Solutions

FOR FINANCIAL PLANNING

STAYING ONE STEP AHEAD

From new investment approaches to caring for aging parents, it pays to keep one eye on the future

MK2870E 11/17

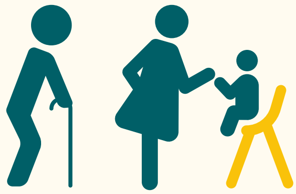
WINTER 2017

Aging parents and the cost of care

5.9 MILLION
Canadians are 65 and over. [1]

8.1 MILLION
Canadians care for an ill or aging family member. [2]

28% OF CAREGIVERS
are "sandwiched" between caregiving and childrearing, with at least one child under 18 living at home. [3]



425,750 CANADIANS (OR 1.2%)
live in nursing homes or residences for senior citizens. [4]

$1,500–5,000
Average monthly cost of living in an assisted living facility. [5]

$2,500–8,000
Average monthly cost of living in an "around-the-clock" care facility. [6]

33 BILLION
Annual cost to Canadians of caring for aging parents, including out-of-pocket expenses and time taken off work. [7]

14%
of Canadians pay an average of $3,300 per year out-of-pocket to cover the costs of parental care. [8]

With increasing life expectancies, caring for an aging parent is an eventuality that many Canadians face. To learn more about how to get financially prepared, read the article on page 20, then speak with your advisor.

[1] Statistics Canada, Canada [Country] and Canada [Country] (table), Census Profile, 2016 Census, Statistics Canada Catalogue no. 98-316-X2016001, released August 2, 2017, www12.statcan.gc.ca/census-recensement/2016/dp-pd/prof/index.cfm.
[2, 3] Maire Sinha "Portrait of caregivers, 2012," Statistics Canada Catalogue no. 89-652-x, last modified September 28, 2017, www.statcan.gc.ca/pub/89-652-x/89-652-x2013001-eng.htm#a2
[4] Statistics Canada, Census in Brief "Dwellings in Canada", Statistics Canada Catalogue no 98-200-x, released May 3, 2017, www12.statcan.gc.ca/census-recensement/2016/as-sa/98-200-x/2016005/98-200-x2016005-eng.cfm [5, 6] www.aplaceformom.com/canada/canada-seniors-housing-guide
[7,8] www.cbc.ca/news/business/caring-parents-costs-1.4101277

HELPING YOU STAY ONE STEP AHEAD

WHY IS IT THAT WE SOMETIMES find the hardest tasks the easiest to put off?

Much of this issue focuses on managing and financing the care of loved ones – a topic that may not be easy to address, but an important consideration to prepare for. Caring for those who cared for us growing up will become more prevalent as Canadians are living longer, on average, than previous generations.

In the pages that follow, you'll find plenty of useful information to help you get a head start in how to approach these kinds of conversations with family members. This includes our feature article – "Role reversal" – on page 20. You'll also find helpful tools like a guide for starting discussions about caring for parents on page 29, and a worksheet insert to help map out support options and the associated costs.

In addition to this, "The money – health link" on page 12 provides noteworthy findings from Manulife's recent study on how finances impact both the physical and mental health of Canadians. And on page 8, "Broaden your investment horizons" takes a deeper look at active asset allocation, an interesting investment option for long-term financial goals.

Talking about finances with family members is not always easy, which is why we may delay bringing the subject forward. The advice and tools provided here can help you understand the information you need to stay one step ahead, know what to expect, and bring your parents and family together.

Paul Lorentz
General Manager, Individual Wealth Management and Insurance
Manulife

WHAT'S INSIDE

SOLUTIONS FOR FINANCIAL PLANNING
WINTER 2017

IN EVERY ISSUE

Matters of fact

Canadians discovered insulin and stem cells. We created Pablum and pacemakers. And we're world leaders in medical imaging innovation.[1] Here's a sampling of made-in-Canada medical breakthroughs.

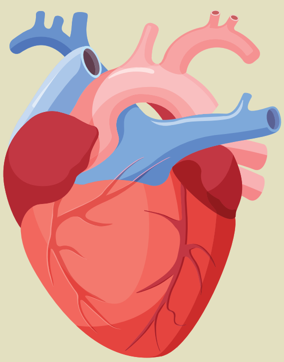
1930 Frederick Fitzgerald Tisdall, Theodore G.H. Drake and Alan Brown blend minerals, vitamins and cooked starches to create the baby food Pablum. Royalties generated by global sales support research at Toronto's Hospital for Sick Children for decades afterwards.[2]

1921 Frederick Banting and Charles Best, working under the direction of J.J.R. Macleod and with refinement by James Collip, develop insulin as a treatment for diabetes.[3] Banting and Macleod are recognized with a Nobel Prize – the first for Canadian scientists.[4]

1961 James Till and Ernest McCulloch discover transplantable stem cells, a scientific breakthrough that gives birth to the field of stem cell science. See "Canadian contributions to stem cell research" for more on this subject.

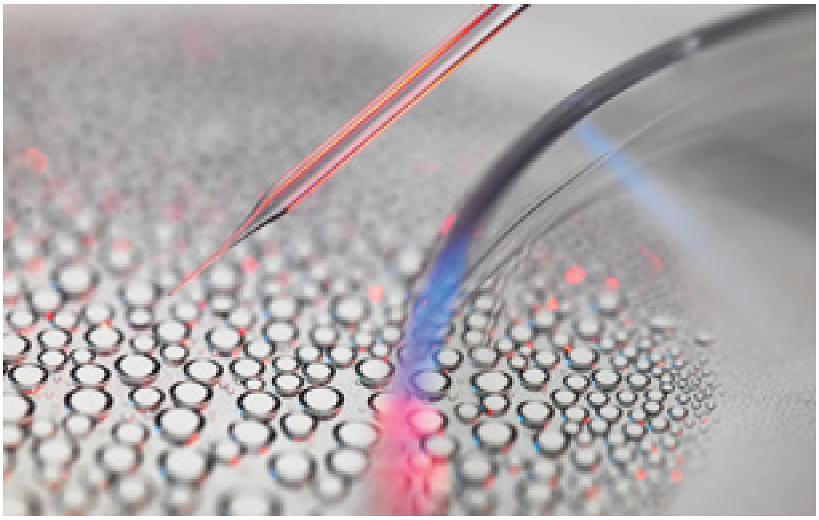
2003 Confronting severe acute respiratory syndrome (SARS), Canadian researchers rush to sequence its genome – something they achieve within 11 weeks – and then create three vaccines to test and a treatment within a few months.[5]

1934 Wilder Penfield founds the Montreal Neurological Institute, where he pioneers the "Montreal Procedure" to treat epilepsy. Remember the "I smell burnt toast" Heritage Minute? Penfield's work revolutionized brain surgery.[6]



1950 Electrical engineer John Alexander Hopps invents the first external purpose-built cardiac pacemaker. It transmits electrical impulses to the heart's atria through a bipolar catheter electrode.[7] Every year, more than 10,000 Canadians get a pacemaker.[8]

1980 Albert Aguayo demonstrates that, under the right conditions, nerve fibres and central nervous system function can recover after damage in adult mammals.[9] Today, neuroregeneration research is targeting Alzheimer's disease, amyotrophic lateral sclerosis (ALS), multiple sclerosis, Parkinson's disease and more.[10]



Canadian contributions to stem cell research

Stem cells aren't specialized themselves, but they have the potential to develop into specialized tissue or organ cells. They also have an important repair function in many tissues, dividing to replace damaged cells.[11]

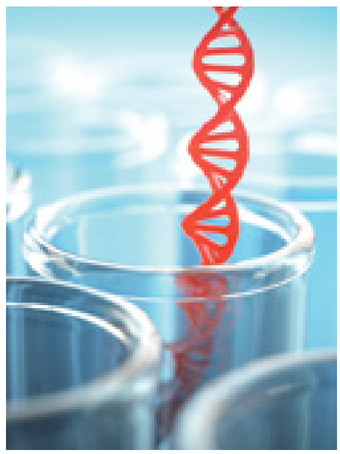
Following up on their discovery of transplantable stem cells in 1961, Canadians James Till and Ernest McCulloch teamed up with Lou Siminovitch and together proved that adult bone marrow cells could self-renew.[12] Since then, researchers in Canada have continued to make dramatic strides towards expanding our understanding of stem cells.

Canadians discovered human neural stem cells (1992), cancer stem cells (1994), retinal stem cells (2000), skin-derived stem cells (2001) and breast stem cells (2006). Researchers here advanced blood stem cell expansion (2002) and muscle stem cell regeneration (2003).[13] In 2009, they found a virus-free way to transform specialized human cells into cells that are "pluripotent" (able to become any other specialized cell) like embryonic stem cells.[14] And in 2013, they disarmed the BMI-1 gene, which regulates colorectal cancer stem cells.[15]

The promise of stem cells is vast for treating damage after spinal cord injuries, strokes and heart attacks, helping people with Alzheimer's disease, Parkinson's disease and other neurological illnesses, producing insulin for those with diabetes, and replacing diseased or injured tissues and organs.[16] In this rapidly evolving field, the next great breakthrough may well emerge from a Canadian lab.

Canadian advancements in medical technology

The Spartan Cube is a DNA analyzer that fits in one hand and can tell from a cheek swab if you have strep throat, a foodborne infection and more.[17] BresoDx is a cordless, simply designed device you can use at home to find out if you have sleep apnea.[18] The affordable XLV digital mammography machine is expected to give women in developing countries better access to breast cancer screening.[19] These are just a few recent Canadian inventions in the field of medical technology. About 1,500 medtech businesses operate in Canada, employing about 35,000 people[20] and participating in Canada's US$6.7 billion medical device market.[21]



[1] www.innovation.ca/sites/default/files/EOA/2013/CFI-CTP_Policy_Highlights_EN_web.pdf [2] www.thewhig.com/2013/10/01/sunwheat-biscuits-and-pablum-to-the-rescue-for-sick-kids [3] bantinghousenhsc.wordpress.com/2015/12/06/banting-and-best-and-macleod-and-collip/ [4] www.cihr-irsc.gc.ca/e/35216.html [5] www.cihr-irsc.gc.ca/e/35216.html [6] can-acn.org/wilder-penfield [7] www.ncbi.nlm.nih.gov/pmc/articles/PMC3232561 [8] fhs.mcmaster.ca/main/news/news_archives/pace.htm [9] cdnmedhall.org/inductees/dr-albert-aguayo [10] www.mayo.edu/research/centers-programs/center-regenerative-medicine/focus-areas/neuroregeneration [11] stemcells.nih.gov/info/basics/1.htm [12] www.cdnmedhall.org/inductees/dr-james-till [13] stemcellfoundation.ca/en/about-stem-cells/canadas-contribution [14] www.nature.com/news/2009/090227/full/458019a.html [15] stemcellfoundation.ca/en/about-stem-cells/canadas-contribution [16] www.cirm.ca.gov/patients/power-stem-cells [17] www.ctvnews.ca/health/canadian-inventor-looks-to-fit-dna-analysis-in-the-palm-of-your-hand-1.3109489 [18] bresotec.com/bresodx [19] xlvdiagnostics.com [20] www.medec.org/?page=CanMedTech [21] www.ic.gc.ca/eic/site/lsg-pdsv.nsf/eng/h_hn01736.html

Broaden your investment horizons

Take advantage of the benefits of strategic, active asset allocation.

"DON'T PUT ALL YOUR EGGS IN ONE BASKET." That's common advice for investors, and for good reason. Spreading assets across different baskets – such as stocks and bonds – can help to lower risk if one or more baskets hit a rough patch in the markets. This type of diversification can get quite sophisticated, breaking down the big asset baskets into smaller ones such as small-cap, large-cap, Canadian, U.S. and international stocks, as well as government, corporate, Canadian, U.S. and international bonds. But strategic, active asset allocation adds another important dimension.

In contrast to simply diversifying a portfolio, active asset allocation moves eggs between baskets based on current opportunities in the financial markets. Whereas diversification is a relatively static approach – choosing how many eggs go into each basket and then leaving them alone – active asset allocation is dynamic.

What's most important to investors, of course, is that adjusting a portfolio's positioning may help to reduce risk and improve returns over longer periods of time.

A closer look at asset allocation

Active asset allocation manages a portfolio's risk and reward by continually adjusting the asset mix, that is, how much is invested in various asset classes, such as stocks, bonds and cash. These asset classes tend to be associated with different levels of risk and historical returns, and also tend to perform differently at different points in an economic cycle.

The goal of asset allocation is to combine asset classes in such a way as to achieve the highest possible return with the lowest risk through various economic environments – while also remaining true to the portfolio's stated objective. It's a complex process, best achieved through a professionally managed asset allocation portfolio.

How it works

In practical terms, a portfolio managed according to an active asset allocation strategy might start out with the same mix of asset classes as a diversified portfolio. Over time, however, the asset mix may shift based on the portfolio manager's evaluation of broad global economic trends, how expensive or cheap certain asset classes become, and many other factors.

An asset allocation portfolio may include both actively managed mutual funds and passively managed exchange-traded funds (ETFs). Sometimes, the mutual funds make up the core of the portfolio, while ETFs allow the portfolio manager to quickly and inexpensively exploit very specific or non-traditional asset classes and shorter-term opportunities. By complementing active management with passive management, asset allocation portfolios structured in this way can provide investors with another layer of diversification.

It's important to note that professionally managed asset allocation portfolios depend on a portfolio manager's expertise. The manager is responsible for both identifying the best opportunities and assessing their potential to have a positive impact on the portfolios. This means it's wise to research different managers and choose one with a strong track record – an area where your advisor can provide invaluable support.

Long-term benefits to investors

Asset allocation allows managers to more actively manage portfolios toward better performance and lower risk, and to harness the power of a strategy many consider to be a key determinant of longer-term investment success.

Its benefits run even deeper than that, however, because asset allocation may also give investors more confidence in their investments. Secure in the knowledge that the professional managers they've chosen are monitoring and responding to events affecting the markets, they may be less tempted to respond to temporary dips by selling and then staying on the sidelines until markets recover.

Remaining invested in the markets helps investors avoid selling low (after a dip) and buying high (after a recovery). In this way, asset allocation can reinforce the investing discipline many advisors advocate, helping investors stay focused on their short-term and long-term financial goals because they know managers with deep experience are carefully watching market conditions and making any necessary portfolio adjustments.

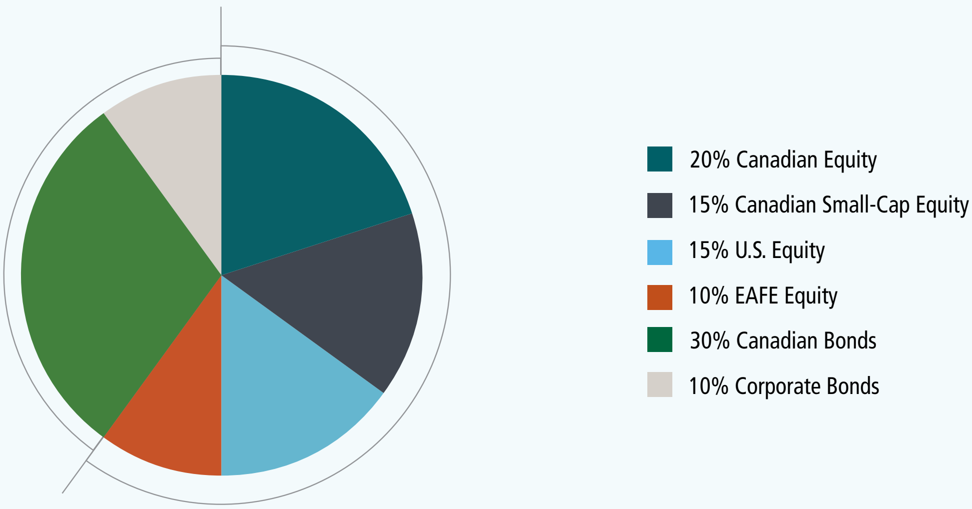
Determine if asset allocation is right for you

Talk to your advisor about whether strategic, active asset allocation can help you achieve your objectives. Whether it's appropriate for you will depend on factors such as your investment goals, tolerance for risk and time before you need access to your money. It's an approach that may deepen the advantages of diversification for you, enhancing your investment portfolio's potential for reward and protection from risk. ■

DIVERSIFICATION VS. ASSET ALLOCATION

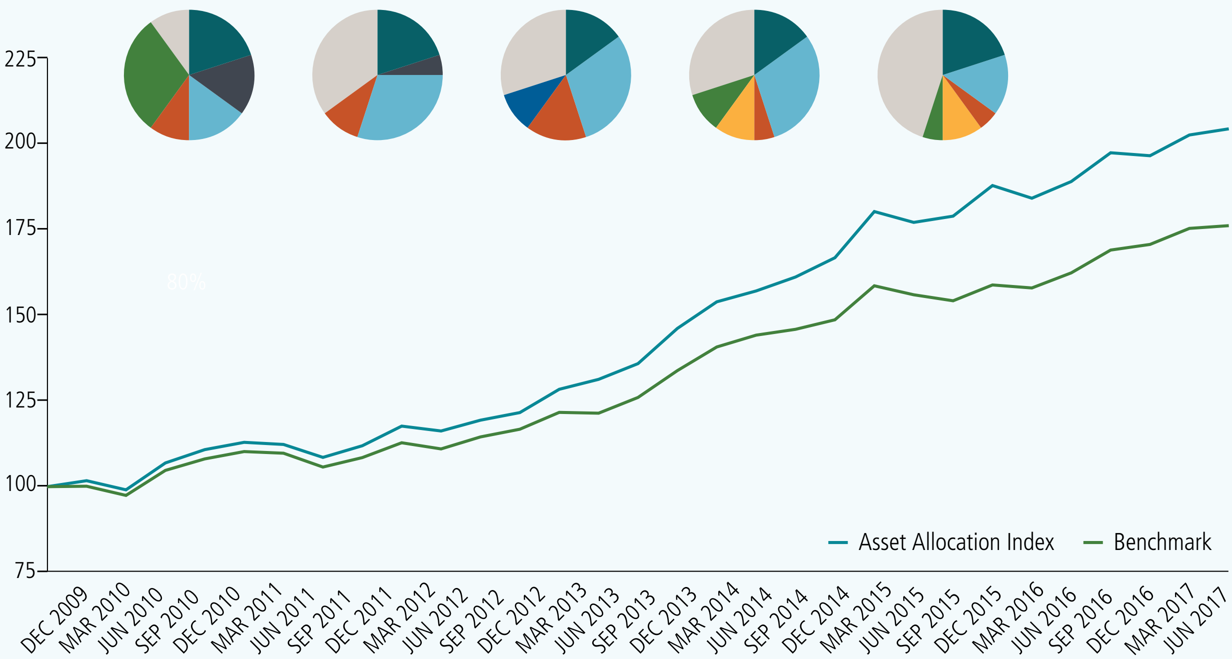
The diagrams below illustrate the difference between a diversified portfolio and a portfolio using an active asset allocation strategy.

A diversified portfolio might look like this for a fairly long period of time.



For Illustration purposes only.

An asset allocation strategy would look more like this.



Source: Manulife Asset Management June 2017. Returns in CAD. This simulated Asset Allocation Index is represented by a Dividend Income Fund 15%, a U.S. All Cap Equity Fund 25%, a World Investment Fund 15%, an Asia Equity Class 5%, a U.S. Tactical Credit Fund 10%, a Strategic Income Fund 30%. Benchmark represented by S&P/TSX Composite TR 20%, S&P 500 TR 25%, MSCI EAFE NR 5%, MSCI AC Asia ex Japan Index 10%, Bank of America Merrill Lynch US High Yield Index 10%, BbgBarclays Global Aggregate Bond TR 30%. It is not possible to invest directly in an index. Past performance is not a guarantee of future results. The rate of return shown is used only to illustrate the effects of the compound growth rate and is not intended to reflect future values of the asset allocation service or returns on investment from the use of the asset allocation service. For illustration purposes only.

The money–health link

How finances can affect physical and emotional health.

DOES THINKING ABOUT MONEY MAKE YOU TENSE? If you have ever wondered what would happen if you lost your job tomorrow or worried about running out of money in your old age, then you are not alone.

A recent study shows that only 34 per cent of Canadians surveyed feel financially well. That means 66 per cent of Canadians feel financially unwell or just okay[1] – and research shows that there's a strong link between how financially well we feel and our mental and physical health. Canadians who feel financially unwell are nearly five times less likely to participate in healthy physical activity and are more likely to experience financial stressors.[2]

On the flip side, Canadians who feel financially well are significantly more likely to say their physical health is excellent or good. They eat more fruits and vegetables. They get more exercise. They get health checkups more regularly, and they tend to educate themselves on being healthier. They are also less likely to worry about finances or stress over managing their money.[3]

[1,2,3] Results from Manulife Financial Wellness Index 2016, www.manulife.ca/content/dam/consumer-portal/documents/en/other/CS5156.pdf

This suggests that good financial habits – those that make us feel financially well – can help improve our physical and emotional health. The first step, however, is to take action to relieve money worries. Here are some ideas.

1. Don't go it alone

Everyone runs into financial hurdles. However, often people keep such problems to themselves. They're reluctant to talk to friends and family about the financial strain they're under, and the stress that comes with it. They may feel a sense of stigma that they're in trouble, and a sense of shame that they weren't better prepared.

Seeking social support can help. Talking things through with people who listen without judging may lead to fresh approaches and new solutions. More importantly, it's a stress reliever. It provides an opportunity to vent, as well as a powerful reminder that everyone is surrounded by a community of people, many of whom have experienced financial challenges, too.

2. Get perspective

Financial crises can feel like the end of the world – but they're not. Whether it's a sudden drop in income, a big unexpected expense or too much debt, the consequences generally aren't life and death.

It helps to ask, What's the worst that can happen? The answer may be a significant lifestyle change, such as moving into a different home, dramatically reducing expenses or stopping all use of credit cards for a time. Each outcome is challenging, but surmountable.

3. Take control

People cope with stressful situations in various ways. One is to seek comfort in the moment. "Comfort coping" may mean escaping into a fun activity and forgetting problems for a while. It may help temporarily, but doesn't solve any underlying issues.

"Active coping" is different. It's about getting information and making a plan. It will probably be more work. It may be uncomfortable. But gaining more control over a situation can help make it better over the longer term. And, even before goals are reached, feeling in control may help reduce stress.

4. Write it down

Writing worries down can make them feel less overwhelming – and what specifically goes into a "worry journal" matters.

In one study,[4] participants were asked to record what worried them, what they predicted would happen based on each worry and how much each worry was affecting them. They also tracked what actually happened and compared it to their predictions. Being that specific led to significantly lower levels of stress than among the control group, who simply kept a journal of thoughts and how each thought was affecting them.

Try adding a column for solutions, which may include everything from the big (for example, creating a schedule to pay off a large debt) to the small (say, planning a call to get more information tomorrow at 10 a.m.).

5. Build a financial plan

The most effective solution to financial stress is to create a comprehensive financial plan with guidance from an advisor. An expert can recommend steps that boost feelings of financial preparedness, such as making a budget, consolidating debt and saving for the long term.

With well-designed financial strategies in place, it becomes possible to shift mental energies away from financial challenges and towards the more positive aspects of life – including activities that further promote physical and emotional health. A financial plan can help you stop worrying and get back to living. ■

DID YOU KNOW?

40% of Canadians feel "financially unwell." Of those:

- Only 1% are on track to reach their retirement goals.
- Only 22% have a financial advisor to help them plan their financial future.
- Only 11% feel protected in case of unplanned events.

Source: Manulife Financial Wellness Index 2016, www.manulife.ca/content/dam/consumer-portal/documents/en/other/CS5156.pdf

[4] www.medscape.com/viewarticle/878427

Put technology in your financial corner

Take advantage of digital tools to help manage your money.

LET'S FACE IT: LIFE IS BUSY. Juggling all life's responsibilities is no simple feat, and that includes managing your money. It takes time and energy, and can sometimes feel like an inconvenience, but it doesn't have to be difficult.

There are a number of great (and free) digital tools designed to help you manage, track and budget your money – whether you want to keep an eye on expenses, pay bills on time or get more disciplined with savings. Some tools are available on the web, or there are apps that can be installed on your smartphone or tablet. Simply search the App Store or Google Play Store on your device to find them.

Mobile banking apps

Many banks offer mobile apps that let you bank on the go. These allow you to check your balance, pay bills, make transfers and even deposit cheques whenever it's convenient for you. Your bank's website will provide a link that lets you download the app to your device.

Best for:

- Viewing account balances quickly and securely
- Paying bills and reviewing your payment history
- Depositing cheques through a mobile device
- Finding a nearby branch or automated banking machine

Budgeting apps

These apps can help track spending, payments, savings and more, allowing you to create a budget and reach your goals faster.

Best for:

- Setting up bill payment or saving reminders
- Creating a budget and helping you stick to it

Examples

- Wally (www.wally.me) allows you to create a budget by inputting expenses and organizing them into categories, such as food and drink, transportation, etc. Not only does the app allow you to see where you spend your money by using a GPS, it can populate your budget with the information taken from pictures of your receipts.
- Goodbudget (formerly Easy Envelope Budget Aid; www.goodbudget.com) is basically a collection of virtual envelopes for different expenses. You can assign a balance to each envelope without having to enter your bank account information, and the app keeps a running total as you spend. One neat feature of this tool is that you can add multiple devices to involve your entire household.

Retirement planning calculators

These online calculators can help you figure out how much you'll need to save for retirement and how you can get there. Some provide savings tips, help you set goals and track your progress.

Best for:

- Figuring out how much to save for retirement
- Preparing for a meeting with your advisor

Examples

- Canadian Retirement Income Calculator is provided by the Government of Canada and is available online at www.canada.ca/en/services/benefits/publicpensions/cpp/retirement-income-calculator.html. Geared towards those nearing or who have just entered retirement, it helps to determine if your savings will cover expenditures during retirement.
- Retirement Cashflow Planner can be found on www.getsmarteraboutmoney.ca/worksheets/ and is provided by the Ontario Securities Commission. This tool analyzes your retirement savings and is designed to help you plan your retirement cash flow based on your income and expenses.

Small business apps

Digital tools and apps can be very handy if you own a small business. Some of these tools help with filing tax returns, and others simply keep you organized throughout the year so that tax time isn't something to dread.

Best for:

- Helping business owners issue invoices and track expenses
- Saving time and hassles at tax time

Examples

- FreshBooks (www.freshbooks.com) provides a simple way to manage and track invoices. The app lets you create professional invoices, automatically bill clients for recurring invoices, and track and organize expenses to generate reports.
- Expensify (www.expensify.com) tracks expenses by storing photos of receipts, and tracking mileage through a GPS. The app also integrates with some popular accounting software, which should help at tax time.

Whether your goal is to save for a milestone, get out of debt or make tax filing a little easier, digital tools can help you stay on course to meet your financial objectives. Many more digital tools and apps are available to help you manage your money – these are just a few examples of what is out there. Speak with your advisor to discover which apps might work best for you. ■

Blended finances for blended families

Merging households with children can be financially complicated.

CANADIAN FAMILIES COME IN ALL SHAPES AND SIZES. About one in eight (12.6 per cent) are blended families (or stepfamilies) in which one or both adults brought children from a previous union into a married or common-law relationship.[1] Merging two households with children can be full of promise, joy and excitement – but it can also be financially complicated.

As couples with children from previous marriages or partnerships start to consider joining their lives together, they also need to think about the financial implications of integrating their incomes, expenses, assets and debts, selling one or both homes, and filing taxes.

Open communication is key. It's important to make sure everyone is on the same page when it comes to what will be shared and what won't. An in-depth conversation can set up a solid foundation for new blended families. Address the following questions together. Then, bringing an advisor into the conversation at the right time can help you evaluate your options and choose the best plan forward for the family.

1. What will each partner contribute financially?

It's a good idea to create a list of each partner's sources of income, savings and investments. Also write down any financial obligations, including debts and expenses such as alimony and child support payments. Now there's a starting point for creating a realistic budget and approach to day-to-day cash management for the blended family.

[1] Mireille Vézina, "Being a parent in a stepfamily: A profile," Statistics Canada Catalogue no. 89-650-X, last modified November 30, 2015, www.statcan.gc.ca/pub/89-650-x/89-650-x2012002-eng.htm.

2. What are your shared financial goals?

Joining forces can help partners achieve their goals faster – if they agree on what those goals are. Start to talk about what each partner wants in the short, medium and long term. Then discuss what has to happen for both partners to reach their goals. Aim to get right down into the details: How much needs to be saved each month, for how long? What expenses can be cut to make that happen?

3. What's your approach to kids and money?

Do kids get an allowance? At what age, and how much? Is the allowance paid no matter what, or earned through completing chores? And, if they do receive an allowance, what are they expected to pay for? In some families, allowances are for the fun stuff – toys and treats. In others, they're for essentials, such as lunches and bus fare. It's important to agree on a single, consistent approach for all the children.

4. How are you saving for the children's education?

It's common for blended families to have different amounts saved for the post-secondary education of each partner's children. It may be possible to merge education savings in a family RESP so all children have access to the same pool of money.[2] On the other hand, if ex-partners are contributing too, they may prefer to keep plans separate. Figure out what works for all children within the constraints of family dynamics.

5. Where will you live?

Prior to marriage or living common-law, each person may sell his or her principal residence without paying capital gains tax. Once the individuals become spouses,[3] only one home can qualify for the principal residence exemption.[4] Make sure you consider this factor before deciding where to live.

6. Should you formalize your arrangements?

If both partners are open to the idea, consider drawing up a marriage contract. While they may not seem very romantic, marriage contracts help ensure that both partners clearly understand their joint financial starting point. They're a way to protect both partners. And they can formalize parents' wishes concerning which assets will go to which children.[5]

7. How does your relationship affect your estate plan?

Set aside time to talk to an advisor and a legal professional about how merging families affects estate planning – keeping in mind that marriage revokes wills in some provinces. Together, decide on an approach that protects each partner and treats children from each family fairly. In addition to updating wills and any trusts, it may be necessary to update beneficiary designations on registered accounts such as RRSPs and RRIFs, insurance policies and pension plans.[6]

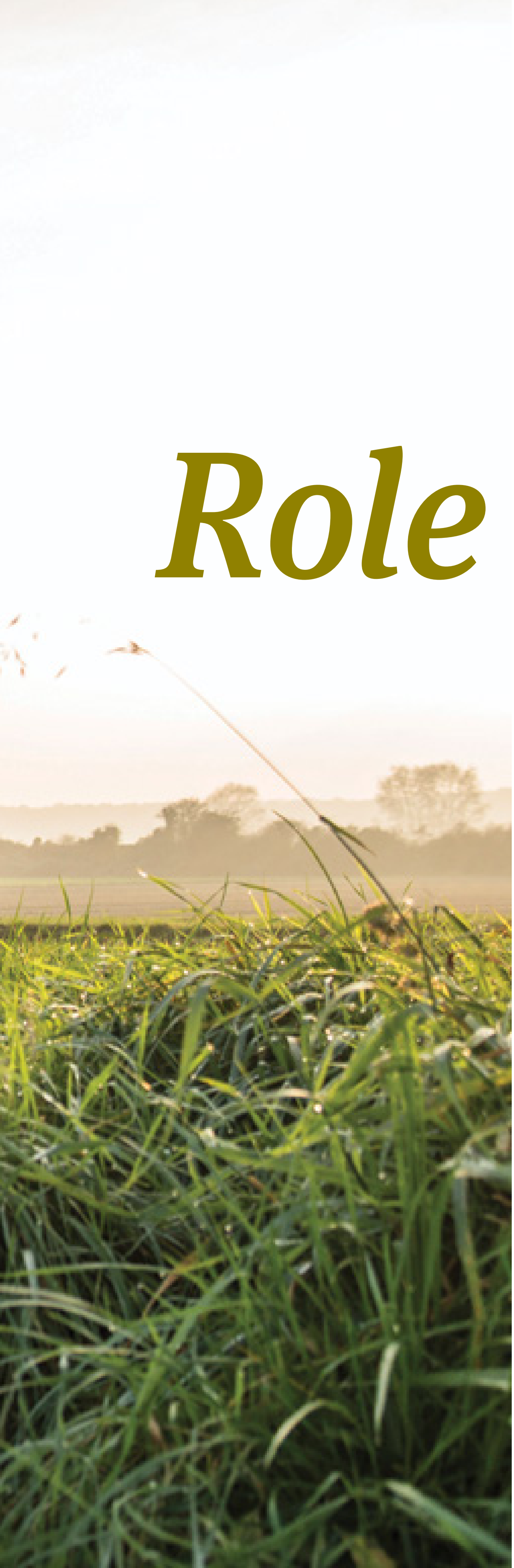
8. How does your relationship affect your tax plan?

Canadian tax law considers partners to be spouses once they get married, or have lived together in a conjugal relationship for 12 months or more (whether or not the relationship is same-sex). Spouses can claim the spousal credit, transfer some tax credits to each other, take advantage of spousal RRSPs, split pension income, leave assets to each other on a tax-deferred basis and more.[7] Sharing a tax professional can help blended families maximize the tax benefits.

Speak with an advisor

Joint financial planning can strengthen new blended families, improving financial well-being today and in the future – and working closely with an advisor through what can be a complex transition can help minimize negative surprises and conflicts. ■

[2] www.moneysmartsblog.com/resp-individual-and-family-plans [3] The term "spouse" includes a spouse or common-law partner as defined by the Income Tax Act (Canada).
[4,7] www.theglobeandmail.com/globe-investor/personal-finance/taxes/the-tax-pros-and-cons-of-getting-married/article34959872
[5,6] www.advisor.ca/tax/tax-news/five-ways-to-navigate-blended-family-finances-209630



Role reversal

How to manage costs when caring for aging parents.

Canada's seniors outnumber the country's children. The 2016 Census, which counted 5.9 million people aged 65 and over and 5.8 million people aged 14 and under,[1] was the first to reveal this shift. That's in part because people are living longer.

[1] Statistics Canada, *Canada [Country] and Canada [Country]* (table), *Census Profile*, 2016 Census, Statistics Canada Catalogue no. 98-316-X2016001, released August 2, 2017, www12.statcan.gc.ca/census-recensement/2016/dp-pd/prof/index.cfm.

the fastest-growing age group in the 2016 Census was centenarians – people over age 100.[2] And a growing aging population brings health care challenges. It's falling to adult children to handle the realities of their parents' declining health, and in many cases the associated costs as well.

Statistics Canada calls years lived in full health "health-adjusted life expectancy" (HALE). The latest figures show men with a HALE at birth of 69 years and women with a HALE at birth of 71 years. Given rising life expectancies for both men and women, this means the average Canadian will live with some level of disability for about 10.5 years.[3]

Living with a disability can be a financial challenge for seniors and their adult children. One estimate pegs the cost to Canadians of caring for aging parents at $33 billion every year, factoring in both out-of-pocket spending and time away from work. Out-of-pocket spending alone averages $3,300 annually for every caregiver who is contributing financially to a parent's care.[4]

The good news is that adult children and their parents can work together to prepare for potential expenses. Focusing on budgeting, short-term and long-term financial planning, insurance protection and tax strategies can go a long way to putting a plan in place.

How much will it cost?

The first step towards planning to pay the costs associated with parents' care is to work out what those costs will be – and that's difficult because expenses vary widely depending on each person's state of health, as well as the lifestyle and level of care desired.

For seniors who are considering or require accommodation outside the family home, costs may include the following.[5]

Independent living: $1,400 to $3,500 monthly
Independent living in a retirement community or retirement home is for seniors who want conveniences such as easy access to shops and activities, but who don't need help with the activities of daily living (eating, bathing, dressing, walking and continence). There may be on-site gardens, fitness centres, pools and even golf courses. Services such as housekeeping, meals, laundry and transportation may be available for an extra price. Generally, seniors and/or their families must pay the full cost of independent living.

[2] www.thestar.com/news/canada/2017/05/03/100-year-old-canadians-fast-growing-age-group-in-the-country.html
[3] Yves Decady and Lawson Greenberg, "Ninety years of change in life expectancy," Statistics Canada Catalogue no. 82-624-X, last modified November 27, 2015, www.statcan.gc.ca/pub/82-624-x/2014001/article/14009-eng.htm. [4] www.cbc.ca/news/business/caring-parents-costs-1.4101277
[5] www.aplaceformom.com/canada/canada-seniors-housing-guide

Assisted living: $1,500 to $5,000 monthly
Assisted living in a retirement community, retirement home or residential care home provides some support with the activities of daily living, but is designed for seniors who can manage most things on their own. Health care professionals, including physicians, nurses, physical therapists and occupational therapists, may visit regularly, and residents may get help managing their medications. Costs, which may be structured as a flat rate or à la carte, may be partially paid by the government.

Around-the-clock care: $2,500 to $8,000 monthly
Around-the-clock care in a long-term care home is for seniors who need more support with the activities of daily living. It often includes leisure activities, exercise programs, physical therapy, medication management, pain management and hospice care. Each province sets the maximum it will contribute towards long-term care accommodation.

In addition, memory care is a specialized type of around-the-clock care that may be offered in an assisted living facility or long-term care home. A secure area, often with alarms on doors, helps protect residents with illnesses such as Alzheimer's disease from wandering. It may be partially funded by the government as well.

For seniors who prefer to stay in their own home, there may be expenses associated with home renovations to improve access to the home and safety in areas such as stairs, bathrooms and kitchens.[6] Additional costs may include:[7]

- Personal care worker: $20 to $30 hourly
- Registered nurse: $40 to $69 hourly
- Live-in caregiver: $1,900 to $3,500 monthly
- Electric hospital bed: $3,000 to $5,000
- Scooter: $2,400 to $5,000
- Walker: $100 to $450
- Bath lift: $1,200
- Medication dispensing machine plus monitoring: $800

It's important to note that around-the-clock care at home may require two or three live-in caregivers or shift workers to comply with provincial labour laws governing the maximum number of hours one person can remain on duty in a day. Some of these costs may be partially paid by the government, based on a case manager's assessment of needs and the financial resources available to pay for care.

Support strategies

The burden of providing and paying for quality care doesn't have to rest solely on seniors or their adult children. Government, corporate and charitable programs can offer some support. Other family members may be in a position to provide care or financial assistance as well. Consider these tactics to help manage the costs:

1. Find out what's covered
Government programs (see sidebar on p.25 for more information) can help pay for equipment,

[6] www.cmhc-schl.gc.ca/odpub/pdf/61087.pdf [7] business.financialpost.com/personal-finance/retirement/parenting-your-parents-the-cost-of-caring-for-your-elderly-loved-ones

such as wheelchairs, home improvements and vehicle modifications for people who need them.[8] In addition, some car manufacturers have mobility programs that help pay for vehicle modifications.[9] Benefits plans may provide additional coverage, so look up the details of parents' policies.

The good news is that adult children and their parents can work together to prepare for potential expenses.

2. Check parents' insurance protection
Do parents have critical illness insurance? It pays a lump sum that can be used for any purpose if they are diagnosed with a covered condition such as a heart attack, stroke or cancer. Do they have other life or health insurance, such as long-term care insurance, that would help pay for care? If they don't have coverage and you're considering senior care far enough in advance that parents are relatively young and healthy, it's worth discussing insurance options with an advisor.

3. Tally parents' income and savings
Parents may have enough money to pay some or all of their own costs. Income may include a monthly benefit from the Canada Pension Plan, Old Age Security and, for low-income seniors, the Guaranteed Income Supplement. Provincial benefits may add an income top-up. Parents may also have a private Registered Pension Plan, Registered Retirement Savings Plan/ Registered Retirement Income Fund savings, Tax-Free Savings Account savings, and cash and investments in non-registered accounts. Get a clear picture of what's there, and decide which income and savings will pay for what expenses.

4. Consider leveraging assets
If seniors are moving into different accommodation but own a home, they may be able to sell it or rent it out, and use the proceeds to pay for their new living arrangements.

If they don't want to sell their home outright, they could consider borrowing against their equity with a reverse mortgage or home equity line of credit. If they have accumulated a cash value in a life insurance policy, this may be a source of funds as well. It's important to discuss the pros and cons of all these options with an advisor.

5. Save on equipment
It's a good idea to research and comparison shop before buying equipment – especially big-ticket items. Consider gently used equipment. And, if a parent needs something only for a short period of time – for example, while recovering from an injury – find out if it's possible to rent, instead of buying. Ask family and friends as well. Someone may have just what's needed in a closet, and be more than happy to declutter and help out.

6. Minimize taxes
Help parents take full advantage of tax credits and benefits such as the age amount (maximum $7,225), disability amount (maximum $8,113) and deduction of eligible medical expenses.

[8] mobilitybasics.ca/canadian-funding [9] mobilitybasics.ca/canfund

In addition, the federal government proposes that for 2017 and future years, adult children who are caring for a parent who has a physical or mental infirmity may be able to claim the Canada Caregiver Credit (maximum $6,883).[10]

7. Take care of the caregivers

Caregiving is hard work, and many caregivers are under extra pressure if they're balancing work and other family commitments. Spending a little extra can save money in the long run if it prevents caregiver burnout. Find out about respite care – short-term stays for seniors in an assisted living facility that gives caregivers a break. Day programs for seniors may also be available and are often government-subsidized. And keep in mind that when parents are gravely ill, caregivers may be eligible for compassionate care benefits from Employment Insurance for a maximum of 26 weeks.[11]

Planning ahead for parents' care

When a parent needs extra help immediately, some decisions must be made in the moment. But a lot of planning can be done ahead of time, and doing this up-front work can help save stress, worry and money in the long term. It's always a good idea to:

- Have open conversations with parents about their preferences – for example, do they want to remain at home as long as possible, or would they prefer to be part of a community of other seniors?
- Get the details of parents' finances, including income, savings, debt and insurance
- Discuss with other family members how costs associated with parents' care can be fairly divided
- Build a dedicated caregiving emergency fund that can cover unexpected expenses and time off work
- Ask to accompany parents to a meeting with their advisor so everyone can work together on creating a plan for their care

Remember that your advisor, too, is a valuable resource as you work through the challenges of preparing for and managing your parents' care. Whether you need help with the financial aspects of caregiving or are looking for caregiving resources in your community, ask your advisor to point you in the right direction. ■

WHERE CAN I FIND
MORE INFORMATION?

Choosing where to live

www.canada.ca/en/financial-consumer-agency/services/retirement-planning/cost-seniors-housing.html

Adapting a home

www.cmhc-schl.gc.ca/odpub/pdf/61087.pdf

Finding government benefits

www.canadabenefits.gc.ca

Finding charitable programs that help seniors

charityvillage.com/directories/organizations-i-z/senior-citizens.aspx mobilitybasics.ca/canadian-funding

[10] www.canada.ca/en/revenue-agency/programs/about-canada-revenue-agency-cra/federal-government-budgets/budget-2017-building-a-strong-middle-class/consolidation-caregiver-credits.html
[11] www.canada.ca/en/employment-social-development/programs/ei/ei-list/reports/compassionate-care.html

Buy or rent?

It's the question many are asking in today's real estate market.

WE HEAR A LOT ABOUT CANADA'S HOUSING MARKET in the news – record home sales and steadily rising prices. In fact, house prices in Canada's biggest cities more than doubled from June 2005 to April 2017. As year-over-year growth rates reached over 14 per cent in July 2017[1], some Canadians were rethinking home ownership and embracing the lower cost and flexibility of renting.[2]

Making the decision

When it comes to deciding whether to rent or buy, the housing market isn't the only factor to consider. Your age, cash flow, location, job, family situation and lifestyle can all affect your decision. For example, couples who have young children (or are planning to) might want to put down roots in a family-friendly neighbourhood. Frequent travellers might prefer renting a small apartment in a big city. There is no right or wrong decision. What's right for you depends on your personal preferences and financial situation.

The pride of home ownership

For many Canadians, there's something fundamentally more satisfying about paying for your own home instead of paying a landlord. If you are thinking of buying, you might want to consider the following points:

More up-front costs

When you purchase, not only are you required to come up with a sizable down payment, you must also pay legal fees and land transfer taxes. And owning a condominium or strata home means a monthly

[1] housepriceindex.ca
[2] business.financialpost.com/personal-finance/young-money/should-you-rent-or-own-your-home

maintenance fee on top of mortgage and property tax payments.

A nest egg

Mortgage payments can almost be considered a form of forced savings. When you purchase a home, you are essentially building a nest egg. With each mortgage payment and passing year, you are building equity – if your home increases in value.[3]

Tax saving opportunities

Homeowners are eligible for tax deductions or credits. The *home buyer's amount* allows new homeowners (who have not owned a home within four years) to claim a non-refundable tax credit of up to $750. Those who rent out part of their home or run a home-based business can deduct some expenses, including mortgage costs, utilities, property tax and insurance. If your principal residence is a new build – and costs less than $450,000 – you may be able to claim the *GST/HST new housing rebate*. Plus, under the Home Buyers' Plan, first-time home buyers can withdraw up to $25,000 tax-free from their Registered Retirement Savings Plan (RRSP) to help buy or build a home.[4]

More control

Homeowners have more control over their property and don't have to deal with the vagaries of landlords, such as neglecting repairs or unexpectedly selling their rental unit. But that control comes with greater responsibilities – homeowners must manage (and pay for) maintenance, from the shingles on the roof to the furnace in the basement. Even condo owners who pay a monthly maintenance fee may still have to pay for repairs beyond more common maintenance items like landscaping and roofing.

The realities of renting

Renting may not be for everyone, but if you have a particular lifestyle or want to save money, it might be worth considering.

Fewer costs

Renters pay only first and last month's rent and possibly a security deposit, which can free up cash for travel, a car or retirement savings. Compare that to purchasing a house, which generally costs more than a rental unit,[5] and includes those expensive up-front costs.

Maintaining a rental unit (from the building itself to appliance repairs) is usually the responsibility of the owner. But beware: renters are also at the mercy of their landlords, who may not have a sense of urgency.

More mobility

Renting can free you up to possibilities – to travel, to move more easily for a job or to make a life change. Usually it is easier and quicker to move out of a rental unit than to sell a home.

Less risk

Renters don't have the forced savings of mortgage payments, nor will they have that equity nest egg at the end of their rental. But careful investing could see renters further ahead, particularly if there's a real estate correction.[6]

Seek advice

A house is the single largest purchase most Canadians will ever make and should never be an impulse buy. It makes sense to consult an advisor at the beginning of your house hunt, before making a decision. Whether you want to rent or buy, an advisor will help you calculate costs based on your situation and help you fully understand your options. ■

House prices vs. rent across Canada

	Average house price ($) (June 2017)	Average monthly rent ($) (2016)
Halifax	290,008	987
Montreal	373,780	760
Toronto	793,915	1,233
Calgary	483,106	1,143
Vancouver	1,053,655	1,223

Sources: www.crea.ca/housing-market-stats/national-price-map/; www03.cmhc-schl.gc.ca/catalog/productList.cfm?cat=79&lang=en&fr=1497984840206

[3] business.financialpost.com/personal-finance/young-money/should-you-rent-or-own-your-home [4] www.moneysense.ca/save/taxes/tax-credits-and-rebates-for-canadian-home-owners; turbotax.intuit.ca/tips/home-tax-deductions-credits-in-canada-5223 [5] www.huffingtonpost.ca/2016/04/01/canada-real-estate-rent-buy_n_9587556.html [6] business.financialpost.com/personal-finance/young-money/should-you-rent-or-own-your-home

Talking care with parents

How to have conversations about support for aging loved ones.

ACCORDING TO STATISTICS CANADA, seniors are the fastest-growing age group in the Canadian population.[1] Given longer life expectancies, many of us will have to care for an aging parent at some point, and providing and paying for that care can be a real concern. In fact, a recent survey found that nearly two-thirds of Canadians don't know how they'll manage the care and finances of their aging parents.[2]

To prepare for any eventuality, consider gathering family members together to talk about living situations and levels of care that will meet everyone's needs, as well as how to handle and finance that care. It may be an uncomfortable topic to discuss, but planning in advance can help avoid misunderstandings later. Here are some suggestions to get the conversation started.

Involve family members from the beginning

It's a good idea to include siblings and other family members in the conversation right from the start. Have open and regular discussions on how to manage costs associated with parents' care, and designate responsibilities. This way everyone has the chance to speak their mind and contribute to decision making.

Find out what your parents think

Ask your parents what they want and where they want to live, and discuss what types of care may be needed. If they want to stay in their own home, can they afford and maintain it themselves? Will it need accessibility alterations (ramp, hand railings, etc.)? Consider including an independent third party in the conversation, such as a personal care worker or an advisor, to help everyone understand the practical, financial and emotional aspects of elder care.

Get familiar with your parents' finances

Your parents have been managing their own money for many years, so this can be a sensitive topic. There may come a time, however, when it's necessary to learn about your parents' finances and help them get organized, so if and when it makes sense, offer your help to work with their advisor to do what's best for their financial needs.

You'll also want to find out if your parents' will and/or estate plan is up to date. Do they have a power of attorney (referred to as a health care directive in some provinces) outlining their wishes for medical treatment, or a power of attorney for property authorizing someone to act on their behalf regarding their financial affairs?

Although it can be an uncomfortable topic to discuss, many of us will eventually have to manage the care and finances of elderly parents. With this in mind, the earlier you start the conversation, the better prepared your family can be. By taking advantage of various resources and including an advisor in the conversation, you can help ensure that your parents will receive the best care they can get if and when the time comes. ■

[1] Statistics Canada, "Age and sex, and type of dwelling data: Key results from the 2016 Census". *The Daily*, May 3 , 2017, www.statcan.gc.ca/daily-quotidien/170503/dq170503a-eng.htm [2] business.financialpost.com/personal-finance/nearly-a-quarter-of-baby-boomers-havent-had-the-conversation-about-how-they-will-be-taken-care-of-poll

ARE YOU A MILLENNIAL ENTREPRENEUR?

Learn how your peers are achieving business success.

IF YOU'RE A MILLENNIAL who is considering starting your own business, or if you've already taken the leap into entrepreneurship, you're in good company. A recent multi-country study[1] found that people under age 35 are becoming business owners earlier in life and running larger enterprises than those age 50 and older. Millennials start their first business when they are an average age of 27, while baby boomers started theirs at an average age of 35. Meanwhile, millennial entrepreneurs are managing an average of 122 employees, compared to just under 30 employees for Boomer entrepreneurs.

So there's clearly potential for you, as a millennial, to quickly build a going concern. As you lay the groundwork for your business venture, it can help to look at strategies that have worked for your contemporaries – who are also your competition. Staying on top of trends within your age group can help you implement best practices in your business and put the right structures in place to achieve your entrepreneurial goals.

Strategy #1: Get advice early

Your peers consult with advisors about their business much earlier in their company's life cycle than entrepreneurs of previous generations. According to another recent study,[2] more than half of business owners between the ages of 18 and 34 said they started working with an advisor between six months before and six months after the launch of their company. Just 19 per cent of business owners aged 50 to 64 could say the same.

[1] group.bnpparibas/en/news/bnp-paribas-global-entrepreneurs-report-2016 [2] Manulife Small Business Research Report, 2016, repsourcepublic.manulife.com/wps/wcm/connect/da5b2bc5-be83-436e-8907-fd9b55ca2817/smbs_researchreport2016.pdf?MOD=AJPERES &CACHEID=ROOTWORKSPACE-da5b2bc5-be83-436e-8907-fd9b55ca2817-lxKovhF

There are good reasons to get advice early. In the heady days leading up to a business launch, and the early days of operations, there are so many details to attend to that some are bound to fall through the cracks. A professional advisor has the expertise to point these out and the objectivity to help you prioritize. With advice, you can get your business off to a solid start.

Strategy #2: Hire the best

Millennial entrepreneurs aged 18 to 34 scale up quickly, with 61 per cent attracting a staff of more than five within six months of start-up. Just 37 per cent of Boomers were at the same stage six months in.[3] The challenge business owners of every age face is how to find and keep enough talented people to deliver the products and/or services their company offers.

That's likely why more than one in three millennials have a human resources professional in place within six months of their company's launch. Millennial business owners have also embraced group health plans (58 per cent have implemented one) and group retirement plans (44 per cent have implemented one).[4] These plans create a positive feedback loop for staff, boosting financial wellness, which in turn positively affects mental, emotional and physical health, leading to better employee engagement and productivity.[5]

Strategy #3: Partner to grow

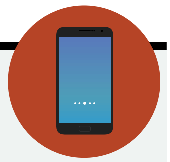
More than a third of millennials start their business with a partner, and about half have teamed up with a partner within six months of the company's launch.[6] A partner can help you grow your business more quickly – there is strength in numbers – and having someone else around to shoulder some of the workload can help you maintain valuable work-life balance.

There is a catch, however. Partnership contracts and related insurance arrangements can be complex. If you're considering bringing a partner into your business, it's important to get professional advice – for example, to set up protections such as key person insurance, which can help keep your business running if something happens to you or your partner.

Dream big

Millennials have tremendous opportunities to implement innovative ideas, disrupt traditional industries and build successful enterprises. Seeking advice early can help you incorporate best practices that provide a strong foundation for your company. Hiring the best makes it possible to realize your goals with a team that shares your vision. And partnering to grow can enable you to achieve more than you could on your own – as long as you have the appropriate legal and insurance protections.

If you're considering or in the early stages of entrepreneurship, speak with an advisor who can work with you to realize your big dreams. ■



MILLENIAL FIRSTS

- First stop for research? Web and social media, of course
- First option for meetings? Electronic dialogue and real-time responses
- First choice in communicating? Smartphones

Source: www.cmo.com/features/articles/2016/6/29/15-mind-blowing-stats-about-millennials.html

[3, 4, 6] Manulife Small Business Research Report, 2016, repsourcepublic.manulife.com/wps/wcm/connect/da5b2bc5-be83-436e-8907-fd9b55ca2817/smbs_researchreport2016.pdf?MOD=AJPERES&CACHEID=ROOTWORKSPACE-da5b2bc5-be83-436e-8907-fd9b55ca2817-lxKovhF [5] Manulife Financial Wellness Index 2016, www.manulife.ca/content/dam/consumer-portal/documents/en/other/CS5156.pdf

PENSION INCOME SPLITTING VERSUS SPOUSAL RRSPs

Determining when each tax strategy works best.

PENSION INCOME SPLITTING CAN BE A GREAT WAY to reduce taxes. Couples can split their income once their Registered Retirement Savings Plans (RRSPs) become Registered Retirement Income Funds (RRIFs). The rules allow a pensioner to transfer up to one half of his or her eligible pension income to a spouse.[1] Sounds great, right? So why keep that spousal RRSP? Spousal RRSPs may still offer some advantages, particularly if one spouse earns significantly more income than the other.

Income splitting with a RRIF

Under the pension income splitting rules, you must be at least age 65 and convert your RRSP into a RRIF in order to split income. Regular RRSP withdrawals do not qualify for pension income splitting. For people who retire early, a spousal RRSP provides more flexibility. This is because you choose how much to contribute to the spousal RRSP, which has the potential to equalize retirement income and save taxes.

[1] The terms "spouse" and "spousal" include a spouse or common-law partner as defined by the the Income Tax Act (Canada).

Contribution strategies

It's important to remember that spousal RRSPs have a three-year rule: if funds are withdrawn from a spousal RRSP within three calendar years of a contribution (the income attribution period), all or part of the income could be taxed to the contributor spouse. It is usually best to make spousal contributions within the calendar year, instead of during the first 60 days of the following year. For example, if a spousal contribution is made in February 2018 for the 2017 tax year, the contributor spouse would be taxed, all or in part, on withdrawals made before January 1, 2021 (provided no further spousal contributions are made). However, if the contribution were made before December 31, 2017, the contributor spouse would be taxed, all or in part, only on withdrawals made before January 1, 2020.

If you are making contributions regularly, another strategy is to wait until you have three years' worth of RRSP room, then make the full contribution all at once and deduct it over the next three years. At the end of the three-year income attribution period, your spouse could make a withdrawal and you, as the contributor spouse, would not be taxed. The following year, you could make another lump-sum deposit that maximizes all your unused RRSP room. Because the attribution rules are applied based on when the contribution was made, not deducted, this plan provides you with a decision window every three years – to withdraw or to contribute. This strategy does have a couple of downsides: lost investment gains because of the delayed contributions, and lost RRSP contribution room, since RRSP/RRIF withdrawals cannot be recontributed like TFSA withdrawals can.

Not restricted to 50 per cent

After age 65, you can split up to 50 per cent of your RRIF income with your spouse. With spousal RRSPs, in contrast, you determine the amount of income to split by deciding how much to contribute to the spousal RRSP.[2] This is helpful if your goal is to have equal incomes in retirement and keep your tax bill as low as possible.

Another plus

Although you can't contribute to your own RRSP after age 71, you can make contributions to your younger spouse's RRSP until the end of the year your spouse turns 71, provided you still have RRSP room. The income from those RRSP contributions can also be delayed until the year after your spouse's 71st birthday.

Take advantage of unused room at death

If you have unused RRSP room at the time of your death and your spouse didn't turn 71 the previous year, your executor could reduce the taxes paid by your estate by contributing to a spousal RRSP.

Take action

The disadvantage of a spousal RRSP, of course, is that a spousal contribution goes into an account held by your spouse and not your own personal RRSP. However, if the values of each spouse's account are roughly equal, income taken from those accounts can also be nearly equal, achieving some income splitting. With pension income splitting, no assets are transferred. You and your spouse just file a joint tax election each year. This also means that you can choose on a yearly basis whether or not income splitting makes sense. The best course of action? Consult with your tax advisor. ■

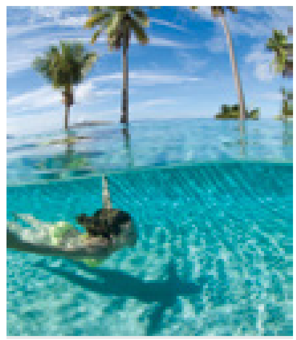
[2] When a spousal RRSP is converted to a RRIF, the minimum withdrawal is taxed in the annuitant's (account holder's) hands, regardless of the three-year attribution rule. If RRIF withdrawals are greater than the minimum and the three-year rule applies, then the excess withdrawal above the minimum is taxed in the contributor spouse's hands.

BULA ("HELLO!") FROM FIJI

Experience a warm welcome in this archipelago treasure in the South Pacific.

RISING OUT OF THE SOUTH PACIFIC OCEAN about 2,100 kilometres north of New Zealand are the 300 islands and 540 islets of Fiji.[1] Legend has it that a great chief, Lutunasobasoba, charted a course for his people across the seas to this picture-perfect archipelago.[2] From just offshore – whether you're canoeing, jet boating or cruising – it's easy to imagine the joy the first settlers must have felt, some 3,500 years ago, as they found a safe place to land after a long, hard journey from the Malay Peninsula.[3]

Even today, Fiji seems remote. It takes about 15 hours to fly the 12,331 kilometres from Vancouver to the international airport in Nadi.[4] But once you arrive, the friendly people, blended cultures, captivating scenery and exceptional variety of activities will help you build a vacation rich in memories.



LEFT: Experience the colour and majesty of Sri Siva Subramaniya Temple in Nadi.

TOP: Hike into a Fijian jungle and pause to listen to the refreshing splash of a waterfall.

ABOVE: Glide through sun-warmed waters towards new adventures.

Beach life

White sand, turquoise water, mangrove trees and volcanic cliffs – Fiji's beaches are beyond photogenic. The colourful array of marine life and vibrant coral reefs below the water's surface make visitors feel like they have arrived in paradise. Some popular beaches include Castaway (officially Qalito) Island with easy access to some of the best snorkelling, Liku Beach on Tokoriki Island where visitors can view spectacular sunsets, Vomo Island at the foot of hikable Mount Vomo and Natadola Beach with its calm swimming waters – a mere 30-minute drive from Nadi.[5] With beaches this

[1] www.britannica.com/place/Fiji-republic-Pacific-Ocean [2,3] www.fijihighcommission.org.uk/about_1.html
[4] www.howmanyhours.com/flight_time/vancouver/nadi-fiji-.php [5] www.islands.com/10-best-beaches-in-fiji

TOP LEFT: Let stone statues tell you their ancient stories.

TOP RIGHT: Dive into turquoise seas towards bustling coral reefs.

ABOVE: Savour slow-cooked *lovo* – if possible on a beach at sunset.

spectacular, it's no wonder Fiji was chosen as the visually stunning backdrop to *Cast Away* (2000) and *The Blue Lagoon* (1949 and 1980).[6]

Get your adventure on

Fiji boasts an abundance of activities for thrill-seekers, from whitewater rafting to free-falling from a plane – but there are also plenty of less adrenaline-powered adventures. Step into the shade of the rainforest at Colo-i-Suva, follow trails through the rippling Sigatoka Sand Dunes or hike to the three Tavoro Waterfalls.[7] Zip-line through a tree canopy, ride a horse along a golden beach or golf on a championship course. Fiji has peaks to climb, caves to explore and swimming holes to discover.[8] No matter how much (or how little) of a daredevil you are, Fiji offers plenty of options to add just the right dash of adventure to your vacation.

Diverse heritage

Indigenous Fijians have been joined by a vibrant mix of people from India, China and Europe, and everyone has left a mark on the islands' arts, culture, festivals and rituals.[9] Get a primer on the past at the Fiji Museum, located in the capital city of Suva, and then visit sites of historical significance such as Levuka, the islands' first colonial capital and a UNESCO World Heritage site,[10] Tavuni Hill Fort, built by a Tongan chief in the 18th century and strategically placed with spectacular views,[11] and Snake God

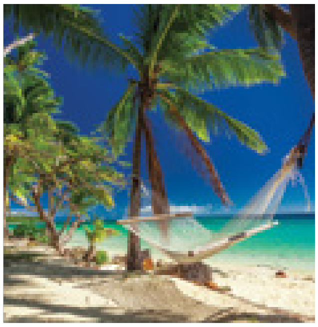
[6] www.fiji.travel/us/fiji-in-the-movies [7] www.lonelyplanet.com/fiji/attractions/a/poi-sig/362585 [8] www.fiji.travel/ca/experiences
[9] www.fiji.travel/ca/experiences/culture-%26-heritage [10] whc.unesco.org/en/list/1399
[11] www.lonelyplanet.com/fiji/upper-sigatoka-valley/attractions/tavuni-hill-fort/a/poi-sig/1411917/362585

Cave, used for ritual purposes (including human sacrifice) and as a refuge during tribal wars.[12] Depending on when you're there, you may be able to catch the Bula Festival (July), Hibiscus Festival (August), South Indian Fire Walking Festival (July or August) or Lautoka Sugar Festival (September).[13]

Island tastes

Modern Fijian chefs play with traditional ingredients, such as taro, *duruka*, sweet potato, coconut, cassava and rice, along with a mix of sea creatures from fish and shellfish to turtles, sharks and octopuses. *Kokoda* is a good starter, made with marinated mahi-mahi chopped into a spicy coconut cream dressing and often served in a coconut shell or clamshell. *Kolokasi* is a flavourful stew of chicken and taro. *Lovo* is a smoky feast of meat, fish and vegetables wrapped in taro and banana leaves and slow-cooked underground. As you eat in Fiji, keep an eye out for *nama*, also known as sea grapes, and commonly used as a garnish.[14] Pick up raw ingredients to make your own picnic at the Suva Municipal Market.

Fiji is a land of natural wonders, friendly locals, adventurous activities and fascinating cultures. To truly experience Fiji in all its glory, plan a trip and immerse yourself in its beauty and warmth for an unforgettable vacation. ■



TOP: Stroll among traditional houses in Navala Village.

BOTTOM: Find your perfect spot and settle in to admire the view.

[12] www.lonelyplanet.com/fiji/nadi-suva-viti-levu/attractions/snake-god-cave/a/poi-sig/1447929/1332084
[13] theculturetrip.com/pacific/fiji/articles/fiji-s-top-10-festivals-you-don-t-want-to-miss
[14] theculturetrip.com/pacific/fiji/articles/flavoursome-fiji-the-best-cuisine-from-the-south-pacific-island

DE-STRESS YOUR FAMILY VACATION

Try these tips for a great trip.

FAMILY VACATIONS OFFER WONDERFUL OPPORTUNITIES to share new experiences with loved ones, create lasting memories and escape from daily stress. But have you have ever felt like you need a vacation, after a vacation?

We often start a holiday with high hopes and expectations – after all, the point of a family getaway is to enjoy some wonderful "us" time. But after a day or two of being on the move and towing luggage, frustration and tension can mount. Here are a few tips to help de-stress your holiday and keep everyone happy, including Mom and Dad.

Pack early

Racing around the night before a trip – or worse, the morning of a flight – is sure to start your vacation on the wrong foot. Get your suitcases loaded with at least 24 hours to spare. Use the oxygen mask example here: Get yourself squared away before helping your kids, or spouse, pack.

Plan the big stuff in advance

Consider preparing the trip itinerary in advance to avoid being caught without reservations, resources or directions. It is also a good idea to make some reservations ahead of time, for things like activities and big dinners out – nothing is more stressful than dinnertime with nothing to eat but leftover plane pretzels.[1]

[1] www.sheknows.com/parenting/articles/816316/monday-mom-challenge-make-family-vacation-a-vacation-for-you-too

Do your homework and involve the kids

If you have children, you probably understand that your ideal vacation may not be what your kids have in mind, so try to get them involved in planning. If your kids are old enough to surf the internet, then have them research your destination to find out more about it – they may even discover something interesting they'd like to do that you hadn't previously thought of. And well before your vacation, squirrel away more activity options than you'll need. That way, while on your trip, your family can pick and choose activities based on everyone's mood of the day.

Set expectations

If you prepare your kids for the experience, they're likely to enjoy it more (and so will you). If your destination requires a long flight, tell them what to expect, but put a positive spin on it. For instance, a 15-hour flight could mean being able to watch three movies on their own personal TVs. How great is that!

Pack lots to do

Keeping kids (and some adults!) occupied on a long drive or flight can save your sanity – and theirs. Bring toys and books they haven't seen before, colouring supplies, activity books, games, snacks, and yes, tablets and smartphones. (Just don't forget the chargers.)

Bring a first-aid kit

When you're travelling, you may not be able to buy the brands you know, so packing pain and cold medications, antibiotic ointment and Band-Aids is always a good bet.

Prepare yourself to unplug

In our tech-happy world, it's hard to step away from our phones and tablets – but it's a little easier when you know your work is being handled while you're gone. Entrust a colleague to be your backup while you are away and delegate your work duties clearly before you leave for your trip. Make sure colleagues know in advance whom to communicate with in your absence, and schedule a meeting on your return to get caught up.

Find some alone time

This goes for everyone you are travelling with: Find a few minutes alone every day. Take a long bath. Take a solo trip to the convenience store. For parents travelling with young children, consider hiring a (hotel- or friend-approved) babysitter for some adults-only outings.

With a few good strategies and some thoughtful planning, your family vacation can be fun and a lot less stressful, allowing you and your loved ones to focus on what is really important – spending rewarding time together. ■

SIX SITUATIONS THAT REQUIRE A DOCTOR

Even if you'd rather they didn't.

NO ONE LOVES GOING TO THE DOCTOR, and the impulse to ride out an illness until it goes away can be strong. You don't need to run to the clinic every time you get a stuffy nose, but some symptoms and mishaps require a visit with a licensed medical professional (and no, Dr. Chicken Soup doesn't count). Here are six times you shouldn't skip the doctor.

1. A bad flu

Most healthy people can fight off flu with plenty of rest and lots of liquids, but sometimes a bad flu can lead to serious complications – you require a doctor's attention when you experience difficulty breathing, chest or stomach pain, light-headedness or dehydration from severe vomiting.

2. A knock on the head

Even minor head injuries can be serious under certain conditions. Anyone who experiences severe headache, vomiting or seizure after a head injury should see a doctor immediately – that goes for anyone who loses consciousness, too.

3. Chronic headache

Generally speaking, headaches are just a pain to deal with – a "real headache." But in rare instances, a chronic headache can be a warning sign of a serious condition like an aneurysm. You should never ignore symptoms such as sudden, severe head pain that feels different from previous headaches; one with neurological symptoms like weakness, dizziness, numbness, speech difficulties, confusion, seizures, strange behaviour or vision trouble; a headache coupled with a fever, shortness of breath, stiff neck or rash; or one that comes with vomiting.[1]

4. Chest pains

There are plenty of reasons for mild chest pain, but you just can't mess around with this one. You might consider a visit with a doctor if you have severe heartburn, but you'll certainly want to seek emergency care if you feel chest pain that spreads to the arm, neck or jaw; a feeling of pressure; trouble breathing; or chest pain accompanied by nausea or vomiting, excessive sweating or an uneven pulse.

5. Regular cancer screenings

Screening tests help find some types of cancer before there are any symptoms. As we all know, our best defence against cancer is the earliest possible detection. Talk to your doctor to learn more about your risk of cancer and what screening tests you should have. While we could list 100 things more fun than a mammogram or a colonoscopy, these tests are a must-do that pay off with a healthier future.

6. Regular checkups

So basic, and so easy to skip – but a checkup is an important box to tick off on a regular basis. The types of tests or screenings you require, and how often they are required, are determined by a number of factors, such as family history, age, gender and lifestyle. That is why it is a good idea to find a physician you are comfortable talking to, so your doctor understands your background, your lifestyle and your needs.

While it's tempting when you feel unwell to crawl under the covers and hope your ailment passes, remember that a doctor is a professional with years of training under his or her belt. Based on your symptoms and history, a medical professional can usually diagnose the problem quickly and prescribe the best course of action to help get you back on your feet sooner rather than later. ■

TOP 5 REASONS
CANADIANS VISIT THEIR DOCTOR

1. Hypertension
2. Checkup
3. Diabetes
4. Depression
5. Anxiety

Source: www.imshealth.com/files/imshealth/Global/North%20America/Canada/Home%20Page%20Content/Pharma%20Trends/Top10Reasons_EN_14.pdf

[1] www.webmd.com/heart-disease/features/7-pains-you-shouldnt-ignore

BIG BATCH BEEF AND ROOT VEGGIE STEW

Canadian beef and root vegetables make for an enticing pot of slow-simmered goodness. Take advantage of more relaxed meal-making time on the weekend by making a big batch of stew, ready to reheat during the week in 15 minutes or less.

Ingredients

2 tbsp. (30 mL) butter

4 carrots, cut into bite-size chunks

4 stalks celery, thickly sliced

2 onions, chopped

2 tsp. (10 mL) dried thyme

1 tsp. (5 mL) dried rosemary

Salt and pepper

3 lbs. (1.5 kg) stewing beef, cut into 1-inch (2.5 cm) pieces

4 cups (1 L) reduced-sodium beef broth

1/4 cup (60 mL) tomato paste

2 tbsp. (30 mL) red wine vinegar or balsamic vinegar

1/4 cup (60 mL) all-purpose flour

2 cups (500 mL) milk, divided

2 lbs. (1 kg) potatoes, peeled if desired (about 4), cut into 1-inch (2.5 cm) pieces

Dijon mustard, prepared horseradish or steak sauce (optional)

Preparation

In a large, deep pot, melt butter over medium-high heat. Sauté carrots, celery, onions, thyme, rosemary, 1/4 tsp. (1 mL) salt and 1/2 tsp. (2 mL) pepper for about 10 min. or until onions are softened.

Stir in beef until well mixed and pieces are separated. Stir in broth, tomato paste and vinegar; bring to a simmer, scraping up any bits stuck to pot. Reduce heat to medium-low, cover and simmer, stirring often, for 45 min. or until beef is starting to get tender.

In a saucepan or microwave-safe measuring cup, heat 1 1/2 cups (375 mL) of the milk over medium heat on stovetop or on medium (50%) power in microwave until steaming. Whisk flour into remaining cold milk.

Uncover stew, increase heat to medium and stir in potatoes. Stir in flour mixture, then hot milk until blended. Reduce heat and simmer, stirring occasionally, for 30 to 45 min. or until beef and potatoes are tender. Season to taste with pepper and up to 1/2 tsp. (2 mL) salt. Stir mustard, horseradish or steak sauce into each serving, if desired.

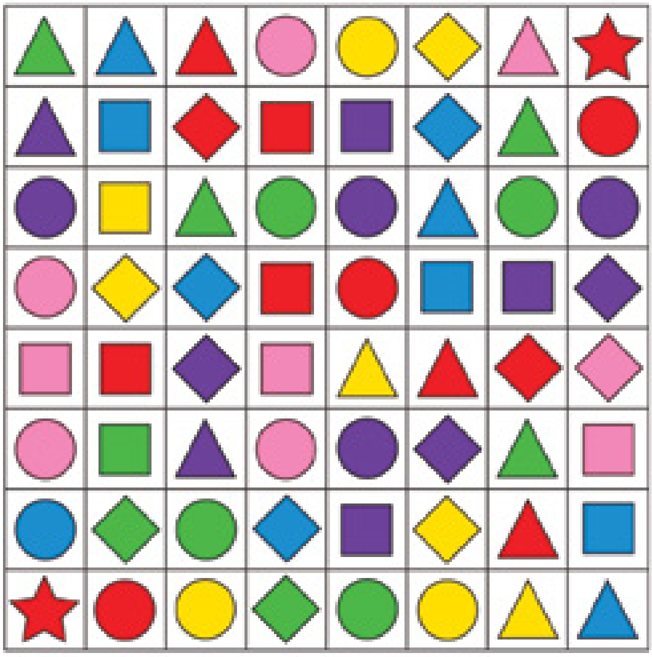
Tips

Transfer extra stew to smaller containers, cover and refrigerate for up to 3 days. Reheat in a saucepan over medium heat, stirring often, until steaming. To freeze the stew, leave the potatoes out, then cook potatoes separately to add when you reheat the stew.

Variations

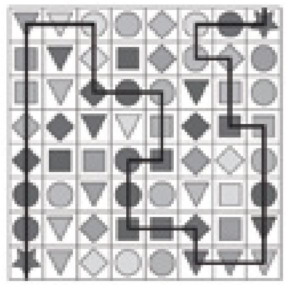
Replace the celery with 1 small celery root (celeriac), peeled and chopped. Add 1/2 cup (125 mL) dry red wine before adding broth. Add 2 cups (500 mL) peeled pearl onions with beef.

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

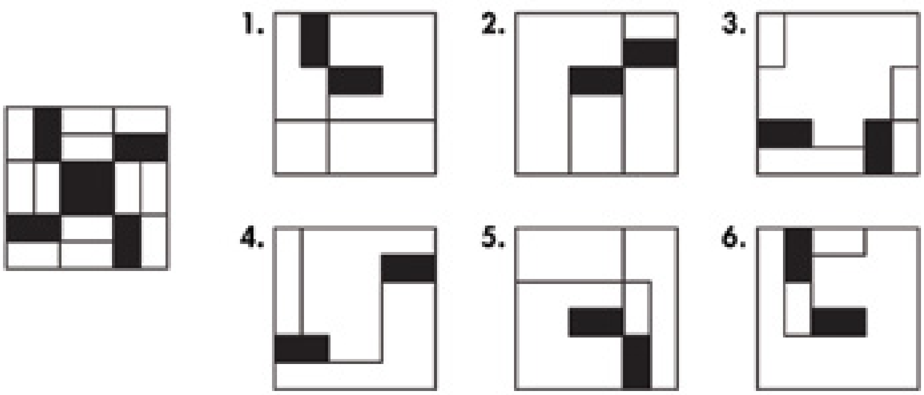


STAR-CROSSED JOURNEY

Start at the lower-left star and go to the upper-right star by moving one box at a time horizontally and vertically only if the colours or symbols match. Diagonal moves are not allowed.



ANSWER



STACKED UP

The box on the left can be formed by three of the numbered boxes superimposed on top of each other; do not turn them in any way. Can you figure out which three work?

ANSWER
Boxes 2, 3 and 6.

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