01 / FIRST DEPOSIT ENERGY

Your first paycheque. Your next move.



READ IT. CHECK IT. PLAN IT.

A practical Canadian youth guide with a realistic Ontario pay stub, checklists, a decoding challenge and a first-pay plan.

Examples use 2026 rules and Canadian dollars. Ontario employment standards apply to the Ontario scenarios; other provinces and federally regulated jobs can differ. Checked October 24, 2026.

02 / DECODE THE DEPOSIT

Read the stub, not just the balance.

Use this sample for the challenge on page 8. It is a learning example, not your own payroll estimate.

CEDAR STREET BOOKS / FICTIONAL EMPLOYER

Jordan, age 17 / Ontario / all amounts CAD

Pay period: Oct 5-18, 2026 Pay date: Oct 23, 2026

Regular pay	20.00 hours × $19.00	**$380.00**
Vacation pay PAID	4% × $380.00	**$15.20**
GROSS PAY	Before deductions	**$395.20**
CPP	Under 18	**$0.00**
EI	1.63% × $395.20	**$6.44**
Federal + Ontario tax	See TD1 assumptions below	**$0.00**
TOTAL DEDUCTIONS	CPP + EI + tax	**$6.44**
NET PAY	Amount deposited	**$388.76**

YTD gross $395.20 / deductions $6.44 / net $388.76

THE ASSUMPTIONS MATTER

Jordan is 17, has one job, no other income, no taxable benefits and no other deductions. Total expected 2026 income is below the applicable federal and Ontario TD1 claim amounts. Jordan correctly completed the low-income boxes on both TD1 forms. This example therefore shows $0 income tax withheld.

The employer has Jordan’s electronic or written agreement to pay vacation pay on each cheque. This is the first payment of the year, so year-to-date (YTD) equals the current period. There are 26 regular biweekly pay periods in this example.

03 / WHAT EACH LINE IS DOING

Where did the money go?

INCOME TAX / a payment toward your yearly tax

Federal and provincial tax withholding depends on your earnings, pay frequency, TD1 information and other factors. A student can still have tax deducted. Your tax return reconciles the year; a refund is not guaranteed.

CPP / Canada Pension Plan

For most pensionable employment outside Quebec, deductions begin with the first pay dated in the month after you turn 18. In 2026 the first-tier employee rate is 5.95%, with a $3,500 annual basic exemption and annual limits. Higher earnings can also trigger CPP2.

EI / Employment Insurance

EI premiums can apply to insurable employment even when you are under 18. In 2026 the employee rate outside Quebec is 1.63%, up to the annual limit. Paying premiums does not automatically qualify you for benefits.

OTHER DEDUCTIONS / always ask what and why

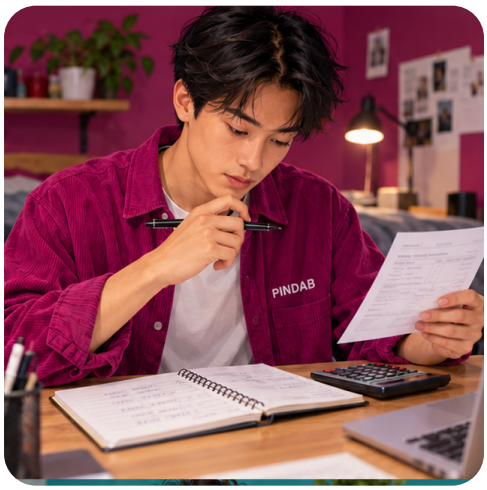
Union dues, benefit premiums or other items may appear. Ask payroll to explain each amount and its basis. Employer CPP and EI contributions are not extra employee deductions.

Quebec has QPP and QPIP and a different EI rate. Use Quebec payroll guidance for a Quebec job. Rates change: use the correct year’s CRA tools.

04 / CHECK THE EARNING SIDE

Hours × rate. Then check the extras.

20 paid hours × $19 = $380



Keep your own start, finish and unpaid-break records. Compare paid hours with the pay-period dates, not just the day the deposit arrives.

A payroll cut-off can mean a recent shift belongs on the next cheque. Ask where it is recorded before treating it as missing.

Vacation pay is money. Vacation time is time off.

Ontario ESA minimum vacation pay is generally 4% of eligible gross wages, excluding vacation pay, for employees with less than five years of employment; it is 6% after five years. Our new-worker example uses 4%.

PAID NOW vs ACCRUED FOR LATER

PAID: $380 × 4% = $15.20 is added to this cheque’s earnings. ACCRUED: the amount is recorded as building up for later; it is not automatically in today’s deposit. In Ontario, paying it each cheque requires electronic or written agreement.

Ask: “Is vacation pay included in this deposit or held for later?” Overtime, holiday pay, breaks and minimum wages have specific rules and exceptions. A $19 example rate is fictional, not a statement of the legal minimum. Check the rate that applies to your job and pay date.

05 / TURNING 18 CHANGES A LINE

Same gross pay. Different take-home.



Meet Alex, age 18.

Alex turned 18 before September 2026. Use the same biweekly Ontario earnings as Jordan: $395.20. Assume ordinary pensionable and insurable employment, no annual limits reached, and valid low-income TD1 declarations as on page 2.

A 2026 CPP calculation you can follow

Biweekly basic exemption: $3,500 ÷ 26 = $134.61 (truncate to cents).
CPP: ($395.20 - $134.61) × 5.95% = $15.51.
EI: $395.20 × 1.63% = $6.44.
Income tax withheld in this specific example: $0.00.

$395.20 - $15.51 - $6.44 = $373.25

This is $15.51 less net pay than Jordan’s under-18 example. It does not mean Alex’s hourly wage was reduced.

A real calculation can change with pay frequency, benefits, annual limits, CPP exemptions and TD1 details. Ask payroll or use CRA’s Payroll Deductions Online Calculator (PDOC) with the actual facts.

06 / SOMETHING IS WRONG

Missing pay? Build a clear request.

1. Compare

Check dates, hours, rate, vacation pay and deductions. Separate a payroll cut-off question from a genuine missing shift.



2. Keep evidence

Save shift records, the agreed wage, pay stubs, bank deposits and messages. Keep originals somewhere private.

3. Ask for a correction

Tell payroll exactly what differs. Ask when it will be checked and how the corrected pay and stub will be issued.

WHAT TO SAY

“My pay for [period] shows 18 hours, but my shift record shows 20. My rate is $19. Can you check the missing two hours and related vacation pay, and confirm the correction date in writing?”

Still unresolved? Get help promptly.

For Ontario ESA questions: Employment Standards Information Centre, 1-800-531-5551. You may be able to file an ESA claim; time limits apply. If unionized, contact your union about the appropriate route. Other provinces and federal workplaces use their own labour-standards offices.

Ask for support if raising the issue feels difficult. Ontario law prohibits reprisals for exercising ESA rights. Do not put your SIN or full banking details in ordinary correction emails.

07 / GIVE THE DEPOSIT A JOB

First pay. A plan that fits you.

Use NET pay. The deposit is your starting point; gross pay is not all available to spend.

1 / Cover what has to happen before the next pay

Work travel, food, phone, family contributions you have agreed to, or required payments. Write the real dates. If there is a shortfall, revise the plan and ask for support early.

2 / Pick one goal and a small buffer

A course, shoes, licence costs, equipment or a savings cushion. Choose amounts you can manage. No fixed saving percentage fits every household or paycheque.

3 / Leave room for a reward

You earned it. Choose a realistic fun amount after checking essentials and commitments. A plan is something you can adjust, not a test of your worth.

ONE POSSIBLE PLAN / JORDAN'S $388.76

Work travel + meals	**$80.00**
Agreed household / phone contribution	**$60.00**
Savings goal	**$100.00**
Unexpected-cost buffer	**$75.00**
Fun + flexible spending	**$73.76**

Example allocations only, not Toronto price quotes. Total: $388.76. Your needs may use most or all of a cheque. Avoid counting the next cheque before you know the hours.

08 / PAYCHEQUE DETECTIVE

Can you decode Jordan’s cheque?

Use page 2. Calculator allowed. Try it first, then check page 9. No score or pass mark.

1 / Hour check

The shifts were 4, 5, 6 and 5 paid hours. What is the total?

2 / Regular earnings

At $19 per hour, what should the regular pay be?

3 / Vacation pay

At 4%, what vacation pay is PAID on this cheque?

4 / Gross to net

What is gross pay? What is net pay? How much was deducted?

5 / Explain the zero

Why is CPP $0? Why is income tax $0 in this example?

6 / Spot the error

Payroll records only 18 hours. How much regular pay AND related 4% vacation pay are missing before deductions?

7 / Write the first message

Who would you contact, and what would you ask them to check?

8 / Make a plan

You assign $250 to needs and $75 to a goal. How much of the $388.76 is left? What could it do?

09 / CHECK AND TRY AGAIN

The answers - with the why.

1 / 20 paid hours

4 + 5 + 6 + 5 = 20. Keep unpaid breaks separate from paid hours.

2 / $380.00 regular pay

20 × $19 = $380. Hourly rate and hours each matter.

3 / $15.20 vacation pay

4% = 0.04. $380 × 0.04 = $15.20. It is paid now in this example.

4 / $395.20 gross → $388.76 net

Gross = $380 + $15.20. Deductions = $6.44. Net = $395.20 - $6.44.

5 / Two different reasons

CPP is zero because Jordan is 17. Income tax is zero because of the valid low-income TD1 assumptions, not because Jordan is a student. EI still applies.

6 / $39.52 gross shortfall

2 missing hours × $19 = $38. Related vacation pay: $38 × 4% = $1.52. Total before deductions: $39.52. Corrected take-home needs a payroll recalculation.

7 / Contact payroll or the employer

“My records show 20 hours, but the stub shows 18. Please check these shifts, the $19 rate and vacation pay. When will I receive a corrected stub and payment?”

8 / $63.76 left

$388.76 - $250 - $75 = $63.76. You could split it among fun, a buffer or another need. Different sensible plans are possible.

10 / REUSABLE PAYDAY CHECK

My paycheque, my next move.

Use real figures privately or practise with fictional ones. Never write SIN, account numbers, passwords or PINs here.

Pay date / pay-period dates

My paid hours / hourly rate / expected regular pay

Vacation pay: paid now or accrued? / other earnings

Gross pay / deductions by name / net pay

Does the net pay match the deposit? / question to ask

Needs before next pay / amount

Goal / buffer / fun amounts

Check: net pay minus ALL allocations = ? / adjustment

If the balance is negative, change an amount or timing. Keep pay stubs securely for tax time and future questions. Revisit your plan when hours or commitments change.

11 / RELIABLE CANADIAN SOURCES

Check it. Ask it. Keep it.

CRA / Starting to work and TD1 forms

https://www.canada.ca/en/revenue-agency/services/tax/individuals/educational-programs/starting-work.html

CRA / 2026 Ontario payroll tables and rates

https://www.canada.ca/en/revenue-agency/services/forms-publications/payroll/t4032-payroll-deductions-tables/t4032on-jan/t4032on-january-general-information.html

CRA / Starting and stopping CPP

https://www.canada.ca/en/revenue-agency/services/tax/businesses/topics/payroll/payroll-deductions-contributions/canada-pension-plan-cpp/starting-stopping-cpp-deductions.html

CRA / Payroll Deductions Online Calculator

https://www.canada.ca/en/revenue-agency/services/e-services/digital-services-businesses/payroll-deductions-online-calculator.html

Ontario / Vacation time and vacation pay

https://www.ontario.ca/document/your-guide-employment-standards-act-0/vacation

Ontario / Payment of wages and wage statements

https://www.ontario.ca/document/your-guide-employment-standards-act-0/payment-wages

Ontario / Filing an employment standards claim

https://www.ontario.ca/document/your-guide-employment-standards-act-0/filing-claim

Canada Labour Program / Federal workplace standards

https://www.canada.ca/en/services/jobs/workplace/federal-labour-standards.html

Checked October 24, 2026. This guide uses 2026 rates. For later years, check CRA’s current tables. Ontario ESA coverage and exceptions matter; other provinces and federal workplaces have different employment rules.

PINDAB provides education, not an individual payroll determination. The illustrations are fictional. Reprint the activity and worksheet whenever you need another attempt.