

A green background featuring various white line-art icons related to finance and business, including a bar chart, a dollar bill, a calculator, a speech bubble, a pencil, a coin, a hand holding a bar chart, a notepad, a wallet, and a smartphone.

Financial Basics **WORKSHOP**

Presenter Manual



Financial Consumer
Agency of Canada

Agence de la consommation
en matière financière du Canada

Canada



Financial Basics workshop resources are available in both English and French. These free resources are also available online and include the following:

- Presenter Manual
- Participant Handbook
- Presentation slides
- Promotional artwork
- Financial Basics brochure

If you are interested in ordering Financial Basics materials please visit Financial Basics in the Educational Programs section at www.canada.ca/money.

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Aussi disponible en français sous le titre :

Finances personnelles : notions de base
Guide de l'animateur

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Welcome to Financial Basics, a workshop on personal financial management.

Welcome to Financial Basics, and thank you for your interest in increasing the financial literacy of your community.

Financial Basics was developed by the Financial Consumer Agency of Canada (FCAC – an agency of the Government of Canada) and the Ontario Securities Commission (OSC), in collaboration with financial author and journalist Ellen Roseman. FCAC and OSC are dedicated to developing and promoting unbiased, independent information, programs and tools to help consumers make better financial decisions.

By teaching the Financial Basics workshop, you are helping Canadians learn about budgeting, using credit, saving, setting financial goals and avoiding fraud.

You don't need any previous experience delivering workshops or teaching about personal finances to facilitate this session. This manual contains all the instructions and information you will need. If you have any questions, please contact FCAC at info@fcac.gc.ca.

Have fun!

FINANCIAL BASICS: PRESENTER INTRODUCTION

Materials you will need

- This manual
- A projection system with the following materials copied to a laptop computer, or an Internet connection:
 - Slides 1 through 89 (Financial Basics workshop presentation slides)
 - The Funny Money Inc. video [Track your spending](#) which you can find on YouTube
- Participant Handbook (one copy per participant)

Organization of the manual

The workshop is divided into eight content modules. In this manual, each module is written as a series of subsections and topics. Most modules and their subsections are independent, so you can select the ones that are most suitable for your group. If you wish to deliver the entire workshop content at once, you should plan for a session of approximately 5 hours.

In each subsection, highlighted notes and icons point out the following:

Each topic also includes reproductions of relevant slides. You can direct participants where to find information, activities or worksheets in the Participant Handbook as you move through the workshop.



Information for participants
(Tell participants)



Activities for participants
(Activity)



Questions for participants
(Ask participants)



More information

Did you know?

The first slide for each topic presents a fact or statistic that will foster conversation with the participants.



BIG IDEA: At the beginning of each section, the “big idea” briefly summarizes the key messages to be conveyed in the section.

Time estimates

The suggested time for the entire Financial Basics workshop is five hours. This is an approximation, depending on how much discussion and how many questions arise during the workshop. The first few times you deliver the workshop, make note of which parts take longer and which go more quickly. If you find yourself running behind, you can adjust how much time you spend on content or activities. The time for delivering the workshop is tight, so remind participants to come back promptly from breaks and lunch. If you do not have five hours, focus on the sections that are the most relevant to your target audience.

If possible, ask participants before they arrive what they want to focus on. This will help you make sure the workshop will meet their needs.

Preparation

To make your presentation as effective as possible, please do the following before the workshop:

- Read through the Presenter Manual.
- Copy the necessary materials onto a laptop computer. This is particularly important if you will not have access to an Internet connection.
- Familiarize yourself with the teaching space, including the projection system and the location of washrooms and refreshment areas.
- Plan your time for the workshop based on the sections you will be using. The suggested time for each section is as follows:

MODULES	MINUTES
Module 1 – Introduction	
1.1 Welcome and Introduction	5
1.2 Why learn about financial literacy?	5
1.3 Quiz Activity	5
Total time	15
Module 2 – Budgeting	
2.1 What budgeting is about	5
2.2 Budgeting worksheets and discussion	40
Total time	45

Module 3 – Managing your cost of living	
3.1 Managing your costs	10
3.2 Tips for saving on fees, products and services	30
3.3 Needs and wants	25
Total time	65
Module 4 – Credit and debt management	
4.1 Credit cards	15
4.2 Student loans	15
4.3 Other types of loans	5
4.4 Credit report and credit score	15
4.5 Managing debt	10
Total time	60
Module 5 – Saving and investing	
5.1 Saving	15
5.2 Investing	35
Total time	50
Module 6 – Setting financial goals	
6.1 Financial goals and plans	15
6.2 Revisiting your financial goals	20
Total time	35
Module 7 – Protect Yourself	
7.1 Financial scams	15
7.2 Protect yourself	5
Total time	20
Module 8 – Summary and wrap-up	
8.1 Summary	10
Total time	10
TOTAL TIME FOR ALL MODULES	300 minutes (5 hours)

Mix of activities and lecture

The workshop is designed with a mixture of lecture-style information points, media presentations and activities that participants complete either on their own or with a partner.

Partner activities

Participants are asked to do some of the activities with a partner, usually the person next to them. This makes the workshop more engaging and enjoyable, and it compensates for many participants' lack of knowledge and experience about financial matters. Encourage conversation and sharing between partners. Reassure participants that they do not have to share personal or specific financial information with anyone.

Participant handbook

Each participant will leave the workshop with a handbook. The handbook contains all the information that is in the slides, as well as worksheets that participants use during the workshop and sources for more information. At the beginning of the workshop, tell participants that they do not have to copy down the information in the slides because it is included in the handbook.

They can view all the materials at Canada.ca/financial-literacy, select [Financial Literacy Programs](#), click on [Financial Basics workshop](#).

Evaluation

Please encourage participants to share their feedback by completing the online survey or by contacting the FCAC directly. Their feedback is essential to help the FCAC continue to offer the best possible introduction to personal finances for Canadians who need it. Details are on page 47 of the participants handbook.

Teaching tips

- **Keep it moving.** Participants will likely have many questions and will want to share their experiences. Encourage this, but don't let too much discussion slow down the pace of the workshop.
- **Spread out the attention.** To discourage the same handful of participants from asking all the questions or making all the comments, you can call on people or ask for questions from other participants.
- **Give time warnings.** When participants are doing an activity, let them know before they start how much time they will have to complete it, and give them reminders every couple of minutes to let them know how much time they have left.
- **Repeat questions.** When participants ask a question or make a comment, often those behind them in a large classroom or lecture hall cannot hear. Briefly repeat or summarize the question before you answer so everyone can understand the answer.
- **View the e-Learning video, [Workshop delivery tips](#).** Visit Canada.ca/money and go to [Financial literacy programs](#), select [Financial Basics](#) and click on [e-Learning videos](#) to see this and several other videos on basic financial topics. These videos were developed to complement the Financial Basics content.

MODULE 1 – INTRODUCTION

Disclaimer

By presenting the Financial Basics workshop, you acknowledge and agree to the following terms:

- **Independent delivery:** Presenters delivering the Financial Basics workshop are independent and are not representatives of the FCAC. Presenters must not claim or imply that they are affiliated to the FCAC.
- **Independent advice:** Any financial advice, products, or services offered beyond the content provided in the workshop handbook are independent from the FCAC and do not represent the views of the FCAC. Presenters must make it clear to participants that such information is their own individual opinions or recommendations and are not endorsed by the FCAC.
- **Liability:** The FCAC assumes no responsibility for actions, claims or consequences resulting from the delivery of the workshop, or any information provided beyond the official workshop content. Presenters are solely responsible for the accuracy and appropriateness of their advice.

MODULE 1	MINUTES
1.1 Welcome and Introduction	5
1.2 Why learn about financial literacy?	5
1.3 Quiz Activity	5
Total time	15

1.1 Welcome and introduction

Welcome everyone and give instructions.



TELL PARTICIPANTS

- I'm glad you're here to learn about how to manage your money.
- The workshop will be informative, helpful and fun.
- It is important to have financial knowledge but also to develop the confidence and skills to manage your finances.
 - This workshop is the first step towards getting this confidence.
 - It will provide solid, credible and objective information, knowledge and skills you can put into practice, as well as various tools to help you continue learning.

Introduce yourself and give a brief summary of your background.



TELL PARTICIPANTS

- The location of washrooms and fire exits
- When the breaks will be
- The location of coffee shops and restaurants for breaks and lunch
- Feel free to take notes or photos of the presentation with a smart phone, but please silence any ringers or alarms. If you need to take a call, please step outside the room.

What you will learn during this workshop

Slide 1: Agenda

- How to manage your spending and prepare a realistic budget
- How to manage credit
- How to pay off debt
- Ways to save
- How to set and reach your own financial goals
- How to protect yourself from fraud

Review the slide and say to participants:

- In addition to covering these topics, you will do activities and worksheets to apply the information to your own life.
- The handbook you received when you came in contains summaries of the workshop content as well as resources for more information. You don't need to copy what's on the slides, but you can follow along and write your notes in the manual. We'll refer to it throughout the workshop.
- We need your feedback, so please fill out the evaluation on your table and drop it off before you leave.

1.2 Why learn about financial literacy?



BIG IDEA: Knowing how to manage your money will protect you financially and help you reach your goals.

Slide 2: Benefits of gaining financial skills

- Control your financial future
- Achieve your life goals
- Provide for yourself and your family
- Be a smarter consumer
- Reduce stress and sleep better
- Be confident that you can manage your finances

Review the slide and say to participants:

- Research shows that when people are more confident, they are more successful in managing their day-to-day finances.
- Many people today face financial challenges that are different from those of previous generations. But they have advantages such as family supports, knowledge and technologies that were not available before. Recent studies conclude that people today can enjoy an income and assets similar to those of earlier generations. Developing your knowledge and skills through activities like this workshop will enable you to do that.



Participant Handbook, page 1

ACTIVITY



- Write in the handbook one financial goal for yourself. Examples: get out of debt, save to buy a new computer, make a down payment on a condo, etc.
- Give your goal an approximate dollar value (e.g. save to buy a \$500 computer). This will probably be guesswork. That's OK.



TELL PARTICIPANTS

- We will come back to this goal during the workshop.
- By the end of the day, you will have some knowledge and skills to help you get closer to achieving your goal.

1.3 Icebreaker activity: Quiz

ACTIVITY



- Answer the following quiz questions on Canadians' money management habits.
- As you show each multiple choice slide, ask participants to raise their hands to show which choice they think is the best answer. If you have items to give away (e.g. water bottles, snacks, small prizes, etc.), this could be a good opportunity to reward participants who answered the questions.
- Discuss the correct answer.

Slide 3: Budgeting

The percentage of Canadian households that use a budget to manage their finances is:

1. 32%
2. 49%
3. 68%

[source: Canadian Financial Capability Survey 2019]

Answer: 2.

- 49% of Canadians say that they use a budget of some sort.
- A written budget helps you manage your spending and prepare for the future, especially when the money you have is limited.
- It helps you decide what to spend on, avoid over-spending and set aside money for things you really need.

Slide 4: Credit and debt management

In 2019, the proportion of Canadians who had outstanding debt or used a payday loan within the previous 12 months was:

1. 33%
2. 53%
3. 73%

Answer: 3.

- The 2019 Canadian Financial Capability survey results indicate that nearly 73% of Canadians have some type of outstanding debt or used a payday loan at some point over the past 12 months.
- Almost 31% believe they have too much debt.

Slide 5: Emergency savings

The best way to plan for unexpected expenses is:

1. Buy a lottery ticket every week
2. Only have friends who will lend you money
3. Set money aside in an emergency savings fund

Answer: 3.

- The 2019 Canadian Financial Capability survey results indicate that nearly 65% of Canadians are confident that they could come up with \$2,000 if needed in the next month.
- Setting money aside in an emergency fund is the best strategy for dealing with unexpected expenses, a sudden drop in your income or other changes in your personal finances.
- Experts recommend saving enough to cover your take-home income for three to six months if you were suddenly without income. That will give you time to rebuild your income or rearrange your finances in case of an emergency.



ASK PARTICIPANTS

- How many of the questions did you get right? Wrong?
- Did any of the answers surprise you? Why?
- If you recognized yourself in any of the statistics, you're in the right place.

MODULE 2 – BUDGETING

MODULE 2	MINUTES
2.1 What budgeting is about	5
2.2 Budgeting worksheets and discussion	40
Total time	45

2.1 What budgeting is about

Slide 6: Did you know?

6% of budgeters do not have a plan for how they are going to pay for their next major purchase, compared with almost 15% of those who feel too time-crunched or overwhelmed to budget.

[source: Canadian Financial Capability Survey 2019]



BIG IDEA: Budgeting is the first step in managing your money. It's not hard, complicated or full of sacrifice.



TELL PARTICIPANTS

- The first step in managing your money is knowing what's coming in and where it's going out—and making sure the “in” exceeds the “out” so you have enough for your needs, and can save and invest for your future.
- There's nothing difficult about a budget. Budgeting doesn't mean doing without. It's just an organized way to manage your money.



ASK PARTICIPANTS

- Has anyone used a budget to manage their finances before?
- How did it work out?



Slide 7: Parts of a budget

- Income
- Expenses
- Difference between the two: surplus or deficit

Review the slide and say to participants:

- To do a budget, you need to know what you make and what you spend each month.
- Most of us have a pretty good idea of what our income is. But we're a little fuzzy on how much we spend, and what we spend it on. That's why you need to keep a record.

Slide 8: Know what you spend

- Keep every receipt
- Record every expense in a notebook or electronic device
- Review bank and credit card statements
- Make a list of irregular expenses (gifts, donations, car or home repairs, vacations)
- Total your expenses at the end of the month
- Do this for at least three months

Review the slide and say to participants:

- To get a true picture of your expenses, write down all your expenses for three months, either on paper or using an electronic device.
- Software can make it easy to record and organize your expenses.
- The handbook lists some sources for budgeting software.

2.2 Budget worksheets



ACTIVITY



- For this activity, you will do a monthly budget, using pages 3 and 4 in the handbook.
- This is a simplified budget. If you have actual figures for your income and expenses, you can use them. If you don't, write down the best estimates you can. Typical ranges are given to guide you.
- Even though this budget will be approximate, it's still valuable because it gives you practice in filling out a budget.
- You can repeat the budget exercise at home using more accurate figures.

Slide 9: Monthly income

Average monthly income from employment \$_____

OR choose an occupation from the list provided and indicate the current monthly income.

Disclaimer: The monthly income examples provided below are for illustrative purposes only and may not reflect current incomes.

	Examples
Food and beverage servers	\$2,860
Cooks	\$2,690
Early child educators and assistants	\$3,530
Administrative assistant	\$4,155
Retail salespersons and clerks	\$2,690
Hairstylists and barbers	\$2,890
Sales and service occupations	\$2,690
Dental assistants	\$4,270
Bookkeepers	\$4,230
Graphic art technicians	\$5,250
Construction trades workers	\$3,860
Banking, insurance and other financial clerks	\$4,030
Other sources of income (gifts, tax credits, investments, student loan or family, etc.)	
Source 1:	\$_____
Source 2:	\$_____
Source 3:	\$_____
Total monthly income	\$_____

The income examples provided are based on median wage data from the Government of Canada's Job Bank. To view specific wage data from various jobs, go to jobbank.gc.ca, select [Labour market information](#), then [Wage reports](#).

Review the slide and say to participants:



Participant Handbook, page 3

- Fill in your approximate monthly income, or choose one of the sample professions and estimate a monthly income from the range given.
- You may have a variety of part-time jobs or income from self-employment, bursaries, grants, etc. Keep records of your income from all sources. Try to estimate the approximate total from all sources of income for a typical month.
- When your income changes from month to month, it's especially important to keep your budget up to date. This lets you know your financial position and make adjustments when you need to.



TELL PARTICIPANTS

- It's useful to divide expenses into two types:
 - Fixed expenses that are roughly the same from month to month
 - Variable and irregular expenses that change depending on your activities and other factors in your life

Slide 10: Monthly expenses—Fixed expenses

Disclaimer: The monthly expense examples provided below are for illustrative purposes only and may not reflect current costs.

	Examples
Housing (rent - own)	\$1,700 – 1,300
Car payments	\$400
Insurance (car, home, travel, etc.)	\$225
Utilities (electric, gas)	\$325
Telecommunications (cable, Internet, telephone, cell phone, streaming subscriptions)	\$275
Child care	\$650
Other:	\$___
Total fixed expenses	\$___

Review the slide and say to participants:



Participant Handbook, page 4

- Fill in your fixed expenses—those items that come up every month and are roughly the same each month.

Slide 10 (cont'd): Monthly expenses—Variable and irregular expenses

Disclaimer: The monthly expense examples provided below are for illustrative purposes only and may not reflect current costs.

	Examples
Groceries	\$670
Eating out	\$180
Household expenses (cleaning, maintenance, furniture)	\$300
Computer (hardware, software, accessories, supplies)	\$20
Transportation (transit, gas, car maintenance, etc.)	\$100-250
Health care (medical services plan, dental, glasses/lenses, medication)	\$230
Clothing and footwear	\$190
Personal care (toiletries, hair care, make-up, laundry)	\$120
Recreation (movies, games, music, clubs, concerts, sports, etc.)	\$350
Gifts and charitable donations	\$140
Other:	\$____
Other:	\$____
Total variable expenses	\$____
Total monthly expenses (fixed + variable)	\$____

Review the slide and say to participants:



Participant Handbook, page 4

- Fill in your variable expenses—those items that vary each month. Add any expense categories that are missing.

Slide 11: Net surplus or deficit

Difference between total monthly income and total monthly expenses:

- Net surplus (more income than expenses)
- Or
- Net deficit (more expenses than income)

Review the slide and instruct participants:



Participant Handbook, page 4

- Enter your total monthly expenses, adding your fixed and variable expenses.
- Then enter your total monthly income from the income section.
- Subtract your total monthly expenses from your total monthly income.



ASK PARTICIPANTS

- How many found out something about their finances that they didn't know before?
- What surprised you?
- What did you learn?



TELL PARTICIPANTS

- If you had a surplus, today you'll learn how to save your money. If you had a deficit, today you'll learn how to cut your expenses to better match your income.
- When you think about budgeting, it's important to look beyond balancing expenses against income in the short term. Be sure to include savings for an emergency fund and for future needs like on-going education, mortgage, etc.
- Savings should always be part of your budget. Small savings add up fast and can be there for emergencies or unexpected expenses.



Participant Handbook, page 5

MORE INFORMATION



- You can find a free online budgeting tool on the FCAC website and other tools at the Canadian Financial Literacy Database. The handbook gives details on how to find these resources.
- You have accomplished a lot in the first part of this workshop. After the break, you'll look at how to manage your expenses to live within your budget.

MODULE 3 – MANAGING YOUR COST OF LIVING – BEING A SMART CONSUMER

MODULE 3	MINUTES
3.1 Managing your costs	10
3.2 Tips for saving on fees, products and services	
3.2.1 Check your bills	3
3.2.2 Negotiate better plans	3
3.2.3 Banking costs	3
3.2.4 Cell phone vs land line	3
3.2.5 Food costs	3
3.2.6 Car costs	3
3.2.7 Renting or owning your home	3
3.2.8 Insurance	3
3.2.9 Putting it all together	6
3.3 Needs and wants	
3.3.1 Track your spending	5
3.3.2 Your latte factor	5
3.3.3 Cutting back expenses	15
Total time	65

3.1 Managing your costs

Slide 12: Did you know?

40% of Canadians feel they are just getting by financially

[Source: Consumer Vulnerability Report]



BIG IDEA: You can be proactive in reducing your costs. By shopping around and negotiating with service providers, you can get better deals that will save you money. Small behaviour changes will result in big savings.



TELL PARTICIPANTS

- If you had a deficit in the budget exercise (i.e., if you are spending more than you earn), you need to find ways to cut your expenses.
- Even if you had a surplus, you can still reduce your spending so you have more money left over.
- That's what we're going to look at now.



ASK PARTICIPANTS

- If you had to find an extra \$20, \$50 or \$100 a month, what would you do?
- What have you done successfully in the past when you had to save money?



TELL PARTICIPANTS

- Those are all good suggestions, and they show that you already know some ways to manage your costs.
- The next section looks at several key areas where most people can cut back and save.
- There are several key areas for saving.

3.2 Tips for saving on fees, products and services



ASK PARTICIPANTS

- Are there areas where you feel you pay too much, such as your phone bill, TV bill, banking fees, etc.?



TELL PARTICIPANTS

- The next sections will focus on areas where you want to know more.

Slide 13: Areas for saving

- Check your bills
- Negotiate better plans (banking fees and services, telephone, cell phone)
- Review your food costs (groceries, take out, buying lunch)
- Consider whether you need to own a car, a home or the latest high-tech gadget

3.2.1 Check your bills

Slide 14: Check your bills

- Spot mistakes and overcharges
- Pay less in late fees, interest and penalties
- Get errors corrected before it's too late

Review the slide and say to participants:

- A good start is to check your bills every month.
- In addition to finding errors, it helps you to know what your actual costs are and where you can choose to cut back.

3.2.2 Negotiate better plans



ASK PARTICIPANTS

- Has anyone called a service provider to ask for a lower-cost plan before?
- How did it work out?

Slide 15: Negotiate better plans

Call each service provider and ask:

- How can I cut back my monthly bills?
- Am I currently on any plans?
- Do you have a better plan or deal for me?
- If so, what is the timeframe?
- Will I be put on contract for any new deals?
- Can I bundle services to save money?
- Can I avoid interest or late payment penalties?

Review the slide and say to participants:

- Service providers include bank, insurance, telephone, cable TV, internet, streaming services and credit card companies.
- Most service providers (except monopolies like power utilities) will negotiate and match the prices of their competition, especially if you have done some homework and tell them what the competition is offering.
- Call each service provider. Ask for the customer retention or loyalty department. Ask questions like the ones on the slide.

3.2.3 Banking costs



TELL PARTICIPANT

- Opening a bank account is a right that all Canadians have.
- All costs should be disclosed when you open a bank account.
- Consider a low-cost bank account, many banks have committed to offering bank accounts with a maximum monthly fee of \$4.
- The FCAC oversees federally regulated financial institutions to ensure that they comply with federal consumer protection laws and regulations.

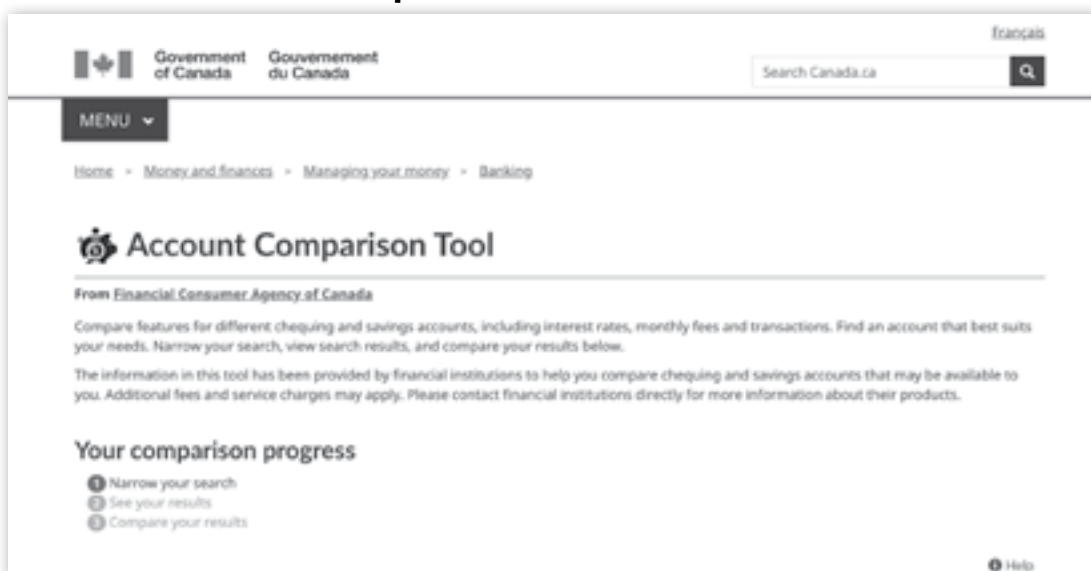
Slide 16: Reduce banking cost

- What am I paying in monthly service charges?
- How much am I paying for ATM fees?
- Can I save by doing more banking online?
- Am I eligible for a low-fee deal if I'm a student?
- Can I get a reduced fee if I keep a minimum balance?
- Can you suggest a better plan for me?
- Am I eligible for a low-cost account or a no-cost account?

Review the slide and say to participants:

- You can reduce your cost of banking by asking the right questions and making changes to your service package.

Slide 17: Account Comparison Tool



- You can use the FCAC's Account Comparison Tool to find the best banking service package for you.
- This online tool compares the costs and features of most banking accounts in Canada, so you can find the account that best suits your needs.
- You can find it online. The handbook gives detailed directions.



Participant Handbook, page 8

Slide 18: New digital services

Digital services (mobile wallets and other applications)

- May offer convenient, inexpensive alternatives to traditional banking services
- May increase risks to reliability, privacy and security
- Ask questions regarding:
 - How your personal information is protected
 - Who your personal information is shared with
 - Where the information is stored (Canada or elsewhere)

Review the slide and tell participants:

- A growing number of digital financial services has become available for you online and through mobile apps. They are offered both by traditional financial institutions and by newer financial services and technology companies.
- They may offer convenient or inexpensive services, such as instant payments, quick access to financial information or points plans. If you use these services to help with your budgeting or to set up automatic savings, they can be valuable financial tools.
- However, many services are not regulated in the same way that traditional financial institutions are, and they may expose you to risks, such as the loss or dissemination of your private financial data, or the theft of your identity or your money.
- If you use digital financial services, be sure to check carefully the costs and the security provisions. Don't assume that they have the same security as a traditional financial institution.
- The FCAC has several information pages on digital financial services, which are listed in your handbook.

3.2.4 Cell phone vs land line

Slide 19: Do you need a land line AND a cell phone?

Ask yourself:

- What am I paying for land line and cell phone?
- How much do my long distance calls cost?
- Is my land line part of a bundle?

Review the slide and tell participants:

- Since mostly everyone has a cell phone nowadays, is it necessary that we also have a land line?
- Some people need a land line for various reasons (e.g. alarm systems sometimes require a land line, poor cell coverage in rural areas, having to update your contact information with various institutions can be a hassle, etc.).
- Is your land line part of a bundle? You may be negatively impacted for cancelling your home phone if you lose your bundle discount. This is illustrated in slide 20 below.



ASK PARTICIPANTS

- Has anyone tried bundling services?
- How did it work out?

Slide 20: Bundling services pays big time

- You pay \$25/month for home phone, \$30 for cell phone, \$35 for Internet and \$40 for cable TV = \$130.
- Example of bundling discounts:
 - Combine 2 services, save 5%
 - Combine 3 services, save 10%
 - Combine 4 services, save 15%
- Save 15% of \$130 = \$19.50 per month

If you feel you don't need a home phone, then even better, cancel the home phone, and bundle the three remaining services for a 10% saving on each of them, a total saving of \$35.50 a month.

3.2.5 Food costs



ASK PARTICIPANTS

- Can anyone give examples of how they have saved on food costs?
- How many people brought their lunch or their own refillable water bottle today?
 - Bringing your own lunch can save about \$5 a day. This number is based on \$8 for a fast food lunch, versus \$3 for a homemade lunch.
 - Bringing your own water bottle increases the daily savings by about \$2 a day.
 - If you do this three times a week, the savings can add up to \$1,000 a year!

Slide 21: How to save on food

- Eat breakfast at home
- Bring your lunch, drinks, snacks, and coffee
- "Veg out" on low-cost meatless meals at least once a week
- Cook one big dish on weekends and freeze
- Shop with a buddy at discount supermarkets and split quantities
- **Set a budget and stick to it**

Slide 22: Save when you shop for groceries

- Plan meals and snacks in advance
- Bring a list and buy only what you need
- Buy fresh when in season, freeze extras for later
- Buy canned and frozen vegetables and fruit
- Know which stores near you are the best value
- Check for discounts and coupons (a mobile app can help)
- Buy non-food items at a discount store
- **Don't shop on an empty stomach**

Review the slides and tell participants:

- Food expenses are a significant area for finding savings, because we often choose the most convenient option and don't consider the costs.
- Because they are repeated daily, even small expenses can add up to a lot.
 - A \$5 breakfast and coffee five times a week becomes over \$100 a month.
 - A 25%-off coupon on a \$5 box of cereal saves you \$1.25 every time you use one.
- Keep a close watch for food costs that you can cut without losing the enjoyment of your food.

3.2.6 Car costs



ASK PARTICIPANTS

- How many people in the room have a car? How much do you spend on your car in a week?
 - Include costs for insurance, interest on loans or leases, depreciation and maintenance.
 - In 2019, it was estimated that the average total costs of owning and operating a compact car range from about \$150 to about \$160 a week, or around \$8,000 a year, about twice the typical price of the car.

Slide 23: Do you really need a car?

- Add up the real costs of ownership (gas, insurance, depreciation, interest and maintenance)
- Compare the full costs of car ownership and leasing against alternatives
- Be wary of long-term financing

Review the slide and say to participants:

- Given the real costs of car ownership, you may be better off cycling, taking transit, taking taxis, joining a car sharing organization like a carpool or car co-op, or renting a car when you need it.

- In Canada, a monthly transit pass costs from about \$40 for a student pass to \$135 for an adult pass, depending on where you live.
- Check out tips from:
 - FCAC's Financing a car
 - Innovation, Science and Economic Development Canada's Vehicle Lease or Buy Calculator
- Be wary of long-term vehicle financing – that is, repayment terms of up to eight years.
 - They spread the cost over a long term, so the monthly payments are smaller. But the total cost will be higher.
 - If you terminate the loan early to buy a new car, you may owe more than you will get by selling the vehicle.
 - Instead, look for a less expensive vehicle or pay a higher down payment.



ASK PARTICIPANTS

- Does anyone belong to a car sharing organization?
- How has it worked out?

Slide 24: Car sharing

- Can save money if you drive less than 10,000 km per year
- May charge membership, monthly, hourly and mileage costs
- Fees and rules vary — Compare different services
- If you don't own a car, consider car sharing for trips too long to cycle or when you have a big load to carry

3.2.7 Renting or owning your home



TELL PARTICIPANTS

- Although most people think it's better to own your home so you have equity in it and forced savings, it might not be the best option for everyone.
- When calculating the costs of home ownership, you have to include:
 - Mortgage payments (including interest rate, fees and potential penalties)
 - The costs of repairs and maintenance, property insurance and taxes

Slide 25: Can you afford it?

- Try it out:
 - Put the monthly costs of owning a home (mortgage, property taxes, maintenance, etc.) into a savings account.
 - Can you afford to live on what's left?
 - Could you afford higher costs for heating, taxes or insurance?
- Canada Mortgage and Housing Corporation (CMHC) Affordability calculator

Slide 26: When owning a home doesn't make sense

- When you move frequently:
 - It takes at least five years to make it worthwhile
- If you have a very low down payment:
 - You'll need mortgage default insurance
 - You may have a higher interest rate
- When your income covers only mortgage payments and taxes



Participant Handbook, page 10

Review the slides and tell participants:

- As we discussed, the decision of whether to rent or buy your home is not just a financial calculation.
- The financial calculation depends on many factors such as interest rates, changing property values and the length of time you intend to stay in one place.
- The Canada Mortgage and Housing Corporation (CMHC) Affordability calculator can help you do the financial calculations. The handbook tells you where to find the calculator.

3.2.8 Insurance



TELL PARTICIPANTS

Insurance can protect you and your loved ones from financial loss or hardship. It can help cover costs if something unexpected happens to:

- You or your family
- Your vehicle
- Your home
- Your belongings

A wide range of insurance products cover different types of risks.

Slide 27: Do you need insurance?

- Insurance can protect you from risks, such as:
 - Damage or injury caused in a driving accident
 - Damage to your home or furnishings
 - Medical costs that are not covered under a public health plan
 - Loss of income from illness, injury or death
- Insurance can protect you and your loved ones from financial losses and offer peace of mind, but you pay for the security it provides
- The policy is a contract that specifies all the details
 - Be sure you understand how much your policy costs and what it includes and excludes

Review the slide and tell participants:

- You have to think about insurance *before* you need it. It's too late after an accident, illness or other loss.
- Your insurance policy is a binding contract with the insurer. Be sure it covers what you need.
- When you buy insurance, the key is to know what the costs are, what the policy covers and whether you really need the coverage. Get independent advice if you can.
- Insurance costs vary from one insurer to another. Be sure to get a quote for comparable coverage from a variety of different sellers.

3.2.9 Putting it all together



ASK PARTICIPANTS

- How much difference do you think these changes could make in your personal finances?

Slide 28: How to cut \$162/month of spending

Category	Behaviour Change	Daily saving	Weekly saving	Monthly saving	Annual saving
Food	Take lunch 3 x week	\$5 (\$8 fast food lunch versus \$3 homemade lunch)	\$15	\$60	\$720
Transportation	Take transit, not car, once a week	\$18 (\$22 parking + \$3 gas — \$7 transit fare)	\$18	\$72	\$864
Cell phone plan	Pay as you go vs. monthly	N/A	N/A	\$30 (\$55 to \$25 a month)	\$360

Review the slide and say to participants:

- These cuts add up to more than \$1,900 a year. Think about what you could get for \$1,900. (Are you saving for a trip, a computer, to pay back debt, add to your savings, etc.?)
- The costs are based on Ottawa figures and may be different where you live, but the principle is the same.
- Many of these savings seem very small, but together they add up. They can make the difference between a deficit and a balanced budget.

3.3 Needs and wants



BIG IDEA: Knowing the difference between needs and wants can help you control your spending. Everyone's needs and wants can be different, and they can change over time.

3.3.1 Track your spending video

Show the video, “Track your spending” from Funny Money Inc.

- Available on YouTube. Search for “Track your spending” by Funny Money Inc.



ASK PARTICIPANTS

- Did anyone recognize themselves in the video? Be honest!
- What point did the video make about the difference between needs and wants?
- What examples can you give of needs and wants in the video?
- How would you define “needs” and “wants”?
 - A need is something essential. A want is something nice to have. It may be important to you, but it's not essential.
 - Get into the habit of asking yourself if something is a need or a want. There's nothing wrong with spending money on wants. But it's important to learn to set spending priorities so you will have money for the things you really need and want.

3.3.2 Your “latte factor”

Slide 29: Your latte factor

“We’ve all got a latte factor, regardless of our income level.”—David Bach

- Designer coffees
- Lunches in restaurants
- Impulse buys
- The latest, greatest [fill in the blank]

Review the slide and say to participants:

- Your “latte factor” is the small extravagance that you could avoid in order to put some money aside. Changing these small expenses could change your financial future.
- It's about the little things we know are “wants” but buy for ourselves anyway.



ASK PARTICIPANTS

- What is your “latte factor?” What examples can you share?
- Can you give examples of items that seemed to be needs but turned out to be unnecessary?

Slide 30: Questions to ask yourself

- When does a want become a need?
- What motivates you to buy—advertising, friends, trendy styles, rough day?
- Does the urge to buy die the next day?
- Do your purchases make you happier?
- What “needs” are now collecting dust?
- What can you learn to live without?

Review the slide and say to participants:

- The first step in curbing unnecessary spending is to be aware that you do it.
- When you are aware of unnecessary spending habits you can take steps to bring them under control.
- The second step in controlling unnecessary spending is to slow yourself down and avoid temptations.



ASK PARTICIPANTS

- Can anyone give any suggestions for ways to reduce impulse buying?

Slide 31: Reduce impulse buying

- Avoid unnecessary trips to stores and shopping malls and online buying sites
- Leave credit cards at home and use your debit card or cash instead
- Use cash to pay for your purchases and/or carry only the cash you are willing to spend
- Reduce available credit on your credit card and line of credit
- Sleep on it and see if you still want it the next day



ASK PARTICIPANTS

- Can you pass the 30-day test before making a big purchase?
 - Write down things you'd like to buy, wait 30 days and then recheck the list.
 - Do you still want it?
- Federal regulations say that credit card companies cannot raise your credit limit without your permission.
 - Keeping your credit limit low is one way to restrain your spending (and borrowing).

3.3.3 Cutting back expenses

Participant Handbook, page 15

ACTIVITY



- Use the worksheet in the handbook to mark areas where you could cut back in your own life.
- Calculate how much you would save per week and per month.
- Then write down what else you could do with that money.
- You'll have five minutes to finish the chart.

After participants have completed the worksheet, have them:

- Compare your potential savings against the goal you wrote down earlier (Module 1).
- How could these changes help you reach your goal faster?

	Average Cost	# Times Per Week to Reduce	Weekly savings
Bring lunch instead of eating out			
Make dinner instead of ordering for delivery			
Have friends over (potluck!) instead of going out			
Have a video night in instead of going out to a movie			
Take transit or bike instead of driving			
Buy a refillable water bottle instead of buying bottled water			
Car pool with a colleague instead of driving alone			
Buy none or fewer each week: cigarettes, candy bars, soft drinks, coffees, after-work snacks			
Stop buying or buy fewer lottery tickets			
Skip the popcorn at the movies			
Borrow books from the library instead of buying them			
Subscribe to a music or games service instead of buying			
Make payments on time and skip fines and late fees			
Other			
Other			
Total			
Possible savings per month			



Participant Handbook, page 4

ACTIVITY



- Go back to the budget you created in the handbook and modify it to reflect the spending cuts you think you could make.

After five minutes, ask participants:

- Was anyone able to meet their goal just by making simple cuts?
- Does anyone feel that it's a lot easier to meet their goal by making these simple cuts?
- Does anyone think they can't make these simple cuts?



Participant Handbook, page 15

MORE INFORMATION



- You can find more information on cutting consumer and discretionary spending in the Canadian Financial Literacy Database. The handbook gives details on how to find these resources.
- In the first part of this workshop, you've learned how to make a budget, and a lot of tips that can help you cut your expenses and stick to your budget. Next, you'll look at how to manage credit and debt.

MODULE 4 – CREDIT AND DEBT MANAGEMENT

MODULE 4	MINUTES
4.1 Credit cards	15
4.2 Student loans	15
4.3 Other types of loans	5
4.4 Credit report and credit score	15
4.5 Managing debt	10
Total time	60

4.1 Credit cards

Slide 32: Did you know?

Federal regulations say that credit card companies have to ask your permission to raise your credit limit.

[Source: Credit Business Practices Regulations]



BIG IDEA: Credit is a helpful tool but it can get out of control. Pay your bills in full and on time. Pay down your most expensive debt first.

Slide 33: Using credit cards wisely

- Credit cards offer convenience for small purchases, online items and emergencies
- Charges are a loan – with interest unless you pay in full by the due date
- Charges add up quickly – pay the monthly balance in full
- Choose the card with the features you want with the lowest cost
- Limit the number of credit cards you hold
- Keep your credit limit low
- Read your monthly statement
- Avoid cash advances except for emergencies



ASK PARTICIPANTS

- How many of you have ever missed a credit card payment and ended up paying the maximum interest?
- Point out that credit isn't a bad thing; it's a tool to help you pay for big-ticket items and meet your financial goals. It becomes a problem only when you can't comfortably repay the debt.

4.1.1 Credit card quiz

ACTIVITY



- Do the credit card quiz.
- As you show each multiple choice slide, ask participants to raise their hands to show which choice they think is the best answer.
- Reveal and discuss the correct answer.

Slide 34: Credit card quiz

Paying your credit card bill just a couple of days after the due date won't affect your credit report. True or false?

Answer: False.

- Whether your credit card bill payments are late by a couple of days or several weeks, it will damage your credit history and could affect your credit report.
- A poor credit history could make it hard for you to get credit in the future.
- If you do manage to get a loan, you might end up paying a higher interest rate because the bank considers you to be a higher risk.

Slide 35: Credit card quiz

Last month, your credit card balance was zero. This month, your statement shows that you made a \$500 purchase. If you pay off \$400 by the due date, you will be charged interest only on the \$100 left to pay.

True or false?

Answer: False.

- If you don't pay in full by the due date shown on your credit card statement, you will be charged interest on the \$400 you paid off, from the transaction date until the day you made the payment.
- You will also be charged interest on the \$100 outstanding, from the transaction date until the date you pay this amount in full.

Slide 36: Credit card quiz

If you use your credit card to take money out as a "cash advance," you don't have to pay interest on the amount you've withdrawn as long as you pay your credit card bill in full by the due date on your statement.

True or false?

Answer: False.

- Banks and credit card companies treat cash advances differently from purchases made with a credit card.
- With a cash advance, you are charged interest from the day you get the cash advance until the day you pay it off in full.

Slide 37: Credit card quiz

Without a good credit history...

1. Your bank may charge you higher interest rates on a personal loan for a car, house, etc.
2. Your bank may refuse to give you a loan
3. You might not be able to get a lease on an apartment
4. 1 and 2 only
5. All of the above

Answer: 5. All of the above.

- A poor credit rating can affect your life in many ways. That's why it's very important to have a good credit history!

4.1.2 Picking the right credit card

Slide 38: Pick the right credit card

- Choose a card that suits your needs and how you will use the card
- In addition to the interest rate, consider:
 - Annual fees or other user fees
 - Real value of any points or benefits offered
- FCAC's Credit Card Comparison Tool helps you choose



Participant Handbook, page 17



TELL PARTICIPANTS

- A wide range of credit cards is available, all with different features, rewards and fees.
- You need to choose carefully so you get the credit card that best suits your needs and how you plan to use the card.
 - For example, a student credit card may not be the best option for all students. If you travel or tend to carry a balance, a low interest card or a card with more features may be a better choice.
 - FCAC's Credit Card Comparison Tool helps you find cards with the features you want. You'll find the link in the list of resources in your handbook.
- The interest rate isn't the only thing you need to check out; you also need to find out what kind of fees you will pay to use your card (yearly fee, service fees, etc.).
 - The handbook has more information about the types of service fees you could be charged.

4.1.3 How to keep control of your credit card

Slide 39: How to keep control of your credit card

- Pay the balance in full each month
- If you can't pay it in full, pay as much as you can
- Don't make only the minimum payment
- If you always carry a balance, get a low rate card
- Transfer the balance to a line of credit with a lower rate
- Pay a few days before the due date

Review the slide and say to participants:

- If you can't pay your full credit card charges each month, the best thing is to pay a fixed amount.
- Second best, pay the minimum amount plus an additional amount.
- The example in the next slide shows the difference.

Slide 40: Minimum vs. fixed payments

- Initial balance: \$3,000
- Interest rate: 18%

	Make minimum payments of 2.5%/month (in this example \$75)	Make fixed payments of \$100/month	Difference
Time to pay off balance	263 months	41 months	222 months
Total interest paid	\$4,115.41	\$1,015.49	\$3,099.92

Review the slide and say to participants:



Participant Handbook, page 17

- With online credit card payment calculators, you can plug in different balances and payment methods to calculate the total charges under different scenarios.
- Try FCAC's Credit Card Comparison Tool. The handbook has details on how to find them.

4.2 Student loans



TELL PARTICIPANTS

- The federal, provincial and territorial governments operate a variety of student loan programs to give financial assistance to people enrolled in post-secondary education.
- The purpose of the loans is to supplement, not to replace, the financial resources that a student (and their family, where applicable) are expected to contribute.

Slide 41: Canada Student Loans Program

- Federal program for students in financial need
- Interest-free while you are enrolled in post-secondary education
- Loan becomes payable six months after you leave your studies
- Apply through your provincial or territorial student assistance office
- For more information, visit canada.ca/education-funding and click on [Education Planning and Student Aid](#)

Slide 42: Qualifications for a Canada Student Loan

- Canadian citizen or permanent resident
- Registered in a degree, diploma or certificate program offered by a designated post-secondary school
- Full-time or part-time student
- Show financial need
- Pass a credit check
- Maintain a certain grade average
- Reapply every year

Review the slides and say to participants:

- Like any financial program, the Canada Student Loan is based on various terms and conditions.
- Provincial and territorial programs are also valuable, but their features may differ from the Canada Student Loan Program.
- While it's generally wise to avoid borrowing money if you can, you can think of a student loan as a good debt, because it may help you earn more in the future.
- If you are a student and need a loan to help complete your education, federal and provincial or territorial loan programs can be a valuable financial tool.
- Keep the amount you borrow to the minimum you can. You will have to repay the loan when you leave school.

Slide 43: Repaying a Canada Student Loan

- Repayment begins after you graduate or leave school
- No payments required for the first six months
- Contact the lender to arrange a payment plan
- The Loan Repayment Estimator online tool helps you compare options

Slide 44: Canada Student Loan Tips

- Borrow only what you need
- Make lump sum payments while in school
- Consider a summer job or co-op placement to reduce borrowing
- Set up automatic monthly payments so you don't miss any
- Make extra or larger payments whenever you have money available
- If you have trouble with payments:
 - Contact your loan officer as early as possible
 - Find out if you can reduce or defer payments

Review the slides and say to participants:



Participant Handbook, page 20

- The handbook summarizes this information for you, and gives you details on how to get more information, including the Loan Repayment Estimator online tool.

4.3 Other types of loans

Slide 45: Other types of loans

- Mortgages
- Car loans
- Lines of credit
- Overdraft protection
- Payday loans
- Personal loans

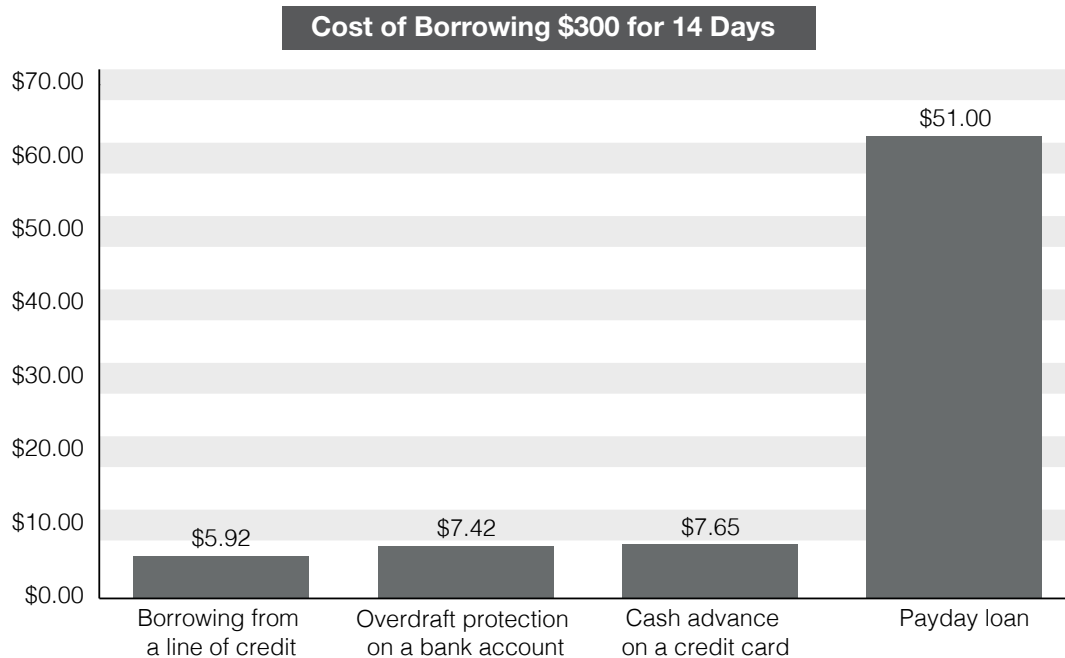


TELL PARTICIPANTS

- In addition to student loans and credit cards, at various points in your life you may take out other types of loans, such as mortgages, car loans, etc.
- Many of you most likely have some of these types of loans. Each can be useful when needed. Be sure you understand the conditions for each loan, and how you will repay it, before borrowing.
- Whatever type of loan you have, you can manage it better by following the tips in this section.

Slide 46: Payday loans

- An arrangement to borrow money and pay it back, with added costs, from your next paycheck
- Interest rates are high, and other fees are added to the loan amount



Note: The costs shown in this example are for illustration purposes only.

Review the slide and say to participants:

- In the example shown in the chart, borrowing \$300 for two weeks from a line of credit costs only \$5.92, and overdraft protection or a cash advance on a credit card are only a little more. A payday loan costs more than ten times as much as a line of credit.
- A payday loan can be much more expensive than most loans offered by financial institutions.
 - The interest is often the maximum allowed by law.
 - Other fees will often add up to much more than the interest.
- If possible, use cheaper options, such as a bank line of credit or overdraft protection, or take a cash advance on a credit card. Payday loans should be a last resort.
- Compare different payday lenders. Interest and fees vary among different lenders.

Slide 47: Tips for managing loans

- Shop around
 - Compare interest rates. Don't accept your first offer
- Keep within your budget
 - Borrow only what you can afford to pay back in a realistic time
- Pay back more and pay more often
 - Additional payments mean you'll pay it off sooner and pay less interest

4.4 Credit report and credit score



TELL PARTICIPANTS

- Lenders and other financial institutions are interested in your credit history. They want to know how you have handled credit in the past to determine how well you are likely to handle it in the future.
- Your credit history matters because it can affect your finances. Businesses use your credit report to help them make decisions about you, such as:
 - Lending you money, setting the interest rate or your credit limit
 - Renting housing to you
 - Considering you for a job
 - Selling you insurance

Slide 48: Credit report

A summary of your credit history and other financial information

- Past lenders and others send information to companies that collect, assess and share data
- Canada's two main credit bureaus:
 - TransUnion
 - Equifax
- Review your credit report every year and correct any mistakes
- You can get your credit report for free by ordering it online, by mail or in person
- You can also access your credit report online for free

Slide 49: Credit score

A number rating of your credit worthiness at a specific point in time

- Indicates the risk you represent for lenders, compared with other consumers
 - Scoring system gives a number between 300 and 900
 - The higher your score, the lower the risk
- Lenders use credit scores to decide whether to lend you money and to set the interest rate
- You can access your credit score online from Canada's two main credit bureaus
- Your credit score from Equifax is accessible online for free and is updated monthly
 - If you live in Quebec, you can also access your credit score from TransUnion online for free

Review the slides and say to participants:

- A good credit history can save you money, and give you financial options you might not have with a poor history.

4.4.1 Credit report and credit score quiz



ACTIVITY

- Answer these quiz questions about credit reports and credit scores.



TIP

To save time, do the quiz verbally. As you go through the questions, ask for a show of hands for each choice, then reveal and discuss the correct answer.

Slide 50: Credit report and credit score quiz

Getting a copy of your credit report is:

1. A good way to check for identity theft
2. The only way to know if your report is accurate
3. Free of charge
4. All of the above

Answer: 4.

- Checking your credit report is not only a good way to check for identity theft; it is also the only way you can be sure that your report is accurate.

Slide 51: Credit report and credit score quiz

If you have applied for several credit cards or other forms of credit within a short period of time, this could have a negative impact on your credit score.

True or false?

Answer: True.

- According to one credit reporting bureau, research shows that consumers who are seeking new credit accounts are more of a risk than consumers who aren't trying to obtain credit.

Slide 52: Credit report and credit score quiz

Which of the following does **not** affect your credit score?

1. Your payment history—whether you have ever missed a debt payment
2. Any collection of bankruptcy that has been recorded against you
3. Your history of repaying informal loans from family or friends
4. Any outstanding debts you have
5. Your account history—how long you have had credit, and the type of credit you have

Answer: 3.

- Informal loans do not affect your credit report, unless they result in a court judgment or a lawsuit against you—in which case, the resulting judgment may appear on your credit report. All the other factors may affect your credit score.

4.4.2 Fixing errors and improving your credit score

Slide 53: Checking your credit report

- Get a free credit report every year
- Review for errors or accounts that are not yours
 - Mistakes could be a sign of identity theft
- Contact the credit bureau to report any errors
- Request a correction or place a note on the file

Review the slide and say to participants:

- Because your credit report can have an impact on your finances, it's important to be sure that it is accurate.

Slide 54: Improving your credit score

- Always make your payments on time
- Use credit wisely
 - Don't go over your credit limit
 - Only use part of the credit you have available
- Build a longer credit history
 - Keep older accounts open if there is no fee
 - Use them from time to time
- Don't make a lot of credit applications or credit checks

Review the slide and say to participants:



Participant Handbook, page 22

You may have a low credit score if:

- You've never applied for credit, or
- You've had problems with credit in the past

You can find more information about credit reports and credit scores on FCAC's web pages. The handbook tells you how to find them.

4.5 Managing debt



Participant Handbook, page 23



TELL PARTICIPANTS

- Loans are a useful tool, but you have to manage them carefully
- It's important to recognize the danger signals so that you can take steps before the problem becomes worse.



ASK PARTICIPANTS

- What signs can you think of that someone might be having trouble managing their debts?

Slide 55: Recognize the danger signals

Do you:

- Use your credit as a necessity instead of a convenience?
- Use credit or cash advances for your daily living expenses?
- Miss payments or due dates?
- Stay near the credit limit on most of your cards?
- Borrow from one card to pay another?
- Transfer balances every few months just before the introductory offer expires?

Slide 56: Take control of your debt

- Use savings to pay off balances
- Pay down your highest interest rate debts first
- Switch to less expensive credit cards
- Call creditors to negotiate lower interest rates
- Start automatic/online bill payment to stay on schedule
- Leave your credit card at home
- Avoid “buy now, pay later” offers

Review the slides and say to participants:

- Steps like these can help you take control of your debt. It's also key to keep within your budget, and know how you are going to manage expenses and debts.
- This checklist is included in the handbook for future reference.

Slide 57: Debt management options

- Credit counseling
 - Counsellors create a personal debt management program
 - Often based on a consolidation loan
- Consumer proposal
 - A voluntary offer to lenders through a Licensed Insolvency Trustee
- Bankruptcy
 - A trustee takes over your assets to cancel debts

Review the slide and say to participants:

- If you run into trouble with debt, there are three steps you can take:
 - Credit counseling:
 - A professional debt counsellor will help you review your debts and your financial situation, and will create a debt management program to help you recover.
 - A consolidation loan means getting one loan to pay off all your existing debts so you have just one payment to make.
 - For the consolidation loan to save you money, it must have a lower interest rate and a lower monthly payment than all the other loans put together.
 - It is also important to stop using any credit cards that you consolidated into the new loan. It will take far more time to pay off your debts if you continue adding to them.
 - The counsellor receives a fee for this service, often based on the amount of the debt. Look for a non-profit agency that offers credit counselling.
 - The average duration of the program is four to five years.
 - Consumer proposal
 - You or a Licensed Insolvency Trustee can make a proposal to lenders to extend payments over a longer time or accept a reduced payment.
 - A Licensed Insolvency Trustee is a federally regulated professional who provides advice and services to people and businesses with debt problems.
 - The average duration to discharge is four to five years.
 - Bankruptcy
 - Bankruptcy is a legal process that allows someone who cannot pay their debts to sign over some of their assets to repay their creditors.
 - A trustee takes over your assets and sells them or cashes them in to cancel your debts.
 - The process involves the courts and can be costly.
 - Bankruptcy can be discharged in one to two years.
 - Bankruptcy will have a long-term negative impact on your credit record.
- All of these will affect your credit score, but they may be necessary.



Participant Handbook, page 24

- As a first step, visit the FCAC and Office of the Superintendent of Bankruptcy Canada (OSB) web pages to review the options in more detail. The handbook tells you how to find them.

MODULE 5 – SAVING AND INVESTING

MODULE 5	MINUTES
5.1 Saving	
5.1.1 Reasons to save	5
5.1.2 Reasons not to save	5
5.1.3 Four steps to savings	5
5.2 Investing	
5.2.1 Compound interest	10
5.2.2 Investment risk and return	10
5.2.3 Tax-sheltered savings plans	10
5.2.4 Getting financial advice	5
Total time	50

Slide 58: Did you know?

In 2022, Over 4% of Canadians used an online lender or payday loan company to manage their daily expenses. Among these online or payday loan borrowers, almost half used a short-term pay day loan or cash advance.

[source: Consumer Vulnerability Report]



BIG IDEA: Pay yourself first. Save regularly and start early. There are many savings and investment options to choose from, so do your homework and get good advice.



TELL PARTICIPANTS

- “Building wealth is like filling a sink with water—you turn on the tap and plug the sink. The stronger the stream of water from the tap, the faster the sink fills. However, if the plug leaks, the water drains out. The sink fills fastest when the tap is on full and the drain is plugged or has a slow leak. It’s the same with wealth-building. You accumulate savings most quickly when you maximize your earnings and limit your spending.” – Ontario Securities Commission
- We’ve already talked about plugging the leaks—that is, curbing your spending. The next part is about what to do with that rising reservoir of savings!

5.1 Saving

5.1.1 Reasons to save



ASK PARTICIPANTS

- How many people here save regularly?
- How many use an automatic banking transfer or other system to make savings regular?
- What reasons can you think of for saving?

Slide 59: Why save for the future?

- Feel more secure and in control
- Be prepared for emergencies
- Reduce stress and conflict
- Spend with less guilt or fear
- Afford major purchases
- Pay off debt and avoid new debt
- Retire comfortably

Review the slide and say to participants:

- Building a savings fund is a key step to taking control of your finances.
 - You have money to draw on in an emergency, so you don't get thrown off your budget if something unexpected comes up.
 - You start achieving goals that are more than balancing your budget from month to month.
 - You start accumulating funds that you can use to invest and grow your savings.
- On average, Canadians currently save about 4% of their income.
- One reason people aren't saving more is that they don't have specific goals, so they aren't motivated to save.
- When you are saving for something specific, like a house or a vacation or a new TV, you have a motivation and saving becomes much more effective.

5.1.2 Reasons not to save



ASK PARTICIPANTS

- Why don't people save more? What reasons have you used, or heard others use, to avoid saving more money?

Slide 60: Reasons not to save

- I don't make enough money to save
- I don't know what's going to happen in the future, so I'm going to enjoy myself now
- I don't know what to do with the money I might save. It's too complicated
- Tying up my money in savings reduces my options
- I save so little that it doesn't make any difference
- I'll be earning more in the future, so I'll start saving then
- I don't need to save because I'm expecting an inheritance
- I can always sell my things if I need more money

Review the slide and say to participants:

What's wrong with these reasons not to save?

- I don't make enough money to save.
 - This really means I don't have enough to cover my expenses. See the tips on cutting expenses.
- I don't know what's going to happen in the future, so I'm going to enjoy the present.
 - No one knows the future, but we do know that your future will be better if you prepare for it by building an emergency fund and building a long-term savings plan that is flexible and lets you adapt to changes.
- I don't know what to do with the money I might save. It's too complicated.
 - There are simple savings and investing strategies to get you started. This workshop and other resources will help you plan for the longer term.
- Tying up my money in savings reduces my options.
 - Having no money when you need it really reduces your options. Build a flexible savings strategy.
- I save so little that it doesn't make any difference.
 - Even a small amount adds up when you contribute regularly over time. (See compounding in the next section.)
- I'll be earning more in the future, so I'll start saving then.
 - It's much harder if you start saving later. And you don't know what will happen in the future. Start the habit of saving, even if it's a small start, rather than the habit of spending.
- I don't need to save because I'm expecting an inheritance.
 - You might be surprised about what is left in your inheritance (or other expectations). It's safest to rely on your own resources and hope for a happy surprise.
- I can always sell my things if I need more money.
 - Selling assets is complex and time-consuming, and may not bring what you are expecting.

5.1.3 Four steps to savings

Slide 61: Four steps to savings

- Set up an emergency fund
- Pay yourself first
- Make savings automatic
- Grow your savings



TELL PARTICIPANTS

Set up an emergency fund

- Save three to six months' worth of take-home pay.
- You can rely on this fund if you lose your job, get sick or have unexpected expenses.
- Keep the money in a separate savings account with low or no fees.
- Don't rely on credit cards, bank loans or personal lines of credit for an emergency. You can easily find yourself owing a large amount if you have to use high interest loans. And don't spend your emergency fund on non-emergency expenses.
- Start now! It can take months or years to build up an emergency fund.

Pay yourself first

- Who has heard the phrase, "Pay yourself first"? It means to set aside your savings before you spend on other things.
- Treat savings like any other recurring bill that you must pay each month.
- Put a set amount of money away every paycheque without thinking about it – it's easier if you don't think about the money before you are tempted to spend it.
- When you set aside money before you spend it, you'll be more successful at saving because you don't have to rely on how well you can stick to your budget.

Slide 62: Make your savings automatic

- Set up direct transfers from your bank account or paycheque
- Save 5% to 10% of your take-home pay
 - If you earn \$2,000 a month after tax:
 - Saving 5% — \$100 a month — \$1,200 a year
 - Saving 10% — \$200 a month — \$2,400 a year
- Extra money (from gifts, tax refunds, etc.) or a raise or bonus? Save it!

Review the slide and say to participants:

- Automatic savings are the best way to make your savings fund grow.
- Automatic savings tips:
 - Set up an automatic transfer from your chequing account to your savings account to take place every month or whenever you receive your paycheck.
 - Some financial institutions offer an account that automatically rounds off each transaction to the next dollar, and transfers the extra to your savings account.
 - Put your spare change into a savings jar every day.
 - If anyone has other ideas, share them with the class.
- Once you get into the savings habit, there are two key things you can do:
 - Leave the money there!
 - Grow your savings by investing them in a way that supports your financial goals.

5.2 Investing

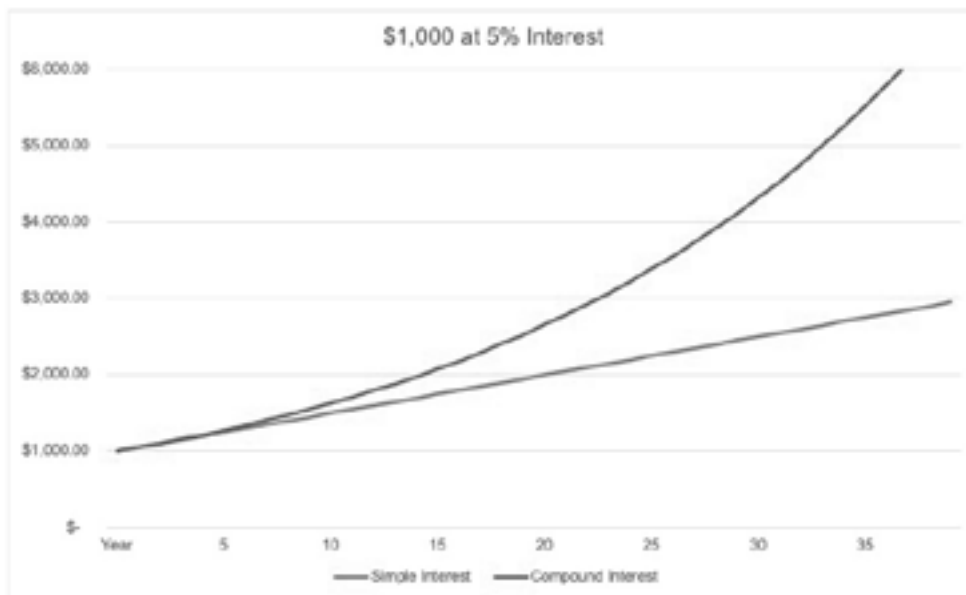


TELL PARTICIPANTS

- Saving is setting aside money that you are not spending so that you can use it later.
- Investing is doing something with your money to make it grow.

5.2.1 Compound interest

Slide 63: Compounding makes your money grow



Review the slide and say to participants:

- Compound interest is the easiest way to invest – it's the standard way that most savings accounts are set up.
 - Compound interest pays you interest on your savings, plus interest on any interest you have already received in the account.
- The slide shows how, over time, compound interest adds much more to your savings than simple interest does.

Slide 64: Case study: Amy and Amanda



Case study: Amy and Amanda

Scenario	Amy	Amanda
Starts saving at age:	20	30
Puts \$1,000 a year into her RRSP to age:	34	64
Total she saves:	\$15,000	\$35,000
Total earned at age 65:	\$141,700	\$116,100

Review the slide and ask participants:

- If both sisters received an interest rate of 6%, what will they have by their 65th birthdays?
- Who will have more?

Slide 65: Case study: Amy and Amanda



Case study: Amy and Amanda

Scenario	Amy	Amanda
Total earned at age 65:	\$141,700	\$116,100

Conclusion:

- Compound interest makes a big difference over time
- Start saving as soon as you can (the sooner the better)
- Save as long as you can (for a long period of time)

Review the slide and say to participants:

- Amanda actually contributed \$20,000 more than Amy did, but Amy ends up ahead by more than \$23,000 thanks to the magic of compound interest.

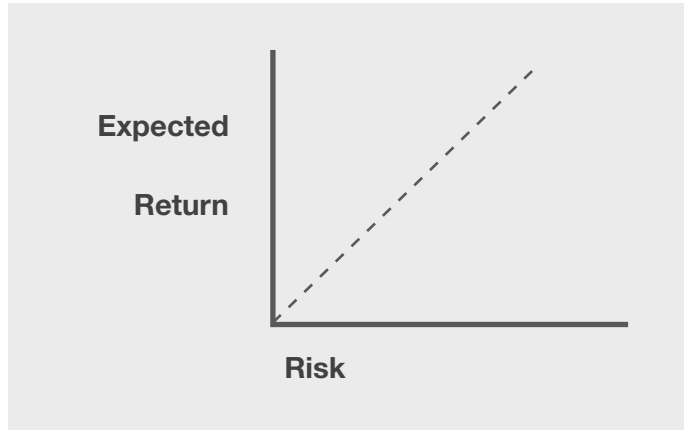
5.2.2 Investment risk and return



TELL PARTICIPANTS

- Once you get into the savings habit and you've got a pool of money set aside, you can put your money to work to grow your savings.
- That is what we call investing.
- There are many different investment options or “vehicles.”
 - Each one has its own type of payback on your investment, called the “return.”
 - Each also has its own types of risk – for some investments, there is a risk that you could lose your money entirely, or make less than you expected.
 - When you think about investments, you have to understand their risks and returns.

Slide 66: Risk and return



Review the slide and say to participants:

- The return on an investment is related to the risk:
 - If the expected return is high, the risk will also be high.
 - If you want a low risk, then the return you expect must also be low.
 - You cannot get a high return with low risk.
- This principle is true for all types of investment, so keep it in mind when you think about what to do with your savings.
 - If anyone promises a high return with a low risk, the promise is almost certainly a scam.

5.2.3 Tax-sheltered savings plans



TELL PARTICIPANTS

Canada has several registered savings plans that allow you to shelter some income from taxes payable while setting money aside for specific purposes.

Slide 67: Registered tax plans

- Tax-Free Savings Accounts (TFSAs)
 - Earn income from investments without paying taxes on the income
- Registered Retirement Savings Plans (RRSPs)
 - Defer paying income tax until retirement
- Registered Education Savings Plans (RESPs)
 - Save for education and receive government grants
- Registered Disability Savings Plans (RDSPs)
 - Save for someone with a disability and receive government grants

Review the slide and say to participants:

- Savings plans that are registered with the Canada Revenue Agency (CRA) can receive certain tax benefits.
 - You don't pay taxes on income from investments in a TFSA.
 - The money that you invest in other registered plans, and any income earned, is tax-free until you take it out of the plan. This can reduce that amount of taxes paid.
- These plans are not investments themselves. Think of them as filing cabinets. They're secure receptacles where you store different kinds of investments. They help you minimize the taxes you pay. You pay tax on the earnings only when you pull an investment out of a drawer (except for TFSAs).
- The rules on putting money into these plans and taking it out can be complicated, so check with your financial institution before making contributions and withdrawals. Get expert advice on the best plan for you and how to manage the funds you save there.

Slide 68: Tax-Free Savings Accounts

- Invest in cash, mutual funds, stocks, GICs, bonds
- Generally pay no taxes on investment income
- The TFSA contribution room is the total amount of all of the following:
 - the TFSA dollar limit of the current year
 - any unused TFSA contribution room from previous years
 - any withdrawals made from the TFSA in the previous year
- You must be 18 or older and have a social insurance number

Review the slide and say to participants:

- Everyone should have a TFSA, even if it is just used for everyday banking.
- It allows your savings to earn money without paying taxes on the earnings.
- Your bank, credit union or other financial institution can set up a TFSA.

Slide 69: Registered Retirement Savings Plan (RRSP)

- Invest in cash, mutual funds, stocks, GICs, bonds
- Contributions and earnings are generally free from income tax until withdrawn
- You may pay a lower tax rate when you withdraw funds
- Yearly contribution limit is calculated by the Government of Canada up to a maximum amount

Review the slide and say to participants:

- Your bank, credit union or other financial institution can set up an RRSP.
- An RRSP is a valuable strategy for long-term savings, particularly for retirement, and can reduce the taxes you pay.
- RRSPs allow you to withdraw certain sums of money tax-free for certain purposes. For example:
 - You can withdraw up to \$25,000 tax-free from your RRSP for a house down payment under the home buyer's plan.

- You can withdraw up to \$20,000 (\$10,000 per year) tax-free from your RRSP to finance education for you and your spouse under the lifelong learning plan.
- However, you have to repay these withdrawals back into your RRSP within a certain time period or pay extra taxes each year to compensate for the withdrawals.

Slide 70: Registered Education Savings Plan (RESP)

- You put money into an RESP
- Government of Canada adds a maximum amount per year into the plan (if eligible)
- Quebec, Saskatchewan and B.C. also offer incentives to save for education
- The plan pays the contributions, government grants and earned income to a student
- The student pays taxes due (if any) on grants and income earned in the plan

Review the slide and say to participants:

- Your bank, credit union or other financial institution can set up an RESP.
- An RESP is a great way for parents (and others) to save funds for their children's education because when you do, the Government of Canada adds money to the amount in the plan.

Slide 71: Registered Disability Savings Plan (RDSP)

- You put money into an RDSP for an eligible person with a disability
- Government of Canada pays matching amounts into the plan (if eligible)
- The plan pays the contributions, government grants and earned income to a person with a long-term disability
- The recipient pays taxes due (if any) on grants and income earned in the plan

Review the slide and say to participants:

- Your bank, credit union or other financial institution can set up an RDSP.
- An RDSP is a great way for parents (and others) to save funds for children with a disability because when you do, the Government of Canada adds money to the amount in the plan.



Participant Handbook, page 30



MORE INFORMATION

- The handbook tells you how to get more information on registered plans.

5.2.4 Getting financial advice



TELL PARTICIPANTS

- There are three levels of involvement you can have with a financial advisor:
 - Participate
 - Delegate
 - Abdicate
- Participate is best! You will:
 - Ensure your advisor understands your needs and wishes
 - Find out your options
 - Learn how your investments are working for you

Slide 72: Getting financial advice

- Savings accounts and GICs
 - Compare rates and talk to your financial institution
- Long-term or complex investments
 - Talk to a licensed financial advisor

Review the slide and say to participants:

- For simple investments like savings accounts and GICs, you can talk to a bank, credit union, trust company or caisse populaire that offers banking services.
 - Compare the rates at different institutions.
 - Be sure to ask about any limits on the investment, such as when you can take cash out of your investment, and make sure the investment matches your needs.
- For more complex investments, check with a licensed financial advisor.
 - A licensed advisor at the financial institution where you do your daily banking may meet your needs. However, it's best to talk to advisors from different companies to find out what services they offer, what they charge and how comfortable you feel working with them.

Slide 73: Questions to ask a prospective financial advisor

- What is your background, experience and track record?
- Is your firm registered with a securities commission or other formal body?
- What can you do for me? Provide advice only, sell products, help me build a financial plan?
- What products do you sell?
- How do you get paid?
- How do you work with your clients?
- Can you provide references?

Review the slide and say to participants:

- You need to understand what an advisor can do for you.
- A reliable advisor should be willing to answer your questions.

Slide 74: The three knows

- Know yourself:
 - Your investment goals
 - Your timeline
 - Your risk tolerance
- Know your investment: is it right for you?
- Know your advisor

Review the slide and say to participants:



Participant Handbook, page 31

- Knowing these things will help you make good investments and avoid risks you are not willing to take.
- You should get professional advice, but you also have to do your own homework.
- There is an extensive checklist in the handbook with questions to ask yourself about each of the three “knows.”

MODULE 6 – SETTING FINANCIAL GOALS

MODULE 6	MINUTES
6.1 Financial goals and plans	15
6.2 Revisiting your financial goals	20
Total time	35

6.1 Financial goals

Slide 75: Did you know?

About 25% of Canadians have monthly spending that exceeds their income.

[Source: Consumer Vulnerability Report]



BIG IDEA: Setting goals can help define your goals, track your progress and achieve your objectives.



TELL PARTICIPANTS

- A financial goal is a target or objective for what you want to do with your money.
- Some examples might be reducing debt, setting aside money for a trip or saving enough money to retire.
- Financial goals are not only for people with a lot of spare cash. They help people at all stages of their lives.



ASK PARTICIPANTS

- Why do you think it's helpful to make financial goals?
 - Stating a clear goal gives you motivation and confidence.
 - Like a lighthouse, it helps you stay focused on your objective and on the path to reach your goal
 - It lets you assess options and alternatives to decide which is the best way for your objectives.
 - A clear goal lets you track your progress and make corrections.
 - You can share them with professional advisors and others in your life.

Slide 76: Financial goals

- Prioritize – You can't do everything
 - Decide what's important to you
 - Choose one or more goals for your focus
- Write it down
- Check your progress
 - Check in regularly to stay on track
 - Adjust what you are doing if you have to

Review the slide and say to participants:

- When you set priorities among the many goals you may have, you can see where to put your money – and where not to.
- When you define your financial goals, you take a step toward achieving them.
- You can allocate some money to each important goal or focus on one goal and defer others until later. And you will reduce the money you spend on less important goals.

Slide 77: S.M.A.R.T. goals

- Specific
 - Well-defined and focused
- Measurable
 - What can I track to measure achievement?
- Achievable
 - Big or small, but within your abilities
- Realistic
 - Considering current and expected conditions
- Timely
 - Set a time for achievement

Review the slide and say to participants:

- Writing your goal as a S.M.A.R.T. goal helps you clarify what you want to do, and keep track until you have accomplished it.
- Example of a vague goal:
 - I want to get out of debt and save some money.
- Example of a S.M.A.R.T. goal:
 - I want to pay off my credit card bills of \$3,200 and save \$3,000 so that I can take a trip to visit my family by the end of next summer.

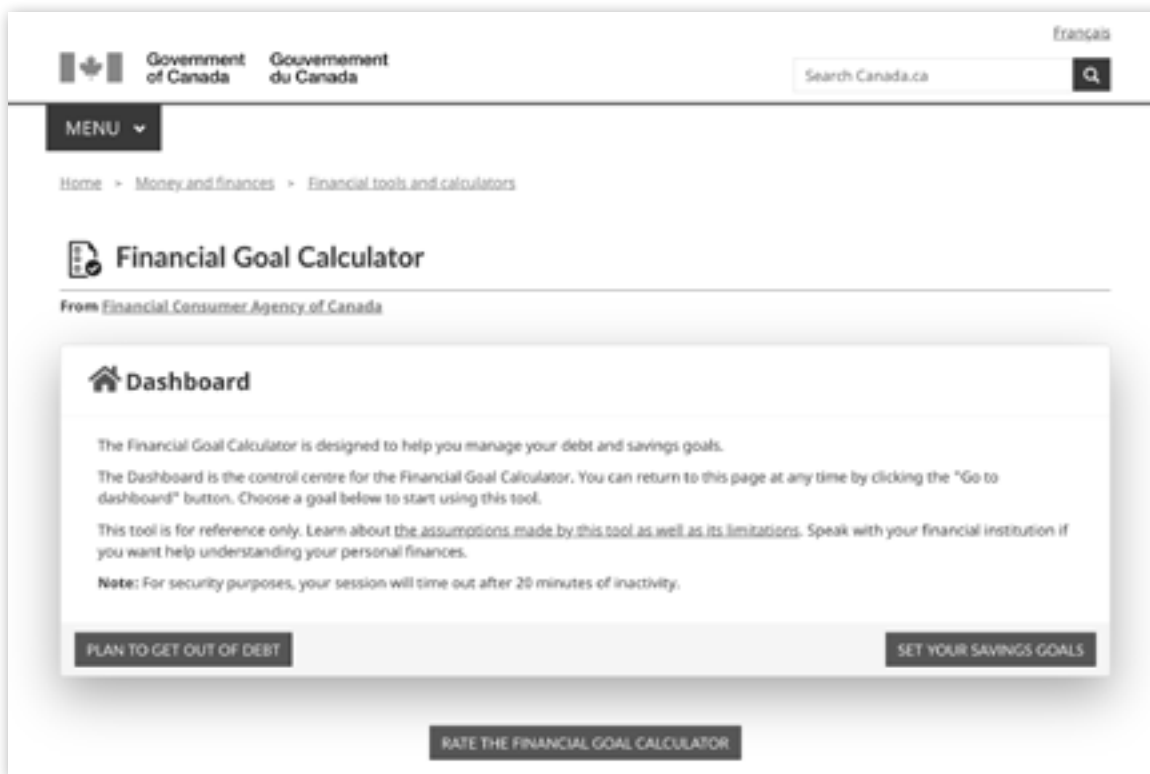
Slide 78: S.M.A.R.T.er goals

- Even S.M.A.R.T.er, break goals down into small steps:
 - Cut lunches down to one per week, save \$20 per week (\$1,040 per year)
 - Cut restaurant meals to two per month, save \$100 per month (\$1,200 per year)
 - Switch to basic cable, save \$50 per month (\$600 per year)
 - Work extra shifts a few days a month, earn \$300 per month (\$3,600 per year)
 - Total \$6,440 in 12 months!

Review the slide and say to participants:

- Breaking your goals into smaller, doable steps makes them even smarter and easier to achieve.

Slide 79: FCAC Financial Goal Calculator



Participant Handbook, page 35



TELL PARTICIPANTS

- The FCAC Financial Goal Calculator can help you calculate how much you need to achieve different financial goals, including interest costs or earnings. The handbook tells you how to find the calculator online.
- Knowing exactly what you need to save gives you more confidence that you can achieve your goals.

6.2 Revisiting your financial goals

Instruct participants:



Participants' Handbook, page 36

- Refer back to the financial goals you stated earlier.
 - Use the S.M.A.R.T. Financial Goals Worksheet in the handbook to restate your goal as a S.M.A.R.T. goal.
 - Break down your goal into achievable steps that you think are realistic for the time period you have set.
 - If you have access to the Internet, use the FCAC Financial Goal Calculator to work out the savings you will need to achieve your goal.
 - After about five minutes, discuss your goals in pairs, and discuss how to make them more specific steps that you can realistically take in your life.
- Share one or two revised goals with the class, and discuss with the class what might make them S.M.A.R.T.er goals.
- Make this goal real. Write a reminder in your calendar six months from today, then check on the goals you set.
 - Did you achieve the goal, or the savings you had set for this time?
 - If not, what steps would help you get back on track?
 - Did the S.M.A.R.T. goals help you understand your goal and track your progress?



Participant Handbook, page 37



TELL PARTICIPANTS

- Creating clear financial goals is a great start to getting control of your finances.
- You can take it further by creating a detailed financial plan – a step-by-step review of your current situation and the steps you need in the future to line up your present and future resources to achieve a realistic outcome.
- For financial planning advice that is tailored to your needs, talk to a qualified financial planner. The handbook tells you how to find financial planning advice.

MODULE 7 – PROTECT YOURSELF

MODULE 7	MINUTES
7.1 Financial scams	15
7.2 Protect yourself	5
Total time	20

7.1 Financial scams

Slide 80: Did you know?

In 2022, the Canadian Anti-Fraud Centre received fraud and cybercrime reports totalling a staggering \$530 million in victim losses.

[Source: Royal Canadian Mounted Police]



BIG IDEA: Be alert and take steps to protect your identity and your finances.



ASK PARTICIPANTS

- How much money do you think is stolen through credit card fraud in a year?

Slide 81: Fraud statistics

Total credit card fraud in Canada:

- 2010: \$366 million
- 2016: \$940 million

[Source: American Express Canada, Mastercard Canada, Visa Canada.]

Review the slide and say to participants:

- These figures show that fraud is only becoming more prevalent and damaging.
- There are many forms of financial fraud and you have likely already seen some in your emails, phone or text messages.
- Identity theft is when someone uses your identity without your permission to get access to your personal finances and other resources.
- Phishing is a common technique used to commit identity theft, when fraudsters send you emails, phone or text messages claiming to be legitimate that ask you to provide your banking information, credit card number, or other account data.

Slide 82: Sample CRA Scam

INTERAC e-Transfer Reminder: You received money from CRA

interac@payments.interac.ca

Mon 2022-07-11 9:44 AM

To: John.Smith@email.com

Dear Client

You received \$458.00 (CAD) from Canada Revenue Agency.

Click [Accept](#) to deposit your money

Respond immediately. This message expires in 24 hours,

FAQs | This is a secure Transaction



ASK PARTICIPANTS

- What are some signs that this email is a scam?
 - Phishing emails may have your address, but not your name. They often use a generic greeting like “Dear Client.”
 - Government and financial institutions never send money by email or e-transfer. They use mail or email to advise you that a cheque or direct deposit has been made or to go to your account for a secure message.
 - The links do not match the visible identification. If you move your mouse over the link in the email, a small box appears with the URL (web address). If the web address in the box is different from what you see in the email, the link may lead to a fake site.
 - Often you can spot grammatical errors or things that don't make sense.
 - Some emails will refer to a “problem” with your account and urge you to access a link to verify your information. Government and financial institutions will never notify you of a problem through an unsolicited email – they will advise you to go to your account to get the information you need.
 - There is often a sense of urgency in the email encouraging you to respond immediately.
- What should you do if you receive an email or message like this?
 - Do not respond. Do not click any links.
 - If you are not sure about the message, check your account online or phone the institution without using any of the links in the message.
 - You may wish to contact the security department for the institution or the Canadian Anti-Fraud Centre to report the scam.

Slide 83: Signs of bogus job ads

- Offer considerable pay with few to no duties
- Promise payment of wages in cash
- Contain no physical address or contact person
- Require you to open a new bank account or accept company cheques to “test” a wire transfer service

Review the slide and say to participants:

- There are several types of employment scams, and the incidences are rising.
- The three most notorious types are:
 - Identity theft through job applications. Thieves request your personal information “for the human resources department” and use it to steal your identity.
 - Being recruited for an illegal job. These may be work-at-home offers like the “reshipper.” You are offered a good salary for receiving packages at your house and reshipping them overseas. You pay out-of-pocket to ship the packages overseas, you get paid with a fake cheque, and the packages were paid for with stolen and fake credit cards.
 - Bogus employment fees. Someone promises you a job, but only if you pay a fee for processing, administration or uniforms.

Slide 84: Social media scams

- Fake polls, fake links, fake apps
 - May download malware or spam your friends
- Fake messages and phishing
 - Ask you to log into a fake site and steal your ID
- Fake friend request
 - Gather data to send spam or scams
- Fake money transfer or crowdfunding request
 - May ask you to help a friend by sending money

Review the slide and say to participants:

- Social media are great for scammers because they encourage you to trust your contacts and share personal information.
- Use the security and privacy settings in your social media to control who sees what.
- Keep personal information to a minimum:
 - Don't include phone numbers, email address, home address, work details, your child's school or any other personal information on your profile page.
 - Don't mention big purchases, banking information, when you will be away from home, geo-tags or addresses. They could tip off criminals to target you.
 - Don't post pictures that give away personal data, such as your address or driver's licence.
- Set up a separate email address for social networks.
- Keep your username and password private.

7.2 Protect yourself



ASK PARTICIPANTS

- What suggestions do you have to keep yourself safe from fraud?

Slide 85: Protecting yourself

- Don't share personal information freely
- Shred documents with personal information before discarding them
- Keep your wallet or purse safe
- Don't carry ID you don't need (such as your SIN card)
- Lock your household mailbox if possible

Slide 86: Protecting yourself, continued

- Limit the number of credit cards you hold
- Check your credit report once a year
- Make sure websites are secure before transmitting personal information
- Delete emails that ask for personal information
- Keep computer firewalls and spyware up to date

Slide 87: Protect yourself, continued

- Keep your computer passwords safe
- Don't give telemarketers personal information
- Save paper bank records for at least a year
- Be skeptical—if an offer sounds too good to be true, it is!

Review the slides and say to participants:



Participant Handbook, page 42

ACTIVITY



- Review the checklist of tips in the handbook. Check the ones you follow consistently.
- Review any that you don't follow consistently.
- List any steps you could take to protect yourself better.

Slide 88: What to do if you are a victim

- Contact your financial institution immediately
- Notify Canada's two main credit bureaus
 - Equifax Canada www.equifax.ca
 - TransUnion Canada www.transunion.ca
- Contact the Canadian Anti-Fraud Centre www.antifraudcentre.ca
- Notify your local police as soon as you are aware of fraud or theft

Review the slide and say to participants:



Participant Handbook, page 43

- If you think you have been a victim of a financial fraud or identity theft, act immediately to minimize the risks.
- If you are not at fault, your financial institution may protect you from some kinds of financial loss.
- You can get more information about how to protect yourself from online frauds and financial scams from the Canadian Literacy Financial Database, the Canada Revenue Agency or from GetCyberSafe.gc.ca. The handbook tells you how to find these resources.

MODULE 8 – SUMMARY AND WRAP-UP

MODULE 8	MINUTES
8.1 Summary	10
Total time	10

8.1 Summary



BIG IDEA: You have learned a lot and gained some skills to strengthen your financial literacy. Build on what you have learned.



Participant Handbook, page 44

ACTIVITY



- Look through your handbook and find one or two valuable things you have learned today.
- Share some ideas with the class.

Slide 89: What have we learned?

- Keep track of your income and your expenses in a budget
- Save money by reviewing your bills and reducing your “latte factor”
- Shop around for the best bank accounts, credit cards and service plans
- Pay yourself first with automatic savings
- Build an emergency fund equal to three months’ income
- Pay all debts on time and in full, if possible
- Set clear savings goals
- Use registered savings plans to let your savings grow tax-free
- Find a licensed financial advisor for long-term investment guidance
- Secure your identity and avoid identity theft

Review the slide and say to participants:



Participant Handbook, page 45

- Review the summary checklist in the handbook.
- Put a check mark beside one or two items that you can start on right away.
- Review the checklist once per week, and select some items that you can work on in that week.
- Add a note to your calendar for six months from now to check and see how you are doing in building on your financial skills. Financial fitness is like physical fitness – you’ve got to stick to it to keep up your skills and stay healthy.



Participant Handbook, page 47



ASK PARTICIPANTS

- Are there any questions that anyone wants to talk about in the time remaining?
 - Participants can find answers to most questions by going to the Canadian Financial Literacy Database or any of the other resources listed in the handbook.



TELL PARTICIPANTS

- Thank you for your attention and participation.
- Please take a minute now to complete the online survey. Your feedback helps the FCAC continue to offer the best possible introduction to personal finances for Canadians who need it.
- You can send any other comments or feedback to:

Financial Consumer Agency of Canada
Enterprise Building, 5th Floor
427 Laurier Avenue West Ottawa, ON K1R 7Y2
- Or by email: info@fcac.gc.ca

We value your feedback!

To help us improve the Financial Basics workshop, please take a moment to complete our brief online survey. Your input is essential to help improve our programs

Go to Canada.ca/financial-literacy, select [Financial Literacy Programs](#), then Financial Basics workshop and click on [Presenter feedback survey](#).

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Enterprise Building

427 Laurier Avenue West, 5th Floor, Ottawa, ON K1R 7Y2

Email: info@fcac.gc.ca

Phone: Toll-free 1-866-461-3222

TTY: 613-947-7771 or 1-866-914-6097

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