

1. Maximize what is around you



If you worry about paying your bills, affording basic needs, and saving money, you are not alone. Our expenses keep increasing and often, the money we earn or receive may feel like it is not enough.

Managing your money can be stressful. However, there are ways to make the most of the resources available to you so that you can better manage your finances and not feel as overwhelmed. You can start by tracking what is coming in. In this module, you will see how you can maximize what's around you through benefits, community resources, and investing in yourself.

Let's get started!

- Income - Maximize what is around you
- Accessing benefits
- Accessing community resources
- Personal assets and investing in yourself
- Summary

Income - Maximize what is around you

Let's start by defining income



Income is the money that comes into our household. We may have some money coming to us as salary or wages, insurance, government benefits or government assistance. These are called sources of income.

Regularly tracking our income is important as income can change when our personal circumstances change. Sometimes this change is expected, such as working a seasonal job. Other times we are not prepared for it, such as an illness or job loss.

Here's an example of Nadir, a seasonal worker.

Nadir enjoys working at a farm harvesting crops during the summer and fall seasons. He works long hours and earns a good income during these busy months. While he manages to save some of his income during this time, it is not enough to get by on all year. At the end of harvest, Nadir has to find other work. Often, he finds a part-time job at a grocery store to make sure he has enough money to pay his bills, and when possible, he takes on some projects as a handyman in his community.

You can see that Nadir's source of income changes and he has to look for other part-time jobs during winter. Your income source and the amount of money coming in can also vary. You may have money coming in from a single source or multiple sources. You may make extra money using some of your personal skills, like selling crafts or walking dogs.

Or, you may have money coming in from the government in the form of social assistance and benefits. Your income will differ based on your personal situation.

Now let's look at some other possible sources of income. Keep note of the ones you receive as you prepare to track your income.

- Salary or wages
- Self-employment income
- Social assistance
- Employment insurance
- Tax refund
- GST/HST credit
- Canada child benefit
- Pension plan from an employer
- Investment income
- Retirement income

Some of these sources of income listed above are government benefits that can only be received by filing your taxes. You can read more about these benefits and how to apply for them in the next lesson.

Next, let's see how you can track your money coming in.

How can we track the money coming in?

Tracking your money can be simple. You just need to note how much money is coming in, how often and where you receive it from. You could keep track of this using a calendar, writing down when you get paid, from what source, and how much you receive.

You can also try:

- Creating a simple table on paper and listing your sources of income and when you receive them.
- Using a digital spreadsheet or looking for a free template online.
- Downloading a budgeting app.
- Printing and using the worksheet below.

Type the following link in your browser to access the worksheet.

<https://learninghub.prospercanada.org/wp-content/uploads/2020/04/3.-Income-tracking-sheet-fillable.pdf>

Now that you know about income and tracking money, how often do you track the money coming in?

Always

This is great! Tracking your money regularly will help you to identify any changes in the amount coming in. This course will help you think about new income sources and new resources you may not have considered in the past.

Sometimes

This is good! Tracking the money coming in at least once a month or once every few months is a great start. Getting into the habit of tracking it more often might help you to better manage your money. You may also find new tools and resources to help you in this course!

Never

It is not too late to start. You can begin tracking the money coming in today and once you start, it makes it easier for you to track and manage your spending, expenses, and savings. Use the tools and resources in this course to get started.

There are ways to increase your income that involve taking advantage of the resources around you. By doing this, you can save some money and use it for other purposes. You will find more details about this in the next lessons. You will also find more examples of detailed budgeting templates that will help you track your income and expenses in Module 3.

The following lessons explore:

- Accessing benefits
- Assessing community resources
- Personal assets and investing in yourself

Accessing benefits

If you are looking for ways to increase your income, you can begin by making sure you are getting all the benefits you are eligible for. Benefits are provided by the government to help you financially. There are several types of benefits being offered such as childcare benefits, disability benefits, housing benefits, and employment benefits.

How can benefits help you?

Knowing what benefits are available, what you are eligible for, and how to apply for them can provide additional income. This can help reduce financial stress.

Let's look at an example to see how benefits can help.

Ayesha is a 28-year-old single mother with a two-year-old child. She works part-time as a server earning minimum wage. Ayesha has a hard time paying her bills and managing her expenses on her income. When she visits her local food bank, she speaks with one of the counsellors about her financial worries. The counsellor explains that there may be some benefits that she's eligible for once she files her taxes. Ayesha hadn't yet filed her taxes for the previous year, so the counsellor suggests she visit the free tax clinic that the community centre is hosting. At the tax clinic, Ayesha discovers that she is eligible for up to \$6,833 per year through the Canada Child Benefit and up to \$467 per year as a single Canadian through the GST/HST credit. The extra money will help her to better manage her expenses and maybe even start saving for her child's education.

How can you access benefits?

You can access benefits in two ways.



Let's now look at these in more detail.

1

Benefits automatically received by filing taxes



Introduction to tax benefits

Some people find the Canadian tax system very confusing. Others feel nervous about filing their taxes if they have not done so for many years, or if they have had a poor experience while filing their taxes in the past. However, taxes are important as they fund public services, including our healthcare system and other social supports.

If you are receiving social assistance or earning low levels of income, filing your income tax can ensure that you receive all the benefits and income support you are entitled to. Even if you have no income, it is important to be up to date with filing your taxes.

How does filing your taxes help you?

There are several advantages to doing so. Review the cards to see the advantages to filing your taxes.

Refund

By filing taxes, you may be eligible to receive a refund if you paid too much tax or are eligible for a refund from the government.

Government Support

By filing taxes, you can qualify for government support. This could be in the form of benefits and other payments.

Penalty and Interest Fees

Filing your taxes on time means you don't have to pay penalties and interest fees to the government.

Let's explore the types of benefits that can be claimed through filing taxes.

Examples of benefits that can be claimed through filing taxes:

There may be benefits that you are eligible for. The first step to receiving these benefits is to file your taxes. Let's look at some common benefits that may be available to you.

Canada workers benefit

If you work and earn a low income, you may be able to get some money as a tax credit. For example, an individual who earns less than \$23,000 a year can get about \$1,400 through this benefit.

GST/HST credit

If you have a low income, you can get tax-free quarterly payments to get back the GST or HST you pay. You can also apply for the GST/HST credit automatically if you apply for the Canada Child Benefit. If you are a new resident of Canada, you will need to fill out a separate form to get this credit.

Canada child benefit

If you have children under 18 years of age and they are living with you, you can receive this tax-free monthly payment to help you pay for the costs of raising your children.

Do you need support filing your taxes?

If you need help filing your taxes, you can visit a free tax clinic in your community for support or contact a free virtual tax clinic. The volunteers at these tax clinics can help you complete your tax returns.

- ☐ **Call 2-1-1 or open your browser and type www.canada.ca to search for free tax clinics on the website.**

If you want to know about tax deductions, credits, and benefits, you can watch the following video that explains the differences between them.

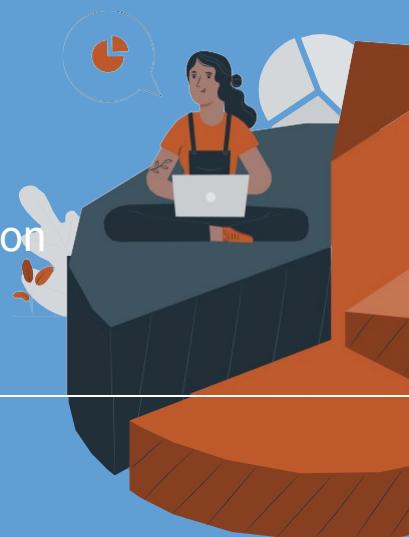
Type the following link in your browser to watch the video.

https://www.youtube.com/watch?v=xOBtGgt_ytQ

In Module 3, you will find additional resources about tax deductions, credits, and benefits. Now let's look at how benefits and credits can be claimed through application.

2

Benefits and credits claimed through application



Let's review the three main categories of benefits and credits.

Categories of benefits and credits

1

Social assistance
programs

2

Benefits for
special groups

3

Emergency
benefits



Your current situation and your location decide which benefits and credits you are eligible for and how you can access them. Some benefits and credits are provided by the federal government while others are specific to provinces and territories.

If you are looking for an easy way to know about benefits and which ones apply to you, you can use the following tool.

Type the following link in your browser to access the Benefits Wayfinder webpage.

<https://benefitswayfinder.org/>

How can you apply for benefits?

Here's what you need to do to apply.

- 1 Find out all the benefits you are eligible for.
 - 2 Check to see if you have all of the information and documentation needed.
 - 3 Fill out the required forms.
 - 4 Submit the completed forms along with the requested documents.
-

Maintaining Benefits

Some benefits require you to continue to check in and provide information in order to continue to receive the benefit. Here are some ways that can help you make the most of the benefits you are eligible for:

- 1 File your taxes on time.
 - 2 Keep track of the money coming in to make sure you are still receiving the benefit.
 - 3 Have regular discussions with your case worker or community counsellor to discuss any changes to your financial situation.
-

Next Steps



If you are interested in learning more about how to increase your income by accessing benefits, then go to Module 3 where you will find information about filing taxes, support to file taxes, benefits that are available and how to apply for them.

Now let's find out how you can maximize your income through community resources.

Accessing community resources

Community Resources



Community resources can be extremely helpful if you are looking for ways to reduce your spending by accessing free services. You can dial 2-1-1 or type www.211.ca on your browser to find out what kinds of resources are available to you.

They may help with money management or other areas where you want support, such as personal health and wellness or settlement services.

Examples of community resources

Now let's explore community resources as they can provide you with free services and support. Click on the "+" markers on the image below for some common examples of community resources that may be available near you. Write down some of the options that you want to explore.



Food banks

Food banks can provide you with food and also help you to access other resources in your community. You can visit this website to find a food bank near you: **<https://foodbankscanada.ca/find-a-food-bank/>**

Settlement services

Settlement services help people who are new to Canada find a job, a place to live or register for language classes. To find one near you, visit this website:

<https://ircc.canada.ca/english/newcomers/services/index.asp>

Second-hand stores and thrift stores

Second-hand stores and thrift stores can be inexpensive options for items you need. You can find a store near you using these links:

<https://thriftstore.ca/locations> or

<https://www.nearmefy.com/thrift-stores-near-me/> or **<https://re-sourcethriftshop.ca/>**

Libraries

Public libraries have more than just books. They provide access to free internet, workshops and events. Some libraries offer access to free online training, movie streaming services, audiobooks and even toy libraries.

Museums and attractions

Some museums and attractions offer free passes or free entry on certain days. You may be able to access these via your local library. Newcomers to Canada can get free access to Parks Canada sites <https://www.pc.gc.ca/en/voyage-travel/admission/cultur>

Tool libraries

Some places let you borrow or rent tools instead of purchasing them. You can visit this website to find tool-lending libraries near you: <https://wrrwcanada.com/en/get-involved/resources/swap-share-repair-themed-resources/tool-libraries-sharing-depots-canada>

Community health centres

Community health centres are non-profit organizations that provide primary health and health promotion programs. They provide counselling and education about health and offer free health screenings. You can find a community health centre near you using this website:

<https://health.gov.on.ca/en/common/system/services/chc/locations.aspx>

Identification (ID) clinics

ID clinics offer free services to help you get the identification documents you need to access health care, benefits, and other services. To find a clinic nearest to you, go to **www.211.ca** and search under government/legal for a list of ID clinics.

Tax filing clinics

Tax filing clinics offer free services to help you file your taxes. They also provide details about the benefits you are eligible for. Find your nearest tax clinic: **<https://www.canada.ca/en/revenue-agency/campaigns/free-tax-help.html>**

Employment centres or job banks

Employment centres or job banks can be very useful if you are looking for a job or want to know what jobs are in demand. They also provide information and support to help you learn new skills. You can find an employment centre near you through this website:

<https://on.jobbank.gc.ca/findajob/employment-centres>

This link **<https://www.jobbank.gc.ca/home>** will connect you to a job bank. You can also search and explore job posting sites on your internet browser.

Wellness programs

Most communities offer free or low-cost programs for people with low incomes. This can include exercise classes, wellness programs or recreational activities. Contact your local community centre or check out the recreation page on your community website for information on these programs. Some of these programs are also offered online.

Now let's hear from Gynette Moise who works for EBO as a budget counsellor. In her role, she offers guidance and support to people living with low income and makes them aware of the options available to them based on their situation.

My name is Gynette. I work for EBO as a budget counsellor. At EBO, we have people with low income.

They have usually some issues on their personal finances.

And we're happy to answer their questions and give them options that's available to them based on their situation.

The biggest challenge in my work is - a lot of clients, with the income they receive, they are not able to support their rent.

They are not able to necessarily pay for their utilities or their bills.

So when they refer them to us, for example, to access the LEAP funding, we are very happy to help them. And also we often tell them about the other services we offer.

For example, the tax, that is for free and explain to them why it is important for them to file their taxes so that they can have all the help they need, all the benefits they will be receiving that will help them to buy food, and take care of themselves and their family.

We really encourage people to come out to contact us and see if we can discuss your finances. You might be surprised as we might find resources and good opportunities for them.

You may be already using community resources like the ones discussed above. If not, you can begin exploring community resources now that you are aware of how helpful they are.

An illustration of a person in an orange shirt and dark pants jumping over a grey wall. A speech bubble with a checkmark is above the person's head. The background is blue with white clouds. The text "Next Steps" is written in white on the blue background.

Next Steps

You can refer to the following table for a list of community resources available and details about what services they offer and how to access them. Use it to make a list of questions and add any notes about the community resources you want to know more about.

Access to Community Resources

Resource	Ways to connect	Write down any notes or questions you want to ask
Food banks provide a few days of canned/packageged and sometimes fresh food. Sometimes personal hygiene products are provided.	Search on the internet for “foodbank near me” <u>or</u> Go to www.211.ca , click on the “Food” category, select “Food banks and referrals”	<ul style="list-style-type: none"> • <i>What days is the food bank open?</i> • <i>Do I need to register with you before I come?</i> • • •
ID clinics help people get their identification to access healthcare, pension, and other services.	Go to www.211.ca and search under government/legal for a list of ID clinics in your city.	<ul style="list-style-type: none"> • • • •
Settlement services help newcomers with services such as finding a place to live, finding a job, taking a language assessment, attending language classes, or finding schools for children.	Go to www.canada.ca and search for settlement services. Enter your postal code or city and then select the type of services you are looking for.	<ul style="list-style-type: none"> • • • •
Tax filing clinics offer support to file tax returns for people with a modest income and a simple tax situation.	Go to www.canada.ca and search for tax clinics in your city. You can opt for a walk-in, drop-off, appointment, or a virtual tax clinic.	<ul style="list-style-type: none"> • • • •
Employment centres provide support to help people find a job. These centres also offer help to build resumes and provide information about jobs in demand.	Search on the internet “Job bank Canada” <u>or</u> Go to https://www.jobbank.gc.ca/home to look for jobs in your area.	<ul style="list-style-type: none"> • • • •
Wellness centres offer free or low-cost programs such as recreational activities and exercise classes for people with low incomes.	Search on the internet “wellness centre near me” to find a centre in your area and register for the programs you are interested in.	<ul style="list-style-type: none"> • • • •

Community health centres provide counselling, free health screenings, and other health promotion programs.	Search on the internet “public health” followed by the name of your city, then choose the public health service you want to know more about.	<ul style="list-style-type: none"> • • • •
Tool libraries offer tools that can be borrowed or rented instead of purchasing them.	Search on the internet “tool libraries around me” <u>or</u> Go to this website to find tool-lending libraries near you: https://www.canada.com/en/get-involved/resources/swap-share-repair-themed-resources/tool-libraries-sharing-depots-canada	<ul style="list-style-type: none"> • • • •
Public libraries have books you can borrow and read, access free internet, and offer workshops and events. Some even offer access to free online training, movie streaming services, audiobooks and even toy libraries.	Search on the internet for “public library near me” <u>or</u> Ask someone who lives near you for the address of the library closest to you.	<ul style="list-style-type: none"> • • • •
Museums offer free passes or free entry on certain days. Newcomers to Canada can get free access to Parks Canada sites.	Visit the website of the museum located in your city or visit your local library to know about free passes and free entries. Newcomers can visit this website: https://www.pc.gc.ca/en/voyage-travel/admission/culture	<ul style="list-style-type: none"> • • • •
Thrift stores can be inexpensive options for items you need such as clothing, shoes, furniture, books, and dishes.	Search on the internet for “thrift stores near me” <u>or</u> You can visit these websites: https://thriftstore.ca/locations or https://www.nearmefy.com/thrift-stores-near-me/ or https://re-sourcethriftshop.ca/	<ul style="list-style-type: none"> • • • •

Now let's see how you can maximize your income by accessing your assets and investing in yourself.

Personal assets and investing in yourself

Employment



You may be currently working or you may be thinking about working sometime in the future. Making changes to your employment situation may help increase your income. The options you have will depend on your personal situation.

Where can you find employment-related support?

You can get support at employment centres near you or you can visit a job bank website such as **<https://www.jobbank.gc.ca/findajob/employment-centres>** to look for jobs, training, and career guidance.

1 of 1

How can changing your employment help with income?

You can consider the following options if your personal situation allows it.

Find a job that pays more	If you currently have a job, you can look for a better-paying job that requires the same set of skills.
Work extra hours	If you are currently working, you can consider working extra hours or looking for additional part-time jobs to earn more money.

Be self-employed or start a business	If you want to be self-employed or want to earn extra money, you can consider selling goods and services or starting a small business or home business.
--------------------------------------	---

Changing your employment situation may increase your income, but may also increase your responsibilities and demands on your time. You will want to consider how these changes could affect your physical and mental health and well-being. You may also face challenges in finding suitable work or you may not be able to consider working in your current circumstances. Remember there are community employment agencies that can help you with this if needed.

Impact of additional income on benefits

Increasing your income can help you in many ways, but it is also important to know how it may affect your benefits. Some benefits such as the Guaranteed Income Supplement or the Canada Worker's Benefit are based on income, so the amount you receive from these benefits may be reduced if your income increases.

If you are receiving social assistance, receiving additional income can affect the benefits you receive. You may need to speak with your caseworker or counsellor about your financial situation to know how much more you can earn without affecting your benefits.

Let's look at how someone can maximize their income through employment when receiving social assistance.

Eduardo receives income from the Ontario Disability Support Program (ODSP). He would like to save for a new laptop so he wants to find a part-time job to earn some extra money. He is worried that his additional earnings may affect his ODSP income. He meets with his caseworker who explains that he can earn up to \$1000 a month. Eduardo's caseworker helps him find a suitable job that pays under \$1000 a month so he can begin working and saving towards his goal.

Investing in yourself



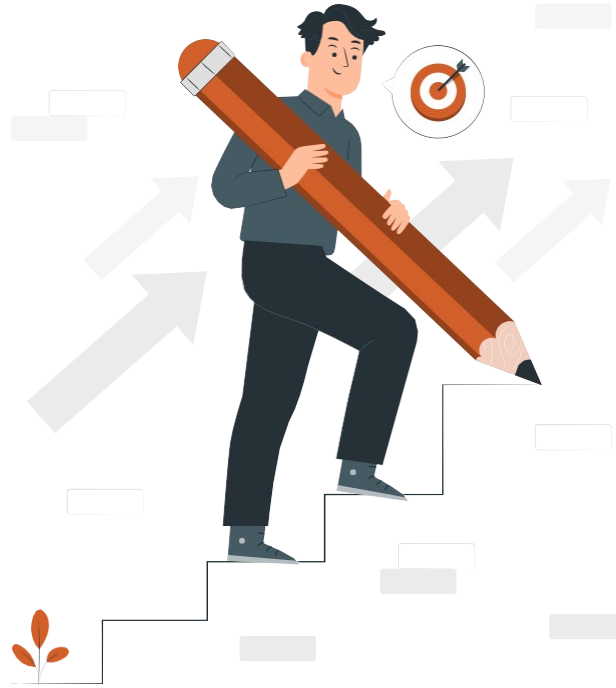
Investing in yourself



Investing in yourself has many benefits, including the possibility of increasing your income. Let's see some ways to invest in yourself.

Tip 1

Upgrade your education and skills



You may be eligible for free or low-cost adult training programs and courses to help you learn new skills. New skills and training may add to your ability to find new higher-paying work opportunities. If you are receiving Employment Insurance (EI), you can search for opportunities at this webpage link:

<https://www.canada.ca/en/employment-social-development/programs/ei/ei-list/courses-training.html>

Or, find out about other government training initiatives at this webpage link:

<https://www.canada.ca/en/services/jobs/training/initiatives.html>

Tip 2

Speak to a career counsellor



Schedule a meeting with a career or employment counsellor at your local employment centre to learn more about job opportunities and the skills or training required for these jobs. They may provide free workshops that you can attend to improve your skills, including computer courses and resume-building workshops.

Tip 3

Meet with a financial coach or credit counsellor



Financial coaches or counsellors can help you to identify resources and tools to support you with your money management goals. Some not-for-profit organizations offer this service for free. A credit counsellor specifically helps you to reduce or pay off your debt. Some also offer free workshops on money-related topics. To find a credit counselling agency near you, check out this webpage link: <https://www.canada.ca/en/financial-consumer-agency/services/debt/debt-help.html#toc0>

Summary

These options can work for you if you are currently working to improve your employment and/or financial situation. Remember to take into account your personal situation when you consider these options.

When you invest in yourself, you may not see an immediate impact or increase in income as these things take time. But, by learning new things, and getting professional advice, you may open up new opportunities that may improve your personal and financial situation in the long run.

Now let's look at some ways you can grow your money.

Ways to grow money



If we maximize our resources and income, we may find some extra money to save. Saving money has many benefits. For example, an emergency fund can help when there are sudden expenses, and a Registered Education Savings Plan can help if saving for a child's education.

The key to saving is interest. Interest is the extra money that gets added to the money you have saved. To learn how interest works, you can download the handout at the link below.

Type the following link in your browser to access the compound interest handout.

<https://learninghub.prospercanada.org/wp-content/uploads/2020/02/Let-compound-interest-work-for-you.pdf>

To earn interest, you need to put your money into a suitable savings tool.

Let's look at what savings tools are available.

Savings account

Banks and credit unions offer regular and high-interest savings accounts. Once you put money into your account, the bank will start paying you interest, and your money will grow. The amount you earn as interest will depend on the bank, the amount you deposit and the type of savings account you choose.

Registered products

Registered accounts or savings plans, like the Tax-Free Savings Account (TFSA), Registered Education Savings Plan (RESP), Registered Disability Savings Plan (RDSP), and Registered Retirement Savings Plan (RRSP) are special accounts that are registered with Canada Revenue Agency.

When you open a registered account, you get to decide which saving tools you want to put your money in. Each of these accounts has certain eligibility criteria and rules which you can discuss with a financial professional before you decide to put your money in.

In Module 3, you will find additional resources on savings accounts and registered products. Now let's look at a few common savings and investing tools.

Saving and investing tools

There are several types of saving and investing tools. Some tools can help your money grow faster but there's also a chance that you could lose your money when you save in these tools. It is important to understand the risk before you decide how you want to invest.

High-interest saving account

This is a type of deposit account where you may earn higher interest than a bank account. There may be a minimum amount that you need to save and they may charge you a fee for taking out your money. This type of account will work best if you do not plan on taking out your money within a year. These accounts are covered by deposit insurance so are a very safe way to invest, but the interest rate will be low so your money will take longer to grow.

Guaranteed investment certificate (GIC)

In this saving tool, the money you deposit is 'locked in' for a length of time called a term. The term can range from 30 days to five years. At the end of the term, you can withdraw your money with the interest you have earned. GICs require a minimum deposit of \$100 to \$500. They are covered by deposit insurance so are a very safe way to invest as the return on investment is guaranteed.

Bonds

In this tool, you lend your money to a government or a corporation and they pay you interest on your loan over a period of time called a term. When the term is over, you get all of your money back plus the interest earned. Government bonds in Canada are very safe but corporate bonds hold some risk. You can consider bonds if you don't plan to take out the money within a year or two.

Stocks

This is a type of investment. You buy shares or 'stock' in a company that is publicly traded on the stock market. Buying stocks can be very risky because there is a chance that you will lose the money you invest if the company does not do well.

Mutual funds

In this tool, you put your money, along with many other people, into

a “pooled” fund. This money is used to buy a range of things such as stocks and bonds. Mutual funds have different levels of risk. You choose what fund you want to invest in depending on its how much it will earn, its risk level, and the fees charged.

To learn more about these savings tools download this handout.

Type the following link in your browser to access the savings tool handout.

<https://learninghub.prospercanada.org/wp-content/uploads/2022/12/IWI-04-What-can-you-invest-in.pdf>

If you are living on social assistance, you may have limits on how much you can save in a bank or how much you can invest. You can discuss what option might be the best for you with a financial professional, or your caseworker or counsellor. They can also provide information on what saving and asset limits are in your province and what saving opportunities may be exempt from these restrictions.



Now let's summarize what we have covered in this module.

Summary

What we've covered in this module



- Income is the money that comes into our household. You can track it using a simple table, a digital spreadsheet, or a budgeting app.
- Benefits are provided by the government to help you financially. Applying for them can ease your financial stress as they provide additional income for you. You can either apply for them or access them automatically by filing your taxes.

- The benefits wayfinder tool <https://benefitswayfinder.org/> can help you identify the benefits you are eligible for. You can look for specific province-based information by selecting the province where you live.
- Community resources such as food banks, community health centres, and libraries are convenient resources if you are looking for ways to reduce your spending or find support.
- If you are currently working or planning to work, you can consider increasing your income by finding a suitable job through employment centres. But remember to discuss with your caseworker or counsellor about how additional income can impact the benefits you receive.
- There are several ways to grow your money. Some of these include putting your money into savings accounts, registered products, GICs, bonds, or stocks.

What we will cover in the next module



Keeping track of and maximizing your income is only one part of money management. The next part of managing your money is reducing what is going out. In the next module, you will find out how to track the money going out. We will also cover how to minimize what is going out by paying off debt, setting aside money every month, reducing expenses, and keeping yourself safe from fraud and scams.