points, 19 times out of 20, of what the results would have been had the entire population of adults in Canada been polled. All sample surveys and polls may be subject to other sources of error, including, but not limited to coverage error, and measurement error.

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