



# Apprentice Guide to Banking





## Introduction

As an apprentice, you're embarking on an exciting and transformative journey! So you'll be glad to know that there is support for you along the way. CIBC understands that starting and growing your career can be challenging, so we created this guide to help. From claiming grants to starting your own business, we've got you covered. Remember, you're on an adventure, enjoy what you learn and who you meet along the way, CIBC is here to help throughout this journey...

# A hands-on career path

Skilled trades remain an in-demand career choice across Canada. [The Government of Canada](#) has even released some impressive figures to show the essential value these jobs offer to communities, in addition to the numerous potential career paths they offer.



# Skilled Trades by the Numbers

300+ designated trades with career paths in Canada.

\$7 Million investment in the skilled trades workforce from the Government of Canada.

54 trades with Red Seal Trade designations that act as national standards, allowing those tradespeople to work anywhere in Canada without additional designations.

5 key sectors:

- Construction (electricians, carpenters, plumbers, welders, etc.)
- Transportation (automotive service technicians, heavy-duty equipment technicians, motorcycle technicians, etc.)
- Manufacturing and Industrial (tool and die makers, industrial mechanics, metal fabricators, etc.)
- Services (cooks, bakers, hairstylists, landscape horticulturists, etc.)
- Information and Digital Technology (instrumentation and control technicians, and machinists)

# Understanding the journey of a Skilled Trades professional

So you're interested in Skilled Trades, but what exactly does an apprenticeship look like?



# The First Steps to an Apprenticeship

The road to an apprenticeship is different for every trade and for every province/territory. Everyone's journey looks different and can be full of variables: like whether you're still in high school or if you already have work experience.

As an example, here's the kind of process you'll have to follow to become an apprentice in [Ontario](#).

1. Find out if you qualify
2. Find a sponsor
3. Apply
4. Sign an agreement

Want to know what that could look like for you? Explore the various pathways to apprenticeship in [each province and territory](#).

## Next Step: The Classroom

It's a likely scenario that you'll work for a year before switching to the classroom for 8-12 weeks. Overall, it can take around 2-5 years to fully complete an apprenticeship, with some of that learning coming from either a college campus or a union training centre.

Obviously, your experience will depend on the specific trade you pursue but on the whole, one of the defining features of a Skilled Trade is that you learn on the job from experienced workers who once stood where you are. And, best of all, you get paid while you learn.

By this point, you'll be well on your way to being a fully licenced working tradesperson. Still interested? Then keep reading to learn how to fund it all.

# Funding your Skilled Trades aspirations



# Funding your skilled trades aspirations

Don't let money get in the way of your dreams to pursue a career in Skilled Trades. Between the [government and numerous other unions and organizations](#), there are many different ways to afford your apprenticeship of choice.

Such as the CIBC Education Line of Credit, as an apprentice you now qualify to apply for the CIBC ELC. You can get up to \$80K to help support you in your education, tools and living expenses. Pay interest only on the amounts you actually use while you are in school, and for 24 months after graduation (or 6 months if you leave your program without graduating). [Learn More Here](#).

Some of your other top options include:

- [Canada Apprentice Loan](#)—Up to \$4,000 in interest-free loans.
- [Apprenticeship Incentive Grant \(AIG\)](#)—\$1,000 per year or level after completing the first or second year in a designated Red Seal Trade.
- [Apprenticeship Completion Grant \(ACG\)](#)—Lifetime amount of \$2,000 for registered apprentices who complete their training and have a journeyperson certification.

And that's just at a federal level. Check with your province to see if there are even more grants or funds available to support your dreams.

# Feel good about your finances

Finding financial success is not necessarily about how much you earn, but how you actually manage your money.

It's important to feel confident about your financial plans and secure about your future in the trades. Put yourself in a spot where you know you can pay bills on time, handle surprise expenses, and still have money left over for fun.



# Helpful Financial Resources Before You Start Your Apprenticeship

Even before you start your journey, there are resources to help you feel more financially prepared. The CIBC Apprentice Bundle Offer can help Registered Apprentices get started with banking offers designed specifically for them. [Learn More Here](#).

- **CIBC Smart™ Account:** As a registered apprentice, pay no monthly fee for 24 months<sup>†</sup>
- **CIBC Dividend® Platinum Visa\* Card:** Earn a cash back welcome bonus and a first year rebate
- **CIBC Education Line of Credit:** Borrow up to \$80,000 and CIBC Prime<sup>‡</sup> + 1.00%

## Helpful financial resources for new tradespeople

Things are looking up and you're starting to see some real money. Don't squander it—make the most of these resources!

[Tax-Free Savings Account \(TFSA\)](#)—Discover the ways a Tax-Free Savings Account (TFSA) can help you grow your savings.

[First Home Savings Account \(FHSA\)](#)—Get closer to home ownership with tax-free savings

[Deduction Tools for Apprentices and Tradespeople](#)—Calculate your maximum tradesperson's tool deduction.

[Tax Deductions and Credits for Apprentices and Tradespeople](#)—A range of tax credits you can benefit from.

<sup>†</sup> Terms and conditions apply.

<sup>‡</sup> CIBC Prime is the variable rate of interest per year declared from time to time to be the prime rate for Canadian dollar loans made by CIBC in Canada. The interest rate on your CIBC Variable-Rate line of credit will change whenever CIBC Prime varies.



## Other Helpful Financial Resources for Tradespeople and Owners

Once you're more stable in your career and the money is a little more free-flowing, here are some ways you can make the most of it, while also securing your future.

[Retirement Budget Calculator](#)—Get peace of mind and clarity when it comes to your long-term future.

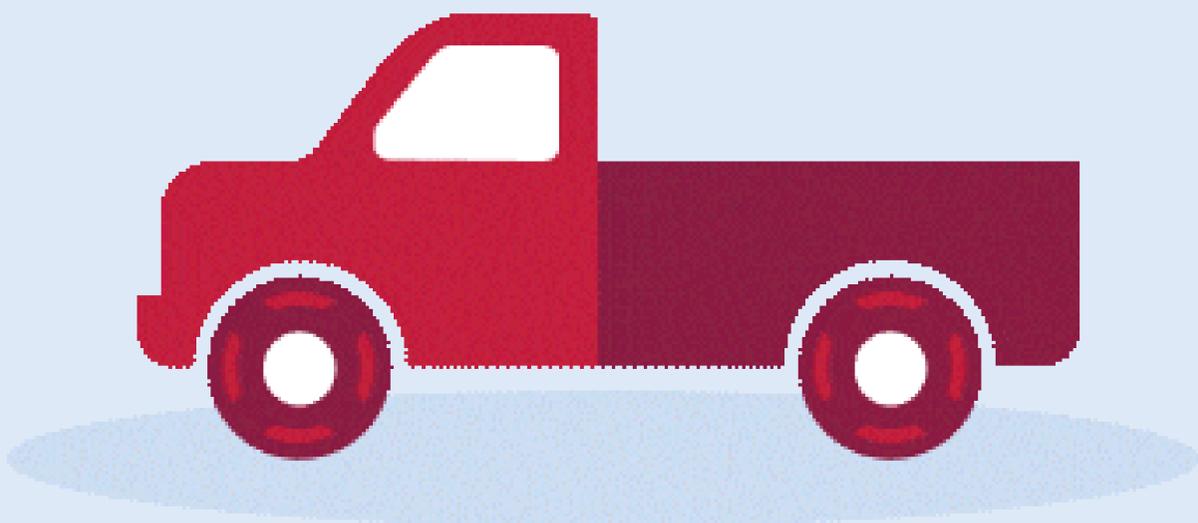
[RRSP Calculator](#)—How much could an RRSP (registered retirement savings plan) be worth in your future?

[TFSA](#)—Business owners can choose to invest surplus funds and a TFSA provides a great opportunity to earn tax-free investment income.

And once you have your money in order, we have something you want need to use some of those savings for...

# Time to hit the road

Having the right tools is everything. No matter your trade, the right vehicle could be a part of that equation. If you're wondering how you'll get around town with all of your equipment to various job sites, don't stress, there are a number of ways to afford the right vehicle.



## Affording a vehicle

First off, it's important to know your own budget. From there, you can work with a tool like [CIBC's Car Loan Calculator](#) to figure out how much you could borrow and compare your options. Use this resource to get a better sense of potential monthly payments.

If you consider an electric, hybrid or fuel-cell vehicle, that could open additional avenues of funding. [CIBC's Green Vehicle Program](#) helps you save money with special rates at CIBC-partnered dealerships and even access to their special Green Vehicle Loan.

Lastly, if you use your car for work, you may be able to write off some of those expenses on your tax return.

## Buying Used vs. New

No matter your choice, a vehicle will undoubtedly be one of the largest purchases you've ever made. Buying second-hand can be a smart option, but you still need to know what to look for. [Here are some tips to protect yourself against a bad purchase](#)

- Always inspect a car in daylight
- Check for wear on the upholstery, seats, brake and accelerator pedals
- Look closely at the exterior for any deviations on the body
- Ask about the vehicle's accident history and get a written summary of any details
- Take a road test to evaluate the steering, brakes etc.
- Take the vehicle to your mechanic for a check-up before buying

# You're in good company

Get some expert advice on turning your career into a full-blown business. (It's a lot more achievable than you might think.)



# Tips for Starting a Small Business

It's surprisingly easy to start a business as long as you have an idea, skill, or tools to make it happen. As a Skilled Trades worker, that sounds like you because your trade effectively qualifies you to potentially merit your own business.

But are you mentally prepared for the jump? Are you ready to be your own boss and manage others? Take some time to reflect on whether this is the right move for you.

Still excited about the idea? Here are some high-level tips to help you get started:

- Consider the benefits
- Assess what you'll be giving up to make it happen
- Decide what services you'll offer
- Figure out how much it will cost and the insurance you'll need.
- Calculate how long you can cover expenses
- Understand your funding options
- Meet with a CIBC Business banking advisor

If you've checked all of these boxes and still feel confident, then you sound ready to keep going. And if you're looking for some more tips, [this article](#) can help.

# A Few Accounting Basics

There are more than 4 million Canadian businesses, which suggests that making the leap to business ownership could be a very sound decision.

Just make sure you're considering all of the financial factors at play. Here are some important steps to take:

1. Consider opening a [CIBC business banking account](#)
2. Develop a bookkeeping system and track your expenses
3. If you're a CIBC client, you have the benefit of direct referral to utilize Merchant Services with our trusted partner, Global Payments
4. Set up a payroll system (that includes yourself)
5. [Determine your tax obligations](#)
6. Take advantage of the [apprenticeship job creation tax credit](#) when hiring

Don't feel overwhelmed! There are financial experts at CIBC who can help you with whatever products you need to make the leap successfully. [Book a meeting](#) with one of our experts today.

Good luck on your Skilled Trades journey!



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