

# 5 Features of *Banking* in Canada for NEWCOMERS

**INTEREST RATES** Interest rates for different products are set by each bank.

The decision on how much interest to charge on a loan depends on how risky the loan is and the prices that banks and other lenders pay to raise funds in the broader marketplace. Canada has a very competitive banking industry, *so shop around.*




**COST** Many banks offer no fee accounts for people new to Canada so shop around for the package that best meets your needs.

 The Financial Consumer Agency of Canada offers an Account Selector Tool on their website at [www.fcac.gc.ca](http://www.fcac.gc.ca).



**ACCESS TO AN ACCOUNT** Anyone can open a bank account in Canada if they meet the identification requirements set out in the Bank Act.

 **Did you know?** You can open an account even if you don't have a job or money to deposit, or if you've been bankrupt.

 Identification requirements are on the CBA website at [www.cba.ca/bankingbasics](http://www.cba.ca/bankingbasics).

**DEPOSITS ARE SECURE** In the unlikely event of bank failure, money in your Canadian dollar savings and chequing accounts is protected.


 The institution must be a member of the Canada Deposit Insurance Corporation (CDIC) and all Canadian banks that take retail deposits are members.

Up to \$100,000



**SAVINGS TOOLS** Banks in Canada offer a variety of savings accounts, including registered accounts created by the Government of Canada to encourage tax-sheltered savings, for example: Registered Retirement Savings Plans (RRSPs), Tax Free Savings Accounts (TFSAs), Registered Education Savings Plans (RESPs), and Registered Disability Savings Plans (RDSPs).



 Learn more about these savings accounts in the Saving and Investing section of the [www.cba.ca](http://www.cba.ca) website.

@CdnBankers  
[cba.ca](http://cba.ca)



## Access to an Account

Anyone can open a bank account in Canada if they meet the identification requirements set out in the Bank Act. You can open an account even if you don't have a job or money to deposit, or if you've been bankrupt.

## Banking is Affordable

Canada has a competitive and affordable banking system, so shop around for the package that best meets your needs, including accounts that are tailored specifically for people who are new to Canada. It's easy to compare the banking packages available using the online interactive Account Selector Tool available from The Financial Consumer Agency of Canada (FCAC) website.

## Bank Deposits are Secure

Canadian banks are well-managed, well-capitalized and well-regulated. In the unlikely instance of a bank failure in Canada, your deposits in your Canadian dollar savings and chequing accounts (up to \$100,000)

are protected. The institution must be a member of the Canada Deposit Insurance Corporation (CDIC), and it's important to note that all Canadian banks that take retail deposits are members of CDIC.

### **Interest Rates**

Interest rates for different products are set by each bank. The decision on how much interest to charge on a loan depends on how risky the loan is and the prices that banks and other lenders pay to raise funds in the broader marketplace. Once again, Canada has a very competitive banking industry, so shop around.

### **Savings Tools**

Banks in Canada also offer a variety of savings accounts to help you save your money. The government of Canada has created special registered savings accounts that accumulate earnings tax-free.

### **A National System of Banking**

Canada has a national system of banking where, in addition to many smaller and regional banks that provide local competition, the five largest banks compete across the country with branches in each of the ten provinces. The benefits of this national system mean that you have access to similar products at the same price regardless of where you live in Canada. Canadians also have access to a national network of 6,300 branches, 18,775 bank-owned ABMs, debit payment services at more than 450,000 retailers in Canada as well as internet, mobile and telephone banking.