

Saving and Investing for Children - Canada - March 2017

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“Making Personal Financial management tools more appealing and useful might be a helpful stimulus to motivate parents to save small amounts regularly to enhance RESP contributions.”

– **Sanjay Sharma, Senior Financial Services Analyst**

This report looks at the following areas:

- Around three in four parents are saving for their children
- RESP is the most widely used product
- Education is the top reason for saving
- Almost half of parents prefer harder to access savings products

As the Canadian economy continues to grow at a slow pace and income growth is generally stagnant, parents are being challenged to meet multiple financial priorities. These priorities include saving and investing for their children's future. The rising cost of higher education and sky high real estate prices in some Canadian cities means that saving for education and future home ownership become more challenging. Although there are tax advantaged savings products available, the challenge remains finding sufficient money to fully utilize them.

This Report delves into the personal financial lives of Canadian parents as they seek avenues to save for their children. As parents try to indoctrinate their children with positive savings habits, we explore the attitudes of parents with regard to their children's finances. Product ownership, reasons for saving, strategies adopted and general attitudes towards saving and investing for children are all delved into in this Report. We also look at how the demographic groups differ in their attitudes and levels of financial preparedness and the ways in which Canadians are saving for their children. As families face the crunch of multiple priorities, we examine their attitudes towards money and saving behaviours.

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Canadian economy finishes 2016 on a strong note
New financial literacy initiatives rolling out across Canada

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Chatbots and banking customer service
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Bank of America opens branches without employees

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TD and Scotiabank streamline services to high net-worth investors

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Education is the top reason for saving
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