The Canadian Money Starter Kit

A place to start, not a place to stop. Work down the steps and stop at the first one that is true for you.

> This is a map, not a recommendation. Where you actually land depends on your income, your timeline and your own numbers.

WORK DOWN, IN ORDER

1. Debt charging double digit interest? That comes first. Paying it down is a guaranteed result, dollar for dollar, and nothing else on this page beats it.
2. Employer match on a workplace plan? Contribute enough to get the full match. That is money added before anything else happens.
3. A first home realistically in the next 1 to 15 years? The FHSA is built for exactly this, and it is the only account with a deduction going in and tax free growth coming out.
4. None of the above? Then the question is TFSA or RRSP, and the short version is below.

STEP 4, THE SHORT VERSION

TFSA

No tax when you withdraw, ever. Room is not tied to your income. Tends to win when today's tax bracket is lower than the one you expect later, or when you want the money accessible sooner.

RRSP

Contributions reduce your taxable income this year. You pay tax later, when you withdraw. Tends to help more when today's bracket is higher than the one you expect in retirement.

Both, eventually

They are containers, not competitors. Most people end up using more than one. The order is what changes, not the destination.

REFERENCE NUMBERS, 2026

Account	This year	The detail
TFSA	$7,000	Cumulative $109,000 if you have been eligible since 2009
FHSA	$8,000	$40,000 lifetime. No home owned by you or your spouse this year or the previous four
RRSP	$33,810	18% of your prior year earned income, capped at the dollar limit, minus your pension adjustment. Deadline March 1, 2027

> These are the published limits, not your room. Yours depends on your carry forward and your pension adjustment, and it is in CRA My Account.

Seven ways to close a gap without earning more

Not one of these needs a raise, a windfall, or a single extra dollar going in. They are all about money you already have, room you have already earned, or cover you are already paying for.

> Do them in any order. Most people find something on the first one they check, which is usually the one they assumed was fine.

THE SEVEN

1. Put your debts in payoff order. Write every balance down with its interest rate beside it, highest rate at the top. Paying the highest rate first returns exactly that rate, with no market risk and no waiting. Nothing else on this list moves a number that fast, and the order costs nothing to change.
2. Claim the grant money already waiting. If there are children in the picture, an RESP contribution attracts 20% from the government on the first $2,500 a year, which is $500 a year and $7,200 over a lifetime. Unused grant does not vanish: it carries forward, so a year you missed can still be collected later. Details overleaf.
3. Check who is named on your accounts. Registered accounts and workplace coverage pay whoever is named on them, and the name is often whoever you wrote down when you opened it. Marriages, separations and births do not update it for you. This is a fifteen minute job that costs nothing and decides where the money lands.
4. Move the same dollar to a better account. The dollar does not change, the container does, and the container decides the tax. A TFSA is never taxed on the way out. An RRSP reduces the tax you pay this year. An FHSA does both, if a first home is realistic in the next 1 to 15 years, up to $8,000 a year and $40,000 in total. Page 1 is the order.
5. Look up your real contribution room. The CRA works it out for you and keeps it in CRA My Account, free to see, about two minutes to find. Room you did not use in earlier years carries forward, so the number is usually bigger than people expect. Read yours rather than the one in the headline, for the reason in the box below.
6. Read what work already covers you for. Most people have never opened the benefits booklet. It typically says what happens if you cannot work, for how long, and at what percentage of your income. Knowing the number is free, and it is the difference between assuming you are covered and knowing by how much.
7. Cancel what renewed without you. Go through one statement line by line and mark anything you did not decide to buy this year. Annual renewals are designed to be invisible. This is the only fix on the list that puts money back the same week.

THE GAP THE FINDER NAMED, AND THE FIX FOR IT

Debt Strategy	Fix 1. Put your debts in payoff order, highest rate first.
Education Planning	Fix 2. Claim the grant already waiting, and the years you missed.
Life Coverage	Fixes 3 and 6. Who is named on the accounts, and what work already covers you for.
Tax Structure	Fix 4. Same dollar, better container, less tax.
Retirement Readiness	Fix 5. Read your real room in CRA My Account, not the headline.
Nothing named, or all of it	Fix 7. Cancel what renewed without you. It is the one that pays back the same week.

FIX 2 IN NUMBERS, THE EDUCATION GRANT

What	How much	The detail
Grant rate	20%	paid on the first $2,500 contributed each year
Each year	$500	the most the basic grant pays in a normal year
Catching up	$1,000	the most in one year when unused room from earlier years is used
Lifetime cap	$7,200	per child, across every year combined

> Grant carry forward, in full: unused CESG accumulates to the end of the year the child turns 17. Contributing more than $2,500 earns 20% on up to $5,000, so up to $1,000 of grant in one calendar year, still capped at the $7,200 lifetime maximum. Source: https://www.canada.ca/en/services/benefits/education/education-savings/estimating-amounts.html

> Fix 5 has a trap worth naming. The RRSP figure quoted in articles is a general cap, not your room. It is $33,810 for 2026 and was $32,490 the year before, and which tax year a quoted number belongs to is very easy to get wrong. Yours is on your own CRA page, and yours is the one that counts.

> Every fix on this list works at the income you have today. None of them requires buying anything. If a gap turns out to be bigger than a fix on this page, that is worth a conversation rather than a guess.