

Welcome to Canada

\$ MONEY AND FINANCES IN CANADA



You may have many new expenses as you settle in Canada and plan for the future. It is important to understand how you can manage your everyday and unexpected expenses, meet your goals, and protect your money.

Settlement service providers can help you. These organizations offer many programs and services to help newcomers after arrival in Canada. To find the organization in your community, consult: [Find free newcomer services near you](#) (web page is available in English and French).

CURRENCY USED IN CANADA

In Canada, there is paper money and coins. The most common money is the nickel (5 cents), dime (10 cents), quarter (25 cents), loonie (1 dollar), and toonie (2 dollars).

These terms may be used when speaking to people and making purchases.

BANKING

Open a bank account as soon as possible. Banks offer specific services for newcomers.

There are 2 main types of bank accounts you can use: savings and chequing. The bank will give you a debit card to access your account at the bank, at an "automated teller machine" (ATM) or to make purchases at a store or online.

Canada has many different types of banks. Visit or search online to explore different banks and learn more about the services each can offer you.

CREDIT CARD

A "credit card" lets you borrow money up to a limit. This must be repaid later.

When you use a credit card, you will be charged interest. The interest rate is a percentage of the total amount borrowed. The longer it takes to pay back a debt, the more interest you will pay.

Using a credit card helps to build a positive credit history, as long as you pay back the required amount by the specified deadline. A positive credit history is valuable because institutions like banks will feel more comfortable giving you loans and with lower interest rates. You need to be careful when making purchases using a credit card so you do not go over what you can afford to repay.

Contact your bank for more information.



SENDING MONEY TO YOUR HOME COUNTRY

Money can be sent back to your home country electronically or by money order. A money order can be sent from a bank, post office or a specific money order service. Make sure you are using a secure channel to transfer money.

To learn more, contact or visit your local settlement service provider organization.

TAXES

In Canada, residents pay taxes to help the government fund programs and services.

Every resident of Canada must file an income tax return every year (end of April) with the Canada Revenue Agency **even when no income was made for the year inside or outside of Canada.**

Money may be deducted from your paycheque to pay some taxes earlier in the year. Filing your taxes helps the Canada Revenue Agency know your income and what benefits and credits you may qualify for. To learn more, consult: [Benefits and Credits to Newcomers in Canada](#) (video is available in English and French).

To learn more, consult: [Free tax clinics](#) (web page is available in English and French).

MANAGING YOUR MONEY

Your expenses in Canada may be different than they were in your home country.. Planning your money through a budget can help you manage your funds wisely and meet your long-term financial goals.

You may wish to consider planning ahead for your family and investing in the future. For example, there are Registered Education Savings Plans (RESPs), Registered Retirement Savings Plans (RRSPs), and Tax-Free Savings Accounts (TFSA). Contact your bank for more information.

To learn more about managing your money in Canada, consult: [Managing Your Money in Canada](#) (video is available in English and French).

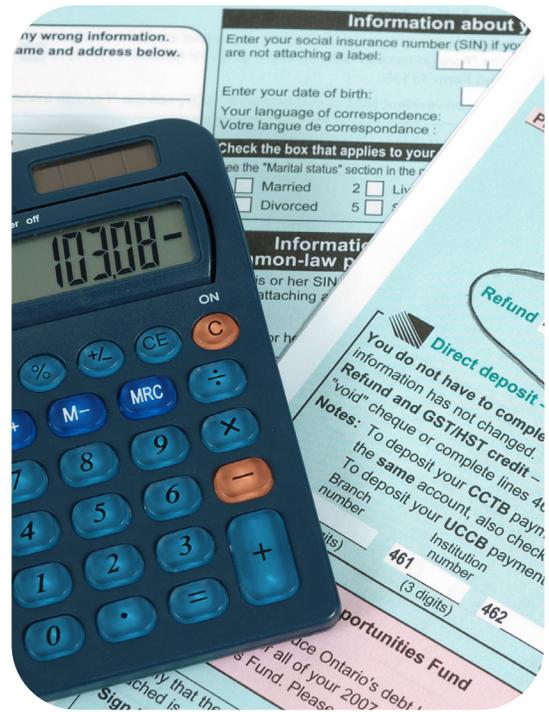
FRAUD AND IDENTITY THEFT

Be careful when being asked for your personal identity or financial information. Many people can become targets of fraud and identity theft.

Examples include attempts to steal credit card information by telephone and email, from people who pretend to work with the government or other institutions, and ask for your personal and financial information.

Always ask questions or you can refuse to provide information when not sure whether the request is valid.

To learn more about protecting yourself from fraud, consult: [Canadian Anti-Fraud Centre](#) (web page is available in English and French).



Find the settlement services you need in your community (available in English and French):

