

Interest rates are going up. Where can I find a better rate on a savings account?

Some savings accounts are paying as much as 2.4%. Here are the best non-promotional savings accounts rates we could find right now.

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The Bank of Canada is hiking interest rates and mortgage rates have already gone up — but what about the rate on your savings account?

The bad news is the banks are unlikely to raise the interest on your savings account any time soon, according to [Money Coaches Canada financial planner Janet Gray](#). The good news is, if you shop around, you probably can find a better rate than you're getting now.

"Savers stashed away so much money during the coronavirus pandemic that banks don't need to compete for our dollars anymore — they have enough. In fact, the interest rate on your savings may not rise at all this calendar year," Gray says.

Objective Financial Partners adviser Jason Heath says banks could raise savings rates a little, but there's no guarantee: "Don't get your hopes up."

Highest non-promotional interest rates for savings accounts in Toronto

Saven Financial High Interest Savings Account	2.40%
Steinbach Credit Union Regular Savings Account	1.85%
Wyth High Interest Savings Account	1.60%
Oaken Financial Savings Account	1.60%

Source: Ratehub
TORONTO STAR GRAPHIC

With that said, some financial institutions offer higher rates than others, so it may be worth it to shop around, Heath says.

In general, digital banks, credit unions and other alternate institutions can offer higher interest rates on savings accounts than the big banks because they have fewer overhead costs.

However, watch out for teaser rates that start out high then turn into peanuts after a few months, Heath and Gray say. Check for asterisks and always read the fine print. (See table for the best non-promotional rates we could find right now.)

And while you won't find anything that offsets the current inflation rate of almost seven per cent, you have to think long term, Heath says, as this level of inflation isn't expected to last. "Before long, those higher interest rates will be competitive and will make it worth it for an investor."

If you still can't find a rate that makes it worthwhile switching, Gray recommends looking at some low-risk investment products that might earn you more, such as GICs. You often have to wait to redeem them, so you can't get at your money quickly, but the rates are usually better.