

MANICOUAGAN



GUIDE 13

BUDGETING AND MANAGING EXPENSES

Manicouagan is one of those spaces that stands naturally apart from the rest. Those unspoiled lands where opportunities abound. Those Côte-Nord regions where the warmth of the people, as much as the beauty of the landscape, takes your breath away.

Here, the feeling of immensity is intertwined with a true culture of proximity. In Manicouagan, dynamism and enthusiasm go hand in hand with the philosophy of living in the present and making the most of every moment.

Choosing to live in Manicouagan means contributing to the bright future of the territory, all while achieving self-accomplishment.

As a newcomer, this guide is for you. It was created to help you settle and integrate into Manicouagan. In it, you will find plenty of practical information on the resources and services available.

WELCOME HOME!

FIRST EDITION, JANUARY 2025

Please do not hesitate to write to us at info@mrcmanicouagan.qc.ca to let us know about any changes that may have occurred since the writing of this guide.

LAND ACKNOWLEDGMENT

The Manicouagan municipalities are located on Nitassinan, the traditional unceded territory of the Innu people. In a spirit of friendship and solidarity, the municipalities acknowledge and honour the First Nations for the important contributions they made and continue to make to this territory.

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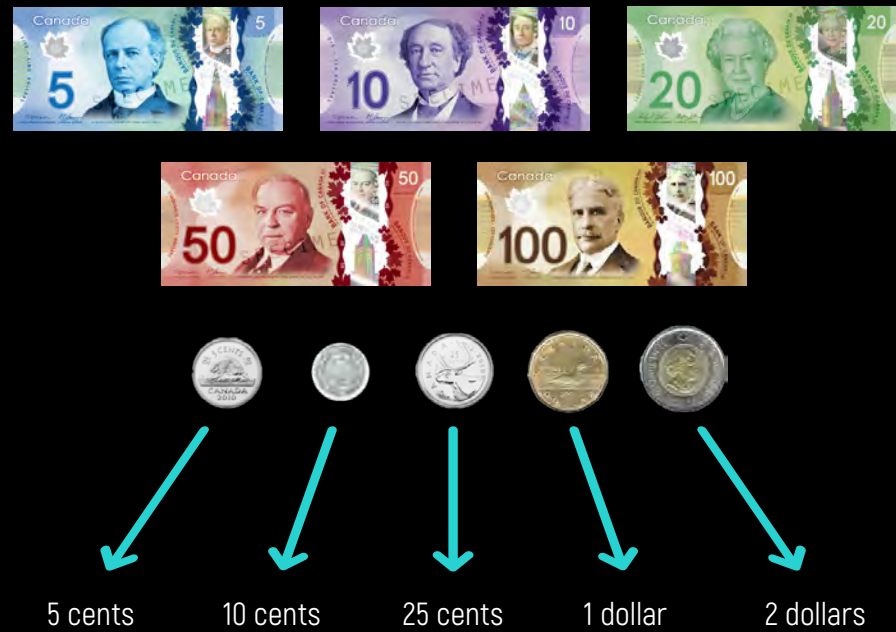
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CANADIAN MONEY



GOOD TO KNOW

Since 2013, the one-cent coin (penny) is no longer produced. It still retains its value and can be used to make payments. The progressive elimination of the penny only affects cash transactions. Prices are typically rounded up for these transactions.



FINANCIAL INSTITUTIONS

Every financial institution has automated teller machines (ATMs). You also can also visit the institution to consult with financial advisors. Each institution also offers online banking services. Do you have a mobile telephone? Download your institution's mobile application to pay bills or transfer money easily. There are several financial institutions in Manicouagan.



Keywords to help you in your search:
Banque (bank), caisse (credit union, financial coop), guichet (ATM), institution financière (financial institution)

DIFFERENCES BETWEEN A BANK AND A CAISSE

In Québec, banks and *caisses* (member-owned financial cooperatives much like credit unions) both offer similar financial products and services. So what is the difference between the two institutions?

	CAISSE	BANK
TYPE OF INSTITUTION	Financial cooperative	Private business
OWNERS	Members are part of the community (you, your parents, your neighbours, etc.)	A few shareholders
GOAL	<p>Ensure the economic and social well-being of all its members;</p> <p>Ensure the financial autonomy of all its members;</p> <p>Foster the economic development of its community by, for example:</p> <ul style="list-style-type: none"> Sponsoring an event; Donating to a community organization; Awarding scholarships to student members. 	Earn profits for its shareholders
MANAGEMENT	Managed by a board of directors made up of managers from the field and elected by board members every year at the annual general meeting	Managed by a head office usually located far from the city and its clients

BANKING LEXICON

FRENCH TERM	ENGLISH TERM AND DEFINITION
Carte de débit, carte de guichet automatique, carte d'accès	Debit card, ATM card, access card: payment card that allows you to access your bank account at ATMs and make purchases.
Carte de crédit	Credit card: gives you access to credit so you can purchase goods and services. Important: credit card payments are not automatic, you need to manually pay your card every month.
Déouvert	Overdraft: occurs when you do not have enough money in your bank account to cover a payment or withdrawal.
Frais bancaires	Bank fees: charges that financial institutions charge for various services and transactions.
Prêt, financement, marge de crédit	Loan, financing, or line of credit: different ways of borrowing money from a financial institution.
Prêt automobile, financement automobile	Car loan or car financing: financing options to purchase a vehicle.
Prêt hypothécaire, financement hypothécaire	Mortgage or mortgage loan: a legal agreement between a lender and a borrower to finance the purchase of a property.
SWIFT	SWIFT code, also known as a BIC (bank identification code): unique identifier for financial institutions that is used for international money transfers. SWIFT stands for Society for Worldwide Interbank Financial Telecommunication.
Spécimen de chèque	Sample cheque or cheque specimen: your banking information can be found on the sample cheque, which you can download from your online banking account. You will need the SWIFT or BIC code for international money transfers; your bank can provide it.

TYPES OF PAYMENT CARDS



DEBIT CARD

Card used to pay for goods and services or to withdraw money directly from your current account.

Your financial institution will usually give you a debit card when you open an account.

- Free card
- Different free or paid plans for the number of transactions included
- For in-store payments
- Cannot be used for online purchases
- For withdrawals at ATMs
- To access to your online banking account

Source: www.canada.ca/en/financial-consumer-agency/services/credit-cards/credit-card-work.html



GOOD TO KNOW

Fees apply if you use your debit card to withdraw money at another financial institution's ATM.

CREDIT CARD

Card used to pay for goods and services with money borrowed from your credit card company. **You must reimburse the money borrowed.**

You can apply for a credit card with your financial institution. While not mandatory, a credit card allows you to make purchases a debit card does not (e.g., online purchases).

- Short-term loan
- Different packages: free or paid card, variable interest rates, with or without advantages (insurance, loyalty points, etc.)
- Payments in stores, online, or by phone
- Withdrawal from ATMs (beware, fees apply)
- Allows you to build credit **(IMPORTANT, keep reading)**

HOW DOES A CREDIT CARD WORK?

- When you pay with a credit card, the credit card company loans you money to pay for the purchase. You then need to pay back the amount borrowed.
- The credit card company sends you a statement once a month. This statement shows all your purchases and the amount you need to pay back.
- If you pay the full balance on your credit card by the due date, you do not pay interest (unless you took out a cash advance).
- If you do not pay the full balance on your credit card by the due date, you will need to pay interest, which can be quite high.

CREDIT

Credit is a sum of money one person owes to another person (or financial institution). Having a credit card allows you to build credit, which is useful when you want to buy a house or car. Always paying your credit card on time establishes good credit history.

Used responsibly, credit is a good way to pay for life's big projects: pursuing your studies, starting a business, buying a property, or renting an apartment for example. However, consumer credit can become a trap if it is not used carefully, and it is important to know how it works before resorting to this form of financing. Remember that you are borrowing money, and you need to be able to repay your debts.



For more information, visit:

www.educaloi.qc.ca/en/capsules/credit-reports or
www.lautorite.qc.ca/en/general-public/personal-finances/credit-report



CREDIT REPORT

Your credit report is a way to identify you, see what money you owe or owed, and whether you pay your debts.

If you need a loan to purchase goods or services, your credit report is the first document that will be checked to see whether you are able to pay back the loan.

Moreover, if you rent an apartment, the landlord can ask to see your credit report to confirm your financial stability. This is a common procedure, which is strictly regulated to protect tenants.

YOUR CREDIT REPORT INCLUDES:

- **Personal information**
(name, date of birth, address, social insurance number)
- **Your credit score, which is a number between 300 and 900** that is attributed based on how you use credit, your payment habits (missed payments), your banking history (pre-authorized payments or cheques with insufficient funds), etc.

THE HIGHER YOUR SCORE,
THE MORE LIKELY YOU ARE TO BE APPROVED FOR A LOAN.

THE MORE YOU REPAY YOUR LOANS ON TIME,
THE BETTER YOUR CREDIT RATING WILL BE.

SAVINGS

Saving is the act of setting money aside for the future. Financial institutions offer different options to save and grow your money.

Here are a few of the most common:

FIRST HOME SAVINGS ACCOUNT (FHSA)

This is a registered plan that lets you save tax-free for a down payment on your first qualifying home.

REGISTERED RETIREMENT SAVINGS PLAN (RRSP)

Contributions to an RRSP can be deducted from your annual income. This allows you to reduce your taxable income and pay less income tax. Generally, this money is set aside for your retirement.

TAX-FREE SAVINGS ACCOUNT (TFSA)

In this type of account, any income earned is tax-free and the funds are always accessible.

REGISTERED EDUCATION SAVINGS PLAN (RESP)

The RESP is a savings plan that helps parents save for their child's post-secondary education. Income earned is tax-deferred. The government also contributes to the RESP.

NEED HELP?

For help saving and choosing an investment solution that is right for you, contact your financial institution to meet with a financial advisor.

INTERNATIONAL MONEY TRANSFERS

Transferring money to someone in another country is also known as sending a remittance. A business or financial institution in Canada sends the transaction details to an agent, business, or bank in the other country. That agent, business, or bank gives the money to the person you are sending the money to (the recipient).

Depending on the service, the money may be given as:

- Cash
- A deposit into a bank account
- A credit to a credit card, debit card, or prepaid card

 For more information, visit: www.canada.ca/en/financial-consumer-agency/services/payment/international-money-transfers.html

To send money to someone in another country, there are several international money transfer options available. How the transfer works, the rates, and the fees differ from one option to the other.

It is important to do your own research, but here are a few ways to send money:

- Check if your financial institution offers international money transfer services.
- Western Union offers international money transfer services at the Baie-Comeau Walmart, located at 600 Laflèche Boulevard. To send money, head to the customer service counter (by the self-checkouts). Bring identification and your debit card (or cash), sign the papers, and make sure to keep the receipt (with the MTCN number).
- There are also mobile applications or websites such as WorldRemit.

SALES TAX

The federal goods and services tax (GST) is 5% and applies to most goods and services purchased in Canada. The Québec Sales Tax (QST) is 9.975% and applies to the sales price, excluding federal tax, of most goods and services purchased in Québec.

Taxation on your salary is linked to your annual income tax return, which needs to be filed with the federal and provincial governments.

TIPS

A tip is an amount given voluntarily by a customer in exchange for a service.

It is important to know that some professions (such as restaurant work) are paid at a lower minimum wage, as the tip is added to the salary paid by the employer.


HOW TO CALCULATE TIP?

In restaurants with table service, customers generally leave 15% of the bill before taxes, but including the price of alcohol. If you have brought your own wine, add two dollars per opened bottle. For a business meal, you can give 20% of the bill. For pizza delivery or any other meal delivery, it is customary to give at least 10% of the order. A bartender should receive at least one dollar per drink. If the order is large, calculate 15% of the total amount.

Tips are not expected in fast-food restaurants, but if you receive particularly outstanding service at the counter, feel free to leave a tip.

In hotels, porters and housekeeping staff usually receive a few dollars according to the number of suitcases or nights stayed respectively. For housekeeping, the money must be placed in an envelope addressed to them, otherwise the hotel may not allow them to keep it.

For barbers and hairdressers, estheticians, massage therapists, and spa employees, leave 5% to 10% of the bill. For taxi drivers, leave 10% of the fare.

 For more information, visit www.immigrantquebec.com/fr/conseils-d-experts/le-pourboire-au-quebec



GOOD TO KNOW

If the services received were mediocre, you are not obliged to leave a tip. However, you should know that a worker often has to pay tax on 8% of the bill amount.

INCOME TAX

All Québec residents who earn an income must pay their share of the government's expenses on services for the community. All residents must therefore file a federal and provincial income tax return, regardless of their source of income. The tax system in Québec and in Canada rests on the principle of self-assessment. This means that taxpayers must provide the governments with information on their income and expenses and calculate their share of taxes to pay. This is known as an income tax return.

THE OBJECTIVE OF THE TAX SYSTEM

To ensure that everyone pays their fair share to finance public services, Revenu Québec is responsible, on behalf of the Government of Québec, for:

- Collecting taxes.
- Administering various assistance programs and other programs for the collection and redistribution of funds.
- Collecting amounts on behalf of certain government agencies, such as Retraite Québec, the Commission des normes, de l'équité, de la santé et de la sécurité du travail, and the Canada Revenue Agency for the collection of the Goods and Services Tax (GST) in Québec.



For more information, visit:

www.revenuquebec.ca/en or www.canada.ca/en/revenue-agency.html

LEVELS OF GOVERNMENT

Canada has two orders of government:

1 Federal government

2 Provincial government

Municipalities are not a third order of government. Provinces delegate responsibilities to municipalities such as city, police, and fire department management and so on.

The Government of Canada and the Government of Québec grant tax credits and financial assistance to people and families with low incomes. You can access these programs by filing your tax return.

Every year, you must produce two tax returns:

- One for the federal government (Canada Revenue Agency - CRA)
- One for the provincial government (Revenu Québec)



GOOD TO KNOW

In Québec and Canada, taxes are structured progressively, meaning that the tax rate increases according to your income bracket. In other words, the higher your income, the more tax you pay.



IMPORTANT

For immigrants, certain specific conditions may apply regarding tax regulations. It is important to inform yourself about your obligations. Do not hesitate to call Revenu Québec or the Canada Revenue Agency to get more information about your situation.

WHY FILE A TAX RETURN?

Depending on the income you declare, you may be eligible for a tax refund. All the money refunded is in fact yours. A tax refund occurs when the government returns a portion of the taxes you already paid because your income fell below a certain threshold or you overpaid.

TAX CREDITS

If you are 19 years of age or older, you could also be eligible for additional refunds from refundable tax credits, including those for the following programs:

- Canada Workers Benefit
- GST/HST Credit
- Canada Child Benefit (CCB)
- Solidarity Tax Credit



Consult the Revenu Québec and CRA websites to discover all the credits and programs available.

Students who pay tuition to an eligible post-secondary institution should also file a tax return even if they will not receive a tax refund.

Contrary to most non-refundable credits, tuition credits can be carried forward to a future year when you have a higher income and can benefit from the credit. They can also be transferred to a spouse, common-law partner, parent, or grandparent.

WHO NEEDS TO FILE A TAX RETURN?

Any person residing in Québec must typically file a tax return with the Government of Canada and the Government of Québec. Even if you do not have an income to declare or any tax to pay, if you file a tax return you could benefit from certain assistance programs you are entitled to.

If you worked in another Canadian province but are living in Québec on December 31, you must file a tax return in Québec. However, if you lived part of the year in Québec but reside in another province on December 31, contact Revenu Québec.

If you are considered a resident or a deemed resident of Canada (this is the case for some non-residents), you must file a tax return for the full taxation year or for the part of the taxation year when you lived in Canada.

WHEN TO FILE YOUR TAX RETURN?

Your tax return must be filed by April 30 of the calendar year following the taxation year or by June 15 if you or your spouse operated a business.

HOW TO FILE A TAX RETURN?

1

With a software

The governments of Québec and Canada accept tax returns filed online using authorized or certified software.

In Canada

www.canada.ca/en/revenue-agency/services/e-services/digital-services-individuals/netfile-overview/certified-software-netfile-program.html

In Québec

www.revenuquebec.ca/en/partners/authorized-products/authorized-software/personal-income-tax-return-individuals

2

On your own, using tax forms

Order your forms and guides online. Available starting in January.

www.canada.ca/en/revenue-agency/services/forms-publications.html

3

Hire a professional

Accountants (paid service) and community organizations (free service) can file your tax return or help you file it.



INCOME TAX ASSISTANCE

The Income Tax Assistance – Volunteer Program helps people who need assistance completing their income tax returns and who cannot afford the services of a professional. The program is jointly administered by the Canada Revenue Agency and Revenu Québec.



For more information, visit:

www.revenuquebec.ca/en/one-mission-concrete-actions/helping-you-meet-your-obligations/income-tax-assistance-volunteer-program

The Association pour la Protection des Intérêts des Consommateurs can also help. Consult the “**Consumer Protection**” section for the contact information.

INCOME TAX VOCABULARY

Common-law partner

A person (of the opposite sex or same sex) who, at any time during the year, was either:

- Living in a marital relationship with you and was the biological or adoptive mother or father (legally or de facto) of at least one of your children.
- Had been living in a marital relationship with you for at least 12 consecutive months (any breakup of the relationship lasting less than 90 days does not interrupt the 12-month period).

Dependent

Person who lives with you and whom you provide for, such as your children.

Individual

Individuals subject to income tax.

Instalments

Partial payments you make periodically throughout the year to cover your income tax for the year. These payments are usually made in quarterly instalments.

Notice of assessment

The official document issued by the government after processing your income tax return. It sets out your tax situation, confirming the amounts of income, deductions, and credits to which you are entitled, for each level of government (provincial and federal).

Self-employed person

An individual operating an unincorporated business who works for themselves, with the aim of making a profit. Self-employment income is the income earned by a self-employed person. All income earned in this way is taxable and must be reported to the CRA. Money earned by selling items (such as a coat or other item you own) to someone else does not have to be reported in this way. This type of activity only becomes taxable if it is used to earn income on a regular basis. For example, if you buy 50 coats and sell them, the profit is taxable.

Taxation year

For individuals, the taxation year usually corresponds to a calendar year (i.e., January 1 to December 31)

Taxpayer

All businesses and individuals, including beneficiaries of tax-related programs administered by Revenu Québec, whether or not they are required to pay income tax.

Keep all documents (statements, slips, receipts, and vouchers) that support the information on your return for at least six years after the tax year to which they relate.

The tax system in Québec is similar to the one in Canada and many other countries: in general, employers deduct taxes and contributions from the wages they pay to their employees. If you are self-employed or receive rental income (e.g., the owner of a rental property), you may have to pay taxes and contributions in instalments.



GOOD TO KNOW

All residents of Québec also have tax obligations to the Government of Canada. To find out about these obligations, contact the Canada Revenue Agency.

Canada Revenue Agency
www.canada.ca/en/revenue-agency.html

INCOME

Income is the sum of money earned from wages and salaries, remuneration, fees, interest, dividends, or annuities. Income generally comes from employment, a business, office, or property. However, an amount received in the form of capital does not constitute income. For example, if you make a one-year term deposit of \$1,000 (capital) at a bank, at 5% interest, the bank will remit \$1,050 (\$1,000 in capital + \$50 in interest) to you when the investment matures. Only the \$50 in interest is considered income. Consequently, you will receive a RL slip from the bank indicating \$50 in interest income.

RL SLIPS

RL slips are official receipts that you receive annually. They are used to determine the amount of your income and the deductions and tax credits you can claim for a taxation year.

Revenu Québec – New Residents and Income Tax

www.revenuquebec.ca/en/online-services/forms-and-publications/current-details/in-119-v

Canada Revenue Agency – Newcomers to Canada

www.canada.ca/en/revenue-agency/services/tax/international-non-residents/individuals-leaving-entering-canada-non-residents/newcomers-canada-immigrants.html

CONSUMER PROTECTION

The Association pour la Protection des Intérêts des Consommateurs (APIC) is a non-profit organization dedicated to defending the rights and interests of all consumers in the Manicouagan RCM. The association aims to empower consumers to improve their living conditions, both financially and in terms of their consumer habits, through democratic participation, consumer education, and the development of critical thinking skills, all with a view to improving society. Their team offers financial education intervention services.

Here are a few of the services offered:

- Budget and debt consultations
- Budget and retirement workshops
- Tax assistance
- Bankruptcy meetings
- Meetings on consumer issues (warranties, contracts, etc.)
- File preparation (small claims court)
- Assistance with the complaint form for the Office de la protection des consommateurs (consumer protection agency)



PRACTICAL INFORMATION

To learn about all the APIC's services

418-589-7324

www.apiccotenord.org or www.opc.gouv.qc.ca



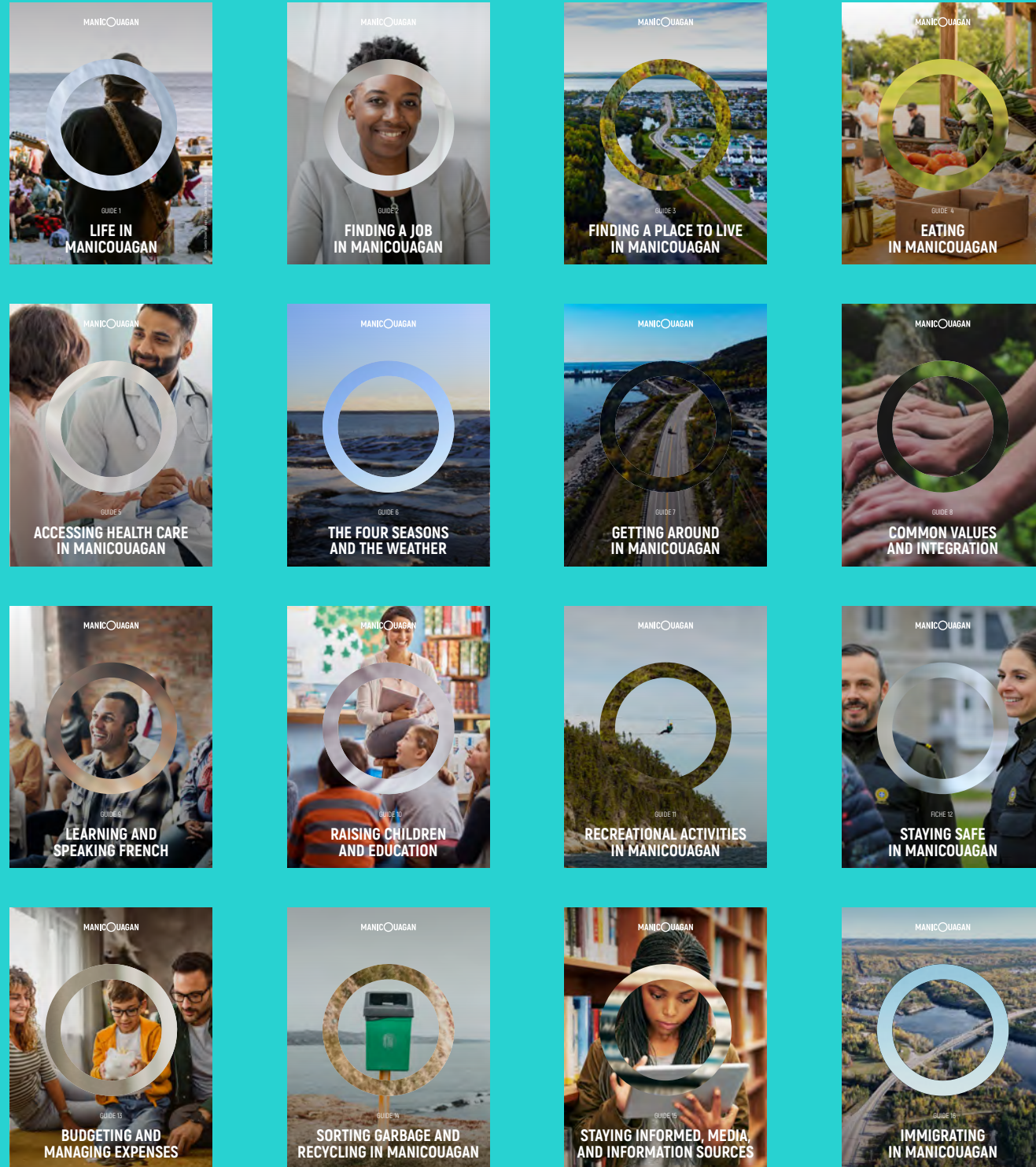
FINANCIAL LITERACY PROGRAM

The Carrefour Jeunesse Manicouagan offers the “Mes finances, mes choix” (my finances, my choices) financial literacy workshops. This training program helps young adults develop their financial autonomy and gives them the tools to make informed and responsible consumer choices that align with their values. The workshops also seek to counter the stigma associated with financial problems and to reduce the pressures of our consumer society. Workshops are held in schools or in the community.



For more information, visit:
www.cjemanic.com

CONSULT THE OTHER GUIDES



THANK YOU TO OUR PARTNERS

The success of this project is a testament of the strength of our collaborative partnership. The Manicouagan RCM would like to thank all its partners and collaborators for their trust and their vital contributions to the project.

WORKING COMMITTEE

An initiative of
 Ville de Baie-Comeau

With the collaboration of



FINANCIAL PARTNERS



This project is carried out as part of the sectoral agreement that aims to attract new residents and encourage long-term settlement in the Côte-Nord and with the financial support of the following partners: Caniapiscau RCM, Golfe-du-Saint-Laurent RCM, Haute-Côte-Nord RCM, Manicouagan RCM, Minganie RCM, Sept-Rivières RCM, le ministère des Affaires municipales et de l'Habitation, and the Société du Plan Nord.

MANICOUAGAN