

1 Help wanted! 60% of Canadians rate themselves as fair or poor investors

Sixty percent of respondents rated themselves as “poor” or “fair” in selecting their own investments. Women (68%) were more likely than men (52%) to assess themselves as having weak investment knowledge. Only 12% of respondents considered themselves to be “highly skilled” investors.

The reality is, most people don’t have the time or the interest to become their own financial managers. That is why, in spite of tons of financial information being available on the Internet, most Canadian adults work with advisors.



2 As people get older, they increasingly turn to financial advisors

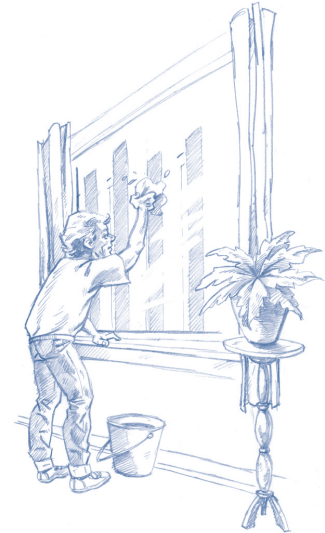
Most adult Canadians are sold on the value of financial advice: 57% of respondents reported that they already use a financial advisor, and that likelihood increases with age. Seventy-one percent of respondents aged 65+ have an advisor, compared with only 48% in the 30–44 age bracket.

Think of your financial advisor as your money coach, who can motivate you, instill discipline and put a program in place to help you make the most of your current finances.



3 People would rather do chores than look after their finances

What would you like to do more of, if you had more time? If a time genie were to come along and say, “You have five extra hours each week to spend on whatever activity you like,” what would you say?



In our cross-Canada poll of 1,000 people, the top three activities were,

1. Personal/leisure time (35%)
2. Family time (22%) and
3. Sports/exercise (17%)

Finishing in last place, ninth, was personal finances. Here's the rest of the list:

4. Household tasks (7%)
5. Education (5%)
6. Charitable work (4%)
7. Work (2%)
8. Sleep (2%)
9. Personal finances (2%)

4 Financial media: a blessing for some, a curse for others



Canadians are polarized about using financial media to help them manage their own investments. Nearly half of survey respondents were positively disposed to reading business pages in the newspaper, financial newsletters and websites, saying:

I learn from it (32%)

It is fun and interesting (11%)

Total positive association: 43%

The other half were either bored or mildly put off by financial media, saying:

It raises more questions than answers (20%)

It is boring (16%)

It is like going to the dentist (8%)

It makes me nervous about achieving my goals (6%)

Total negative association: 50%

Men and women

There was a big difference in how men and women regarded the financial media:

56% of men were generally positive about it, while only 31% of women were.

The most negative comment, comparing financial media to going to the dentist, is a telltale indicator:

10% of women said reading financial media is like going to the dentist while only 5% of men did.

WHAT TO DO: Roughly half of Canadians just don't like paying attention to financial media, and women are generally more negative about it than men. It helps everyone to know more about financial planning – you just have to find the media sources that work for you. Like going to the dentist, personal finance, when considered in the abstract, is worse than the actual experience. See if your financial advisor can recommend a good investment or personal finance book. Or, sign up for a personal finance course at a local community college.

5 Finding an advisor: Do you know where to start?

Almost one-third of survey respondents were shaky about their ability to select a financial advisor.

This is understandable, as there are more than 50,000 advisors across Canada dealing in a wide variety of financial products. Some advisors simply charge an hourly fee and don't actually deal in products. Others work out of bank branches or for insurance companies. It's easy to find a financial advisor, it's just hard to be fully confident that you've explored all the options and made the best choice. There are guidelines on how to select an advisor, but here are a few general observations.

An ideal advisor is one who you can trust implicitly, is exceptionally well qualified and has a spotless track record.

Where do you start in finding this ideal advisor? Ask your most financially astute friends for a referral. Look for substance (degrees, designations, experience) and place less importance on great ideas. Evaluate the advisor's level of independence. Interview a few candidates.

