



## UNIVERSITAS BAROMETER – FACTSHEET

### Planning Ahead for Back-to-School Expenses

Back-to-school season is around the corner and according to the [2017 Universitas Barometer](#), the costs inherent to the new school year are a great source of concern for most parents, especially since these increase every year with inflation and as children progress in their schooling. **In 2016, Quebec parents spent on average \$921<sup>1</sup> per child** for school supplies and tuition fees, all education levels combined (pre-school to university), **compared to \$705 in 2013<sup>2</sup>**, a raise of more than 30%. And the older their children get, the more parents have to pay:

- \$438 for children aged 0-5 years
- \$862 for children aged 6-11 years
- \$1,363 for children aged 12-17 years

Of course, the bigger the family, the bigger the bill, so the new school year doesn't come in cheap for larger families. But even if most parents tap directly into their bank accounts to cover these expenses, there are ways to prepare for it and anticipate its costs.

#### How to save for back-to-school season

1. **Give last year's school supplies a second life.** Some supplies you bought might come back at the end of the year: if they are in good enough condition, keep them for next year. If you have children in different school levels, you could also make significant savings by passing on what they no longer need to their siblings.
2. **Check your flyers.** This will help you get the best price on most of the items on your school's supplies list. It also allows you to take advantage of the Lower Price Guarantee most stores now offer.
3. **Don't buy extras.** We often feel like buying in bulk allows for more savings, but be careful: it's far from being profitable if you end up never using those extra supplies!
4. **Keep some supplies for later in the year.** Putting the four erasers you bought in your child's backpack on the first day is a waste of money, as he or she will most likely lose them in the first few weeks of school. The best way to avoid this is to give them only what they need for now, and to refill their pencil case throughout the year if necessary.
5. **Save!** Parents know how expensive back-to-school shopping really is, especially if they have more than one school-age child. Making a budget can help you be ready to face these expenses, and saving all year long is the key to avoiding last minute surprises!

#### Anticipating the costs of post-secondary studies

About 80% of parents consider the financing of post-secondary studies to be an important financial concern<sup>2</sup>; in twenty years, the cost to complete five years of studies could increase from \$99,000 to \$141,000<sup>3</sup>.

While most Quebecers turn to their personal bank accounts to cover the recurrent back-to-school expenses, the costs of post-secondary studies can be planned years in advance.

By investing in a registered education savings plan (RESP) in their children's early years, families could receive up to \$12,800<sup>4</sup> per child in [government grants](#), depending on their net family income. When you invest in an RESP, your savings grow tax-free over the life of the plan, which makes it a great way to lessen the financial strain post-secondary studies represent for your everyday budget.

For more information regarding the different plans available, go to [www.universitas.ca](http://www.universitas.ca).

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Sources:

<sup>1</sup> Universitas Barometer, carried out from October 20-28, 2016 by the CROP polling firm.

<sup>2</sup> Web panel survey titled “*L’importance de la scolarité des enfants Québécois*” conducted by the CROP polling firm on behalf of Universitas from May 15-20, 2013 and using a sample of 1,000 Quebec respondents.

<sup>3</sup> Estimated cost to complete two years of CEGEP and three years of university in Quebec, housing expenses included. Yearly increase of 1.7%. Sources: *Ministère de l’Éducation et de l’enseignement supérieur, Ministère de la Famille, Statistics Canada, CMHC.*

<sup>4</sup> The Canada Education Savings Grant (CESG) rate is 20% to 40% based on adjusted family net income. The annual limit is set at \$600 and the lifetime limit is set at \$7,200 per beneficiary. The Quebec Education Savings Incentive (QESI, only available in Quebec) rate is 10% to 20% based on adjusted family net income. The annual limit is set at \$300 and the lifetime limit is set at \$3,600 per beneficiary. The Canada Learning Bond (CLB) is up to \$2,000 per beneficiary and is offered for children born after December 31, 2003, and whose families meet the financial criteria. Certain conditions apply; refer to our Prospectus at [universitas.ca](http://universitas.ca).