A collage of various Canadian banknotes, including 50, 10, and 100 dollar bills, scattered across the background. The notes are in different colors and orientations, creating a textured, financial-themed backdrop.

GRADE 6

Financial Literacy

METHODS OF PAYMENT



In Canada we have various methods of payment available to use when we purchase goods and services either in person or online.

On the following slides you will learn about several of these methods of payment. Watch the videos and read the articles listed on each slide to learn about each type of payment. Each slide has questions for you to answer as well as a place for you to record the pros and cons of each method of payment.





READ 1



READ 2



Cash is the word we use to describe physical money (bills/notes and coins). Canadian currency is made by The Bank of Canada.

Some places of business **ONLY** accept cash. Why do you think that is?

Some places of business **DO NOT** accept cash. Why do you think that is?

CASH

What are the pros and cons of using cash as a method of payment?

PROS

CONS

*

*



A debit card is a plastic card issued by the bank. It allows the holder of the card to transfer money from their bank account electronically to another bank account.

Do you think that kids should get their allowance electronically **OR** in cash? Explain your thinking.

DEBIT CARD

What are the pros and cons of using a debit card as a method of payment?

PROS

CONS

*

*



A cheque (or check) is a document that orders a bank to pay a specific amount of money from a person's account to the person in whose name the cheque has been issued.

Do you think cheques are still important to use today? **Explain your thinking.**

CHEQUES

What are the pros and cons of using a cheque as a method of payment?

PROS	CONS
*	*



A credit card is a payment that allows the cardholder to pay for goods and services based on the cardholder's promise to the card issuer to pay them for the amounts plus the other agreed charges (e.g., interest charges). In Canada you need to be at least 18-19 years old to get a credit card.

Do you think kids should be able to get a credit card? **Explain your thinking.**

CREDIT CARD

What are the pros and cons of using a credit card as a method of payment?

PROS

CONS

*

*



CRYPTOCURRENCY

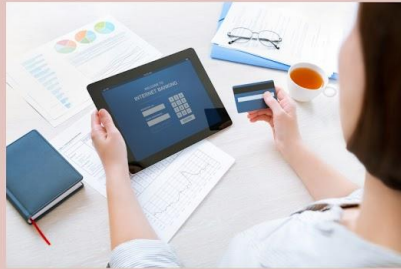
What are the pros and cons of using a cryptocurrency like bitcoin as a method of payment?

Cryptocurrencies are digital tokens, they are not physical coins or cash. They are a type of digital money that allows people to make payments directly to each other through an online system.

Cryptocurrencies have no value set by law. They are simply worth what people are willing to pay for them in the market.

Why do you think the inventor of cryptocurrency wants to be anonymous?

PROS	CONS
*	*



E-Transfer (EMT or email money transfer) is a fast and convenient way to send money to anyone in Canada using online banking. The bank **transfers** the funds using secure banking procedures. **Transfers are** almost instant. You can send an e-transfer through text or email to anyone.

While there are some security risks with sending email money transfers, people still use them often. Why do you think that is?

EMT

What are the pros and cons of using an e-transfer as a method of payment?

PROS

CONS

*

*



A digital wallet also known as "e-Wallet" refers to an electronic device, online service, or software program that allows one party to make electronic transactions with another party. Some examples of these are "Apple Wallet", "PayPal", and "Venmo".

Why do you think so many young people are using digital wallets? **Explain your thinking.**

DIGITAL WALLET

What are the pros and cons of using a digital wallet as a form of payment?

PROS

CONS

*

*

WHAT IS INTEREST?



Why do people borrow money if it costs money to borrow it?

*

DESCRIBE

In your own words, describe what interest is.

*

TYPES OF INTEREST

The two main types of interest are simple and compound.

Watch the video and read about simple and compound interest.

Then describe each term.

SIMPLE INTEREST IS:

*

A BORROWER IS:

*

A LENDER IS:

*

COMPOUND INTEREST IS:

*

PRINCIPAL AMOUNT IS:

*



WATCH



READ

BANK ACCOUNTS

Watch the videos
and then explain what each
type of bank account is
used for.

CHECKING ACCOUNT



Checking accounts:
*

SAVINGS ACCOUNT



Saving accounts:
*

BANK LOANS

Watch the video.

List 3 different reasons that someone might get a loan from a bank or credit union.



1. * _____
2. * _____
3. * _____