Money Matters

Workbook 4
Ways to Save

Founding Sponsor

TD READY COMMITMENT

ABC LifeLiteracyCanada

Copyright © 2026 ABC Life Literacy Canada

MMCRWTS2026-01-26-2-EN

First published in 2011 by ABC Life Literacy Canada

All rights reserved.

ABC Life Literacy Canada gratefully thanks Founding Sponsor TD Bank Group for their generous support of *Money Matters*.

Printed in Canada

Distributed to organizations across Canada by ABC Life Literacy Canada.

ABC LifeLiteracyCanada

Founding Sponsor

TD READY COMMITMENT

Money Matters

Welcome to *Money Matters*!

We designed *Money Matters* to help you take better care of yourself by taking better care of your money. We'll talk about how to manage your money online and in your daily life.

No matter who you are or what your situation is, it can be hard to think and talk openly about money. It can be hard even with people you know well. Be patient with yourself as you get started. As you learn more, you'll get better and better at managing your money. Then you may even begin to feel more comfortable.

When you feel good about your money management, you're less stressed. You have more energy for the things that are important to you.

What will you learn?

Click here for ASL

In today's workshop, you will:

- Explore different ways to save for the future
- Learn about interest and how it grows
- Learn about ways to save for your child's education using a Registered Education Savings Plan (RESP)
- Learn about how to save using a Tax-Free Savings Account (TFSA)

Do you know American Sign Language (ASL)?

You can watch ASL videos of the information from the workbook. The playlist of ASL videos for this workbook is at:

https://tinyurl.com/2strujzk

You can also find the playlist by scanning this QR code on your mobile device.

Money Matters

Ways to save for the future

Click here for ASL

This workbook is about how to save money and different types of **savings accounts**. You'll learn about ways to help your money grow over time.

You'll learn about **registered savings plans** to help you get ready for your future. Some of them are designed to help you save money for when you're ready to stop working and retire.

Do you have kids? Then it's important for you to know that some registered savings plans let you help your children with their future education.

In this workbook, you'll learn about these registered savings plans from the Canadian government:

- Tax-Free Savings Account (TFSA)
- Registered Retirement Savings Plan (RRSP)
- Registered Education Savings Plan (RESP)
- Canada Learning Bond
- Canada Education Savings Grants

A **savings account** is an account that pays **interest** on the money you deposit.

Interest is a fee someone pays to borrow money. When you get a loan or use credit, you have to pay interest. When you put money in a savings account, the bank pays you interest. The amount of interest is usually shown as a percentage.

Registered savings plans are savings accounts registered with the Government of Canada. They offer tax benefits and sometimes money bonuses to help you meet your future needs.

Getting in Touch With Your Money

Click here for ASL

Think about your future and the future of the people you love. What do you want your life to look like in 10 or 20 years? What about the lives of your family members? How much money will you need to reach these dreams?

Check the box next to the statement that sounds most like you:

- ☐ I can't save any money because I don't make enough.
- ☐ I might be able to save money, but I don't know how.
- ☐ I save some money now, but I'm not sure I'm doing it very well.
- ☐ None of the above apply to me. Here's my situation:

Money Matters

Let's talk about it

Click here for ASL

Discuss these questions with a partner or in a group:

- After you pay for food, housing, and bills, do you have any money left to save?
- Are you worried about saving money for your future?
- Is saving important to you?
- Is it only worth saving money if you can save lots?

Lots of people are just trying to make ends meet today. They aren't worried about saving for the future. But saving for the future is very important.

Meet Tenzin and Riley

Tenzin

Click here for ASL

Tenzin knows something has to change. He can't keep spending money the way he usually does. He's getting older, and he doesn't have anything to show for his hard work except for his big-screen TV, which he bought with his credit card. Tenzin is worried about his job because he's heard rumours about layoffs. If he loses his job, he won't have enough money to pay all his bills.

Tenzin decides to pack a lunch every day instead of buying it. This choice helps him save about $100 a month. He also looks at his cell phone bill to see if he really needs all the services.

Riley

Riley didn't have a lot of opportunities when she was growing up. She wants to give her children those opportunities, like being able to go to college or university. But Riley knows that tuition, books, and on-campus housing can be expensive.

Riley's kids are still young, so she has time to plan. But she's still worried about their future. How can she afford to pay for their school? Can she get any help to save money for their education?

Let's talk about it

Saving doesn't happen on its own–we have to plan for it. And it's important that we do.

- If you don't save money, what happens if you lose your job or get sick?
- What happens to the people who depend on you?

Why are you saving?

Click here for ASL

Tenzin and Riley are at different life stages, or times in their lives. They have different reasons for saving.

That's normal. At different times in our lives, we have different money needs. That's why there are different ways for us to save.

What are you saving for right now?

If you're not saving, why not?

Let's talk about it

How do your money needs and wants change over time?

What are some different reasons for saving money at different times in your life? Think about these different life stages. Remember, some of them could happen at the same time.

- Teenager living at home
- Student in school full-time
- Young adult living on their own
- Employed adult
- Unemployed adult living on a **fixed income**
- Parent of school-aged children
- Parent with adult children who live on their own
- Planning for retirement
- Retirement
- _____

Some people's main income is from a government benefit program or a pension. These people will get the same amount of money each month. The amount won't change even if they have more things to pay for that month. This is called living on a **fixed income**.

Think about your life

Think about your own life.

Click here for ASL

What are some of the life stages you've gone through already? What life stages will you go through in the future? Write them down, including the life stage you're in right now.

Money Matters

Let's talk about it

Find a group of people who are at the same life stage as you. Talk about how this stage affects how you think about saving money.

Click here for ASL

- Are your money needs the same, or different?
- Why do you need to save money at this stage in your life? What are you saving for?
- What makes it hard to save money during this life stage?

Our life stage:

_____

_____

_____

Reasons for saving:

1. _____
2. _____
3. _____
4. _____
5. _____

What makes it hard to save:

1. _____
2. _____
3. _____

Pay yourself first

Many people have trouble saving because there's no money left after they pay all their bills. One way to solve this problem is to pay yourself first.

Click here for ASL

Paying yourself first means taking a bit of money from each paycheque and putting it into your savings account. After that, you use the rest of your paycheque to pay your bills and pay for other needs.

It's always good to save as much as you can. A great place to start is by saving 10% of your **net income**. If that sounds like too much, start with a smaller amount. Try to save as much as you can. Every little bit helps!

Net income is the amount of money you get after taxes and other **deductions** are taken off your paycheque.

A **deduction** is money that comes out of your paycheque. It goes toward things like the Canada Pension Plan and Employment Insurance

Money math: percentages

What is 10% of your net income?

To figure it out, divide your net income by 10.

Try it for yourself:

Riley has a net income of $2,200 per month. What is 10% of her net income?

_____ ÷ 10 = _____

Riley's net income

You can check your answers on page 29.

How to save more money

Click here for ASL

Let's say your net income is $500 per paycheque.

$500 ÷ 10 = $50

10% of $500 is $50. That's how much you would try to save from every paycheque.

But what if saving is hard? If you're going to pay yourself first, you need to find an extra $50. That probably means you need to cut back on regular spending.

Work with a partner or group to brainstorm ways to save money by cutting back on regular spending. What things could you stop paying for? How much would each one help you save? Try to think of a list of ideas that add up to $50.

Ideas for saving	How much would I save?
1. Buy less fast food	About $25 a month
2.	
3.	
4.	
5.	

Hint: Remember Tenzin?
What is he doing to save money?

Make a plan for your money

Think about your own spending habits. What is 10% of your net income?

Click here for ASL

You can use that number as your saving goal. If it seems like too much to start with, pick a goal that feels like it works better for you.

My goal:	
Ideas for my saving	**How much would I save?**
1. Collect my pocket change	50¢ a day
2.	
3.	
4.	
Total savings:	

Did you reach your target?

If you didn't come up with enough ideas to reach your goal, don't give up. Instead, set a smaller goal and save what you can. Remember, every little bit counts.

Many people find it easier to save if they do it regularly. One idea is to set up an automatic transfer. That means your bank automatically takes money out of your chequing account each month and deposits it into a savings account.

Money Matters

Make your money grow

Remember when we talked about debt in other workbooks? Your debt gets bigger over time because you pay interest on it.

Click here for ASL

The same thing happens with savings accounts. But this time, it's a good thing! You get paid interest on the money you save. That means your savings grow without you having to do anything.

How your savings grow

Let's say you put your money into a savings account where you get 5% interest. If you save $100 in a year, you'll get an extra $5.

The next year, you'll get 5% interest on $105 (instead of $100). Your money is growing again. This is called **compound interest.**

Compound interest is when you earn interest on the original amount of money and the interest you've already earned.

Money math: interest

Seeing your money grow can help you feel more excited about saving. Calculate how much interest you could earn with these savings amounts and interest rates.

Click here for ASL

Hint: Use your calculator to help with the math.

Example:

Savings amount: $100
Interest rate: 3%

Calculate the interest	
$100.00	
x	0.03
$3.00	

Now you try it!

1. Savings amount: $250
   Interest rate: 4%

A place for your math:

2. Savings amount: $500
   Interest rate: 2%

A place for your math:

3. Savings amount: $1000
   Interest rate: 5%

A place for your math:

You can check your answers on page 29.

Registered savings plans

The Canadian Government has special savings plans to help your money grow more quickly. They're called registered savings plans. Do any of these plans seem like they might work for you?

Click here for ASL

Type of plan	Short form	What it is	Money notes
Registered Education Savings Plan	**RESP**	A savings account registered with the Government of Canada. It helps you save for a child's education after high school	When you put money into a RESP, the Government of Canada puts money in, too. If your income is low, you might also get more financial help. You don't pay taxes on the interest you earn in an RESP. The student pays taxes on the money when they use it to go to school.
Tax-Free Savings Account	**TFSA**	A savings account registered with the Government of Canada. It helps people save money more easily	You can put up to $7,000 a year into your TFSA. You don't pay taxes on the interest you earn in this account or on money you take out.
Registered Retirement Savings Plan	**RRSP**	A savings account registered with the Government of Canada. It helps people save for their retirement	You don't pay taxes on the money you put into your RRSP or interest you earn on it until you take the money out of the plan.
Registered Disability Savings Plan	**RDSP**	A registered account that helps you save for the long-term care of relatives with disabilities	For every $1 you put into this account, you can get $3, for a maximum of $1,500. The total amount the government will contribute each year depends on your family income. The relative with the disability can spend the money however they want.

Registered Education Savings Plan

Remember Riley from page 5? She's worried about being able to save money for her children's education. One way for her to meet this future goal is to open an **RESP** for each child.

Click here for ASL

How it works

You can open an RESP when your child is born. Both you and the child need to have a Social Insurance Number (SIN).

The sooner you open an RESP and the more money you put into it, the more interest you'll earn. The money you add to an RESP is your money, and you can withdraw it at any time. The interest is free money to help your child pay for school.

You don't have to pay taxes on the money you put into an RESP. Since most students don't earn much money, your child probably won't have to pay taxes on the money when they take it out to pay for school.

The Canadian government offers some other ways to make your RESP grow more quickly. Check out the Canada Learning Bond and the Canadian Education Savings Grants on the next page.

Children with savings for their education are more likely to go to college, university, or a training program after high school and are likely to graduate with less debt.

Money Matters

How to grow your RESP

Type of plan	What it is	Money notes
Canada Learning Bond (CLB)	Money from the government to help you start saving for your child's education after high school.	The government could give you $500 when you open an RESP. Then every year until they turn 15, the government may add $100 more. Even if you don't apply for the bond when your child is a baby, you can still get the money from the past years until now. This could add up to $2,000 for their education. You don't have to put any of your own money into the RESP to get this bond. **Who can get it?** Anyone whose child was born after January 1, 2004, and who gets the **Canada Child Benefit.**
Canada Education Savings Grant - Basic (Basic CESG)	Money from the government to help you grow your savings for your child's education after high school.	The government adds 20% to your RESP contributions, up to $500 a year until your child turns 17. Over time, you can receive up to $7,200 per child. If you missed contributions in past years, you can catch up one year at a time by contributing up to an extra $2,500 to your RESP. **Who can get it?** Anyone.
Canada Education Savings Grant - Additional (Additional CESG)	Money from the government in addition to the CESG – Basic.	The government may pay an extra 10% or 20% on the first $500 (or less) you put into your RESP. **Who can get it?** Families with a low or middle income.

Click here for ASL

Source: www.canlearn.ca

The **Canada Child Benefit** is a monthly payment made to eligible families with children under the age of 18.

Money math: saving

Riley makes $22,000 a year. Let's say Riley's daughter is 10 years away from going to college. How much could Riley save during those 10 years? Let's compare different ways for Riley to save for her daughter's education.

Click here for ASL

Option 1

Riley puts $50 a month in a jar in her kitchen.

$50 a month × 12 months in a year =	$600 a year
$600 a year × 10 years =	$6,000

Option 2

Riley puts $50 a month in a Savings Account.

$50 a month × 12 months in a year =	$600 a year + interest
$600 a year × 10 years =	$6,000 + interest

Option 3

Riley puts $50 a month into an RESP. She also receives money from the CESG and CLB.

$50 a month × 12 months in a year =	$600 a year + $120 (CESG) + interest
$720 a year × 10 years + $1,400 (CLB) =	$8,600 + interest

An RESP will help Riley save more money, especially when you include the interest.

How much more?

You can check your answers on page 29.

Let's talk about it

Click here for ASL

Discuss these questions with a partner or in a group:

- Do you have children or grandchildren?
- What do they want to be when they grow up?
- How much money do you think they'll need to pay for their education after high school? How will they get this money?
- Could you set up an RESP for this child?
- Would the CLB and the CESG help your family?

How to save money for education with an RESP

Click here for ASL

You can open an RESP for:

- yourself
- your child
- somebody else's child
- another adult

You and the person you're saving the money for need a Social Insurance Number. If you want to apply for the Canada Learning Bond or the Additional Canada Education Savings Grant, you must have also filed taxes in previous years.

When you're ready to open an RESP, you'll need to choose an RESP promoter. An RESP promoter might be a:

- bank
- credit union
- insurance company
- financial planner

You might want to talk to more than one RESP promoter before choosing one that's right for you. Different promoters might offer different benefits. You can also ask if the promoter charges fees or if you have to make a minimum monthly contribution.

For more information online about how to choose an RESP promoter visit: www.canada.ca/en/services/benefits/education/education-savings/opening-plan

Some steps to open an RESP

Click here for ASL

1. Contact your RESP promoter by phone, email, or in-person.

2. Ask if they offer benefits, such as the:
   - Canada Learning Bond (CLB)
   - Additional Canada Education Savings Grant (Additional CESG)

   If the answer is yes, ask to open an RESP.

3. Ask to apply for benefits, such as the CLB, Basic CESG, Additional CESG, and other provincial benefits. The RESP promoter will help you fill out the forms. They will apply for these benefits for you unless you say you do not want them.

4. Contribute money to your RESP, if you want to. You need to make contributions to receive the CESG, but you don't need to make contributions to receive the CLB.

5. Check the balance of your RESP. Your benefits will be automatically deposited into your account. It can take several weeks to receive benefits.

Let's talk about it

Click here for ASL

Think about your life right now.

- What do you need money for?
- Do you want to save for things other than your child's education?
- How many years do you want to work before you retire?
- What does your dream retirement look like?
- Think about realities of your retirement. Where will you live? How will you spend your time? What money will you have? Will it be enough?
- Go back to your dream. Could part of it become reality? How much money will you need? How can you save it?

If you want to save for a big purchase or for retirement, an **RRSP** or a **TFSA** might be right for you.

RRSP is short for Registered Retirement Savings Plan. It's a registered savings account that helps you save for retirement.

TFSA is short for Tax-Free Savings Account. It's a savings account that helps you save money for any reason. It's also a good tool to help you save for retirement.

Making a big purchase

Remember Tenzin from page 5? He saw an ad for a big-screen TV and decided to buy it using his credit card.

Click here for ASL

A credit card lets you buy things now and pay later. If you pay your full bill when it's due, that's ok. But if you can't pay your full bill, it will get even bigger because of interest. That means Tenzin's TV could cost him even more money.

Instead of using his credit card, Tenzin could save up his money before buying the TV. That way, he'll know exactly what the TV will cost and he won't build up debt.

What are you saving for?

Look back at page 11, where you wrote your savings goal. Does it seem like a lot of money? Saving a large amount can feel impossible. But knowing what you're saving for can make it feel easier to save money.

Work with a partner or group to make a list of items you could save up to buy:

1.	Washing machine
2.	Family vacation
3.	
4.	
5.	

Let's talk about it

Think about your life right now.

- What do you want to start saving for?
- Does having a goal help you feel more excited to save money?

Planning ahead

Click here for ASL

Do you spend the same amount of money every month? Or do some months seem to be more expensive than others? Think about:

- holidays, with gifts and extra groceries
- winter, with higher heating bills
- car insurance bills that come once or twice a year

1. Add up your heating bills from the last year:

_____

2. Divide that amount by 12, since there are 12 months in a year

_____ ÷ 12 = _____

This is how much you pay for heat each month, even if you don't get a bill every month.

Planning ahead means you can "pay" the same amount every month. Sometimes you'll pay that money to the heating company, like in the winter. But sometimes you'll "pay" it to your savings account, like in the summer. That way, you'll be ready when you get a bigger bill.

Surprise expenses

Our lives don't always go the way we plan. Even good surprises can cost a lot of money. Think about life changes like:

- you have a new baby
- you lose your job
- you adopt a dog

It's a good idea to save a little extra money each month for surprises, even if you don't know exactly how much to save. Some people call this a "rainy day fund" or an "emergency fund." Putting a little bit of money in this account every month helps you be ready for surprises.

Tax-Free Savings Account

Do you want to save money for surprise expenses, a big purchase, or retirement? A **TFSA** is a good idea.

Click here for ASL

TFSA is short for Tax-Free Savings Account. It's a special savings account where your money grows and you don't have to pay any taxes on it.

Using a TFSA can help you remember that this isn't "extra" money that you can spend. It's for your savings goal, like the heating bill, a new TV, or retirement.

How to open a TFSA

Your bank can help you open a TFSA. You'll need:

- to be a Canadian resident
- to be 18 years old or older
- to have a Social Insurance Number (SIN)

Every year, you can put up to $7,000 into the TFSA. Your money will grow because you'll earn interest. You won't pay any taxes on the interest you earn.

You can take your money out of the TFSA anytime, and you won't pay any taxes on it. You can use the money any way you like. But remember your savings goal! What did you save the money for?

Let's talk about it

Click here for ASL

Discuss these questions with a partner or in a group:

- How you feel about saving money for your future?
- Are you ready to go to a bank and set up the right savings plan for you? Do you need any more information?
- Will you set up an RESP for a child? Or will you add to one for a grandchild?
- Would a CESG and a CLB help your child?
- Will you open a TFSA for yourself?

Money challenge

Check out more than one bank before you open a savings plan. Compare the plans. Which one is best for your money and future needs?

Look for an account with a high interest rate and low fees. You might also want to think about other things, like whether the bank is near your home or has an app where you can put money into your account online.

How to learn more

For more information about the Canada Education Savings Grant or the Canada Learning Bond, contact the Canada Education Savings Programs at 1-800-O-CANADA (1-800-622-6232).

Congratulations

You've completed the *Money Matters* Ways to Save workbook. You learned about:

- different ways to save for the future
- how interest helps your money grow
- ways to save for your child's education
- ways to save for your retirement

Click here for ASL

For the last activity, we hope you will make a **pledge**.

A **pledge** is a serious promise to yourself or to others.

The **pledge** can be personal, or you can share it with others.

My pledge

I pledge to act on my new savings knowledge by:

Sometimes a pledge needs an action plan: a list of steps you'll take to make your pledge happen.

My action plan

What do I need to do first?

Who will support me?

How will I overcome setbacks and obstacles?

Click here for ASL

Canada Child Benefit	A monthly payment made to families with children under the age of 18
Canada Education Savings Grant (Basic)	Money that the Government of Canada puts into your child's Registered Education Savings Plan (RESP) based on the amount of money you put in
Canada Education Savings Grant (Additional)	Extra money that the Government of Canada puts into your child's Registered Education Savings Plan (RESP) based on the amount of money you put in. Available to people with lower family income
Canada Learning Bond (CLB)	Money given to you by the Government of Canada for your child's RESP if you are a family with lower income
Compound interest	When interest is paid on the original amount of money you deposited as well as the interest you've already earned
Deduction	Money that comes out of your paycheque. It goes toward things like the Canada Pension Plan and Employment Insurance
Fixed income	When a person's income is from a government benefit program or a pension. People on a fixed income will get the same amount of money each month. The amount won't change even if they have more things to pay for that month

Interest	A fee someone pays to borrow money. When you get a loan or use credit, you need to pay back the amount you borrowed plus interest. The amount of interest is usually shown as a percentage of the money borrowed. When you put money in a savings account, the bank pays you interest
Net income	The money you receive after taxes and other deductions are taken off your paycheque
Registered Savings Plan	Savings account or plan registered with the Government of Canada to help you save money more quickly
Registered Education Savings Plan (RESP)	A way to save for a child's future education
Registered Retirement Savings Plan (RRSP)	A way to save for your retirement
Savings account	A personal bank account that pays you interest on the money you put into it
Tax-Free Savings Account (TFSA)	A savings account registered with the Government of Canada

Answers

Page 9

Click here for ASL

Riley has a net income of $2,200. What is 10% of her net income?

$2,200	÷ 10 =	$220
Riley's net income		

Page 13

1. Savings amount: $250
   Interest rate: 4%

$ 250.00
x 0.04
$ 10.00

2. Savings amount: $500
   Interest rate: 2%

$ 500.00
x 0.02
$ 10.00

3. Savings amount: $1,000
   Interest rate: 5%

$ 1,000.00
x 0.05
$ 50.00

Page 18

Riley saves $8,600 (plus interest) with her RESP. She saves $6,000 (plus interest) without an RESP.

Riley saves an extra $2,600 plus interest by using an RESP instead of a regular savings account.

$8,600.00
- $6,000.00
$2,600.00

Money Matters

Click here for ASL

Thank you!

You've now completed Workbook 4 of ***Money Matters***, a program designed to help you make your money work for you.

You've taken an important step to a better understanding of how to take care of yourself by taking care of your money. This is called **financial literacy.**

We hope you've learned things that you can put to practice in your life. We also hope that you feel more comfortable going to a bank or another financial institution to ask questions, get advice, and choose the best money option for you.

We'd appreciate your feedback on this workbook!

Please take the time to fill out the workshop evaluation form.

This will help us to improve the workshop and make changes you need.

ABC LifeLiteracyCanada

Founding Sponsor

TD READY COMMITMENT