

**WORK CENTRAL AB**

# Banking in Alberta

Setting Up Accounts and Building Canadian Credit

A Career Resource from Work Central AB

# Setting Up Banking in Alberta

Setting up a bank account early makes everything from receiving your paycheque to paying rent much simpler. This guide covers how banking works in Alberta and what newcomers need to get started.

## 1. Choosing a Bank or Credit Union

- Canada's major national banks all operate branches across Central Alberta, offering full-service banking, credit, and investment products.
- Credit unions are also strong options regionally, often with competitive rates and a more personal, community-focused service model.
- Compare account fees, minimum balance requirements, and newcomer-specific banking packages, which many institutions offer with reduced or waived fees for the first year.

## 2. What You'll Need to Open an Account

- Two pieces of identification, at least one with a photo (passport, driver's licence, permanent resident card, or provincial ID).
- Your Social Insurance Number (SIN), though some banks can open a basic account before you receive it.
- Proof of address, such as a lease agreement, once you have local housing confirmed.
- For newcomers, immigration documents such as a Confirmation of Permanent Residence (COPR) or work/study permit.

## 3. Types of Accounts

### Common Account Types

**Chequing account** - for everyday transactions, direct deposit, and bill payments.

**Savings account** - for building an emergency fund or saving toward a goal.

**Credit card** - newcomers without Canadian credit history may need a secured credit card initially to begin building credit.

**Registered accounts** - such as RRSPs and TFSAs, useful once you're established and looking to save long-term.

## 4. Building Canadian Credit History

- Credit history typically doesn't transfer internationally, so newcomers often need to build it from scratch in Canada.
- A secured credit card, backed by a cash deposit, is a common starting point.
- Pay all bills - credit card, phone, and utilities - on time, since payment history is the single biggest factor in your credit score.

- Keep credit card balances low relative to your limit, and avoid applying for multiple credit products at once.

## 5. Direct Deposit and Bill Payments

Once your account is set up, provide your employer with a void cheque or direct deposit form so your pay is deposited automatically. Most Alberta banks also support online bill payments for utilities, rent (in some cases), and other regular expenses, which simplifies monthly budgeting.

## 6. Common Newcomer Banking Questions

### Frequently Asked Questions

**Can I open an account before I arrive in Alberta?** Some banks allow newcomers to start the process online or from abroad, finalizing in person once you arrive.

**Do I need a SIN to open an account?** Not always - some banks can open a basic account without one, though you'll need to provide it once received for tax reporting purposes.

**How long does it take to build a credit score?** It varies, but consistent on-time payments over 6-12 months on a secured card or similar product typically starts to build a usable credit history.

**Are there fees for international money transfers?** Most banks charge fees for sending money internationally - compare rates if you'll be sending money abroad regularly.

## 7. Managing Money Day to Day

- Set up online and mobile banking as soon as your account is open, since most Alberta banks offer full-featured apps for transfers, bill payments, and e-Transfers.
- Interac e-Transfer is the standard way Canadians send money to each other directly from a bank account - useful for splitting rent, paying a landlord, or sending money to family.
- Track recurring payments (rent, utilities, subscriptions) in your budget so you always know your minimum monthly obligations.
- Review account statements monthly to catch any errors or unexpected fees early.

## Banking Checklist

- ✓ Compared banks and credit unions for fees and newcomer packages
- ✓ Gathered required identification and documents
- ✓ Opened a chequing account, and a savings account if desired
- ✓ Applied for a secured credit card if building Canadian credit history
- ✓ Set up direct deposit with your employer

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- ✓ Set up online/mobile banking and e-Transfer
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