



MONEY\$TALK

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October 2018

Registered Disability Savings Plans

Registered Disability Savings Plans (RDSPs) are a Canada-wide registered matched savings plan specifically for people with disabilities. Here are some basics:

- For every \$1 put in an RDSP account, the federal government can (if your family income is below \$87,123) match it with up to \$3. This is the Canada Disability Savings Grant.
- For people living on a low-income (less than \$25,356), the federal government will put in \$1000 each year for 20 years! This is the Canada Disability Savings Bond.
- People living on an income between \$25,356 – \$43,561 can still receive a partial bond.
- You can catch up on up to 10 years of bonds and grants that you were eligible for but missed out on (since 2008, when the RDSP started).

The beneficiary is the person who will receive the money in the future. The beneficiary must:

- be under 60 years of age and a Canadian resident;
- be eligible for the Disability Tax Credit and have a Social Insurance Number (SIN)

For more information check with your bank or the Government of Canada website.



Budgeting in the Gig Economy

Working in the gig economy means having to deal with an irregular income which can be a challenge budgeting-wise. Here are a few tips:

Create a budget using your average income. If you've been living this way for a while, take your net income from last year and divide it by 12 to get an average monthly income. If you've recently started working this way, you'll need to revisit your average regularly until you have enough months under your belt to see an overall trend. Next, calculate your average monthly expenses and compare this to your income. If the difference leaves you in the red, you need to find a way to increase your earnings or trim expenses.

Make emergency savings a priority. In the gig economy, if you get sick or lose a contract, you don't get paid so it's extra important to have some savings to carry you through those times.

Source: Toronto Star

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Financial Literacy Month and Credit Education Week

November is Financial Literacy Month and the Financial Consumer Agency of Canada is encouraging people to invest in their financial wellbeing with resources and tools for financial education.

<https://www.canada.ca/en/financial-consumer-agency/campaigns/financial-literacy-month.html>



Credit Education Week also takes place in November and this year's theme is Money Mindfulness. If you're not entirely sure where your money goes, this might be a good month to keep track of every cent you spend so you can decide whether you're happy with what you're buying.



Credit Education Week 2018
Money Mindfulness | November 13th – 16th

Are You Getting Ready to Retire?

One of the important jobs for those approaching retirement is to make sure they know what sources of government-funded income they qualify for. Canada Pension Plan benefits are based on previous employment income, while Old Age Security (OAS) requires you to be age 65, a Canadian citizen or permanent resident of Canada, and to have lived in Canada for at least 10 years since the age of 18. Seniors with few other sources of income may also qualify for the Guaranteed Income Supplement to OAS.

Each of these programs has its own criteria and age of eligibility, and you may have to apply in order to receive benefits. For more information, check out the Public Pensions section of the Government of Canada website.

<https://www.canada.ca/en/services/benefits/publicpensions.html>



December is Just Around the Corner . . .

If you haven't been putting money aside for holiday expenses, it's not too late to start. Set a budget for how much you want to spend and figure out how much you need to save from each paycheque so you can avoid putting holiday expenses on credit. When the January bills roll around you'll be glad you did!

Our counsellors are available at 5 locations!

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