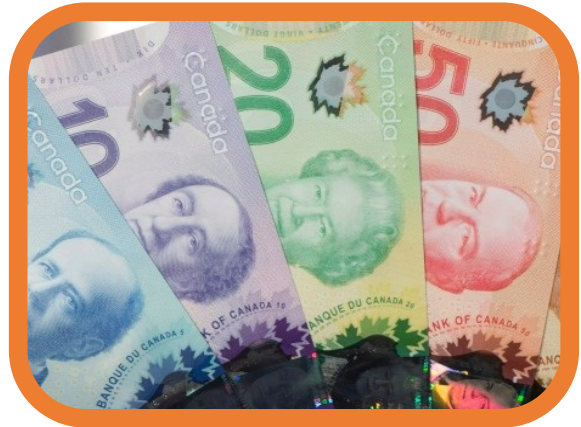


# Finance

## Canadian Currency

Canadian currency is based on the system of dollars and cents. Colours can be used to distinguish the different amounts.

\$5.00	Blue
\$10.00	Purple
\$20.00	Green
\$50.00	Red
\$100.00	Brown
\$1000.00	Not in circulation



Canadian coins have names, and are made with different coloured metals and symbols to distinguish them. All Canadian coins are embossed with the face of the Queen of England.

\$0.01	Penny	Bronze with maple leaf (not in circulation)
\$0.05	Nickel	Silver with beaver
\$0.10	Dime	Silver with sailing ship
\$0.25	Quarter	Silver with caribou
\$1.00	Loonie	Gold with loon (duck/bird)
\$2.00	Toonie	Silver with a gold inset of a polar bear

## Banking

In Canada, you can make deposits, get loans and mortgages, and send money to other countries, at banks and credit unions. To open an account, you need two pieces of ID. One of these must have your picture on it.

### What are loans & mortgages?

Loans and mortgages are the money that you borrow from a bank or credit union to make bigger purchases. Mortgages are the money that you borrow to buy a house and a loan may be taken to buy a car. You will make monthly payments in order to pay off the mortgage. The bank will only give you a loan or a mortgage if they can verify that your income is sufficient to make your monthly payments.

### What are the different types of bank accounts?

- 1) Chequing Accounts: Chequing accounts are different from bank to bank. Some will charge you for every cheque that you write while others will not. Some banks will charge you a monthly fee. Most of the time chequing accounts do not pay you interest.
- 2) Savings Accounts: Savings accounts pay you interest on your savings. Only some savings accounts will allow you to write cheques.
- 3) Chequing-Savings Accounts: These types of accounts allow you to write cheques from them and they also pay interest.
- 4) Term Deposits: A term deposit pays you more interest than a savings account. The difference is that you will have to leave your money in the term deposit for a set term, before you can use it.

# Finance

## Debit/Credit

You can get a Debit card from any bank or credit union. Debit cards can be used to make payments, and to use an Automated Teller Machine (ATM). To use debit cards you need to have a personal identification number (PIN). Keep this number safe and do not give it to anybody.

## Financial Services for New Canadians

### Where can new Canadians find information about financial services?

New Canadians can find valuable financial information on the following websites:

#### Royal Bank of Canada - Newcomers

<http://www.rbc.com/newcomers/>

#### Scotia Bank – *StartRight* Program for newcomers

<http://www.scotiabank.com/ca/en/0,,4302,00.html>

## Financial Resources

Please see below for links to several websites that offer financial resources.

#### Financial Consumer Agency of Canada - Money Tools and How to Make Smart Financial Decisions

<http://www.fcac-acfc.gc.ca/Eng/resources/toolsCalculators/Pages/home-accueil.aspx>

#### Canada Revenue Agency

<http://www.cra-arc.gc.ca/>

#### Click Law - Questions and Answers about Financial Problems

<http://www.clicklaw.bc.ca/solveproblems/search?f=Debt>

#### Get Smart About Money – Canadian Financial Information

<http://www.getsmarteraboutmoney.ca/Pages/default.aspx>

### What are Automated Teller Machines (ATM) used for?

ATMs can be used to take money out of your account, deposit money into your account, transfer money to another account or to pay your bills.

### How do I use an ATM?

Your bank or credit union will issue you a client card and you will select a personal ID number. When you enter your card into the machine you will be prompted to enter your personal identification number (PIN). A menu will then allow you to select the function that you would like to carry through. All you have to do is follow the instructions on the screen. When you have completed your task, make sure to take your debit card out of the ATM.

A credit card is a system of payment in which the bank lends money to the buyer to use, anywhere and any- time the card is accepted. The buyer has to pay the whole amount or the minimum balance each month. There are three major credit cards: Visa, MasterCard, and American Express.

### Can a stranger potentially use my credit or debit card?

Yes! Keep your PIN number confidential. If you lose your credit card or someone gets your PIN number they can steal your money. If this happens, phone your bank right away so that they can put a stop on the card.

# Finance

## **Taxes**

In addition to property taxes and income tax, which is deducted by your employer from your pay cheques, in BC we also have to pay the Goods and Services Tax (this tax is extracted by the Federal Government) and the Provincial Sales Tax. You do not have to pay taxes on your rent, food and some other things. Children under the age of 15 do not have to pay PST for their clothing.

### **Why do we have to pay taxes?**

The taxes that you pay go to the government. The government then uses this money for the construction and maintenance of roads, schools, community facilities, medical care and welfare, as well as other social services.

### **What are property taxes?**

Once a year you will receive a letter from the City of Surrey, if you own a house, land or building, which indicate the annual taxes that you owe.

## **Income Tax**

Everybody in BC must fill out a tax form and submit it to the federal government once a year either on or before April 30<sup>th</sup>. On the tax form you declare your income, any income from outside of Canada and your investments. If you are working and have your taxes deducted the government may send you back some money if too much was deducted or you may have to pay more if not enough was deducted. Business owners also have to fill out a tax form by June 15, for their business.

### **I have never completed a tax form, where can I get help?**

During the time leading up to the tax deadline, the Welcome Centre in association with Canada Revenue Agency offers free tax workshops. For further information, workshop times and locations please call the Welcome Centre at 604-543-3060 or check online at [www.cra.gc.ca](http://www.cra.gc.ca)

## **Employment & Income Assistance/Welfare**

Employment & Income Assistance/welfare, is a government based financial support for families that do not have enough money to live on. Employment and Income Assistance is only for permanent residents and refugee claimants. Once you have applied, the government will investigate your financial situation before deciding whether you are eligible for income assistance. Those that receive assistance and are employable must be actively looking for a job in order to continue receiving welfare.

### **How do you apply for income assistance/welfare or get further information?**

You can either contact the Ministry of Housing and Social Development by phoning 1-866-866-0800 or you can go to their website at <http://www2.gov.bc.ca/gov/content/family-social-supports/income-assistance>

### **If I am eligible for Assistance is there anything else that I may be eligible for?**

Yes, as a client you may also be eligible for: Disability Assistance, Identification Fees, security deposits, Emergency Moving Assistance, Natal Supplements, Diet Assistance, Christmas Supplements, School Start-Up Supplements, Camp Fees, Crisis Supplements, Co-Operative Housing Association Share Purchase Supplements, Community Volunteer Supplements, Assistance with transportation costs for medical appointments, paternity testing and/or court attendance and Guide Animal Supplements.

## **Old Age Security Pension**

All seniors over the age of 65 who have lived in Canada for at least 10 years are entitled to Old Age Security Pension from the federal and provincial government. If your country of origin has a pension agreement with Canada then the amount of time you have to wait may be decreased.

# Finance



## **Guaranteed Income Supplement & Seniors Supplement**

If you are receiving your Old Age Security, but you are struggling to make ends meet, you may also be eligible for the Guaranteed Income Supplement. The amount that you are eligible for depends on your family income. If you have further questions please phone 1-800-277-9914.

If you are receiving both the Old Age Security Pension and the Guaranteed Income Supplement you may also qualify to receive the

Seniors Supplement. You do not have to apply for the Seniors Supplement. If you are eligible you will automatically receive the supplement. For more information about the Seniors Supplement please call 1-866-866-0800.

## **Where do I apply for my pension?**

For further information and to apply for your pension please phone Canada Pension at 1-800-277-9914.

## **Tipping/Gratuity**

Tipping in BC is customary. When going to a sit down restaurant, it is customary to tip your server (waiter/waitress) 10–20% of your bill.