

The Canada Learning Bond, financial capability and tax-filing: Results from an online survey of low and modest income parents



Research report prepared by
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*The results of this report reflect the views of the author alone. Any errors or omissions are unintended and are the responsibility of the author alone.

Abstract

Previous research has identified several likely causes of eligible non-participation in the Canada Learning Bond (CLB), including awareness, financial exclusion, and administrative barriers. This study expands on that research, with a particular focus on the role of tax-filing as an administrative obstacle to accessing the CLB. I present results from an online survey of low and modest income parents (n=466) conducted in 2021. We find that, even among parents reporting they have received the CLB (46%), a majority (51%) report low confidence in their familiarity with the program, and more than one in six (17%) are unaware of the need to file tax returns to maintain eligibility for annual CLB payments. Self-reported regular tax-filing is associated with a 59% increase in the probability of accessing the CLB, even when controlling for a range of parental characteristics. This study confirms previous work by Harding and colleagues (2019) that non-filing may explain some share of eligible non-participation in education savings incentives. Tax-filing services may be an important pathway to improve CLB access. Low and modest income parents show substantial diversity in their preferred filing methods and outreach efforts cannot be concentrated in only one avenue if they are to be successful. The study also tests a small ‘nudge’ to address gaps in awareness and finds that information-only approaches to outreach are likely to have limited success, even with motivated populations.

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Introduction and study aims

Since 2005, the Government of Canada has made available a conditional grant to low and modest income children as an early investment in their future post-secondary education costs. Similar to certain federal and provincial savings incentives, the Canada Learning Bond (CLB) can be requested for eligible subscribers to a Registered Education Savings Plan (RESP) where the beneficiary is an eligible child under the age of 17 living in a low or modest income household.

Improving take-up of RESPs and the CLB was listed as a government priority in the 2015, 2016 and 2017 mandate letters to the Minister of Employment, Workforce Development and Labour (Trudeau, 2015; 2016; 2017). The 2019 mandate letter also included more general language directing the Minister to raise public awareness of the financial supports for education available to families (Trudeau, 2019). In 2022, we will begin to see cohorts of CLB-eligible children start to move out of secondary education.¹

According to the most recent statistical report on education savings programs, the cumulative take-up rate for the CLB is now 41.9% (ESDC, 2021). That is, 41.9% of children who have ever been eligible for the bond since 2004 have now received at least one

payment since 2005. In 2020, almost certainly due to the COVID-19 pandemic, there were 60,336 fewer new CLB applications relative to 2019. This likely reflects delays and disruptions to planned community outreach efforts, changes to the ability of families to manage immediate stresses versus longer-term financial plans such as the bond, and the attention and engagement of RESP promoters among other factors.

This research project was developed by Jennifer Robson, an Associate Professor of Political Management at Carleton University, in partnership with staff of SEED Winnipeg. It is one element of a larger programme of activities at SEED Winnipeg, and funded by Employment and Social Development Canada (ESDC), aimed at increasing the take-up of the CLB. SEED Winnipeg included a plan for original research in their proposal to ESDC to inform their ongoing and community-based efforts to increase CLB take-up. The research might inform not only SEED's future activities, but also increase the evidence available to other stakeholders working to connect families to CLB assets.

The original research design of this study had been to evaluate, using a random assignment design, the impact of providing low and

1. This is in addition to a smaller share born in the latter months of 2004 who will have completed education in 2021 at age 17, school-leavers and students in Quebec where CEGEP studies are normally pursued after grade 11.

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modest income parents with an immediate cash bonus on willingness and success in accessing the CLB. However, due to the impacts of COVID, the original research objectives and design were deemed no longer feasible. In consultation with the project funder, ESDC, the research team at Carleton and SEED Winnipeg instead pursued an online survey to better understand the tax-filing knowledge and behaviours of lower and modest income Canadian parents, their financial capability, and access to government benefits with a particular focus on the CLB.

This report summarizes the results from this online study to better understand the relationship between:

- Self-reported saving activity for a child's education and the CLB, including awareness, familiarity and receipt of the bond;
- Self-reported saving activity for a child's education and general financial capability;
- Awareness of the need to file a tax return to verify eligibility for the CLB; and
- Tax-filing behaviors and receipt of the CLB.

Methods and data

Data collection took place between May 1 and May 15, 2021 online. Participants were recruited using Google and Facebook ads placed by SEED staff, as well as on SEED Winnipeg's website (seedwinnipeg.ca) and social media accounts including Twitter, Facebook, Instagram and LinkedIn. The project received clearance from Carleton's Research Ethics Board (project 111884) and all recruitment materials were reviewed by ESDC.

The target population for the study was adults (aged 18+), in Canada, with a family income below \$50,000 or, if single, a personal income below \$30,000. The survey included an informed consent page before responses

were collected. All data was retained in password protected files accessible only to the lead researcher. Following the deadline of June 15, 2021 to withdraw from the study, the survey data was permanently deleted from the SurveyMonkey site and server.

A total of 1,761 survey responses were received. Of these, 688 responses were received from IP addresses located outside of Canada and were permanently deleted from the dataset as ineligible respondents. One respondent withdrew from the study and was likewise permanently deleted from the dataset before analysis began. Another 51 were excluded due to their household income or stated location at the time of the survey.

The final sample of eligible respondents was 1,022 respondents. Eligible respondents were offered a small value electronic gift card as token honorarium for their participation. Gift cards were distributed with checks for validity of the email address provided. Email addresses were not retained and have been permanently deleted from the study files for privacy and to deidentify responses.

Within the final eligible sample, 466 are parents of one or more children under the age of 18. The remainder of the analysis in this report was conducted on this subsample alone.

The survey sample

The survey aimed to reach low and modest income adult Canadians. This income criteria was defined as those with a self-declared income below \$30,000 for individuals or below \$50,000 for those in a couple. This report considers only the sub-sample of parents. In Table 1 (below), I describe the characteristics of the parents in the survey compared to national data on adult Canadians 18-64 living in economic families² that have incomes within the range used for the survey sample. These national estimates are calculated using the most recent published cycle of

the Canadian Income Survey (Public Use Microdata File).

Relative to the general adult population at similar income levels, as captured in the Canadian Income Survey, respondents to this survey are more likely to be male, to be racialized Canadians or Indigenous persons, to live in British Columbia and to have very low income. The composition of the sample means that results cannot be generalized to the full population of CLB-eligible families. However, the over-representation of marginalized populations also offers a unique opportunity to better understand the attitudes and behaviors of Canadians who may be less likely to appear in general administrative data, national household surveys or standard public opinion research using online panels.

2. The Canadian Income Survey PUMF does not contain sufficient information to differentiate parents from adults living in other economic family types. Economic families are persons who live together and are related in anyway by birth, marriage (including common law) or adoption.

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Table 1: Survey sample characteristics versus national estimates

	Survey	%	National data	%
Gender	Female	33.7	Female	54.5
	Male	61.2	Male	45.5
	Trans / gender fluid / other	1.1	Not available	
	Prefer not to say	0.9	Not available	
	No response	3.2	Not available	
Racial identity	Person of colour	42.1	Not available	
	Not a person of colour	51.3		
	Prefer not to say	4.3		
	No response	2.4		
Indigenous identity	Indigenous person	44.0	Not available	
	Non-Indigenous	54.3		
	Prefer not to say	1.8		
	No response	0.0		
Highest level of education completed	Some secondary	11.8	Some secondary	16.9
	Secondary diploma	30.5	Secondary diploma or some secondary	31.6
	Some post-secondary	24.3	Non-university certificate or diploma	24.5
	Trade/technical certificate	3.0		
	College diploma	12.9	University degree or certificate	24.1
	University degree	14.4		
	More than one degree	0.9	No response / valid skip	2.9
	No response	2.4		
Marital status	Single	10.3	Single	20.0
	Married or common law	85.4	Married or common law	73.3
	Separated or divorced	4.3	Separated or divorced	2.6
			Other	0.9
			No response	3.2
Province	BC	23.6	BC	11.6
	AB	12.5	AB	10.8
	SK	3.2	SK	2.6
	MB	4.5	MB	3.4
	ON	26.8	ON	41.0
	QC	15.5	QC	23.8
	NB	4.5	NB	2.1
	NS	3.9	NS	2.9
	PEI	1.7	PEI	0.4
	NL	0.0	NL	1.4
	YU	1.9	YU	NA
	NW	1.5	NW	NA
	NU	0.4	NU	NA
	No response	0.0	No response	0.0
Income	Under \$10,000	11.4	Under \$10,000	10.6
	\$10,000 to \$19,999	16.7	\$10,000 to \$19,999	17.0
	\$20,000 to \$29,999	12.7	\$20,000 to \$29,999	26.9
	\$30,000 to \$39,999*	36.5	\$30,000 to \$39,999	20.5
	\$40,000 to \$49,999*	22.7	\$40,000 to \$49,999	25.0
Reported receiving any COVID-related income support	No	31.5	Not available	
	Only one benefit type	27.9		
	Multiple benefit types	40.6		

*Among only survey respondents who are married or common-law.

Results

Frequency of education saving

Overall, 83.3% of the sample reported that they were saving for their child or children's education. This is remarkably high, relative to other surveys of parents (Lefebvre, 2004; Bonikowska & Frenette, 2021), and likely reflects self-selection bias given the recruitment method.

Respondent parents were asked about education savings for their child or children both in terms of savings they might be

directly in control of, and indirect savings that might be made by someone else for their child. Because Registered Education Savings Plans (RESPs) for a child can be opened by subscribers who are not their parents, some families might forgo opening an account if they believe that someone else, such as an extended family member, is saving for this purpose instead. However, the data in Table 2 below suggest that less than quarter (23%) of the non-savers were aware of another source of savings for the same purpose.

Table 2: Frequency of direct and indirect education saving

I am saving for my child(ren)'s education	Someone else is saving for my child(ren)'s education	
	Yes	No
Yes	69.8%	30.2%
No	23.0%	77.0%

Count of respondents = 461

Awareness of education savings accounts and CLB

Past studies suggest that not all education saving in families takes place within RESPs (Milligan, 2002; Lefebvre, 2004; Robson, 2016). In fact, among those parents directly saving for education, 24.5% had not heard of

RESPs. There was, however, strong evidence for an association between direct saving for education and RESP awareness. Compared to non-savers, direct savers for education were significantly more likely to be aware of RESPs (OR = 2.80, $p < 0.001$).

The RESP vehicle may not be known by all parents, including a minority of those par-

ents who are personally saving for education, but it is the only type of account to which the CLB can be credited. Among parents who are saving for education, CLB awareness was actually higher than RESP awareness: 80.9% of parents saving for education had heard of the CLB. But CLB awareness was also substantially lower than RESP awareness among parents who are not saving. Among non-savers, 65.3% stated that they had not heard of the CLB. Compared to non-savers, direct savers for education were significantly more likely to be aware of the CLB (OR = 8.48, $p < 0.001$). Overall awareness of the CLB was also remarkably high in this sample of parents at 73.2% of all respondents. This likely reflects some self-selection bias given the recruitment strategy used for the survey.

Survey respondents who had heard of the CLB were also asked about their level of familiarity with the benefit on a 4-item Likert scale. A majority (56.6%, $n=341$) stated that they know “a little bit” about the CLB, while a very small share (7.0%) reported knowing “nothing” about it, and a little more than a third (36.4%) stated they know “something” or “a lot.” On the one hand, only a very small share of respondents had no understanding of the CLB. This again likely reflects selection bias in the survey recruitment methods, and again presents an opportunity to probe the perspectives of some of the very families who are in the target population for the CLB program. However, it is also the case that understanding was quite soft with just over

half of respondents reporting they know only a little bit.

Many of the Government of Canada’s outreach efforts to promote CLB take-up have aimed to improve awareness and understanding of the program, as well as other education savings incentives and the general benefits of saving for higher education costs. But is familiarity with the CLB necessary for CLB access? Overall, 46% of parents in the survey reported that they had received the CLB for their child or children, 42% had not and another 12% were uncertain whether they had or not. This last group includes 10.2% of those parents who reported they were personally saving for a child’s education.

But it may not be the case that strong familiarity with the CLB is necessarily required for families to make use of the program. In Table 3, below, I illustrate the differences in familiarity with the CLB among users, non-users and those uncertain of whether they’ve received it. Familiarity with the program is higher among users compared to non-users (OR = 3.90, $p < 0.001$). However, regardless of CLB receipt, the most frequent response is knowing “a little bit” about the program.

Table 3: Familiarity with CLB by program usage

%	How much do you feel you know about the CLB?			
	Nothing	A little bit	Something	A lot
Received CLB	1.69	51.7	28.7	18.0
Did not receive CLB	12.1	66.9	20.7	0.8
Uncertain about CLB receipt	16.7	46.7	33.3	3.3

Count of respondents = 332

Self-reported saving activity for a child's education and general financial capability

One of the implicit assumptions of information and awareness campaigns to improve program take-up is that non-users might be persuaded to take steps to apply for and access it, if only they understood its features and potential benefits (Currie, 2004; Manoli & Turner, 2014; Linos et al, 2020). The results, described above, on awareness and familiarity with the CLB in the sample of parents suggest that familiarity may not be robust even among program users. Because accessing the CLB requires complex financial choices between myriad financial providers and

products, a planful orientation towards an expense that may be 18 years into the future and confidence about one's ability to keep up with contributions to an RESP,³ it may be that more general financial capability also shapes CLB behavior among eligible families.

Here I measure financial capability along five independent dimensions: making ends meet, keeping track of money (such as budgeting), planning ahead, choosing financial products and staying informed on financial matters (Robson & Splinter, 2015; Robson & Peetz, 2020). All five dimensions were assessed using behavioral and attitudinal items on the survey. Financial capability scales were constructed using population-weighted results from the 2008 Canadian Financial

3. Family savings in an RESP are not required for access to the CLB but can be a condition of many RESP agreements with promoters. Furthermore, information about the CLB is generally framed in terms of family savings for education, alongside other education savings incentives such as the Additional Canada Education Savings Grant.

Capability Survey (Robson & Splinter, 2015). Scores on each scale have a range as follows: Making ends meet (1.601 to 7.827), keeping track (13.181 to 50.346), planning ahead (1.396 to 7.2), choosing products (2.513 to 8.416), and staying informed (1.025 to 7.464). Using the population-weighted results from the 2008 baseline, average scores for both users and non-users of the CLB are well-below the population means for all scales

except choosing products (CLB-users only) and the scale “staying informed.”

In Table 4, below, I report the mean financial capability scores for parents who say they have received the CLB compared to other parents (both those who have not received the CLB or are uncertain about receiving it). Standard errors are reported in parentheses and results of two-way t-tests are reported with asterisks.

Table 4: Mean financial capability scores⁴ of CLB users and non-users

	CLB users	CLB non-users	
Making ends meet (n=439)	5.19 (0.09)	5.06 (0.08)	
Keeping track of money (n=441)	40.47 (0.51)	38.65 (0.65)	*
Planning ahead (n=445)	4.82 (0.09)	4.08 (0.11)	***
Choosing products (n=425)	7.18 (0.07)	6.29 (0.08)	***
Staying informed (n=438)	5.06 (0.15)	4.82 (0.21)	

*p<0.05, **p<0.01, ***p<0.001

Recall that this is a sample of only low and modest-income Canadian parents who might generally be expected to be eligible for the CLB, among whom 73.2% have ever heard of the CLB, but less than half are receiving the

benefit. While they have lower levels of financial capability compared to the general adult population in Canada, there are significant differences between CLB users and non-users on three of five scales – particularly planning

4. Financial capability scales were constructed using population-weighted results from the 2008 Canadian Financial Capability Survey (Robson & Splinter, 2015; Robson & Peetz, 2020). Scores on each scale have a range as follows: Making ends meet (1.601 to 7.827), keeping track (13.181 to 50.346), planning ahead (1.396 to 7.2), choosing products (2.513 to 8.416), and staying informed (1.025 to 7.464). Using the population-weighted results from the 2008 baseline, average scores for both users and non-users of the CLB are in the bottom 10%.

ahead and choosing products. Given that the CLB benefit itself requires certain financial behaviors of participants related to product choice and planfulness, this result is maybe unsurprising. But it does also suggest that outreach efforts that emphasize information and awareness of the benefit may always be limited if there aren't complementary efforts to meet eligible non-participants where they are and address non-informational barriers that may be impeding benefit use.

Awareness of the need to file a tax return to verify eligibility for the CLB

Among the many complex financial behaviors that a parent must take to be able to access the CLB is filing an annual personal income tax return. In couples, both parents must file annual returns so that family income can be assessed against the CLB eligibility rules. Returns must be filed every year that a child might be eligible to receive both the initial \$500 payment as well as subsequent \$100 payments. While much attention has been paid to the issue of navigating the RESP marketplace as an obstacle to CLB receipt, considerably less attention has been paid to the role of tax-filing in the CLB access journey for low and modest income families. However, previous studies suggest that an important share of working-age adult Canadians may not file regular income tax returns, even when this means forgoing access to federal and provin-

cial cash benefits (Robson & Schwartz, 2020). A 2019 study by Statistics Canada has suggested that some eligible non-participation in the CLB was related to a gap in tax-filing by at least one parent (Harding, Laporte & Olson, 2019). Harding, Laporte and Olson found that 7.8% of all likely CLB-eligible children faced this obstacle to CLB access, and among the children in the lowest income families (with less than \$20,000 in total family income) the frequency was significantly higher at 23.4%.

First, I explore whether low and modest-income parents are aware of the need to file a tax return so that their income can be verified for the CLB and compare this to the awareness of the need to file a return to receive the Canada Child Benefit (CCB). Results are below, in Table 5.

Table 5: Frequency of parental knowledge of need to file an annual tax return to get benefits

%	All parents (n=449)	Parents saving for education (n=379)	Parents who received the CLB (n=203)	Parents who did not receive the CLB (n=185)
True or false, you have to file a tax return to get the..... Canada Learning Bond.				
True	55.2	61.0	82.3	36.2
False	20.7	17.4	10.8	26.5
I'm not sure	15.6	12.9	5.9	21.6
Government doesn't pay that	8.5	8.7	NA	15.7
True or false, you have to file a tax return to get the..... Canada Child Benefit.				
True	60.4	64.6	86.6	44.1
False	16.5	17.7	6.9	19.4
I'm not sure	17.8	14.0	3.5	31.2
Government doesn't pay that	5.4	3.7	3.0	5.4

Awareness of the requirement to file a return is higher among savers (61.0% compared to 55.2% overall) and higher again among parents who have received the CLB (82.3%). This pattern also holds for awareness of the need to file for the CCB. But awareness of this requirement is low on both the CLB (36.2%) and the CCB (44.1%) among parents who have not yet received the CLB. Perhaps more concerning, there are a small but non-negligible share of parents (8.5% overall and 15.7% among likely eligible but non-participants in the CLB) in the survey sample who have some skepticism that the CLB is even a benefit available from government. It is notable that the share of parents expressing this view is considerably higher on the CLB

than it is on the better-known and more frequently-paid CCB.

To better understand the factors that might contribute to knowledge of the need to file an annual tax return to access the CLB, I build a regression model using a mix of behavioral, knowledge and attitudinal variables, consistent with extant theory on eligible non-participation (Moffitt, 1983; Currie, 2004; Robson & Schwartz, 2020). These include participation in education savings, awareness of the CLB, parental education, financial capability scores and regularity of filing. It might be that parents who make the connection between tax-filing and access to the CLB have more direct experience with education savings or awareness of the bond itself. I refer to these as education sav-

ings-specific variables. But it may also be the case that understanding of this connection is stronger among parents with more general knowledge and skill (estimated here using formal education as a proxy) or more general financial capability (as described earlier in this report). Finally, when parents do file a tax return, some tax software or community clin-

ics might remind them of the link between filing and CLB access. For this reason, I also include regularity (or irregularity) of filing a return in the last five years.

Results are displayed in Table 6, below, as the marginal effect (using the dy/dx command in Stata) for each variable.

Table 6: Marginal effect of education saving-specific, general education and financial capability and habitual tax-filing on understanding the link between tax-filing and CLB access

	dy/dx		
Saving for education (base: no saving)	0.550	(0.280)	*
Have heard of the CLB (base: have not heard of CLB)	0.280	(0.170)	
Highest level of education completed (base: some secondary)			
Secondary diploma	0.030	(0.100)	
Some PSE	0.030	(0.100)	
A trade/tech certificate	(too few observations to estimate)		
College diploma	-0.040	(0.120)	
University degree	0.100	(0.110)	
Financial capability			
Making ends meet	0.000	(0.020)	
Keeping track	0.000	(0.000)	
Planning ahead	-0.010	(0.020)	
Choosing products	0.040	(0.030)	
Staying informed	-0.020	(0.030)	
Consistent tax-filer (base: have not filed 1+ years within last 5)	0.590	(0.180)	***

Note: dy/dx for factor levels is the discrete change from the base level. The regression analysis is conducted only on observations with complete data for all variables in the model (n=174).

* $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$

In this model, only two variables emerge as significant. The first is whether the parent says they are directly involved in saving for a child's education. Compared to non-savers, savers (even if they are not using RESPs or the CLB) are 55% more likely to know that parents must file a tax return to get the CLB. The second variable is consistency in tax-filing. Compared to parents who missed any of the last five years of tax-filing, consistent filers are 59% more likely to know that CLB access depends on tax-filing. Among parents in this model, consistency of tax filing is actually more important than whether they are already saving for education in understanding the link between filing a return and getting the CLB. While the study by Harding and colleagues (2019) suggests that, outside of very low income families, only 7.8% of likely CLB eligible children have at least one non-filing parent, the results from this study suggest that many parents may not be aware of the need to file to get the CLB in each year that their child might be eligible. However, it should be noted that only 5.5% of the overall sample of parents reported missing one or more years of tax-filing in the last five years. This result is broadly consistent with results from Robson and Schwartz (2020) that found that parents are more likely to file than non-parents among working-age adults.

Outreach efforts that aim to promote the CLB to families at tax time may be more effective if they are able to reach those families who haven't already received the CLB (and may not yet understand the importance

of filing for CLB receipt), compared to families that are regular savers and regular filers. Survey respondents were also asked about their awareness and use of free tax-filing clinics for low-income Canadians, such as those sponsored through the Community Volunteer Income Tax Program (CVITP) of the Canada Revenue Agency (CRA). Among respondents, a majority (55.5%) state they knew that free tax-filing was available for low-income Canadians, while nearly a third (29.5%) stated that this service did not exist and another share (15.1%) were uncertain of the claim. A majority of respondents (60.5%) reported that they had used a volunteer tax-clinic within the last five years, while one in five (20.5%) had not. The remainder were not certain (16.2%) or reported that they had tried to access this service but hadn't been successful (2.8%). Use of volunteer clinics was somewhat higher than the share of respondent parents who had used a fee-for-service tax-preparer (51.7%) within the same five year time period.

There was also considerable overlap between the self-reported use of free and fee-for-service tax-filing services among these low and modest income parents. Among those who had used a free tax clinic, 70.8% also reported using a fee-for-service tax-filer. Among those parents who had used a free tax clinic, a strong majority (89.8%) also reported having prepared their own return at some point in the last five years, with a paper return as the most common method of filing (48.5%) compared to free software (33.6%) or

paid software (7.7%). Overall, this suggests a substantial amount of change and churn in how parents of likely-eligible CLB children are filing their personal income tax returns. An outreach strategy that relies only on one avenue for tax-filing is likely to miss an important share of families who might otherwise be open to learning about the CLB and using their tax-filing as an opening to access this benefit.

However, after parents file a return, their interactions with ESDC and CRA may influence their future filing behavior and, in turn, access to the CLB. Among parents who had received the CLB, 86.9% reported that, within the last five years, they had been asked by a government department or agency to provide additional proof of eligibility for a benefit they had applied for. This was substantially more frequent than among low and modest-income parents who had not received the CLB (37.2%) and was statistically significant (OR = 0.09 $p < 0.001$). Parents ($n = 271$) were also asked to rate their satisfaction with the process of providing the additional documentation. The overall mean was a rating of 66.6 out of 100 ($se = 1.12$), suggesting a modest degree of satisfaction. There was no statistically significant difference between the ratings provided by parents who had received the CLB (mean = 67.8, $se = 1.28$) and had not received the CLB (mean = 64.1, $se = 2.22$).

Finally, the survey included a small behavioral intervention to test respondents' willingness to seek additional information. After being asked a series of true or false

questions about the CLB as well as tax-filing services, respondents were provided with correct but very abbreviated information with an offer of access to additional information that might help them access a benefit or service. The links to this additional information were presented at the end of the survey. The mean time to complete the survey was approximately 11 minutes so it is unlikely that non-response to the behavioral intervention would be due to excessive time delays or impatience to continue in the survey environment.

In total, just eight respondents (among 466 respondent parents) clicked the URL link provided to learn more about the CLB and these were equally distributed between parents who had and had not received the CLB. In fact willingness to click a URL link to learn more about any of the topics offered (including information on tax-filing on the CVITP, and on child benefits) was very low. Just 20.4% of respondent parents clicked on one or more information source offered and no respondent clicked on more than two sources of information. This low-touch intervention came after respondents would have been primed to be thinking about the CLB, government benefits and tax-filing more generally. Results suggest that low-touch outreach to disseminate information may not prompt a strong response rate, even when respondents are primed to be attentive to the relevant government benefit or service.

Conclusions

This study is subject to several limitations. First, the sample size is modest and is a purposive rather than representative sample. Results should be replicated with a larger sample and using randomly selected respondents. The study design does, however, easily lend itself to replication and the questionnaire items reflect well-established measures suitable for the CLB-eligible population of families.

With that key limitation in mind, there are a few directional findings that emerge from this study. The first is that even among a sample of low and modest income parents with high rates of self-reported education saving, awareness of the CLB was somewhat soft. Even among the roughly half of respondent parents who had received the CLB, the majority reported limited understanding of the benefit. If this is reflective of the overall population of CLB families, then this may present concerns as the initial cohorts of children start to move into the years in which the CLB should be cashed out for education costs. Understanding the benefit amount and rules for use may not have been a concern while all users were still in the period of accumulating balances, but because the CLB is tied to RESPs and the process for requesting education assistance payments, policymakers and RESP promoters perhaps should not assume that families with up to 17 years of participation in a program will have strong knowledge

of its various rules and requirements at maturity of the bond.

Financial capability may also be an obstacle to CLB participation, even for those parents who report they are otherwise saving for their child's education. CLB non-participants had significantly lower scores on planning ahead and choosing products. Their scores on keeping track were also lower than CLB users though the statistical significance of this difference was less robust. This result is consistent with previous studies that have noted the complexity of the RESP marketplace and the planfulness and multiple decisions required of parents on the journey map from becoming aware of the CLB to receiving it (see for example, the literature reviewed in Robson, 2016). CLB-eligible families, if they are similar to those sampled in this study, may need support and simplified decision tools to navigate the choices of RESP promoters and plans. This suggests that the work of SmartSaver and partners to pre-screen and provide a curated list of RESP products could have considerable value as it is scaled up. It also suggests that CLB champion organizations that are known and trusted by low and modest income families will be called upon to provide significant high-touch service to help clients actually complete the CLB journey. Resourcing for their work that emphasizes informational efforts and awareness may not be adequate for the task they face.

This study confirms previous work by Harding and colleagues (2019), that there may be a connection between non-filing of personal income tax returns and participation in the CLB. Many parents surveyed in this study were unaware of the need to file to access the CLB. It is also important to recall, by way of context for this result, that the need to file a return to verify income applies not only to the first year that a child is eligible for the CLB but for all subsequent years in which they might otherwise be eligible. Like Robson and Schwartz (2020), the results from Harding and colleagues only considered one year of tax-filing. There may be a larger share of families who have interrupted access to the CLB because of sporadic or interrupted tax-filing habits. This can only be investigated using longitudinal data. To reach parents during tax-time, the results of this study

suggest that it won't be adequate to concentrate efforts on just one avenue for filing. The low and modest income parents in this study reported a churn in the use of volunteer, fee for service or even self-prepared returns.

Finally, this study found that small nudges to provide easy access to information were not successful in triggering information-seeking by parents. This was true even in the context of a study that had primed respondents to be thinking about the CLB and other benefits. This was true even in a study design where time delays between priming and the offer of information were essentially negligible and obstacles such as stigma were almost certain to not be factors given the online data collection method. This is not an encouraging finding for outreach efforts that emphasize information dissemination.

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Annex 1: Survey questionnaire as fielded

1. Which best describes your marital status?:
 - single
 - married / common law *skip to Q3 (Q4 in SM)
 - separated / divorced / widowed

2. Which category best describes your income from all sources and before any taxes for 2020?
 - Under \$10,000
 - More than \$10,000 but under \$20,000
 - More than \$20,000 but under \$30,000
 - More than \$30,000 *Skip to rapid exit message: “We’re sorry, but it looks like you don’t meet the eligibility criteria for this survey.”

3. Which category best describes your family’s income from all sources and before any taxes for 2020?
 - Under \$10,000
 - More than \$10,000 but under \$20,000
 - More than \$20,000 but under \$30,000
 - More than \$30,000 but under \$40,000
 - More than \$40,000 but under \$50,000
 - More than \$50,000 *Skip to rapid exit message: “We’re sorry, but it looks like you don’t meet the eligibility criteria for this survey.”

4. What part of Canada do you live in?
 - British Columbia
 - Alberta
 - Saskatchewan
 - Manitoba
 - Ontario
 - Quebec
 - New Brunswick
 - Nova Scotia
 - PEI
 - Newfoundland and Labrador
 - Yukon

- NWT
 - Nunavut
 - I'm not in Canada *Skip to rapid exit message: "We're sorry, but it looks like you don't met the eligibility criteria for this survey."
5. Do you have any children under age 18?
- Yes
 - No *Skip to Q11 (Q12 in SurveyMonkey)
6. Are you currently saving any money for your children's education?
- Yes
 - No
7. Is anyone else currently saving any money for your children's education?
- Yes
 - No
 - I don't know
8. Have you heard of Registered Education Savings Plans?
- Yes
 - No
9. Have you heard of the Canada Learning Bond?
- Yes
 - No (skip to Q11)
10. How much do you feel you know about the Canada Learning Bond?
- Nothing
 - A little bit
 - Something
 - A lot

NEW PAGE

11. Thinking of the last 12 months, how well have you been keeping up with your financial commitments? (1 MEM)
 - Keeping up without any problems
 - Keeping up but it is sometimes a struggle
 - Having real financial problems and falling behind
 - I don't know

12. Thinking of the last 12 months, were you ever behind two months in a row or more... in paying a bill?
 - Yes
 - No
 - I don't know

13. ...in paying your rent or mortgage?
 - Yes
 - No
 - I don't know

14. ...in making a loan payment?
 - Yes
 - No
 - I don't know

15. Do you have a household budget?
 - Yes
 - No
 - I don't know

16. How often do you stay within your budget?
 - Always
 - Usually
 - Rarely
 - Never
 - I don't know
 - I don't have a budget

17. How often do you usually check the balances on any bank accounts you have?
- Daily
 - Weekly
 - Every 2 weeks
 - Monthly
 - Yearly
 - Never
 - I don't know
 - I don't have any accounts
18. Do you agree or disagree? "I keep a close watch on my finances."
- Agree
 - Disagree
 - I don't know
19. Are you planning ahead, financially, for when you get to retirement age? A plan could include many things like your own savings, government programs, pensions at work, family help, continuing to work, etc.
- Yes
 - No
 - I don't know
 - I'm already retired
20. How confident are you that your household income in retirement will be what you hope for?
- Very confident
 - Fairly confident
 - Not very confident
 - Not at all confident
 - I don't know
21. Do you currently have a will?
- Yes
 - No
 - I don't know

22 Robson

22. Do you currently have any insurance policies such as life insurance, renters' insurance or car insurance?
- Yes
 - No
 - I don't know
23. If you had a large unexpected cost, for example equal to your take-home pay for at least 2 weeks, how would you most likely cover this expense?
- Use savings
 - Sell an asset or personal possession
 - Borrow from friends or family
 - Borrow from a bank or use a credit card
 - Go to a pawnbroker or payday lender
 - I couldn't cover that kind of cost
 - I don't know
24. Do you agree or disagree?: "I've got a clear idea of the financial products I need."
- Agree
 - Disagree
 - I don't know
25. Do you agree or disagree?: "I always research my choices before I make a decision about money."
- Agree
 - Disagree
 - I don't know
26. Are there any financial things that you personally keep an eye on? Mark all that apply.
- House prices and sales
 - The stock market
 - Currency market (Canadian vs other dollars)
 - Interest rates
 - Inflation
 - Taxes
 - The job market
 - Pension plans or benefits at work

- Sales on consumer goods and services
 - Other
 - None of the above. I don't keep an eye on financial things.
27. In the last 5 years, have you taken a course or program to learn about financial or economic topics?
- Yes
 - No
 - I don't know
28. How would you rate yourself on making ends meet?
- Very good
 - Good
 - Fairly good
 - Not very good
 - I don't know
29. How would you rate yourself on keeping track of money?
- Very good
 - Good
 - Fairly good
 - Not very good
 - I don't know
30. How would you rate yourself on staying informed on financial issues?
- Very good
 - Good
 - Fairly good
 - Not very good
 - I don't know
31. How would you rate yourself on shopping around to get the best financial products?
- Very good
 - Good
 - Fairly good
 - Not very good

- I don't know

The following questions ask you about what you've heard about tax-filing but also your own personal experiences. For the factual questions, we'll give you the correct information after you answer. Just have fun with this part. Lots of studies show that people understand tax rules differently. Ready?

NEW PAGE

32. True or false: Everyone in Canada has to file a tax return each year.

- True
- False
- Not sure

NEW PAGE

In Canada, many people have to file a return, but not everyone has to and not everyone does. We'll have a link with more information from the Government of Canada on who has to file at the end of this survey.

33. Did you file a return for the following years (check all that apply):

	Yes	No, not yet	No, probably won't	Not sure
2020:				
2019:				
2018:				
2017:				
2016:				

34. One study found that an important share of lower and modest income Canadians may not file a tax return every year. We'll have a link to that study at the end of this survey. From your perspective, what are the main 3 reasons that someone might not file a return? (check all that apply) *randomized order

- It takes too much time.
- It costs too much money.
- When you don't expect to get money back, what's the point?
- It takes too much effort.

- It's confusing.
- Average people don't have the information they need
- Average people don't have the expertise.
- People don't have the help they need.

- People don't care about paying their fair share.
- People doing bad things don't want to get caught.
- If you owe money and can't pay, it's better not to file.
- People try to avoid or break the rules.

- The tax collection agency knows all the information anyway.
- Why help the tax collection agency with their job?
- The tax agency should just take care of it instead of putting it on people.
- It's something government should do instead.

- Bad things can happen when you file.
- People don't want to give too much information to government.
- They always make you pay more, even when you follow the rules.
- Government can use the information in ways you don't want.

- If you owe money, it's better to wait until you have the money to pay.
- If you don't have to file you shouldn't.
- When filing just leads to more paperwork it's not worth it.
- Sometimes it's just easier to file for a couple of years at once.

- It's something else

NEW PAGE

35. True or false: People who are low-income can get their taxes done for free.

- True
- False
- Not sure

NEW PAGE

There are tax-filing clinics run by volunteers that will do tax returns for free for low-income people with simple returns. We'll have a link with more information about these clinics at the end of this survey.

36. Have you used a clinic like this in the last 5 years?

- Yes
- No
- Not sure
- I tried, but couldn't get in

NEW PAGE

37. True or false: Companies that promise you an instant rebate when they do your taxes for you can take your whole refund as a fee.

- True
- False
- Not sure

NEW PAGE

There is a law called the *Tax Rebate Discounting Act* that set rules on how much of your refund those companies can take as a fee. For example, if you have a \$250 refund, the fee from that can only be \$37.50. We'll have a link with more information from the Government of Canada on these rules at the end of this survey.

38. Have you used a company like this in the last 5 years?

- Yes
- No *Skip to Q42 (Q43 in SM)
- Not sure *Skip to Q42 (Q43 in SM)
- I tried, but it didn't work out. *Skip to Q42 (Q43 in SM)

39. Using the slider below, how would you rate your satisfaction with having your taxes filed by a rebate discounter?

Totally dissatisfied

Totally satisfied

..... X

40. What did you like about your experience with a rebate discounter? (please check all that apply)

- Size of my refund
- Convenience of having my refund faster
- Convenience of having someone else do my taxes
- Cost
- Simple to understand their fees
- Confident my tax return was right

41. What did you dislike about your experience with a rebate discounter? (please check all that apply)

- Size of my refund
- Time or delay to get my appointment
- Time or delay to get my money
- Cost
- Confusing fees
- Had mistakes/problems on my tax return

NEW PAGE

42. True or false, you have to file a tax return to get the following benefits from government:

	True	False	Not sure	Government doesn't pay this
GST/HST Credit				
Canada Workers Benefit				
Canada Child Benefit				
Canada Learning Bond				

NEW PAGE

The Government of Canada uses tax returns to figure out who is eligible for the GST/HST Credit, Canada Workers Benefit and Canada Child Benefit. The Government also checks tax data and the Canada Child Benefit to figure who is eligible for the Canada Learning Bond. We'll have links to more information from the Government of Canada on those benefits at the end of this survey.

43. Which of the following benefits have you received in the last year?

	Yes	No	Not sure
GST/HST Credit			
Canada Workers Benefit			
Canada Child Benefit			
Canada Learning Bond			
Canada Emergency Response Benefit (CERB)			
Employment Insurance (EI)			
Canada Recovery Benefit (CRB)			
Canada Recovery Sickness Benefit (CRSB)			
Canada Recovery Caregiving Benefit (CRCB)			

NEW PAGE

44. In the last 5 years, have you filled out your own tax return by yourself?

- No.
- Yes. I used paper forms.
- Yes. I used computer software that was free.
- Yes. I used computer software that I paid for.

45. In the last 5 years, have you been asked by a government department or agency to give more proof that you were eligible for a benefit you applied for?

- Yes
- No *Skip to 47 (Q48 in SM)
- Not sure *Skip to Q47 (Q48 in SM)

46. Using the slider below, how would you rate your experience in answering the government's request for more proof?

Extremely stressful

Very easy

..... X

NEW PAGE

Nearly done! We just have a few final questions to help us group responses to this survey.

47. What gender do you identify with?

- Female
- Male
- Trans
- Gender variant
- Other
- Prefer not to say

48. What is the highest level of education you have completed?

- Some high school
- High school diploma
- Some college or university
- Trades or technical certificate
- College diploma
- University degree
- More than one university degree or college diploma

49. Do you identify as a person of color?

- Yes
- No
- Prefer not to say

50. Do you identify as Indigenous?

- Yes
- No
- Prefer not to say

NEW PAGE

Thank you! That is the end of the survey.

Here is a link to the [study](#) that we mentioned in the survey.

And, as promised, here are some links to Government of Canada websites where you can get official information about:

- [who should file a return](#)
- [free tax-filing clinics](#) across Canada
- [rules on tax discounters](#)
- [GST/HST Credit](#)
- [Canada Workers Benefit](#)
- [Canada Child Benefit](#)
- [Canada Learning Bond](#)

We'd like to send you a \$10 gift card to Tim Hortons to thank you for giving your time to this research study. We do need your email address to send you the digital card. We will delete your email address as soon as the gift card is sent (normally on Fridays).

Enter email address: _____

_____ Exit the Survey _____

Annex 2: Codebook for the dataset

marstat (marital status)

1. single
2. married / common law
3. separated / divorced

persinc (single)

1. under 10K
 2. 10K-19K
 3. 20K-29K
 4. 30K+
- . missing

faminc

1. under 10K
 2. 10K-19K
 3. 20K-29K
 4. 30K -39K
 5. 40K-49K
 6. 50K+
- . missing

ttlinc

1. under 10K
2. 10K-19K
3. 20K-29K
4. 30K -39K
5. 40K-49K
6. 50K+

prov

1. BC
2. AB
3. SK
4. MB
5. ON
6. QC
7. NB
8. NS
9. PEI
10. NL
11. YU
12. NW
13. NU
14. int'l
- . missing

parent (of child under 18)

1. yes
2. no
- . missing

edusave (saving for child's education?)

1. yes
2. no
99. NR
98. valid skip

othedusave (someone else saving for child's education?)

1. yes
2. no
3. DK
99. NR
98. valid skip

heardRESP (have heard of RESPs?)

1. yes
2. no

heardCLB (have heard of CLB?)

1. yes
2. no

awareCLB (how much do you feel you know about CLB?)

1. nothing
2. a little bit
3. something
4. a lot

Mustfile

1. true, all must file
2. false, not all have to file
3. not sure
- . NR

File2020 (same for file2019 – file 2016)

1. yes I did
2. no, not yet
3. no, probably won't
4. not sure

Whynofile

1. It takes too much time.
2. It costs too much money.
3. When you don't expect to get money back, what's the point?
4. It takes too much work.
5. It's confusing.
6. Average people don't have the information they need
7. Average people don't have the expertise.
8. People don't have the help they need.
9. People don't care about paying their fair share.
10. People doing bad things don't want to get caught.
11. If you owe money and can't pay, it's better not to file.
12. People try to avoid or break the rules.
13. The tax collection agency knows all the information anyway.
14. Why help the tax collection agency with their job?
15. The tax agency should just take care of it instead of putting it on people.
16. It's something government should do instead.

17. Bad things can happen when you file.
18. People don't want to give too much information to government.
19. They always make you pay more, even when you follow the rules.
20. Government can use the information in ways you don't want.

21. If you owe money, it's better to wait until you have the money to pay.
22. If you don't have to file you shouldn't.
23. When filing just leads to more paperwork it's not worth it.
24. Sometimes it's just easier to file for a couple of years at once.

25. It's something else

Filefree (can file for free if low income?)

1. true
2. false
3. not sure

Usedcvitp (used CVITP in last 5 years?)

1. yes
2. no
3. not sure
4. tried, not successful

Refundfees (instant refund can get full as fee)

1. true
2. false
3. not sure

Usedfiler (used instant refund firm in last 5 years?)

1. yes
2. no
3. not sure
4. tried, not successful

Satfiler (satisfaction with rebate filer)

0–100

Likedfiler

1. Size of my refund
2. Convenience of having my refund faster
3. Convenience of having someone else do my taxes
4. Cost
5. Simple to understand their fees
6. Confident my tax return was right

Dislikedfiler

1. Size of my refund
2. Time or delay to get my appointment
3. Time or delay to get my money
4. Cost
5. Confusing fees
6. Had mistakes/problems on my tax return

fileGST

1. true
2. false
3. not sure
4. gov doesn't pay this

fileCWB

1. true
2. false
3. not sure
4. gov doesn't pay this

fileCCB

1. true
2. false
3. not sure
4. gov doesn't pay this

fileCLB

1. true
2. false
3. not sure
4. gov doesn't pay this

got*benefit* (GST, CWB, CCB, CLB, CERB, EI, CRB, CRSB, CRCB)

1. yes
2. no
3. not sure

Filedowin5

1. No.
2. Yes. I used paper forms.
3. Yes. I used computer software that was free.
4. Yes. I used computer software that I paid for

Proofin5

1. yes
2. no
3. not sure

Satproof

0–100

Gender

1. Female
2. Male
3. Trans
4. Gender variant
5. Other
6. Prefer not to say

Educ

1. Some high school
2. High school diploma
3. Some college or university
4. Trades or technical certificate
5. College diploma
6. University degree
7. More than one university degree or college diploma

Poc

1. yes
2. no
3. prefer not to say

Indig

1. yes
2. no
3. prefer not to say

Info (want more info or no, go to giftcard)

1. yes
2. no

clickstudy, clickfile, clickcvitp, clickrebate, clickgst, clickcwb, clickccb, clickclb

1. yes