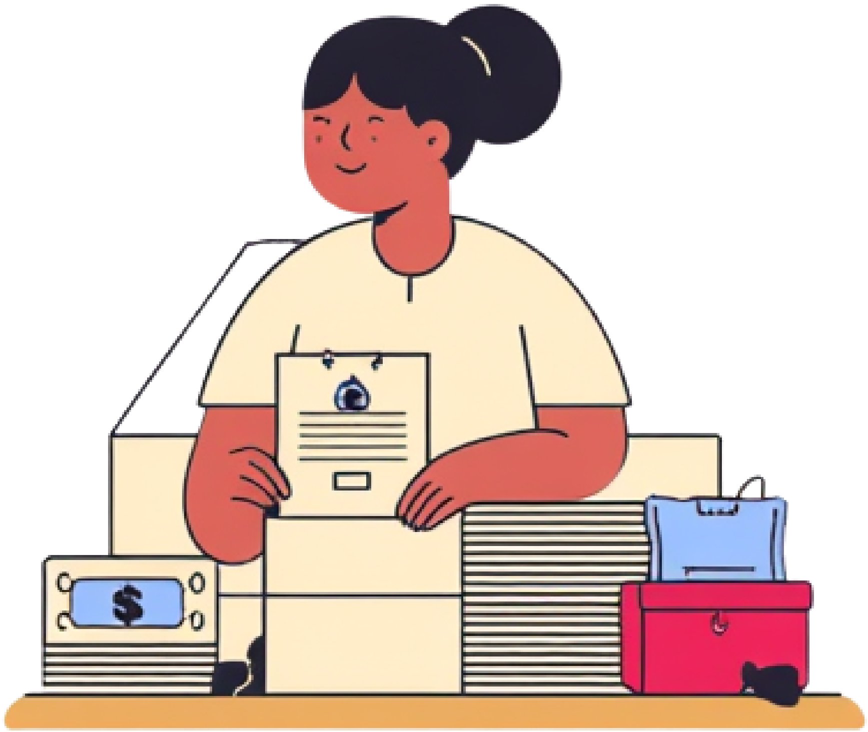
WORLDBRIDGE
Immigration Services

GUIDE 04

Money in Canada

Banking, credit, budgeting, taxes and benefits for newcomers

For newcomers and international students building a sound financial start



PRACTICAL. CLEAR. SOURCE-BASED.

Revised August 2026

www.theworldbridge.ca

How to use this guide

Use the actions in the order that fits your status, province and circumstances. Write in the planning pages and return to the source page before a high-consequence decision.

01 **Start with legal and safety steps**
Confirm documents, conditions, deadlines and immediate needs before optional purchases.

02 **Use official sources**
The linked authorities are the primary reference. Rules and eligibility can change.

03 **Keep evidence**
Save confirmations, receipts, records and written advice in a secure system.

04 **Ask early**
Use free newcomer supports and seek individualized advice for high-consequence decisions.

IMPORTANT

This guide provides general information and practical orientation. It is not a substitute for individualized immigration, legal, tenancy, employment, financial, tax or medical advice. Eligibility, procedures and provincial or territorial rules can change. Verify current requirements with the linked authority before acting.

Open the right bank account

1

Compare the full account

- Monthly fee and minimum balance
- Included debit transactions and e-Transfers
- ATM network and out-of-network charges
- International transfer and foreign exchange costs

2

Know your access rights

- A bank may open an account even if you do not have a job or initial deposit, subject to identity requirements
- Ask about newcomer, student, no-cost and low-cost options
- Request the fee schedule in writing
- Decline products you do not understand

3

Protect the account

- Use strong, unique passwords and multi-factor authentication
- Never share one-time security codes
- Review statements and alerts
- Contact the bank using the number on its official site or card

Build a 90-day budget

1

List reliable income

- Employment income after estimated deductions
- Scholarship, sponsor or settlement funds
- Benefits only after confirming eligibility
- Do not budget using hoped-for overtime or a future job

2

Capture true expenses

- Housing, utilities, food and transportation
- Tuition, books, health and insurance
- Phone, internet, clothing and household setup
- Debt payments and family support obligations

3

Create three levels

- Essential monthly expenses
- Adjustable spending
- Emergency and future savings
- Review actual spending weekly for the first three months

Use credit carefully

1

How credit history develops

- Canadian credit bureaus track reported borrowing and payment activity
- On-time payments support a healthier history
- High balances and missed payments can reduce scores
- Landlords and lenders may review credit information

2

A safe starter approach

- Choose a manageable limit
- Pay at least the minimum by the due date and preferably the full statement balance
- Keep use well below the limit
- Limit unnecessary applications for new credit

3

Check your record

- Access free credit reports through Equifax and TransUnion
- Review names, accounts and payment history
- Dispute errors through the proper process
- Act quickly if an unknown account appears

Understand pay and deductions

1

Read every pay statement

- Hours, rate and gross pay
- Income tax, CPP and EI deductions
- Vacation pay and other deductions
- Net pay and year-to-date amounts

2

Independent contractor caution

- A contractor may need to set aside tax and manage records
- The label in a contract does not always decide legal status
- Benefits and protections can differ from employment
- Get tax or legal advice for uncertain arrangements

3

Keep records

- Employment agreement and pay statements
- T4, T4A, tuition and expense documents
- Receipts supporting deductions or credits
- Immigration work-hour records where relevant

Taxes for newcomers

1

Tax status is a separate question

- Tax obligations depend largely on residency for tax purposes
- Immigration status and tax residency are not identical
- Newcomers may need to report world income for relevant periods
- Use CRA guidance or a qualified tax professional

2

Prepare for the first return

- Record the date Canadian tax residency began
- Collect foreign and Canadian income information
- Keep SIN, address and direct-deposit details current
- File on time even where income is low if required or beneficial

3

Avoid tax schemes

- Do not claim benefits for periods before arrival unless the law permits
- Be cautious with promoters promising large guaranteed refunds
- Review a return before authorizing submission
- Keep your CRA account credentials private

Benefits and credits

1

Check eligibility early

- Some newcomers may apply for benefits before filing their first return
- Eligibility depends on tax residency, immigration status and family circumstances
- Complete newcomer income information accurately
- Keep proof of residence and family arrangements

2

Families

- Review Canada Child Benefit eligibility
- CRA assesses related provincial or territorial programs when applicable
- Respond to document reviews promptly
- Both spouses' income information may be needed

3

Keep benefits current

- File annual tax returns where required
- Report marital status, address and custody changes
- Keep immigration documents valid where eligibility requires
- Return overpayments and seek help early if information was incorrect

Borrowing and major purchases

1

Look beyond the payment

- Interest rate and total borrowing cost
- Loan term, fees and penalties
- Insurance and add-on products
- Effect on emergency savings and monthly budget

2

Avoid high-cost traps

- Payday and high-cost installment loans
- Buy-now-pay-later commitments across several providers
- Co-signing debt you cannot afford
- Using credit to cover a permanent budget gap

3

Pause before signing

- Compare at least two offers
- Ask for the total cost in writing
- Read cancellation and early-payment terms
- Do not sign under pressure

Protect your money and identity

1

Government payment scams

- CRA and IRCC do not demand gift cards or cryptocurrency
- Verify unexpected messages through your official online account
- Do not click login links in unsolicited messages
- Threats of immediate arrest or deportation are a major warning sign

2

Payment safety

- Confirm recipient details before e-Transfer
- Use purchase protection where appropriate
- Do not send deposits to unverified landlords or employers
- Keep receipts and transaction confirmations

3

If something goes wrong

- Contact the financial institution immediately
- Change compromised passwords
- Preserve messages, receipts and account details
- Report to police and the Canadian Anti-Fraud Centre as appropriate

Money mistakes to avoid

1

Lifestyle inflation

- Committing to high fixed costs before income stabilizes
- Financing phones, furniture and vehicles at the same time
- Ignoring taxes in quoted prices
- Using credit limits as available income

2

Poor records

- Discarding pay statements and tuition receipts
- Mixing personal and business spending
- Failing to track international transfers
- Ignoring letters from CRA or financial institutions

3

Unverified advice

- Following social-media tax claims
- Sharing banking credentials with helpers
- Accepting a product because it is called a newcomer offer
- Assuming all benefits are automatic

First 90-day money checklist

1

Set up

- Compare and open an appropriate bank account
- Create a secure online access routine
- Build a realistic monthly budget
- Start an emergency fund, even if small

2

Build

- Use credit carefully and automate due-date reminders
- Track actual spending weekly
- Store pay, tax and tuition records
- Check benefit eligibility using official sources

3

Review

- Obtain and review free credit reports
- Update the budget after housing or employment changes
- Confirm tax filing needs
- Remove products or fees that are not useful

My monthly money plan

1

Income

- Net employment income: ______________________
- Other reliable income: _______________________
- Total monthly income: ________________________
- Income that is not yet confirmed: _____________

2

Essential expenses

- Housing/utilities: ______ Food: _____________
- Transportation: ________ Health: ___________
- Tuition/debt: _________ Family: ___________
- Total essentials: ____________________________

3

My safeguards

- Emergency savings target: ___________________
- Credit payment date: ________________________
- Documents stored at: ________________________
- Next budget review: __________________________

Reliable sources and next steps

Open the linked authority and confirm the current rule before acting.

01 **FCAC - Opening a bank account**
www.canada.ca

02 **FCAC - Low-cost and no-cost accounts**
www.canada.ca

03 **FCAC - Making a budget**
www.canada.ca

04 **FCAC - Credit report and score basics**
www.canada.ca

05 **CRA - Newcomers to Canada**
www.canada.ca

06 **CRA - Child and family benefits**
www.canada.ca

07 **Government of Canada - Scams and fraud**
www.canada.ca

GENERAL INFORMATION NOTICE

This guide provides general information and practical orientation. It is not a substitute for individualized immigration, legal, tenancy, employment, financial, tax or medical advice. Eligibility, procedures and provincial or territorial rules can change. Verify current requirements with the linked authority before acting.

Dauda Raji, RCIC R710077 | raji@theworldbridge.ca | www.theworldbridge.ca