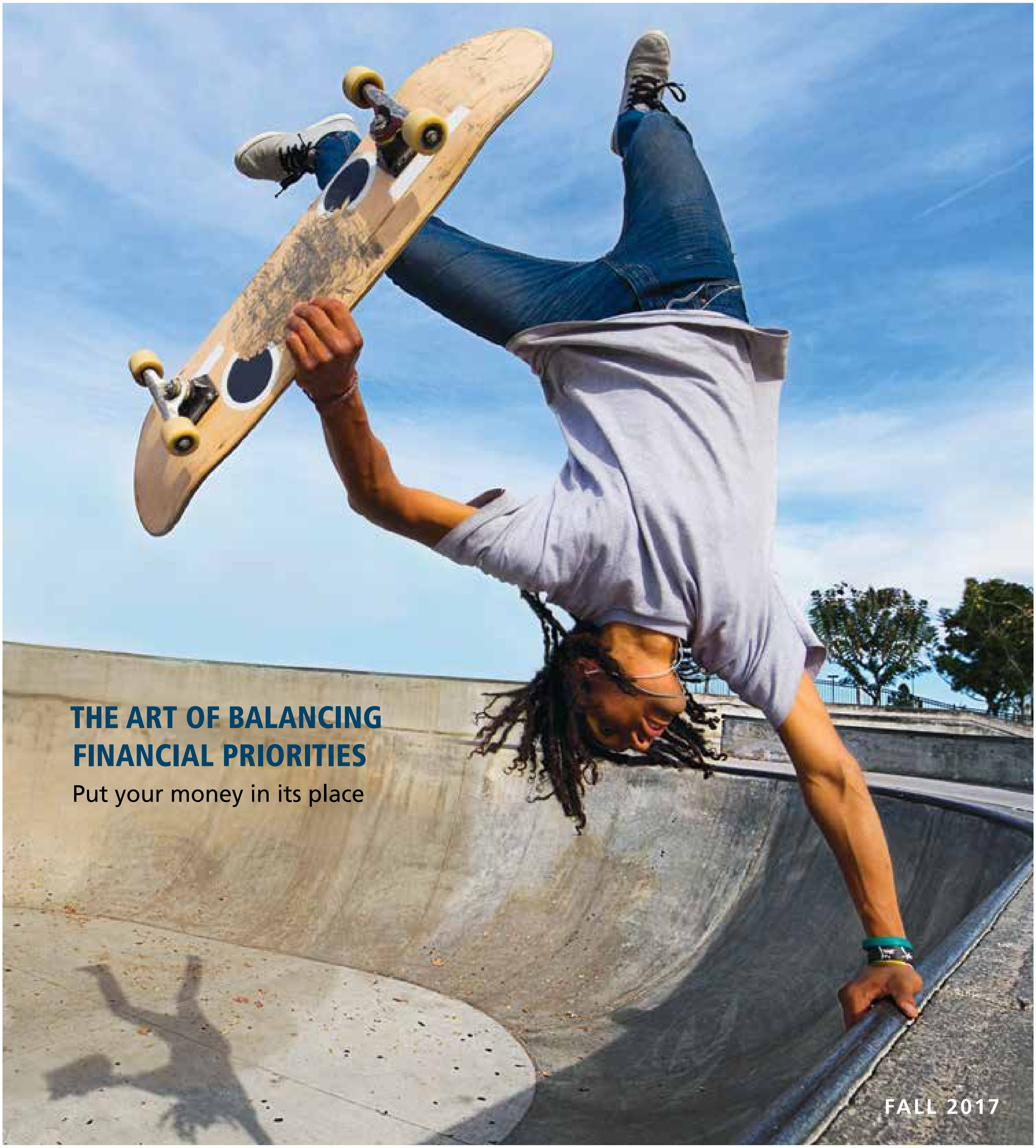
Solutions

FOR FINANCIAL PLANNING



THE ART OF BALANCING FINANCIAL PRIORITIES

Put your money in its place

FALL 2017

HAPPY 15TH ANNIVERSARY, *SOLUTIONS!*

A DECADE AND A HALF of providing readers with insight and opportunities for their finances is a milestone worth celebrating. Over the years, I've watched *Solutions* evolve to become an effective source of valuable financial information for everyday Canadians at all life and wealth stages. It's one of the ways we're committed to helping you achieve your financial dreams and aspirations.

And you'll find this issue is no different. In true *Solutions* style, you'll find plenty of beneficial information throughout the pages. One article that is particularly relevant to me as a parent is about helping children make the connection between money and goals they want to achieve (page 21). My kids each have their own bank account so they can learn first-hand how both earning and spending impacts their balances. This has taught them the benefits of saving, and they have reconsidered their spending habits to make sure what they buy, and when, is truly valuable to them.

This issue also includes a couple of other noteworthy topics you won't want to miss. One discusses the ways families can balance their present, short- and long-term financial priorities, (page 18) and includes a practical worksheet. The second article takes a deeper look at the difference between the recently marketed "robo-advice" and the value of a relationship with an expert advisor who takes a holistic approach to your finances (page 10).

So, here's to *Solutions* and another 15 years of helpful financial information, designed to give you the advantage you need to help reach your goals.

Take care,

Paul Lorentz
Executive Vice-President and General Manager
Retail Markets
Manulife

WHAT'S INSIDE

Matters of fact

Solutions celebrates its 15th birthday this fall, marking a decade and a half of engaging Canadians with beneficial information for their financial lives. As we get ready to light the candles on our own birthday cake, let's look at some of the unique ways birthdays are celebrated around the world.

Vietnam

Everyone's birthday is celebrated on New Year's Day (Tet) in Vietnam, with children often receiving gifts of money in red envelopes. Everyone turns a year older that day. Because babies are considered one year old at birth in Vietnam, this means you may be two years older than you think you are in Vietnamese terms.[1]

Jamaica

Flour features prominently in Jamaican birthdays – with water often added to make a sticky batter. Even Jamaican sprinter Usain Bolt couldn't run fast enough to escape flour "antiquing" from teammates when he celebrated his birthday at the 2015 World Athletic Championships in China.[2]

India

After visiting a shrine for a blessing, Indian children celebrate their birthdays by wearing a new, colourful outfit to school, instead of the usual uniform. They distribute candy to their schoolmates, and are often feted that night at a big dinner party rounded off with *dudh pak* (rice pudding) accompanied by fruit and nuts. Guests may pop a balloon, releasing a rain of sparkling confetti.[3]

Germany

German families light birthday candles in a decorated wooden ring called a *Geburtstagskränze* – one candle for each year of a child's life – surrounding a bigger candle known as a *Lebenskerze*. But brace yourself if you're turning 16 or 18 in Germany: friends may dump flour on you or crack an egg on your head.[4]

Japan

The year Japanese boys turn three and five, and Japanese girls turn three and seven, they celebrate Shichi-go-san (literally "seven-five-three") in November at a Shinto shrine. Girls wear kimonos (tied with an obi sash at seven) and boys wear *haori* jackets and *hakama* pants.[5]

Australia and New Zealand

No oven is required to whip up the traditional birthday party treat in Australia and New Zealand: fairy bread. It's a slice of white bread cut into four triangles, smeared with butter and dotted with hundreds and thousands of coloured sprinkles. Simpler than baking a cake![6]

[1] www.morevietnamese.com/vietnamese-age
[2] www.dailymail.co.uk/sport/othersports/article-3206068
[3] www.reference.com/government-politics/birthdays-celebrated-india-dc270d4ce1d3da1d
[4] www.thoughtco.com/birthday-customs-in-germany-1444499
[5] http://web-japan.org/kidsweb/explore/calendar/november/shichigosan.html
[6] www.travelstart.co.za/blog/birthday-traditions

Why do we celebrate with cake, candles and song?

Birthday traditions may seem like they've been around forever – but they haven't. The first purpose-built birthday cakes probably came steaming out of the oven in Germany in the 15th century. At the time, they were more like bread than cake, but over the following decades they became sweeter and fancier. By the 1700s, there was an established custom in Germany of celebrating children's birthdays – Kinderfesten – with cake.[7]

How about the candles? The ancient Greeks lit candles on round cakes to make them glow like the moon in honour of the goddess Artemis – but the cakes were temple offerings, not birthday treats. It was in Germany again that candles started appearing on birthday cakes. In 1746, Count Ludwig von Zinzendorf celebrated his big day with "a cake as large as any oven could be found to bake it, and holes made in the cake according to the years of the person's age, every one having a candle stuck into it, and one in the middle." Making a wish as we blow candles out may hearken back to ancient times, when many cultures believed smoke carried prayers to the heavens.[8]

And what birthday celebration would be complete without a rousing rendition of "Happy Birthday to You"? In 1893, sisters Patty and Mildred Hill composed the now-familiar tune – but the lyrics were different. "Good Morning to All" was designed to welcome children arriving at school. It was such a perfect celebratory song, however, that the lyrics shifted to "Happy Birthday to You," and the song was published with the new words in 1924.[9]

Who else is celebrating a milestone birthday this year?[10]

10 years: iphone
20 years: HarryPotter
30 years: The Simpsons
40 years: Star wars
50 years: Sgt. Pepper's lonely hearts club band
60 years: The cat in the hat
70 years: Polaroid camera
80 years: San Francisco's Golden Gate Bridge
90 years: The Jazz Singer
100 years: Pulitzer prize
150 years: And, of course, Canada

[7] www.kidzworld.com/article/29775-the-history-of-the-birthday-cake; hankeringforhistory.com/the-history-of-the-birthday-cake; whatscookingamerica.net/History/Cakes/BirthdayCake.htm
[8] www.mentalfloss.com/article/54069/why-do-we-blow-out-candles-birthday-cakes
[9] www.telegraph.co.uk/music/news/Happy-Birthday-song-and-its-strange-past/
[10] www.chron.com/life/article/Pop-culture-milestones-we-ll-celebrate-in-2017-10827374.php
www.usatoday.com/story/news/nation-now/2017/01/03/17-pop-culture-icons-having-birthdays-2017/96132432/
www.time.com/4606055/2017-milestones/
www.thepeoplehistory.com/1947.html
www.thepeoplehistory.com/1910to1919.html

Retire happy, stay healthy

How to include health and dental benefits in your overall retirement plan.

RETIREMENT IS A MILESTONE that many Canadians build towards for a large portion of their adulthood, making it a highly anticipated transition when the time finally comes. When preparing for that long-awaited goal of life after work, a priority for many is to ensure they have sufficient financial resources to replace income and maintain a desirable lifestyle. But some may not realize that it's also important to consider potential health care needs and costs. For those leaving a workplace wellness insurance plan, having an effective and affordable replacement can lessen the financial burden of out-of-pocket health costs.

Health needs in retirement

Longevity and wellness are top of mind for many Canadians, but we may be more prone to health issues as we age. Among Canadians aged 65 and older, almost 90 per cent have one or more chronic conditions, such as arthritis, osteoporosis or cardiovascular disease.[1] These conditions may require everything from accessibility equipment to physiotherapy to nursing care.

Canadian seniors generally spend more on health care than younger Canadians. A 2014 survey found that households headed by a person aged 65 and over spent 6.1 per cent of their goods and services budget on health care, whereas households headed by someone under 30 spent 2.8 per cent.[2] It may not come as a surprise to learn that prescription drugs are one of the largest health care expenses for Canadians over 65, accounting for almost 30 per cent of their out-of-pocket health spending.[3] Those fortunate enough to enjoy group health benefits during their working years may not be fully aware of the true costs of health care.

Plan for expenses

Understanding potential health care needs is only one piece of the puzzle – knowing how you will pay for it all during your retirement years is another. A beneficial first step is determining whether your employer offers continued coverage for retirees. Then, if it applies to your situation, consider your spouse's coverage – will it be enough for your needs, and how long will it be in effect?

[1] www.phac-aspc.gc.ca/cphorsphc-respcacsp/2010/fr-rc/cphorsphc-respcacsp-06-eng.php

[2] Statistics Canada, Survey of household spending, 2014, last modified February 12, 2016, www.statcan.gc.ca/daily-quotidien/160212/dq160212a-eng.htm (accessed October 26, 2016).

[3] www.retirementadvisor.ca/retadv/apps/articles/articles.jsp?articlePage=HealthCare&learningMenu=articles

If your circumstances dictate shopping for a new plan, there are a range of options to consider. Some of the common health services covered are prescription drugs, hospital stays, nursing and home care, vision care, and medical equipment, as well as dental services such as exams, cleanings, fillings and root canals. Look for plans that offer a variety of levels, enabling you to choose one that most closely aligns with your needs and budget. Many plans also offer coverage for spouses and children, add-ons such as travel insurance, and supplementary features like special rates for couples and families with multiple children.

Be proactive

Securing health and dental insurance ahead of retirement can be beneficial for a few reasons. Not only will this prevent a gap in coverage, but certain plans feature guaranteed acceptance and no medical questionnaire if you apply within a specific time after your group plan ends.

Throughout the process, your advisor is the person with the best expertise to help you understand the different plans available and to assist in deciding what options fit your needs. Having the right health care plan in place can help alleviate concerns about paying for future medical requirements and put more focus where it should be – on enjoying retirement to its fullest. ■

DID YOU KNOW?

Appropriate health coverage should go hand in hand with maintaining an active, healthy lifestyle. For wellness tips, visit www.canada.ca/en/health-canada/services/healthy-living/seniors.html

HEALTH COVERAGE THROUGH LIFE CHANGES

Retirement isn't the only time when individuals may benefit from health and dental insurance – there are a variety of circumstances where someone may be without a group benefits plan:

- Job loss or change of job
- Contract, seasonal or part-time employment
- Self-employment
- Stay-at-home parent with no spousal coverage

If any of these situations apply to you or a family member, speak to your advisor about insurance options that may fit your needs.

How to avoid outliving your retirement savings

How annuities can help keep retirement funds going strong.

OUTLIVING RETIREMENT SAVINGS is an uncomfortable scenario that nobody wants to contemplate. But after spending much of their working lives saving for retirement, many Canadians may end up needing a larger nest egg than anticipated. Thanks to modern medicine, life expectancy is getting longer. Today, a 55-year-old can expect to live to the age of 84 – that's nine years longer than a 55-year-old alive in 1925.[1] Despite this good news, one of the realities of living longer is paying for those extra years of retirement.

Volatile financial markets can wreak havoc on savings, inflation can reduce purchasing power, and pension plans that guarantee payments for life are less and less common. Significantly fewer Canadians have registered pension plans (RPPs) than in the past: 40 per cent of employed women are covered by defined benefit RPPs, and only 37 per cent of employed men.[2] And that means that healthy, vital and long-lived retirees may run the risk of outliving their savings, putting that worry-free retirement further out of reach.

It is not all doom and gloom, however. Investment options like annuities can mitigate some of that risk, and help ensure retirement savings last as long as needed. They're not for everyone, but for some, annuities can be a great addition to a retirement income strategy.

How annuities work

A conventional life annuity is an investment that provides guaranteed income payments for your lifetime (with the option of having payments continue to your spouse or beneficiaries after your death). Through this type of insurance contract, in exchange for a lump-sum deposit of capital, an insurer makes regular income payments to you that contain both interest and principal.

Annuities also provide a way to set up a do-it-yourself pension plan by letting you defer payments. Let's say you want to lock some money into an annuity today, but don't want income payments to begin until five years down the road. During those five years, the entire principal annuity investment earns interest, which increases the payment amount later on.

There's also an advantage to annuities when it comes to taxation, depending on age and the source of the annuity's capital. If purchased by someone 65 or older, the annuity's income usually qualifies for the

[1] Yves Decady and Lawson Greenberg, "Ninety years of change in life expectancy," Statistics Canada, no. 82-624-X, last modified November 27, 2015, www.statcan.gc.ca/pub/82-624-x/2014001/article/14009-eng.htm (accessed May 7, 2017).
[2] Marie Drolet and René Morissette, "New facts on pension coverage in Canada," Statistics Canada, last modified November 27, 2015, www.statcan.gc.ca/pub/75-006-x/2014001/article/14120-eng.htm (accessed May 7, 2017).

pension income tax credit and for pension income splitting. If purchased using non-registered funds (that is, money you have already paid income tax on), only the interest portion of the payment is taxable, since the rest of the payment consists of a return of your invested principal. Because interest income can be averaged over the lifetime of the annuity, there is an element of tax deferral (some conditions apply).

Of course, life annuities come in all shapes and sizes, with a wide variety of options. But in essence, you invest a lump sum and receive payments for life. The longer you live, the more payments you receive, and the better the investment payoff.

Are annuities right for you?

If you already have a generous employer pension plan with ample income payments, you may not need the benefits of an annuity – once an annuity is purchased, that investment is locked in. Or if you're in especially poor health, you may not want to count on living long enough to get enough payoff from your principal investment.

However, annuities can provide the reassurance that basic expenses will be covered as long as you live. Annuities can be seen as a form of risk management, a way to hedge your bets – to ensure that even if you live longer than expected, you'll still have payments coming in. Regardless of whether you live to be 75 or 95, an annuity can contribute to a steady retirement income.

Annuities are not meant to be used for your entire retirement portfolio, but they can be an important component of an overall plan. Think of them as one tool in your retirement toolbox. In tandem with stocks, bonds and other investment options, they can help you build a more stable retirement income stream.

Speak with an advisor to learn more about annuities. He or she can help you make the right choices for your situation and goals. ■

WEIGHING THE PROS AND CONS OF ANNUITIES

Advantages

- Guaranteed stable and predictable income for life
- Protection against inflation and market risk
- Preferred tax treatment on income payments

Disadvantages

- Locked in for life
- Current low interest rate environment means lower income generation

Understanding the difference between a personal advisor and "robo-advice"

Comparing software to a relationship with an expert.

AUTOMATED PORTFOLIO MANAGEMENT SERVICES – known popularly as "robo-advisors" – have made headlines in recent years. These online services use algorithms to make portfolio recommendations based on the information an investor provides in a questionnaire. These services are just starting to gain ground in Canada, with marketing campaigns that include TV commercials, billboards and full-page ads.

Although most investors continue to work with human advisors, the rise of web-based investment platforms has made understanding the difference between the two – robo-advisors and human advisors –more important than ever.

How does "robo-advice" work?

Because these platforms don't offer individualized advice, the term "robo-advisor," although catchy, is a misnomer. It's actually just software. When a client registers for a service, she or he answers a set of questions that determines a generic investor profile.[1] The software then presents the client with choices of ready-made portfolios based on the profile.

Because the profiles are formulaic –quite literally based on a mathematical formula – they can only account for a limited range of goals and risk tolerances.[2] Robo-advisor software is designed to sort clients into broad categories and to serve those categories quickly and at a lower cost. This model relies on the investor answering the questionnaire accurately. It also places the responsibility of choosing the best portfolio on the client instead of the advisor, because there is no advisor.[3]

The role of an advisor

Human advisors are licensed experts who create comprehensive financial plans designed to build wealth, minimize taxes and accomplish a diverse range of other goals. These may include everything from being able to afford next year's vacation to buying a home to living comfortably in retirement. Because money is more than an account balance – it's a family's home, a child's university tuition, an emergency fund for tough times – creating a plan requires understanding the emotional importance of each financial goal.

An advisor also does much more than portfolio rebalancing. She or he can help rearrange investments for tax efficiency, review budget and saving strategies, and put in place the right financial protection.

[1] www.forbes.com/sites/rogergershman/2015/04/30/robo-advisors-versus-financial-advisors-which-is-best-for-you/#7ce364a817c3
[2] www.bloomberg.com/news/articles/2015-06-18/robo-advisers-to-run-2-trillion-by-2020-if-this-model-is-right
[3] www.slice.ca/money/blog/are-robo-advisors-the-future-of-financial-planning/67950

As a result of understanding the full picture of a client's life, a financial professional can handle varying degrees of complexity. If a client experiences major changes, plans can be adjusted to respond to the client's new circumstances.

By the same token, if the economy changes, an advisor has the depth of knowledge to provide a proper analysis and plan of action. When faced with the decision of staying the course or making an adjustment, you can sit down with an expert intimately familiar with your investments. An advisor can evaluate what the decision will mean, not just for your portfolio, but for your long-term financial well-being.

The bigger picture

One of the primary advantages of working with an advisor is nuanced "big picture" planning. Investing isn't so much about buying a product; it's about acquiring the component parts of a far-sighted strategy. Ideally, investments complement each other and click neatly into place within a financial plan. They're allocated to generate growth or provide an income, to meet short- and long-term goals, to save taxes and to build a legacy. Furthermore, the plan must adapt – and the investments must be rebalanced – as the investor's circumstances change.

That's why off-the-shelf products available through "robo" portfolio management don't always generate the most value. One recent study compared investors who work with advisors to investors who don't. After four to six years, the advised investors had accumulated savings worth nearly 1.7 times as much as the unadvised investors. After seven to 14 years, they were up to 2.9 times as much. After 15 years, they had amassed 3.9 times as much. This suggests that the longer people work with an advisor, the more they benefit from advice.[4]

Translating a vision into a plan

Because priorities change and what's right today need not be a forever decision, a financial plan that takes into account a variety of objectives is essential. When it comes right down to it, beating the market isn't anyone's true objective. That's just a means to an end. The end is the flexibility to live life as you want and reach your financial and life goals.

An advisor's unique skill set supports the ability to translate a client's vision into a concrete, achievable plan. While financial acumen is part of that skill set, so are perspective, context and the capacity to help a client stick to a plan for years. Maintaining trust and motivation takes more than a mathematical formula – it takes a real relationship. ■

[4] www.ific.ca/en/articles/investor-centre-financial-advice-could-increase-your-wealth/

Estate planning 101

The freedom to protect your legacy and loved ones the way you want.

ESTATE PLANNING ISN'T JUST FOR THE AFFLUENT – it's for all those who want to protect the people they love and the assets they've worked so hard to build.

In simple terms, estate planning is the process of arranging for the legal disposition and administration of assets after death. Assets can include anything from real estate or a business, to bank accounts, investments and personal belongings. Estate planning can help minimize fees and taxes, provide for loved ones, establish a guardian for dependants, set up inheritances and more. And as a person's life progresses and financial goals change, so does the plan.

Here are some ways an estate plan can help make life easier at a difficult time.

Name a guardian for children

For parents with young families, a valid will enables them to identify a guardian for their child(ren) in the event both parents are no longer able to care for them. Without a will documenting this decision, the choice of who will raise minor children falls to the courts.

Handle an estate according to wishes and intentions

An estate plan is the only way for Canadians to control how they will leave their money, assets and property after they pass away. It provides an opportunity to determine who will administer the estate, who the beneficiaries will be and how assets will be distributed.

Minimize expenses and income tax liability

Estate planning is an effective method for reducing or eliminating probate fees. Probate is the legal process in which a will is validated by the courts, and fees vary by province or territory.[1] Certain options (such as trusts, joint ownership, life insurance products, pension plans and RRSPs) help avoid probate because proceeds pass outside of the estate.

From a tax perspective, a person's assets are deemed disposed of at death, which may result in the estate owing income tax. Opportunities exist to defer or reduce this tax liability.

Offer protection in a situation of incapacity

While incapacity is often associated with later life, it could occur at any age (for example, due to an accident or medical situation). Naming a power of attorney – for financial affairs and health care decisions – is crucial to help ensure finances and intentions are effectively managed in the event of incapacity.

[1] www.taxtips.ca/willsandestates/probatefees.htm

Each estate plan is as unique as its owner and will change over time, but it is never too early to put one in place. To understand the various aspects of estate planning, speak with your advisor. He or she can connect you with experienced legal and accounting professionals who can help you create an estate plan that is right for you and your family. ■

A unique strategy to kick-start a financial future

How permanent life insurance can benefit a child or grandchild.

CHILDREN ARE FULL OF IMMEASURABLE POTENTIAL – but they often need financial resources to make their dreams come true. Aspiring professionals need to finance years of schooling. Future entrepreneurs need start-up capital. Everybody needs a home, and real estate doesn't come cheap.

There are many ways to help build a foundation for a child's or grandchild's financial future. One innovative strategy is to purchase insurance that increases in value over time. This approach uses a permanent life insurance policy to facilitate the tax-efficient transfer of wealth between generations.

Here's how it works

- Purchase a permanent life insurance policy on the life of a child or grandchild
- As the owner, choose to top up the premiums to build cash value
- Transfer ownership of the policy to the child or grandchild at or after age 18

As long as certain specific Canada Revenue Agency requirements are met (see sidebar next page), the transfer can qualify as a tax-free rollover. After the transfer, the child or grandchild can name a new beneficiary and access the cash value to meet current or future cash needs, such as paying for post-secondary education or purchasing a new home. Provided that funds are withdrawn after the child or grandchild turns 18, any policy gain is taxed in that young adult's hands – not in the hands of the former owner.

Get planning flexibility

Many people accumulate money to leave their children or grandchildren by investing in a Registered Education Savings Plan (RESP) or a Tax-Free Savings Account (TFSA), or some other, taxable investment. These investments may have strict contribution limits or may not provide much flexibility. But for those with excess wealth, there is an additional option. By purchasing a permanent life insurance policy, the parent or grandparent has more flexibility to allocate excess wealth towards the policy's cash value. And the cash value grows within a tax-deferred environment.

Set young people on the road to financial independence

For parents and grandparents who have accumulated more money than they need to finance their own lifestyle goals, building cash value within a permanent life insurance policy makes it possible to transfer wealth to a child or grandchild tax-efficiently. Even better, it allows parents and grandparents to see their gift in action – helping a loved one realize ambitions, hopes and dreams. And for the child or grandchild, after ownership transfers, the insurance can become a solid foundation for a comprehensive financial plan that protects his or her family and continues to build cash value into the future.

Your advisor can help you determine if this strategy is right for you, and how it may complement other elements of your family's financial planning. Keep in mind that it's often best to purchase a permanent life insurance policy early in a child's or grandchild's life because this gives the cash value the longest possible time to grow before it's needed. ■

WHEN CAN POLICY OWNERSHIP TRANSFER TAX-FREE?

For the transfer of a permanent life insurance policy's ownership to qualify as a tax-free rollover, the Canada Revenue Agency requires that:

- The life insured must be the policy owner's child, step-child, grandchild or great-grandchild
- There must be only one life insured at the time of the ownership transfer
- The transfer must take place for no consideration
- The transfer cannot happen through a will

Note that the child or grandchild who becomes the new owner does not have to be the same child or grandchild whose life is insured, which provides additional planning flexibility.

On the road again

Are you better off buying or leasing?

IF YOU'RE IN THE MARKET FOR A NEW SET OF WHEELS, choosing the make and model may be the easy part. Deciding whether to buy or lease is typically the real challenge. Each has its advantages, but what's right for you depends entirely on your personal situation, finances and long-term plans.

When you purchase a car, you either pay for it in full or pay a portion of the price in the form of a down payment. A loan is arranged for the balance, and you make monthly payments until the loan is paid off. If you lease, rather than pay the full purchase price of the vehicle, you pay (or borrow) only the amount that the car will depreciate over the term of the lease. This smaller amount means the monthly payments for a lease are usually lower than for a purchase.

Lower payments can seem pretty compelling, but that's not the end of the story. When a lease term finishes, you don't have equity in the car. At that point, you have the option of buying the car for the residual amount or returning it and moving on to a new car and lease – and another term of monthly payments. In contrast, when you purchase a car, your monthly payments end when the loan is paid. You then own the car, free and clear, and you can drive it for the life of the vehicle or sell it.

Factors to consider

Time horizon

A car lease has a fixed term, usually between two to four years, with your monthly costs calculated based on the term. Do you need the car for only a year or two? Can you foresee any reason you might not need the car before the lease term is up? If so, think again. Getting out of a lease early can incur costly penalties, so make sure you can maintain the payments for the entire term.

Finances

Making a larger down payment can lower the sales tax you pay on a lease, or significantly lower your monthly payments if you buy. If you want to lower your monthly payments to boost your cash flow, leasing might work best given that monthly payments are usually lower. Still, leasing means that you'll always have those monthly payments. If you purchase, you could have several years of vehicle use after the loan is paid off.

Kilometres

Lease terms often include mileage limits. Go over the maximum, and you might have to pay penalties. If you'll be driving a lot, try to negotiate a higher mileage limit before signing the lease. Failing that, you'll need to work out the cost of exceeding any limits and factor that into your overall budget.

Wear and tear

A lease sets limits on how much wear and tear is acceptable, and charges extra fees if the car has any damage. If you have kids or animals riding in the car regularly, it might be better to opt for purchasing. The excess wear and tear charges could eat into money you've set aside for a down payment on your next car, resulting in higher monthly payments and a higher overall leasing cost.

Maintenance

With a lease, you get a new car every few years, which means fewer worries about its reliability. Maintenance is included in your warranty. If you own, you'll have to pay for ongoing maintenance and repairs as the car ages.

While buying a car is almost always cheaper in the long run, a lease might suit your personal situation better. If you do consider a lease, know what you're getting into. Review all the details in your lease agreement – including options and penalties that apply. Before you make a decision, talk to an advisor. She or he can help you figure out what's best for you. ■

COMPARISON SHOPPING: BUYING VERSUS LEASING

How costs compare (in pre-tax dollars) on the same vehicle over a 10-year period

Vehicle list price is $34,000.

The details

LEASE: Three-year lease, 24,000-kilometre annual allowance, $0 down, 1.9% financing. Assumes continual rollover to a new car at expiry of term.

PURCHASE: Five-year loan with $0 down, 0% financing. No limit on kilometres

Monthly payments

LEASE: $520

PURCHASE: $600

Payment duration

LEASE: 10 years

PURCHASE: 5 years

Total financing cost

LEASE: $62,400

PURCHASE: $36,000

Maintenance

LEASE: Warranty

PURCHASE: $14,500 (assumes regular maintenance**)

Total costs

LEASE: $62,400

PURCHASE: $50,500

Potential savings

LEASE: nil

PURCHASE: $11,900, plus value of vehicle at 10 years

Source: www.theglobeandmail.com/globe-investor/personal-finance/lease-or-buy-a-car-whats-the-better-option/article565403

**Regular maintenance includes timing belt, water pump, tensioner in fifth year: $1,500. Replace brake rotors and pads every three years: $1,000 x 3 = $3,000. Miscellaneous parts and labour over 10 years: $10,000.

The family dollar juggling act

How to balance everyday needs with your financial goals.

FOR PARENTS, DAILY LIFE CAN SEEM LIKE A JUGGLING ACT. Adults in the family have a schedule, priorities and commitments. Kids have a schedule, priorities and commitments. Sometimes they match up. Often they don't. As a result, many families become experts at keeping multiple balls in the air.

Fortunately, when it comes to financial planning, there are ways to reduce stress by introducing flexibility and improving balance within the family circus. Families don't have to give up the present for the future – or the other way around. Instead, they can balance their short-term, mid-term and long-term needs, assigning some money each month to a variety of financial goals. The truth is, many decisions don't have to be "one or the other" – and that gives families flexibility to plan, save and spend in a way that works best for them.

Assessing the costs

The cost of raising the average Canadian child from birth until he or she turns 19 may be close to a quarter of a million dollars[1] – but, of course, every family has different expenses.

Let's start with the basics: food, clothing and a home that's big enough for a family. And then there are common extras: child care before and after school, camps when school is out, extracurricular activities and equipment, computers, smartphones, health care beyond the provincial plan and, looming on the horizon for many families, post-secondary education. Finally, there are the nice-to-haves – things like vacations, family outings to the movies or dining out once in a while.

In addition, parents need to cover the basics of their own financial needs: saving for retirement and other goals, creating an emergency fund, paying down debt and protecting their family's financial security with insurance.

Balancing all these competing priorities with different timeframes may seem overwhelming, but smart planning can help parents find the right balance. Here are six strategies to consider.

1. Kick-start education savings with an RESP

It's one of the best deals around. For every dollar contributed to a Registered Education Savings Plan (RESP) to help pay for a child's post-secondary education, the federal government will chip in $0.20 in Canada Education Savings Grants (CESGs). Contribute $2,500 a year to get the maximum annual CESG of $500, or $7,200 in CESGs over the life of a child's plan. That's more than one year's average undergraduate university tuition[2] – paid for entirely with CESGs.

[1] www.moneysense.ca/magazine-archive/the-real-cost-of-raising-kids

[2] Statistics Canada, "University tuition fees, 2015/2016," *The Daily,* last modified September 11, 2015, www.statcan.gc.ca/daily-quotidien/150909/dq150909b-eng.htm (accessed May 7, 2017).

Juggling tip: Ask family members to contribute what they planned to spend on birthday and other gifts to your children's RESP. Let friends continue to give presents. Remind everyone that education is a gift that lasts a lifetime.

2. Maximize free retirement savings if available

Not all employers offer matching contributions to a retirement plan (for example, a group Registered Retirement Savings Plan (RRSP) or defined contribution registered pension plan) – but if yours does, take full advantage of it. Industry estimates suggest at least 40 per cent of the money employers have set aside to match employee contributions isn't being used.[3] Set aside $100 a month for 20 years, and a 100 per cent match will boost retirement savings by $24,000, without accounting for any investment growth.

Juggling tip: Prioritize RRSP contributions for the partner who receives a matching employer contribution. In years when there's more than enough money available to maximize the match, build up the other partner's retirement savings in an RRSP or spousal RRSP.

3. Cover unexpected costs with insurance

Orthodontics. Prescription glasses. Medicine. Physiotherapy after a sports injury. Many health care costs aren't covered by provincial health plans. For those who don't have additional coverage through their workplace, or whose coverage may not be enough, individual health and dental benefits provide protection from the full impact of that scariest of sentences, "Your child needs braces." In addition, term life insurance can be an inexpensive way to protect family finances from the consequences of a death.

Juggling tip: An insurance premium may seem like one more bill – but it could help save money. If money is tight right now, opt for a basic policy today with plans to upgrade in the future.

4. Make the most of benefits and tax credits

The federal government paid families $18 billion in children's benefits in 2015–16.[4] Get your fair share by applying for the Canada Child Benefit for children under age 18 and, if a child qualifies, the child disability benefit as well.[5] In addition, costs for child care, medical expenses and adoption-related expenses may be claimed.[6] Post-secondary students may be able to claim student loan interest and eligible moving costs, as well as the more familiar tuition amount.[7]

Juggling tip: Got a tax refund? Rather than spending it, earmark it for a longer-term goal such as debt repayment.

5. Engage kids in finding the best deal

Comparison shopping is an important life lesson, so get kids involved in looking for the best value for the things they need. Costs vary widely for extracurricular activities and camps; if a specific program costs more, make sure it offers more too. When it comes to sports equipment, musical instruments and expensive school supplies such as laptops, consider good-quality second-hand items or see if friends with older kids have gently used hand-me-downs. Ask for tips from other parents and take time to research before buying.

Juggling tip: Brand new is exciting – but used means more money to spend on other things. If it's a priority to invest in the best instruction and equipment in one area (say, for a talented little violinist), make a trade-off – for example, rent instead of buying skates for that child.

6. Add flexibility to your mortgage

Fixed and inflexible mortgage payments may be one of the primary reasons why families struggle to juggle. With a traditional fixed mortgage, you lock into a set repayment amount for the term of the mortgage, and accommodating any changes in your household finances can be difficult. A flexible mortgage enables you to adjust your repayment amount or schedule when needed – to meet life's unexpected expenses as they arise or repay your mortgage faster when you can. You enjoy more control over how you respond to both short-term financial demands and longer-term debt management.

Juggling tip: Being able to set your own pace for repayment is a definite plus. Consider your situation carefully to help determine which type of mortgage best suits your needs.

Good financial advice can help

Parenting can be joyful, thrilling, frustrating and challenging – sometimes all in the same minute. At the end of a long day, it may not be easy to find the energy to think about financial planning. That's why it can help to talk to an advisor who specializes in strategies like the ones in this article. An advisor can suggest approaches that provide the right balance for your family, which could help make your juggling act an applause-worthy success. ■

[3] http://business.financialpost.com/personal-finance/retirement/leaving-money-on-the-table-how-many-canadians-arent-taking-advantage-of-defined-contribution-pension
[4] www.fin.gc.ca/afr-rfa/2016/report-rapport-eng.asp#_Toc463249477
[5] www.cra-arc.gc.ca/benefits/
[6] www.cra-arc.gc.ca/tx/ndvdls/tpcs/ncm-tx/rtrn/cmpltng/ddctns/fmlyddctns-eng.html
[7] www.cra-arc.gc.ca/tx/ndvdls/sgmnts/stdnts/ddctns-eng.html

WHAT IF YOU'RE RAISING A FUTURE OLYMPIAN?

The good news, for those concerned about childhood inactivity, is that 84 per cent of Canadians aged three to 17 play a sport, and 60 per cent play an organized sport. The bad news is that this athleticism can get pricey. The average family spends almost $1,000 per year on sports for each child, with water-skiing, hockey and horseback riding hitting pocketbooks the hardest.[8] And if a child excels at a sport, families may have to budget for travel to games and competitions, as well as top-of-the-line equipment.

Affording the extra costs may mean cutting other discretionary expenses, fundraising in the community, applying for scholarships, seeking sponsorship and, at an elite level, seeking government funding. Cost-saving tips may include staying with out-of-town friends rather than in hotels, booking flights on reward points whenever possible and, at times, discussing the pros and cons of a faraway event and saying no. Of course, if your child owns the podium one day, all the sacrifices may be worth it.

MAKING MONEY FROM HOME

Parents who have chosen to stay at home while their children are young may not want to return to work at the start of kindergarten. Even if it's a priority to be there at drop-off and pick-up, you may be able to work part-time while the kids are in school. And certain tax benefits come from having a home-based business, such as the ability to write off a portion of your utility and home repair costs.

Here's just a small selection of flexible home-based businesses to consider:

If you like animals – offer dog walking or pet sitting

If you have a knack for fixing things – offer bike repairs

If you're crafty – offer jewellery, pottery or hand-knits online

If you're musical – offer piano, guitar or voice lessons

If you're organized – offer event planning

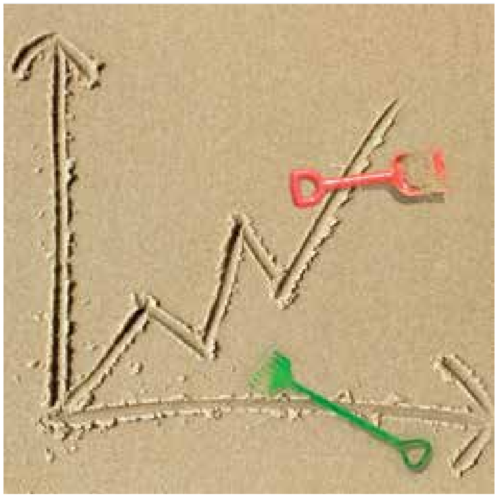
If you have a flair for design – offer home staging

If you take great pictures – offer wedding photography

If you're a terrific cook – offer catering

[8] www.srgnet.com/2014/06/10/massive-competition-in-pursuit-of-the-5-7-billion-canadian-youth-sports-market

Get into the sandbox with saving



Kid-friendly tips for setting financial goals.

THE EXPRESSION "LIKE A KID IN A CANDY STORE" exists for a reason, and most parents are all too aware of it. When children are in a place where treats are sold, a very yummy and tangible goal is right there in front of them. They're tempted to spend every dime on the spot. So can they learn to save for longer-term goals like a bike or computer?

Even young children can understand money and the value of setting financial goals. According to a report by University of Cambridge researchers, seven-year-olds can understand basic financial concepts.[1] In fact, introducing children to saving early might give them a head start on a lifetime of good money habits. And it could make those trips through the toy store or down the cereal aisle a little more pleasant.

If you're looking for ideas to help teach kids the rewards of thoughtful spending and saving, consider some of the activities below.

Make a goal chart

As adults, we're used to seeing goal charts at work, or in charitable donation campaigns, and they can motivate children, too. Work on a craft project together to help your kids start thinking about saving. Draw or paste a picture of their goal – a bike, a toy, a visit to a theme park – and create a chart to track their savings. Keep it somewhere visible (on the fridge perhaps) so they'll get frequent reminders of what they're saving for.

The great divide

Get kids accustomed to putting aside a portion of their cash for something larger. Use jars, piggy banks or envelopes, label them with "spend" and "save," and every time your child receives money, divide it into the different categories.

Allow the "spend" contents to be spent as the child likes, including small purchases to satisfy the instant gratification urge. Meanwhile, the "save" contents accumulate for a larger, longer-term goal.

Online resources and games

Check out the information and interactive games, if they help your child learn, at these sites:

- *Practical Money Skills* provides games and apps for all ages at www.practicalmoneyskills.ca/games
- *FamilyMint* provides a free basic version of its online financial literacy program and a blog with info and tips for parents at familymint.com

It takes practice, but developing savings habits at a young age will go a long way to helping your children build a bright financial future. ■

[1] https://mascdn.azureedge.net/cms/the-money-advice-service-habit-formation-and-learning-in-young-children-may2013.pdf

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Avoid a legacy of taxes

Seven ways to help minimize taxes on your estate.

AMERICAN INVENTOR AND POLITICIAN Benjamin Franklin wrote, "In this world nothing can be said to be certain, except death and taxes."[1] And while the thought of death can be unpleasant, so can the prospect of leaving your family a large tax bill. With a little planning, you can help minimize the taxes on your estate once you've passed on. Here are a few tax-saving strategies to consider.

Leave assets to your spouse

Assets left to a spouse or spousal trust (a trust that entitles income to a spouse) are considered disposed of at the deceased's adjusted cost base (the ACB is the amount of your investment that has already been taxed). The tax is deferred until the surviving spouse (or trust) sells the assets, or until your spouse's death.

Give assets away

If you know that you won't need certain assets in your lifetime and have already designated heirs, you may want to consider making those gifts while you're still living. Giving assets away when you're alive can help your estate avoid a potential tax bill. Not to mention you get the joy of seeing your loved ones put your gift to use.

For tax purposes, however, giving assets away is generally considered a disposition. This means that if the fair market value at the time of the gift is greater than its ACB, the result is a tax bill. For example, if the fair market value is $1,000 and the ACB is $700, you would pay tax on a $300 capital gain. This strategy works best if the assets you're giving away are likely to appreciate in the future.

Choose beneficiaries with a tax strategy in mind

If tax deferral is the priority, consider leaving assets that have appreciated in value to your spouse first. If you're planning to leave assets to others, it may be more strategic to pass on tax-friendly assets, such as cash, guaranteed interest contracts (GICs), money market funds or assets that have not greatly appreciated in value since you acquired them.

[1] Albert Henry Smyth, *The Writings of Benjamin Franklin, Vol. X (1789–1790)* (New York: Macmillan, 1907), p. 69.

Make the most of exemptions

When it comes to tax, it can pay to take advantage of exemptions. The two most common are:

The principal residence exemption: This can be used to offset capital gains on one property you own. This could be your home, but it could also be a cottage or other second property that you ordinarily inhabit (rental properties do not qualify).

The enhanced capital gains exemption: This can be used to offset up to $800,000 (indexed for inflation after 2014) of capital gains on your shares in certain private companies, a qualifying farm or fishing property.

Donate to charity

You can leave part of your estate to charity (usually via your will). Your estate will be able to claim a donation tax credit for the fair market value of the gift.

File multiple tax returns

In the year of death, up to four tax returns can be filed. A claim can be made for some personal tax credits, such as the basic personal amount, on each of the returns filed, effectively multiplying the number of credits claimed. In addition, your estate would benefit from the lower graduated tax rates more than once in the year of death.

Buy life insurance

Life insurance can assist in funding your estate's eventual tax liability. This helps ensure that your heirs will be left with as much of the estate proceeds as possible, and protects your assets from being liquidated in order to pay your estate's tax bill.

If you are looking to minimize your estate's tax bill and wish to leave more assets to heirs, planning now can save a lot of money and difficulty for your loved ones. Talk to your advisor to see if any of these tax-saving strategies can help you achieve your financial goals. Your advisor can review your estate plan and help identify assets that could present tax-planning opportunities. ■

Sensational South Africa

Experience stunning landscapes, majestic wildlife and world-class wineries.

AT THE BOTTOM TIP OF AFRICA is a country with three capitals and 11 official languages that transformed itself into a democracy just 23 years ago. South Africa may be most famous on the international stage for its long period of apartheid, which ended in 1994, but it is also a land of spectacular scenery, plus no fewer than eight UNESCO World Heritage Sites. From breathtaking beaches to bustling cities, and renowned wildlife preserves to world-class wineries, there's much to discover in South Africa.[1]

Glimpse the "big five" on safari

Once considered the most dangerous game to hunt, today the "big five" are prized photographic subjects. Safari goers are advised to keep their eyes open for lions, leopards, elephants, rhinos and buffalo in habitats such as Kruger National Park. The less fearsome wildlife should not be overlooked, either. Visitors may spot everything from giraffes, zebras and hippos to thick-tailed bush babies, meerkats and bat-eared foxes. Safari aficionados can make the experience their own, whether they prefer to camp out on the savannah or stay in a luxury lodge.[2]

Visit places where it all began

Fossils abound in the limestone caves of the Cradle of Humankind, where hominid discoveries helped prove that our ancestors first evolved in Africa.[3] See traces of a more recent, but still ancient, past in Mapungubwe, where a kingdom with far-flung trading relationships thrived in the Limpopo valleys for about two centuries starting about AD 1050.[4] Witness old traditions kept vibrantly alive in Zululand.[5] Then experience South Africa's 20th-century history by touring Johannesburg's Apartheid Museum or standing in Nelson Mandela's jail cell on Robben Island, where the nation's struggles and achievements come into sharp focus.[6]

Winged paradise on the Elephant Coast

Eco-tourists and birdwatchers love the Elephant Coast in KwaZulu-Natal, where protected wetlands teem with more than 550 winged species, including blue swallows, cape parrots, bearded vultures and all three southern African cranes. From November to January, tourists can track sea turtles as they emerge from the ocean to lay eggs, while whale watching season runs from June to November. Visitors can relax on a picturesque beach or, for a more immersive experience, scuba dive around Sodwana Bay's stunning coral reefs.[7]

[1] www.southafrica.net/za/en/guides/entry/South-Africa-at-a-glance
[2] www.southafrica.net/za/en/articles/entry/article-southafrica.net-big-5-safaris
[2] www.krugerpark.co.za/Kruger_Park_Reference_Guide-travel/african-mammals-guide.html
[3] www.southafrica.net/za/en/articles/entry/article-the-cradle-of-humankind-gauteng1
[4] www.southafrica.net/za/en/articles/entry/article-southafrica.net-mapungubwe-world-heritage-site
[5] www.southafrica.net/za/en/articles/entry/article-zulu-cultural-ceremonies
[6] www.southafrica.net/za/en/articles/entry/article-southafrica.net-historical-robben-island
[7] www.southafrica.net/za/en/articles/entry/article-southafrica.net-elephant-coast; www.birdlife.org.za/get-involved/join-birdlife-south-africa/item/410

Head for the hills for active adventures

In Drakensberg, thrill-seekers can hike, ride a horse, zip-line through the tree canopy and try their hand at ice climbing. Visitors can also admire some of the more than 600 rock art sites in the region, and even spend the night tucked into a sleeping bag in a cozy cave.[8] The Western Cape's Garden Route, home to the demanding five-day Otter Trail hike and the highest commercial bungee jump in the world, also offers plenty of opportunities for relaxing strolls along sun-bathed beaches and through towering forests.[9] One of the most well-known South African landmarks is Table Mountain in Cape Town. Those not up for the challenging climb to the top can hop on a cable car, relax and enjoy the view.[10]

Feast on *bobotie, biltong* and *boerewors*

South African cuisine is influenced by the country's indigenous, colonial and immigrant roots. Sample iconic foods like *bobotie* (a baked dish of spiced minced meat topped with custard), *biltong* and *beskuit* (beef jerky and dried biscuits), and *boerewors* (coriander-spiced beef-and-pork farmer's sausage). South Africa even has an annual National Braai Day – September 24 – to celebrate barbecuing. Fitting for a nation that relishes meat!

In the big cities, food enthusiasts can snack on local artisanal delicacies at food markets or splurge on high-end restaurants, where gourmet dishes can be paired with a chenin blanc or pinotage from the picturesque Cape Winelands. Tea lovers can finish off a meal by sipping a locally grown rooibos.[11]

Adventure awaits

South Africa is a long way from North America, but it's also surprisingly affordable, with an established tourist infrastructure and accommodation options to suit every budget. The variety of wildlife, landscape and culture to explore more than makes up for the lengthy flight to the southern hemisphere. ■

[8] www.southafrica.net/za/en/articles/overview/drakensberg
[9] www.southafrica.net/za/en/articles/overview/garden-route
[10] www.southafrica.net/za/en/articles/entry/article-southafrica.net-table-mountain
[11] www.southafrica.net/za/en/articles/entry/article-southafrica.net-iconic-south-african-foods

Looking for a little more calm?

Enjoy the benefits of feng shui.

HAVE YOU EVER WALKED INTO A ROOM and suddenly felt happier? Can you pinpoint exactly what lifted your mood? Was it the furniture, the lighting, the colours? According to feng shui, it's all these things, and how they work together.

Practising feng shui, an ancient Chinese school of thought, is about balancing energy in the environment. The theory is that a home that balances passive energy (yin) with active energy (yang) promotes well-being. If this sounds out-there, the reality is that most of us naturally balance yin and yang when we decorate: adding a soft rug to a hard wooden floor or accent pillows on a neutral-colored sofa. Even something as intuitive as putting a lamp in a dark corner is feng shui at work.

If you're looking for some peace and balance, consider trying these feng shui techniques in your home – you may discover that you feel calmer and happier.

Bedroom

Make your bed an island of tranquility

Sleep is about relaxing, and it's hard to unwind with electricity flowing around you. A serene atmosphere can be created by keeping screens – phone, laptops, TVs – out of the room. The digital alarm clock can be switched with a battery-operated one. Lamps are hard to avoid, but try keeping lighting as soft as possible. The right decor can make the bedroom a soothing respite from the day's activities.

Earth tones for your dream world

Browns, tans, warm greys and greens are the perfect palette for a serene bedroom. Feng shui practitioners recommend natural colors to invite healing energy and promote a restorative sleep. For those in a relationship, a few splashes of passionate colours, like reds and pinks, can help increase romance. Try using them as accents – a bright throw pillow, picture frame or art print can add a note of liveliness to an otherwise soothing atmosphere.

Living room

Keep the conversation going

A well-designed seating plan can encourage conversation. The ideal spacing between furniture is intimate but not suffocating – close enough to hear, but not close enough to be uncomfortable. Being able to walk around easily is also important. A clear path around the room can help guests move smoothly through the space. Seating arrangements can affect how energy flows through a room, which is a core element of the feng shui approach.

Out the window

Nothing quite livens up a room like a great view, but according to feng shui, a window directly facing a front door can drain energy from a room. Drapes or blinds can solve that problem, as can putting an object like a plant or reflective bowl on the sill. For windows that overlook brick walls or alleyways, sheer curtains can be a great way to soften the view and divert attention.

Dining room

Reclaim the table

Because a dining room is where food is eaten and nutrients are processed, feng shui experts consider it to be integral to healthy functioning. To highlight its importance, a more formal decor is recommended.

If you rarely use this room, try having a meal at the dining room table once a week. It will help put that extra space to use and keep it in order. If that's not your style, consider using it for game night, homework, crafting or even as a home office.

Shapes and surfaces

Reflective surfaces expand space and multiply light, so they're a perfect solution for a smaller dining room. Mirrors or even reflective metals, like nickel, brass or bronze, can circulate energy throughout the space.

For the table, natural materials like wood create a feeling of warmth and are preferable to synthetics. The size of a table can also affect the feel of a room. A small table in a big room can feel dwarfed, but a large table that doesn't leave space to push back a chair can feel crowded and confining.

Feng shui, your way

Practicing feng shui doesn't have to be complicated or expensive. It's about using what you already have – just arranging it in a new way. It also doesn't have to be done all at once. Take it one change at a time and see if your home design starts to help you feel a little more peaceful. ■

Get healthier on the job

Workplace wellness programs can make you feel – and work – better.

MAINTAINING HEALTHY HABITS can be a round-the-clock occupation, so what do you do if you have a full-time job? It is possible to both work and be healthy. With more and more companies offering workplace wellness programs, employees can access tools to boost their overall well-being at the office.

A good wellness program not only helps support your career, but also your emotional, financial, physical and social well-being.[1] Programs vary by employer and can include initiatives such as nutrition seminars, access to low-cost exercise options, biometric screenings, ergonomic services and stress relief workshops. They can help participants set goals, provide flexible work schedules, offer social support and promote a healthy physical environment. If your employer has one, consider participating. Here are just a few benefits.

Walk off stress

Many workers spend most of their day sitting at a desk in front of a computer screen. Not only can this promote eye strain, it can cause muscle tension in the neck and back – all major contributors to fatigue.

Wellness initiatives that get you moving can help counter the effects of desk work. Physical activity, even walking with a group at lunch, stimulates brain chemicals that can promote happiness and relaxation. It also helps the cardiovascular system function more efficiently, giving you more energy to tackle daily tasks.[2] Program activities might include providing employees with stretching exercises they can do at their desks or offering fitness breaks. Companies may also educate employees on proper ergonomics or perhaps even provide ergonomic desks, chairs or keyboards.[3]

Mix it up

The social side of wellness programs is a huge plus. There's nothing like exercising as a team to help you bond – or at least, give you something to talk about the next day. Participating in activities that are not work-related is a great excuse to mix up social dynamics and strike up a conversation with a co-worker in a different department. You may just find yourself creating new friendships, without the pressure of formal networking. Keeping your nose to the grindstone isn't the only factor in a successful career.

[1] http://hbr.org/2016/03/how-to-design-a-corporate-wellness-plan-that-actually-works
[2] www.mayoclinic.org/healthy-lifestyle/fitness/in-depth/exercise/art-20048389
[3] www.corporatewellnessmagazine.com/worksite-wellness/five-benefits-workplace-fitness-culture

Making fitness a group activity also does wonders for motivation levels. Think of it as peer pressure, but the good kind. Colleagues can encourage each other to achieve fitness goals and generally feel part of the group.[4]

Learn healthier habits

Healthy habits like meditating and eating right can help improve productivity and performance. Your brain can focus better on tasks and you will feel more accomplished and energized.[5] However, though quitting smoking, improving your diet or hitting the gym may not be newsworthy feats, they certainly aren't easy. Habits can be extremely difficult to change, and any step in the right direction is a step worth taking. By providing tools and proper support, companies can help employees change exercise behaviours, increase fruit and vegetable intake, decrease body weight, try a smoking cessation program or maintain mental health.[6]

All work and no play

Have you ever felt your day just dragging on? A wellness program can help to break up the monotony of your workday – it might provide an opportunity to do some stretches or yoga, attend a seminar on relaxation techniques or eat a healthy snack. Not only can you learn about nutrition and healthy habits, you can develop new relationships with co-workers and try things you may not have considered before. Don't be surprised if you find yourself feeling happier, more energetic and more motivated to come into the office each day.

Get involved

Ultimately, adopting healthy habits is an individual decision, but a workplace wellness program can encourage employees to take charge of their own well-being. It's an easy way to get healthier, stay motivated and have fun. ■

[4] www.sparkpeople.com/resource/wellness_articles.asp?id=246
[5] www.healthfitnessrevolution.com/top-10-benefits-of-a-workplace-wellness-program
[6] www.forbes.com/sites/alankohll/2016/04/21/8-things-you-need-to-know-about-employee-wellness-programs/2/#6e4221eb7a2e

Chocolate raspberry celebration cake

This glorious cake is worthy of any big celebration, be it the 15th anniversary of *Solutions*, your own anniversary or the birthday of someone you love!

Ingredients

2/3 cup (150 mL) unsweetened cocoa powder
3/4 cup (175 mL) milk
1 1/2 cups (375 mL) all-purpose flour
1 tsp (5 mL) baking powder
1/2 tsp (2 mL) baking soda
1/2 tsp (2 mL) salt
1 1/4 cups (300 mL) granulated sugar
2/3 cup (150 mL) butter, softened
2 eggs, at room temperature
3/4 cup (175 mL) sour cream
2 tsp (10 mL) vanilla

Whipped Ganache Frosting:
8 oz (250 g) bittersweet (dark) chocolate, chopped
1 1/4 cups (300 mL) 35% whipping cream
1 1/2 cups (375 mL) fresh raspberries, divided

Preparation

Preheat oven to 350°F (180°C). Butter sides of two 9-inch (23 cm) round metal cake pans and line bottoms with parchment paper.

Sift cocoa into a bowl; gradually whisk in milk until smooth; set aside.

In another bowl, whisk together flour, baking powder, baking soda and salt.

In a large bowl, using an electric mixer, beat sugar and butter until light and fluffy. Beat in eggs, one at a time, beating well after each addition; beat in sour cream and vanilla. Using a wooden spoon, alternately stir in flour mixture and cocoa mixture, making 3 additions of flour and 2 of cocoa, until blended.

Divide between prepared cake pans; smooth tops. Bake for about 30 min., or until cake begins to pull away from the side of pans and a tester inserted in centre comes out clean. Let cool in pans on a rack for 15 min. Invert onto rack and remove pans and parchment paper. Let cool completely.

Whipped Ganache Frosting: Place chocolate in a large, heatproof bowl. In a saucepan, bring cream just to a boil over medium-high heat, stirring occasionally. Pour over chocolate in bowl and let stand for 2 min. or until chocolate is melted; stir until smooth. Let cool for 30 to 60 min. until slightly thickened and at room temperature, but not solid.

Using an electric mixer, beat ganache until whipped and just thick enough to spread. In a bowl, lightly mash 1 cup (250 mL) of the raspberries. Add about 1/3 of the whipped ganache to berries and fold until combined.

Place 1 cake layer, domed side up, on a serving plate. Spread raspberry ganache over cake, leaving 1/2 inch (1 cm) border. Place second cake layer, domed side down, on top, pressing lightly. Frost sides of cake thinly with ganache, then frost top. Garnish with remaining raspberries. Serve immediately or refrigerate for up to 1 day. If refrigerated, let stand at room temperature for 15 min. before cutting.

Tips

- Rinse the raspberries and pat them dry before using. Frozen raspberries don't work well in this cake since they add too much moisture.
- Use the best quality chocolate you can find for this frosting. Use chocolate with 65 to 70 per cent cacao for the best texture and flavour. If the percentage isn't indicated, make sure cocoa liqueur or cocoa mass is the first ingredient in the list on the label.
- When frosting the cake, if your room is cool, dip your palette knife or spatula in warm water and wipe dry frequently to prevent frosting from getting too firm.
- Brush cake layers with raspberry or chocolate liqueur before assembling the cake. Use a mixture of red and golden raspberries or blackberries for the garnish.

Recipe and photo provided by Dairy Farmers of Canada. For more recipe ideas, visit dairygoodness.ca.


Get informed
It's time for a new kind of discussion about estate planning and segregated fund solutions
Myth
Segregated funds are too expensive
Fact
Segregated funds can be both competitive and cost-effective. They can bypass estate costs on years of accumulated growth, and have the potential to provide creditor protection
Few investment solutions help minimize the trials and tribulations of estate planning the way a segregated fund contract can.
Ask your advisor for your customized **Estate Cost Comparison report** and see for yourself.
Manulife Investments