

Modest-Income Quebec Consumers and Financial Management: Who to Turn to?

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Union des consommateurs is a member of the Consumers International (CI), a federation with 220 members from 115 countries.

The masculine gender is used generically in this report.

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Union des consommateurs, *Strength through Networking*

Union des consommateurs is a non-profit organization whose membership is comprised of several ACEFs (*Associations coopératives d'économie familiale*), *l'Association des consommateurs pour la qualité dans la construction* (ACQC), as well as individual members.

Union des consommateurs' mission is to represent and defend the rights of consumers, with particular emphasis on the interests of modest-income households. Union des consommateurs' activities are based on values cherished by its members: solidarity, equity and social justice, as well as the objective of enhancing consumers' living conditions in economic, social, political and environmental terms.

Union des consommateurs' structure enables it to maintain a broad vision of consumer issues even as it develops in-depth expertise in certain programming sectors, particularly via its research efforts on the emerging issues confronting consumers. Its activities, which are nation-wide in scope, are enriched and legitimated by its field work and the deep roots of its member associations in the community.

Union des consommateurs acts mainly at the national level, by representing the interests of consumers before political, regulatory or legal authorities or in public forums. Its priority issues, in terms of research, action and advocacy, include the following: family budgets and indebtedness, energy, telephone services, radio broadcasting, cable television and the Internet, public health, food and biotechnologies, financial products and services, business practices, and social and fiscal policy.

Finally, in the context of market globalization, Union des consommateurs works in collaboration with several consumer groups in English Canada and abroad. It is a member of *Consumers International* (CI), a United Nations recognized organization.

Introduction

In terms of health, the general practitioner is the doctor who is consulted first (which ideally should be done yearly to ensure a proper follow-up) and who, if necessary, will refer the patient to a specialist. Although obvious in terms of a person's physical health, the same should apply to financial matters: before making a purchase, investment or taking out a loan, it is important to have a "financial check-up," to regularly assess one's finances to make sure they are "healthy," so that informed decisions can be made suited to one's specific needs and, in a broader context, to one's life choices.¹

Money management is of critical importance in today's society and is a need rather than a luxury. The growing number and complexity of financial products make it increasingly necessary to obtain professional advice to ensure sound personal financial management. Questions relating to personal finance, budgeting, retirement planning, insurance, etc. are some of the aspects that should ideally be examined together to ensure sound financial management, regardless of a person's assets. To make sense of it and choose the right strategy or product, it thus becomes critical to seek the advice of a professional.

However, consumers are often proposed and generally choose financial products piecemeal, frequently without an overall view of their financial situation and of how these various products (e.g. insurance, investments, retirement products) would fit together. Given that a considerable number of consumers are not financially literate enough to make informed financial decisions, it is important that these professionals are available to help them, after doing a reliable assessment of their overall financial situation, in an independent and objective manner, and at a cost in keeping with the budget of the person seeking advice. Modest-income consumers are not necessarily aware of the advantages that such a service could represent, even though they would be provided with better financial security over the medium and long term. An integrated vision of personal finances should in fact be crucial in any assessment involving specific financial issues, and such an approach would benefit anyone, regardless of their income level.

In this context, it is important to ensure that integrated advice is provided and available to more vulnerable consumers, at a reasonable cost. It is also important that consumers know how to obtain such services. Before asking whether appropriate services are available for a modest-income group, the type of financial services that such consumers may require should first be defined. The question is whether consumers are even aware of the benefits that financial advice may represent for their overall personal finances, which would likely provide them with better financial security over the short and long term.

Once the consumer's needs have been defined, how can an expert be chosen who will be able to provide the consumer with the necessary services? Are experts truly able to provide advice independently – without suggesting any specific products – based on the person's overall

¹ Financial institutions will often draw a comparison between physical health and financial health, and between financial planning and physical checkups. See, for instance, the **ROYAL BANK OF CANADA**'s website: *Financial Planning: Welcome to Working with a Financial Planner*, RBC website, Montreal, Canada, no date. [Online] <http://www.rbcfinancialplanning.com/RBC:caps07aprdrbae/working-with-financial-planner.html> and **SUN LIFE FINANCIAL**: *Choosing a Financial Planner*, Sun Life website, Toronto, Canada, March 2005. [Online] http://www.sunlife.ca/Canada/ata glance/Library/Financial+Planning/Choosing+a+Financial+Planner?vgnLocale=en_CA. Also, the websites of independent firms such as **SERVICES FINANCIERS DISTINCTIONS**: *La planification financière personnelle*, SFD website, Saint-Sauveur, Canada, unknown date. [Online] <http://servicesfinanciersdistinction.com/Planification-financiere.aspx> (pages viewed on May 17, 2013).

financial situation? If so, do consumers have access to such advisors? Do they know which advisors are able to provide the services? And are their services affordable?

Combined with the many efforts undertaken to promote financial literacy, we will be focusing throughout this study on the importance and relevance of having ongoing professional monitoring of consumers' overall personal finances. This being said, the target clientele for this type of service, generally known as "financial planning," is very specific. As we will see further on in more detail, the costs associated with the service (including the cost of preparing a financial plan), or whether the service is perceived to be worth the cost, appear to have the effect of making financial planning accessible to only an affluent, or even very affluent, segment of the population, at least when it a question of advice provided by a competent and independent professional. We will therefore attempt to define the needs of a target clientele with modest means with respect to general financial advice as well as describe what is currently available in Quebec for this type of service.

Drawing up a profile of needs with respect to general financial advice, knowledge of the usefulness of such a service, and the availability of this type of advice will serve as a stepping stone to developing solutions to help modest-income consumers. Before proposing solutions and tools, we could determine whether it is necessary to inform modest-income consumers of the importance and advantages provided by an overall assessment of their financial situation by a professional advisor to ensure sound management of their personal finances.

Our study also aimed at examining real and perceived needs for financial advice on the part of a specific group of consumers – modest-income households –, the context in which such needs occur, and the professionals that offer counselling services, from both a descriptive standpoint and in terms of the regulations they are subject to.

Like our subject matter, we have chosen to use a multi-faceted methodology that involves the collection of qualitative information, the analysis of survey data, and a strictly theoretical part with respect to the socio-economic context of the study, the analysis of the regulatory framework of professionals, and an overview of services available abroad. These complementary approaches should enable a comprehensive and coherent profile to be drawn of the overall situation.

After defining the context to better present the problem area, which is the increasing complexity of issues related to personal finances, and that will define our target clientele, Chapter 2 will review the usefulness of personalized professional counselling in terms of personal finances, as well as the optimal characteristics of such counselling services.

Chapter 3 will attempt to define consumers' real needs in terms of financial advice, and Chapter 4 will provide an overview of existing services, what they consist of, and the associated regulations.

Chapter 5 will discuss the barriers that prevent access to existing services, and Chapter 6 will attempt to define, based on our survey, consumers' knowledge and perception of the type of service covered by our study.

Chapter 7 will present an overview of the situation abroad, with a quick review of available services and their associated regulations. Lastly, we will present our conclusions and recommendations.

1. Increasing Complexity of Personal Financial Management

In October 2011, CA Magazine reported the results of a survey conducted by Statistics Canada which revealed that Canadians are not doing such a great job managing their finances:

[A]lmost 25% of Canadians were weak in keeping track of their finances, planning for the future and staying informed about financial matters. More than a third were struggling and 30% were not preparing for retirement.²

Obtaining general financial counselling to ensure sound personal financial management is therefore essential for a large number of Canadians, and even more so in cases where income is limited and tight and informed management is required.

In 2005, the OECD took a clear position on the increasing complexity of the financial sector:

The variety and complexity of financial products offered in today's financial markets, whether for investment, savings, credit or debt, can be challenging even for those with some basic financial knowledge.³

While the report from which the above quote is taken promotes financial literacy and is pushing the various government authorities to do likewise, the OECD is nonetheless saying that basic knowledge of the various products and services that are available is no longer enough to ensure sound personal financial management.

As the report indicates, the growth in the number of financial products is a trend that is felt in Canada as everywhere else in the world. It be part of this global transformation of the financial sector through a series of changes, some of which are specific to it.

² TAUB, Robin and Mary Teresa BITTI. *It pays to know*, in CA Magazine, Montreal, Canada, October 2011. [Online] <http://www.camagazine.com/archives/print-edition/2011/oct/features/camagazine52572.aspx> (page viewed on May 13, 2013).

³ ORGANISATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT. *Improving Financial Literacy: Analysis of Issues and Policies*, OECD Editions, Paris, France, July 4, 2006, 194 pages, p. 27.

1.1 Increasing Complexity: Sources and Impacts

1.1.1 REGULATORY CHANGES

Some of the elements that may have greatly contributed to increasing the complexity of personal finance in Canada include the 1987 and 1992 amendments to the Bank Act, along with a major thrust toward deregulation that had begun in the 1970s and early 1980s. This series of measures, which are now contested,⁴ aimed at allowing the various financial-sector bodies to provide a greater number of products and services, and, for instance, to enable banks to own trust companies.

*The 1992 amendments gave federal financial institutions (banks and federally incorporated trust companies, mortgage loan companies, and insurance companies) the power to diversify into new financial businesses through financial institution subsidiaries, as well as through increased in-house powers. Those institutions without fiduciary powers, such as banks and life insurance companies, were allowed to own trust companies. Similarly, banks and trust and loan companies were permitted to own insurance companies. [...] As for in-house powers, trust, loan, and life insurance companies were generally given full consumer and commercial lending powers. Also, banks and loan companies were permitted to offer a number of in-house activities, such as portfolio management and investment advice, just as trust companies, life insurance companies, and securities dealers had long been able to do. Finally, all institutions were permitted to network most financial services offered by affiliates or independent financial institutions.*⁵

This merging of the respective markets – a trend that was already present but which, once part of the law, could continue more freely – will have led to an increase in the number of available services and financial products. A consumer will now be able to go to his bank to open a savings account, obtain a mortgage, and purchase life insurance, with the latter product also being offered by other types of institutions, such as insurance companies.

1.1.2 THE ECONOMY AND PERSONAL FINANCES

Another reason for the increased complexity of personal financial management is definitely associated with the ever-growing accessibility to credit. In fact, despite the tightening and relaxing of credit policies⁶ over the years, the number of consumers who use credit and its relative importance in personal finance have been increasingly on the rise of the last 50 years.

⁴ See CALMÈS, Christian and Raymond THÉORÊT. *Banking deregulation and financial stability: Is it time to re-regulate in Canada?*, in Cahier de recherche 2008-09, Montreal, Canada, 2009, 34 pages. Available at the website of the Autorité des marchés financiers. [Online] <http://www.lautorite.qc.ca/files/pdf/fonds-education-saine-gouvernance/promo-gouvernance/cahier-recherche-2008-09.pdf> (document viewed on May 13, 2013).

⁵ FREEDMAN, Charles. *The Canadian Banking System*, Bank of Canada Technical Report No. 81, Toronto, Canada, March 1988, 47 pages, p. 14. [Online] <http://www.bankofcanada.ca/wp-content/uploads/2010/01/tr81.pdf> (document viewed on May 13, 2013).

⁶ Note the changes brought to the minimum standards applicable to government-backed insured mortgages, in force since July 2012: the maximum amortization period cannot exceed 25 years (instead of 30 years) and the purchaser's downpayment must represent at least 20% of the value of the property (instead of 15%).

DEPARTMENT OF FINANCE. *Background: Supporting the Long-Term Stability of Canada's Housing Market*, Department of Finance website, Government of Canada, Ottawa, Canada, June 21, 2012. [Online] http://www.fin.gc.ca/n12/data/12-070_1-eng.asp (page viewed on May 13, 2013).

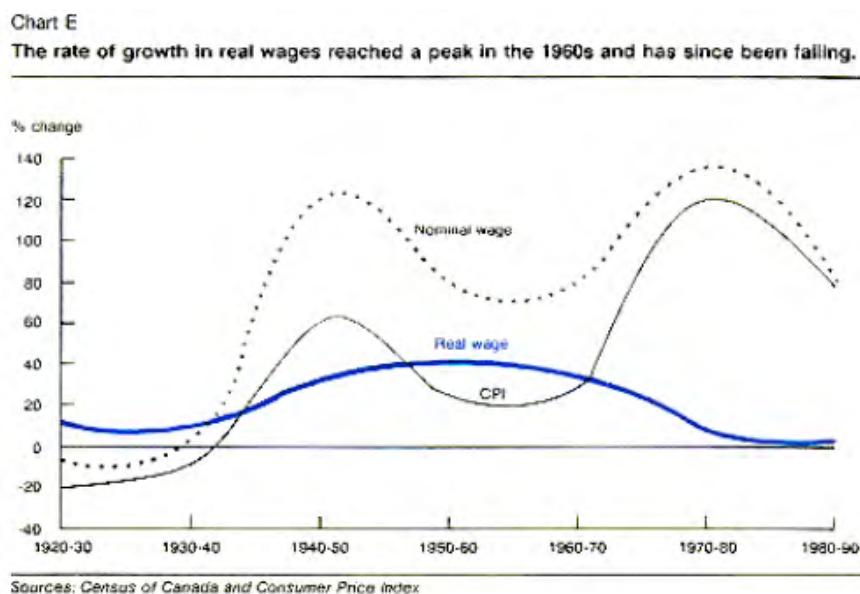
It is difficult to refer to a specific time in recent Canadian economic history to account for such a growth in the accessibility of credit – and, as a result, Canadian consumer debt – but let's say that the diversification of credit products and financing instruments, as well as of the institutions that provide them, has deeply transformed the perception of credit in our society, especially when credit is seen as an investment tool or as a form of payment for consumer goods.⁷

Add to this a purchasing power that has seen a marked increase since the Second World War (an uneven increase in purchasing power of more than three and a half times from 1920 to 1990), along with wage changes, the advent of women on the labour market, the decrease in the number of children per family, and access to consumer goods that are increasingly less costly to produce, given the various technological developments (and the offshoring of certain industries), which should in theory lead to major savings for consumers, but are in fact increasingly more numerous and sometimes more costly given their sophistication.

However, the rate of growth in real wages does not give as much cause for celebration.

Inflation also galloped forward in the 1970s. The CPI more than doubled, from 41.0 in 1970 to 88.9 in 1980. In other words, what a wage-earner could buy for \$1.00 in 1970 required \$2.17 in 1980. Thus, the 135% increase in the current average annual wage between 1970 and 1980, although the highest in any decade in this century, amounted to a less than 9% increase in real terms.⁸

ILLUSTRATION 1 The rate of growth in real wages and the Consumer Price Index, 1992⁹



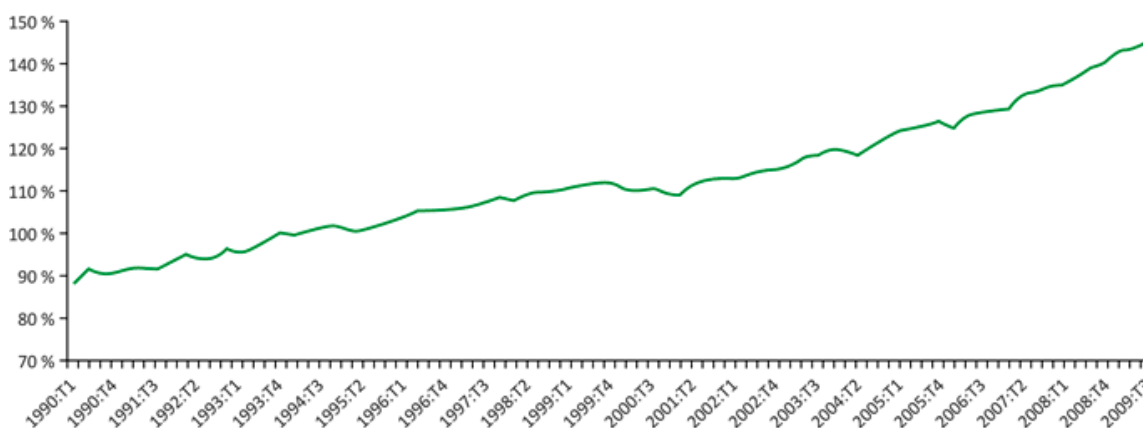
⁷ OFFICE OF CONSUMER AFFAIRS. *The Consumer Trends Report*, Industry Canada website, Ottawa, Canada, 2005, 231 pages. See "Chapter 7: Consumer Debt," pp.129-145. [Online] (document viewed on May 13, 2013).

⁸ RASHID, Abdul. *Seven decades of wage changes*, in Perspectives, Vol. 5, No. 2, Ottawa, Canada, Summer 1993, 21 pages, p. 21. Available at the Statistics Canada website. [Online] <http://www.statcan.gc.ca/studies-etudes/75-001/archive/e-pdf/57-eng.pdf> (document viewed on September 10, 2012).

⁹ Ibid.

This virtual stagnation of wages over the past few decades¹⁰ does not appear to have slowed down the needs, habits and desires of Canadian consumers, who have to deal with an increase in the cost of living, and who make up for the difference between their wages and expenses by acquiring debt.¹¹

ILLUSTRATION 2
Ratio of household debt to income
(January 1990 to September 2010)¹²



1.1.3 INCREASE IN PRODUCTS AND SERVICES

Consumers must constantly maintain a balance between their expenses and income, debt and savings, while taking into account contingencies, market fluctuations, and immediate and future needs. As previously stated, maintaining such a balance is more precarious now than ever, as the financial system has become more complex and suppliers are constantly offering more specialized services and new types of insurance, credit and investment products to remain competitive in the financial industry.

1.1.4 CONSUMER PROTECTION, INFORMATION AND GUIDANCE

Several agencies have been created to help with changes in this sector: examples include the Financial Consumer Agency of Canada (2001) at the federal level and the Autorité des marchés financiers in Quebec (2004). The protection, information and guidance of consumers in their use of financial products and services have become major mandates for these institutions. However, efforts at protecting consumers and making the financial sector less of a conundrum appear to have met only a small portion of the population's needs, if one considers the "general financial

¹⁰ **BOURGAULT-CÔTÉ, Guillaume.** "Le pouvoir d'achat des travailleurs a augmenté de 53\$ en 25 ans," in *Le Devoir*, Montreal, Canada, May 2, 2008. [Online] <http://www.ledevoir.com/economie/actualites-economiques/187920/le-pouvoir-d-achat-des-travailleurs-a-augmente-de-53-en-25-ans> (page viewed on September 10, 2012).

¹¹ **RASHID, Abdul.** *Seven decades of wage changes*, Op. cit., Note 8, p. 23.

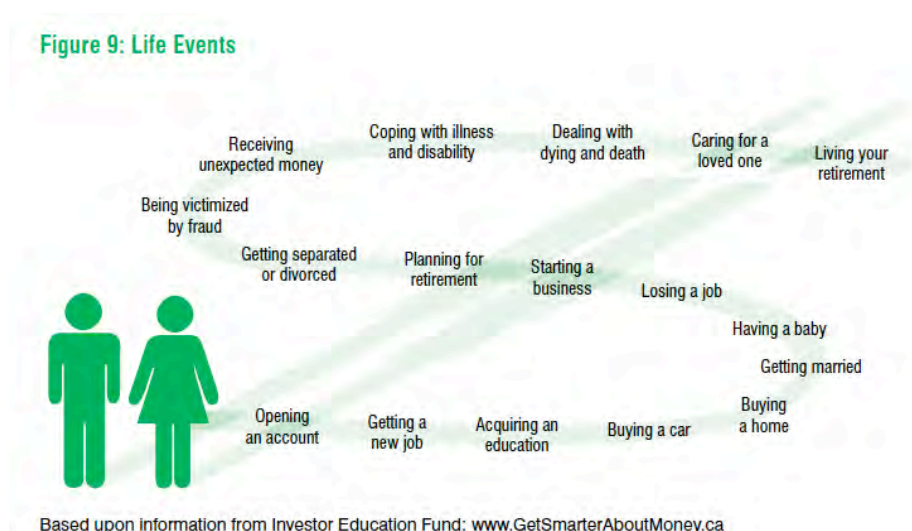
¹² **TASK FORCE ON FINANCIAL LITERACY.** *Canadians and Their Money: Building a brighter financial future*, Department of Finance, Government of Canada, Ottawa, Canada, December 2010, 106 pages, p.15. Available at the Government of Canada Publications website [Online] http://publications.gc.ca/collections/collection_2011/fin/F2-198-2011-eng.pdf (document viewed on September 10, 2012).

illiteracy” that the many initiatives have attempted to remedy, and the recommendations from the OECD to the Task Force on Financial Literacy,¹³ including websites that target a specific audience.¹⁴

1.1.5 ROLE OF FINANCIAL SERVICES PROVIDERS

The emergence of the financial literacy problem at a time when Canadians have never been better educated and when they have access to and use multiple sources of information¹⁵ reveals the scope of the increased complexity of personal financial management. In its final report, the Task Force on Financial Literacy adopted a clear vision of personal financial management that it refers to as a responsibility that a person carries throughout their lifetime and that is an intrinsic part of it; a person’s finances cannot be disassociated from their life choices, environment and lifestyle. The Task Force has determined the various life events that represent as many circumstances that require new knowledge in personal financial management.

ILLUSTRATION 3 Life Events¹⁶



¹³ The Task Force on Financial Literacy was mandated to make recommendations to the Canadian Minister of Finance on a national strategy to improve financial literacy in Canada. *Ibid.*

¹⁴ An example is www.tesaffaires.com, a website created by the Autorité des marchés financiers to help young people manage their money for their personal projects.

¹⁵ Statistics Canada reports that in 2010, 79% of Canadian households had access to the Internet. See: **STATISTICS CANADA.** *Canadian Internet Use Survey*, Statistics Canada, Government of Canada, Ottawa, Canada, January 9, 2013. [Online] <http://www.statcan.gc.ca/daily-quotidien/110525/dq110525b-eng.htm> (page viewed on March 12, 2013).

The CRTC, for its part, reports that in 2009-2010, Canadians were spending 28 hours a week on average watching television and more than 17 hours listening to the radio. See:

CANADIAN RADIO-TELEVISION AND TELECOMMUNICATIONS COMMISSION. *CRTC Communications Monitoring Report*, CRTC, Ottawa, Canada, July 28, 2011. [Online] <http://www.crtc.gc.ca/eng/publications/reports/policymonitoring/2011/cmr4.htm> (page viewed on March 12, 2013). In addition to traditional media such as newspapers and television news reports, social media such as Twitter or Facebook also enable Canadians to be informed.

¹⁶ **TASK FORCE ON FINANCIAL LITERACY.** *Canadians and Their Money: Building a brighter financial future*, Op. cit., Note 12, p. 31.

In most of these cases, not only will consumers have to make potentially important financial decisions, but for the most part may have to deal with a complex financial world where they will have a hard time determining the quality of the various products and services being proposed to them; also, for many of these decisions, they will need to contact several professionals from the sector¹⁷. The Task Force on Financial Literacy is therefore recommending that a concerted effort be made by the various industry players where financial services providers have their role to play since in most cases, they are the first persons that consumers meet with when having to make financial decisions.

1.2 Interconnection

Although several life events or personal decisions, such as getting married, moving or having a child, may involve major financial choices, the reverse is also true: a financial decision can have a major impact on a person's life. For instance, a bad investment could result in the loss of capital, which will require retirement to be deferred. It therefore appears to be crucial that, in order to properly advise consumers, financial services providers consider all of a person's finances and, ideally, the person's foreseeable life directions, in order to target a "net" benefit, so that it is as profitable as possible given the overall situation and the needs of the person being advised, and not only the "gross" benefit, namely, that is profitable as such, when viewed out of context. The use of a given product, even if its gross benefit is very high, may, if the context is not taken into account, create a negative outcome far greater than its return on investment. For instance, obtaining a line of credit could at first seem to be an ideal way to pay off some debt. However, such a financing instrument could compound the situation for someone who is already heavily in debt.

1.3 Target Clientele

Having presented above the complex nature of the financial world that each Quebecer has to deal with, it is important to bear in mind that certain personal aspects, such as location, age, the number of persons in the household, the cost of certain expenses (such as debt repayment, child support, or having other dependents) will considerably affect living conditions for a given level of income, and that financial advice needs, in the same way as the availability of adequate services, are likely to vary based on income.

While the need for financial advice is felt in all strata of society, it is important to recognize that certain households are in such distress that financial management is inevitably at the bottom of their list of priorities.

Although our study aims at defining the issues affecting a specific group, i.e. modest-income households, we have opted for a broader definition of our target clientele.

Hence, our study deals with the needs of modest-income households whose financial situation could be improved through financial advice; we will not be focusing on consumers where an improvement in their management capacity or their precarious situation would require help that does not fall within the realm of personal finance (such as health problems). Moreover, although we will be doing a quick review of the problem of financial exclusion, the precarious situation

¹⁷ For instance, when considering purchasing a property, the buyer will be required to meet with a real-estate broker, a notary, a mortgage broker, an insurance broker, etc.

that some consumers are found in is so severe that they are unable to consider their needs over the medium and long terms as they are already having problems meeting their basic needs on a daily, weekly or monthly basis. We therefore did not consider it relevant to define general financial advice needs for such extreme cases.

With this limitation now defined, note that we are also excluding from the scope of our study the segment of the consumer population that is able to afford a certain number of risky or needless investments (e.g. stocks, real estate other than the primary residence), i.e. those able to handle certain financial losses without any major impact on their overall finances and/or quality of life. Households where such a loss would require them to sell their primary residence, defer retirement by several years, take out a line of credit, get a second job, etc., fall within the scope of our study.

Our target clientele would thus fall within the following parameters:

- 1) Finances characterized by interdependence of the various parts (e.g. monthly budget and repayment of student loans or mortgage, spending habits and retirement savings plan);
- 2) Available income and possible options for managing expenses (as income is not entirely used for immediate needs, with choices having to be made, for instance, between repaying debt, paying for the children's education, and planning for retirement);

Our underlying hypothesis is that even if financial management advice is likely to be beneficial for the target clientele in general – thus enabling them to avoid financial losses resulting from poor management and realize savings through better management – such a service would not be accessible to modest-income households: perceived as too expensive (from the consumers' perspective) or not profitable enough (from the professionals' perspective); perceived as not necessary (given, for instance, the limited resources being managed); unknown, given the lack of knowledge of the needs that such a service is likely to meet, or the fact that the scope of the service is unknown.

2. Usefulness of Financial Advice

Having detailed the origins of the increased complexity of personal finances and the need for consumers to obtain counselling and to be well-informed in order to determine which financial products are most beneficial at a given point in their lives, we will now attempt to establish the extent to which financial counselling can be useful to modest-income households. In fact, our premise is that this target group could benefit from advice that takes into account their general situation since poor financial decisions could have serious consequences on various financial aspects and life in general, whereas usually only people with considerable assets tend to use this type of service, in particular for investment purposes.

To demonstrate the relevance of financial advice compared to other sources of information and show that it extends beyond the realm of financial investments, we will depict in this chapter how consumers can benefit from personalized advice from financial advisors, regardless of their level of income. We will also show how the services of a competent and independent advisor can improve a person's financial situation by allowing them to obtain appropriate financial products.

While receiving quality financial advice on a regular basis contributes to consumers' financial literacy – which could allow them to manage their finances more easily and potentially assess products and services being proposed to them more critically, thus increasing their financial capability – we will see how a professional's expertise adds to the consumer's financial literacy without replacing it; regardless of the quality of the advice, the knowledge of the person receiving it will obviously remain limited compared to that of trained professionals with years of experience in the field. The need for financial advice therefore begins where a person's knowledge ends, even in the case of someone who is well-informed.

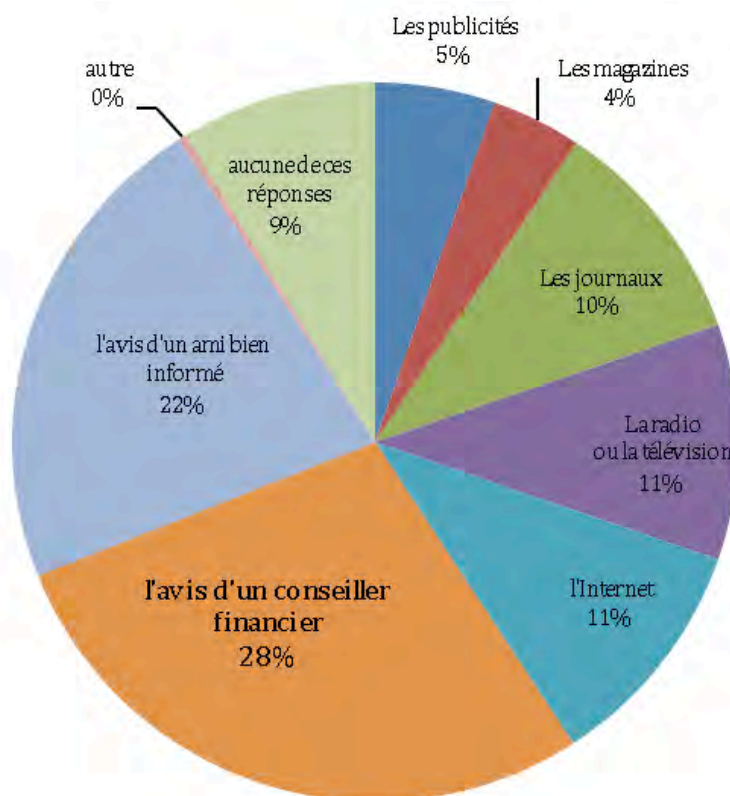
2.1 Why the Need for Personalized Advice?

The 2009 Canadian Financial Capability Survey¹⁸ reveals that consumers are influenced by multiple and varied sources of information in their financial decision-making, which is not surprising given the myriad of available media. In fact, in addition to televised and radio broadcasts, financial columns in newspapers and specialized publications, consumers also have access to information online. They are also exposed, in these same channels, to major advertising campaigns promoting certain financial products, or are proposed, when they visit their financial institution's website for online banking, ways to manage their assets and product offers. All of these media account for a total of 41% of sources of information with the greatest influence.

¹⁸ The Canadian Financial Capability Survey is sponsored by Human Resources and Skills Development Canada, Finance Canada and the Financial Consumer Agency of Canada, and aims at shedding light on the degree of knowledge that Canadians have regarding financial decision-making.

STATISTICS CANADA. Page: *Canadian Financial Capability Survey*, Statistics Canada Web site, Government of Canada, Ottawa, Canada, April 14, 2010. [Online]
<http://www23.statcan.gc.ca/imdb/p2SV.pl?Function=getSurvey&SDDS=5159&lang=en&db=imdb&adm=8&dis=2>
(page viewed on July 11, 2012).

ILLUSTRATION 4
Main source of information in household decision-making
related to investments



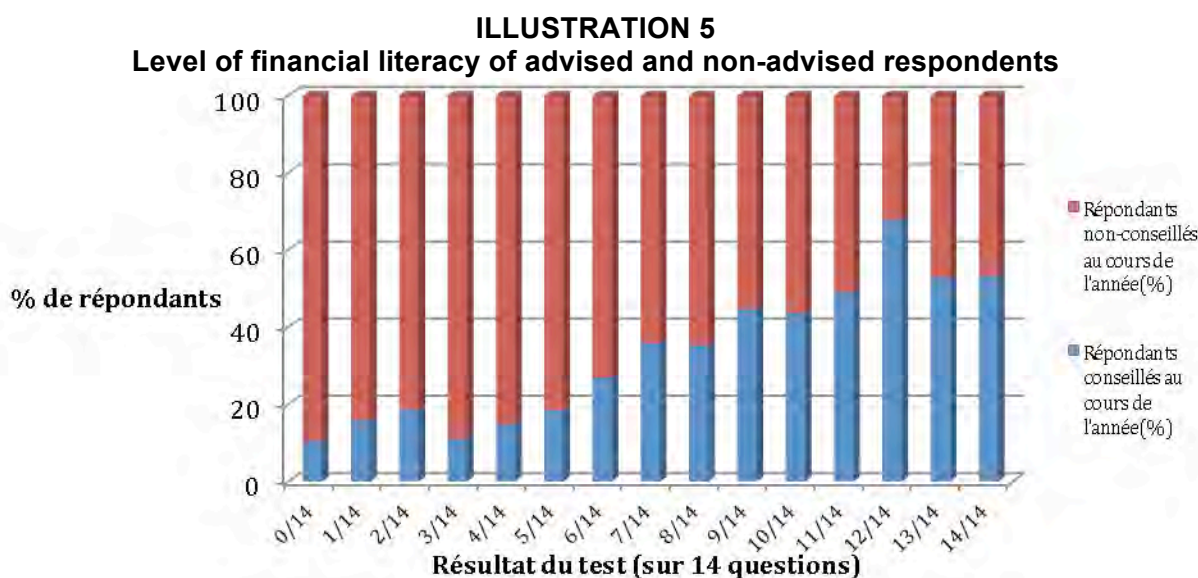
Source: Statistics Canada, Canadian Financial Capability Survey, 2009

While an ever-increasing financial literacy content is being created and disseminated, the importance and relevance of providing personalized follow-ups by someone who is an expert still does not seem to be highly valued by consumers: only slightly more than one Canadian in four mentions financial advice as being the main influence when having to make investment-related decisions. Are financial professionals now being perceived first as providers of financial products and services and intermediaries rather than as a reliable source of independent financial advice?

Clearly, access to several sources of information can be an advantage in decision-making. In his study *Understanding Financial Capability in Canada*, Stephen McKay observes that there is a definite link between a consumer's ability to manage his personal finances, understanding and choosing financial products, and his propensity to becoming informed, in particular by seeking personalized advice:

Those scoring highest tended to be those who were looking at a number of different sources of information and receiving advice on several products. They also tended to score more highly on the separate test of objective financial knowledge.¹⁹

While the question here is more about general financial capability, we have attempted, based on the Canadian Financial Capability Survey (CFCS), to determine whether the fact of obtaining professional advice could have an impact on a person's financial literacy. While we have been unable to confirm a clear cause-and-effect link (i.e. an increase in literacy resulting from the provision of advice), we nonetheless observed that out of a sample of 3,123 respondents, the proportion of respondents that received advice generally had a higher level of financial literacy based on the number of points scored in the test.



Source: Statistics Canada, Canadian Financial Capability Survey, 2009

The financial information that a person can obtain during a consultation that could allow him to increase his financial literacy should not be discounted when we look at the importance of personalized financial advice for any given person. The literature in fact shows that in any strategy aimed at increasing financial literacy, i.e. a person's capacity to better manage his personal finances and choose more suitable products, access to personalized advice is one of the foundational elements,²⁰ and it is when information is needed that people are most open to

¹⁹ MCKAY, Stephen. *Understanding Financial Capability in Canada: Analysis of the Canadian Financial Capability Survey*, Research paper prepared for the Task Force on Financial Literacy, University of Birmingham, London, UK, February 9, 2011, 51 pages, p. 17. Available online at the Government of Canada Publications Web site [Online] http://publications.gc.ca/collections/collection_2011/fin/F2-213-2011-eng.pdf (document viewed on September 10, 2012).

²⁰ In addition to what the Task Force on Financial Literacy is proposing in Canada, the initiatives and studies conducted worldwide also stress the importance of personalized financial advice. "Advice services are the missing link for many consumers. Having help from somebody with specialist knowledge can make the whole process of dealing with personal finances quicker and easier. Financial education is an essential baseline that can raise financial skills and understanding, but even the very best in education can only take us so far. Good financial information is useful to those with the ability, motivation and time to find it, understand it and use it. But this leaves a large number of us out on a limb."

FINANCIAL CAPABILITY TEAM. *Financial Capability: Developing the role of generic financial advice*, London, UK, Financial Authority Ltd, October 31, 2005, 24 pages, p. 12. [Online] http://www.fsa.gov.uk/pubs/other/fin_cap_gen_advice.pdf (document viewed on May 13, 2013).

learning, namely, “when the information is specifically relevant to their circumstances at the time.”²¹

The Report of the Task Force on Financial Literacy states:

*In considering consumer education, financial institutions should treat as “teachable moments” those decision points when Canadians are investigating financial products or are about to sign a financial product or service agreement.*²²

In addition to sometimes being the best time to involve the consumer and get him to look at his financial situation, the consultation in which he is taking part if he wishes to have access to a product allows him to acquire tools that would likely be otherwise unavailable to him. A meeting with a financial advisor also allows a person’s specific context to be assessed by taking into account not only his financial situation but also tax-related, family and professional information and the long-term goals he has set. Although many tools are made available to consumers to help them manage their personal finances and guide them in their decision-making,²³ the work that consumers can accomplish, even when well-informed, can only rarely provide them with a vision and overall strategy that are as detailed as what personalized advice would give them based on an expert’s assessment. Over the medium term, the advice that a consumer will be given by an expert when drawing up his financial profile will help him determine one by one the products and services best suited for him and that could be very beneficial; knowledge of his financial profile and the determination of his priorities within a strategic context will enable him to make better informed decisions among the offers for insurance products, lines of credit and attractive investments that he is sure to receive.

Lastly, a good financial advisor is one who considers the general context and who, to some extent, defines the parameters of the finances within this general context, which could encourage the person receiving the advice to be more diligent with the management of their finances. Although financial advice is not a guarantee that personal financial management will automatically improve, it can be said – although without affirming there is a cause-and-effect link – that respondents to the Canadian Financial Capability Survey who received advice from one or more financial advisors reported being more likely to prepare a budget, which in itself is an indicator of more responsible financial management.

See also:

SCOTTISH GOVERNMENT FINANCIAL INCLUSION TEAM. *Achieving Better Co-ordination in Scotland*, The Scottish Government, Edinburgh, Scotland, August 2010, 41 pages. [Online] <http://www.scotland.gov.uk/Resource/Doc/304557/0103554.pdf> and

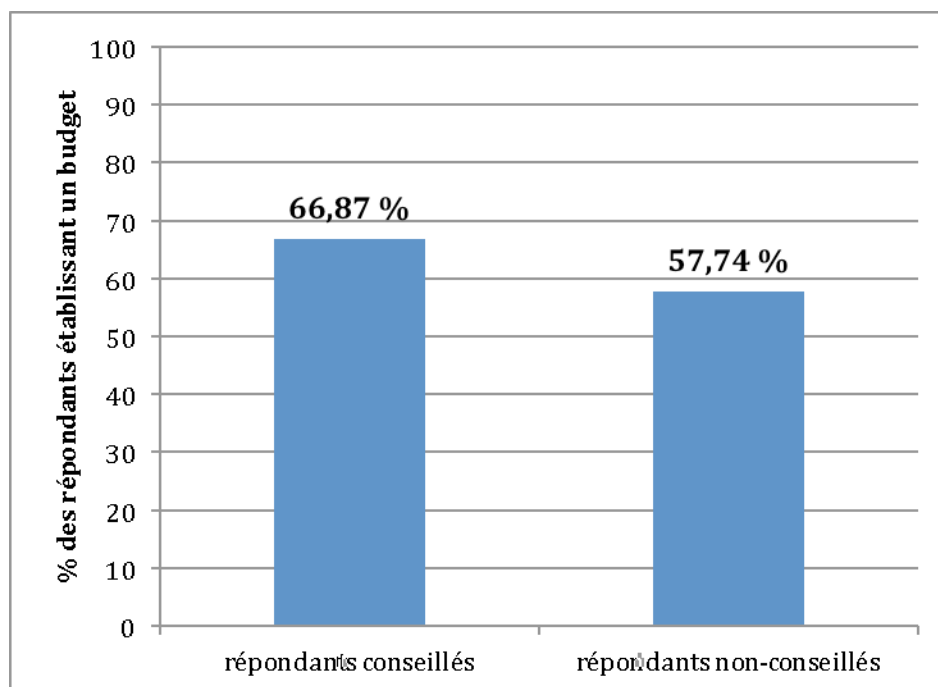
SOCIAL AND ENTERPRISE DEVELOPMENT INNOVATIONS (SEDI). *Why Financial Capability Matters*, Government of Canada Policy Research Initiatives, Ottawa, Canada, 2006. Available online at the Financial Consumer Agency of Canada Web site [Online] http://www.fcac-acfc.gc.ca/eng/resources/surveystudies/FinCapability/PDF/SEDI-FCAC_FinCapability-eng.pdf (document viewed on May 13, 2013).

²¹ **TASK FORCE ON FINANCIAL LITERACY.** *Canadians and Their Money: Building a brighter financial future*, Op. cit., Note 12, p. 30.

²² *Ibid.*, p. 42.

²³ Budget tables and sites that compare insurance products, or the value of a prospective mortgage loan, can be easily found online.

ILLUSTRATION 6
Propensity of advised and non-advised respondents to prepare a budget



Source: Statistics Canada, Canadian Financial Capability Survey, 2009

If there is a link between obtaining regular advice and improved financial capability, it could also be said that financial advice may directly improve the finances of those receiving it. A study by the Center for Interuniversity Research and Analysis of Organizations (Cirano), aimed at determining the benefit of financial advice, revealed that consumers will benefit economically from a long-term follow-up of their personal finances by an advisor, despite the major costs involved (in terms of commissions, purchasing costs) for consumers from different age groups and income levels.²⁴ These benefits consist, in relation to the study, of the total amount of the investments.

²⁴ **MONTMARQUETTE, Claude and Nathalie VIENNOT-BRIOT.** *Econometric Models on the Value of Advice of Financial Advisor*. Center for Interuniversity Research and Analysis of Organizations, Montreal, Canada, July 2012, 86 pages. [Online] <http://www.cirano.qc.ca/pdf/publication/2012RP-17.pdf> (document viewed on March 20, 2013).

ILLUSTRATION 7
Median value of financial assets
for the various categories of respondents (age and income)²⁵



Note that that the financial advice involved in the Cirano study only relates to investment strategies rather than personal finances in general. As previously mentioned, financial advice is all too often almost exclusively associated with investment management, a preconception found in virtually all the literature on the topic.

As a result of this preconception, the only data available on the benefits of financial advice deal with investment advice; these data are in fact used to extrapolate the benefit of financial advice for all aspects of personal finance.

Whereas it seems obvious that those with a high income – and, therefore, more substantial assets – obtain a much greater absolute benefit (i.e. more investments) when dealing with an advisor, Illustration 7 shows that the gap in the high-income group between the advised and the non-advised is also reflected, though to a lesser extent, in the other income levels. Note also that the higher the age, the greater the gap between the assets of the advised and those of the non-advised respondents. Although the table does not indicate whether this gap in the age levels stems from advice over a long period of time or advice obtained starting at an age where major assets were accrued and then invested based on the advice, consumers would gain more, according to the study, in meeting with an advisor over a number of years:

An econometric model suggests a positive relationship between having a financial advisor for at least four years and the level of financial assets relative to the equivalent non-advised respondent. Compared to a similar long-tenured (15 years or more) advised

²⁵ *Ibid.*, p. 13.

*participant in the survey, the non-advised has 2.73 times less financial assets. This amount is too large to be explained simply by better stock picking. One highly plausible explanation of this finding comes from the greater savings that is associated with having a financial advisor and other appropriate advice.*²⁶

Another study, conducted by *Morningstar*,²⁷ concluded that the long-term profitability of a portfolio is not based as much on the choice of specific investments as on the investment strategies often arising from the advisor's work – investments made based on retirement strategies, tax avoidance, or a personalized approach based on the person's profile or objectives.

2.1.1 LIMITATIONS OF FINANCIAL ADVICE

Financial advice can thus benefit everyone, since it allows a person to improve his financial situation, as well as improve financial literacy and financial capability. However, it is clearly not a cure-all. Financial advice alone will not enable consumers to maintain healthy finances. Financial advice is in fact combined, as we have seen, with a host of other sources of information, as well as other types of learning, such as acquiring basic notions in economics and finance at school or through various experiences.²⁸

It goes without saying that consumers will only obtain the full benefit of financial advice, especially with respect to increasing their financial capability, if the advice is given by a competent and unbiased expert. Given the advisor's position of authority, advice provided to a consumer by a professional without the necessary competence or independence will not be as beneficial as it should be, and may even be harmful to the consumer. According to the literature, this is a frequent and non-negligible problem, one that considerably complicates the task of those seeking to improve financial literacy:

- *As a result of these dynamics in local financial service markets, many financial literacy practitioners find a significant and even inextricable part of their work consists of:*
- *Filling the void left by mainstream financial services in the supply of accurate and relevant financial information and guidance (...)*²⁹.

Not to mention that an advisor's lack of competence or independence could erode consumer trust in the financial system overall.

²⁶ *Ibid.*, p. 53.

²⁷ **BLANCHETT, David and Paul KAPLAN.** *Alpha, Beta, and Now... Gamma*, Morningstar Investment Management, Chicago, U.S., September 8, 2012, 27 pages. [Online] <http://corporate.morningstar.com/us/documents/ResearchPapers/AlphaBetaandNowGamma.pdf> (document viewed on March 20, 2013).

²⁸ For instance, when, upon graduating, students have to devise a strategy for repaying their student loans, they will have to make certain decisions and familiarize themselves with certain concepts, such as the tax implications of early repayment, the interest rates for the given loan and other debt, and will face a dilemma: that of repaying the loan or of saving money for future needs.

²⁹ **ROBSON, Jennifer.** *The Case for Financial Literacy*. SEDI, Toronto, Canada, November 2012, 60 pages, p. 22. [Online] <http://www.sedi.org/DataRegV2-unified/sedi-Publications/The%20Case%20for%20Financial%20Literacy%20EN.pdf> (document viewed on June 12, 2013).

3. Actual Needs

In the previous chapter, we showed that financial advice is likely to increase the financial capability of those benefiting from it, thus enabling them to improve their financial management, knowledge and situation, regardless of level of income. To determine whether consumers have access to the type of financial advice services that could improve their financial capability, this chapter will detail the various needs of low-income consumers for whom professional advice would be useful or necessary.

Virtually all consumers will, at some point or another during their lifetime, need to make financial decisions regarding the purchase of life insurance, planning for retirement and making sure they will have sufficient funds to meet their needs, estate planning, obtaining a mortgage or car loan, etc. These various situations where financial decisions must be made occur at all levels of society since they are intrinsically linked to a person's day-to-day activities. To present an overview of these situations, we will structure our analysis based on various stages of the life cycle³⁰ that involve financial decisions. To avoid being redundant, we will only cover certain triggering events. We will also mention, when applicable and when especially relevant, the specific needs that the various situations may entail for households with more limited income.

³⁰ The life-cycle hypothesis was first used by Franco Modigliani in the early 1950s. Modigliani developed the theory that households will reconcile their current consumption related to daily needs with their future consumption related to retirement. Households manage their wealth over their entire lifetime. Savings are therefore a deferred expense that also depend on the anticipation of future income. Accrued wealth corresponds to a consumption reserve that is subsequently de-accumulated. This idea was taken up in 1957 by Milton Friedman in his permanent income hypothesis.

NARASSIGUIN, Philippe. *L'épargne et la théorie du cycle de vie*, sur le site de EconomiqS, Île de la Réunion, February 18, 2013. [Online] <http://www.economiqs.com/fr/blog-economie-finance/30-macroeconomie/401-l%E2%80%99C3%A9pargne-et-la-th%C3%A9orie-du-cycle-de-vie.html> (page viewed on May 13, 2013).

ILLUSTRATION 8 Triggering events over the lifecycle³¹



Source: The Investment Funds Institute of Canada

Life events, as depicted, range all the way from opening a first bank account and getting a first job, through college, marriage, starting a family, beginning a business, planning for and living in retirement, and estate planning. Added to this are the events that nobody anticipates or wants, such as losing a job or critical illness. All of these events have the potential to be life changing, and to require important financial or investment decisions.³²

3.1 Overview of the Various Needs³³

Before presenting an overview of consumers' financial advice needs, we would first like to dispel an unfortunate preconception. The financial management difficulties experienced by modest-income households are not necessary associated with lower financial literacy. On the contrary, the literature shows that the need to balance a budget with limited resources is a major incentive for low-income families to look into money management. In fact, in a survey conducted in three low-income neighbourhoods in Canada, J. Buckland observed that "respondents were

³¹ THE INVESTMENT FUNDS INSTITUTE OF CANADA. *The Value of Advice: Report*. The Investment Funds Institute of Canada, Toronto, Canada, July 2010, 18 pages, p. 2. Available online at the Mackenzie Investments website. [Online] http://www.ci.com/web/pdf/ific_value_of_advice_e.pdf (document viewed on March 20, 2013).

³² *Ibid.*

³³ Our overview does not cover the various life events which, although their potential impacts should ideally be part of an informed financial strategy, only require specific advice that is not covered by the scope of our study.

generally financially literate and made rational decisions about their family budgets and their credit and savings plans, and had reasonable knowledge about relevant government programs and banking services.”³⁴ It is therefore important to bear in mind that the financial advice needs of households involve more than mere financial education or the use of incentives to generate behavioural change.

3.1.1 OPENING A BANK ACCOUNT

The organization of personal finances today requires that a person have a bank account for the most commonplace activities and basic operations such as the direct deposit of paycheques, depositing or issuing cheques, direct deposit for certain government benefits, credit card payments, and the direct payment of certain monthly bills for services such as telecommunications and electricity. It is true that options are still available to make up for the lack of a bank account such as payment in cash, cheque-cashing establishments, etc., but an increasing number of services require that transactions go through banking institutions – with government themselves being urged to find alternatives to certain “mandatory” direct deposits.

a) Need for advice

These days, the simple act of choosing a bank account can be a complicated endeavour: do you choose a current account, regular or interest-bearing chequing account, savings account, or bonus savings account? Consumers may need to be guided in their choice of an account based on their needs and situation, the number of transactions they expect to be making, their account balance, etc. The choice of account and package could have a positive or negative impact on the account holder’s funds given that fees and interest rates vary depending on the choices that are made.

b) Specific characteristics of modest-income consumers

Note that this first condition theoretically occurs even before a person’s first job and high school. In the normal course of the lifecycle, most consumers will therefore have modest income at this stage.

3.1.2 FIRST JOB

Getting a first job generally involves a sudden increase in income and possibly a change in lifestyle in that a person has to keep a set schedule, has to be available over extended periods of time, etc. This situation can also entail new expenses in terms of transportation, meals, the purchase of tools or other work-related equipment, as well as the acquisition of new financial products.

³⁴ **MUNSHAW, Caroline.** *Moving Forward with Financial Literacy.* Synthesis Report on Reaching Higher: Canadian Conference on Financial Literacy, Financial Consumer Agency of Canada, Ottawa, Canada, 2008, 32 pages, p. 5. [Online] <http://www.fcac-acfc.gc.ca/Eng/resources/researchSurveys/Documents/reachhigher-eng.pdf> (document viewed on July 11, 2012).

a) Need for advice

As a person's first job most likely represents his first significant increase in income, many decisions will have to be made in terms of consumption, savings and the repayment of debt, in the event there is any outstanding debt. Job stability, working conditions and employee benefits, the possible investments that may be required (purchase of a vehicle, clothing or work equipment) and the new expenses the job may entail (babysitting, meals, transportation) are some of the aspects that should be considered in making potential decisions regarding the financial products that may be needed and to establish a budget.

b) Specific characteristics of modest-income consumers

A job that only provides a modest income will entail roughly the same expenses and will require a budget adjustment. As a result of the lesser leeway, consumers will have to look at their financial options more carefully and make more informed decisions on the choices that need to be made.

3.1.3 POST-SECONDARY STUDIES

The decision to undertake post-secondary studies implies less available income, even a major decrease in income when someone decides to go back to school. Such a decision could also be considered as a sound investment, one that leads to higher income and greater career prospects. Besides a budget adjustment that must take into account a possible change in income as well as new education-related expenses (transportation, tuition, materials) and, possibly, a change in location, student loans, which over time could represent a relatively substantial amount, may have to be considered.

a) Need for advice

Students may need advice on student loans and other forms of credit they may require in order to make the best decisions, based on a realistic assessment of the amount needed during their studies. In fact, a long-term assessment could allow a strategy to be devised that would take into account future variations in income and the repayment of loans. An expert could also inform the student about such matters as the tax deductions the student may be entitled to during and after his studies.

3.1.4 PURCHASING A VEHICLE

The purchase of a vehicle is often the first major purchase consumers will make. Several modes of payment are possible and are proposed to consumers: besides paying in cash, options include financing the vehicle through the manufacturer's credit department or another financial institution, renting or leasing. Although a vehicle purchase constitutes an investment, the value of the vehicle will decrease over time and with use. In addition to being faced with a myriad of possibilities in terms of make and model, consumers who decide to purchase a vehicle will need to weigh the cost of the vehicle versus their resources, as well as take into account the usefulness of the purchase, the vehicle's resale value, etc.

a) Need for advice

The consumer's choice of vehicle make and model will be based to a large extent on his financial resources as well as any available credit. The consumer's needs in terms of space, performance, etc. will have to be weighed against his financial situation and budget, namely his repayment capacity given his other obligations. The many costs involved in owning a vehicle will also have to be taken into account in budgeting such as registration, insurance, fuel, parking, repairs, etc. Besides budget-related questions, the consumer could thus benefit from advice on the choice of both credit and insurance products.

b) Specific characteristics of modest-income consumers

Modest-income consumers may tend to choose a vehicle that is as low in cost as possible and look for credit with monthly payments that are as low as possible. An assessment of the consumer's overall financial situation and the available offers could, however, have the consumer adopt a longer-term perspective, namely that a more expensive vehicle could have better resale value; some types of financing could present benefits which, without unduly straining the consumer's budget, would result in substantial savings over the medium term, etc.

3.1.5 GETTING MARRIED

While marriage is a decision based on a set of personal values and beliefs, it nonetheless has major financial, tax and legal implications. Although a civil union or common-law arrangement generally enables consumers to avoid the cost of an expensive ceremony, it can also have major financial implications that must be considered.

a) Need for advice

One of the most important financial implications involved when a couple decides to live together or get married has to do with the sharing of assets, which could have an impact both during the union as well as in the event of a separation. The Civil Code provides a default method of asset sharing for married couples (partnership of acquests), which couples may decide not to be part of and make their own choices, as well as certain financial obligations, toward the spouse and the couple's children. Whatever their status, couples can, by contract, decide to some extent on how their assets are to be shared during and after their union, their respective financial commitments and responsibilities, etc. Given the financial and tax implications of the many factors that must be considered and included in the agreement, the couple may benefit from the help of a professional in order to understand the economic, legal and tax-related outcome of the various possible options. This need for advice will be felt when such a contract is drafted as well as when it is in force. In addition, a certain number of financial products specifically target couples (such as some insurance products), while others will naturally be contracted individually. Moreover, several financial decisions that one of the spouses will make will require not only that the household's financial health be considered, but also the impact that such decisions will have on the other spouse.

3.1.6 STARTING A FAMILY

The decision to have a child is usually not a financial decision, although parents are generally aware of the additional expenses that will be involved. The same cannot necessarily be said for the tax benefits and access to various government programs.

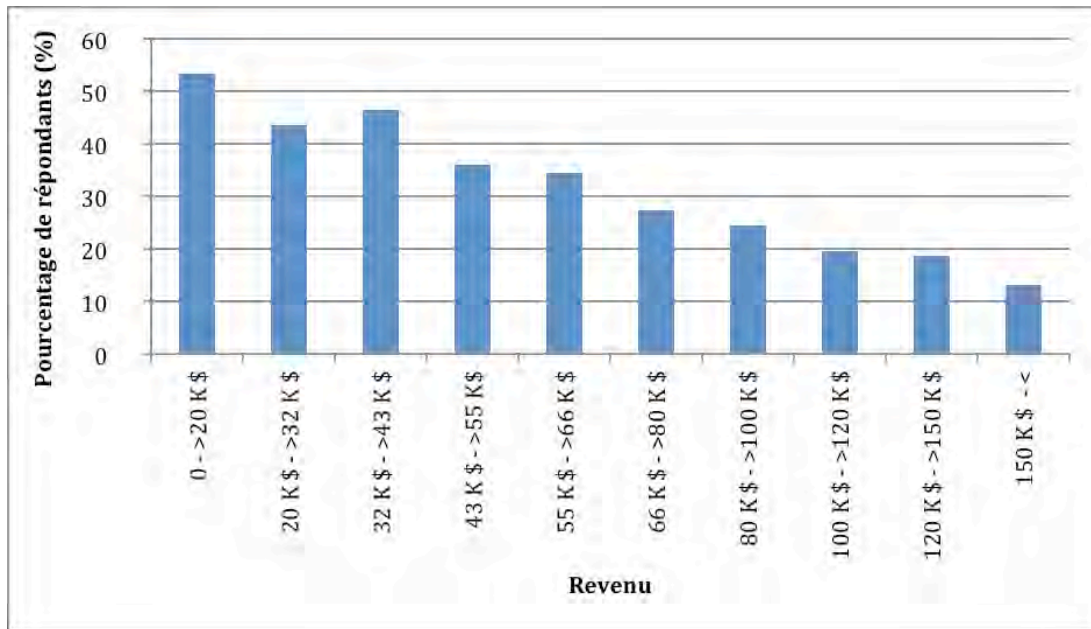
a) Need for advice

The birth of a child naturally requires adjustments to the household budget. An overall view of the financial situation will, in such a case, allow the couple to take into account fluctuations in income and expenses, incorporate in the budget any tax benefits and income from government assistance programs, and even plan future expenses and investments (e.g. education savings account, life insurance).

b) Specific characteristics of modest-income consumers

It may be more difficult for low-income households to put money aside for a child's future. Statistics show that households in the first decile are three times less likely to do so than households in the last decile. A well-informed advisor could take into account the government assistance programs that are available for this type of savings and the potential long-term benefits.

ILLUSTRATION 9
Respondents with no savings for their
child/children's post-secondary education



Source: Statistics Canada, Canadian Financial Capability Survey, 2009

3.1.7 BUYING A FIRST HOME

The purchase of a property is definitely a major investment and, by the same token, the highest loan that the household will have contracted until then. The decision to become a homeowner and the choice of home will be determining factors in the family's life and finances: in fact, it may represent a highly profitable investment and result in a significant increase in capital at the time of the sale, but it also carries the possibility of a high debt load.

a) Need for advice

The decision to purchase a property brings up questions that require a certain expertise to answer. For instance, for a given financial situation, would it be better, at that particular time, to become a homeowner or continue renting? The factors that come into play include the housing market, the price and value of the property being considered, the amount of rent, of the mortgage, etc. Can payments be made based on the current levels of debt and savings, the various financial obligations, future projects as well as current and future income? Have all the various costs related to the purchase of a property been considered (maintenance costs, property taxes, renovations and repairs, home insurance, legal fees)? Possible changes in the economy and the housing market will also be a factor in determining whether such a purchase would be the best financial strategy. The purchase of a property naturally requires that decisions be made regarding certain financial products such as mortgage loans (of different types), a home equity line of credit, mortgage and home insurance, etc.

b) Specific characteristics of modest-income consumers

Our survey revealed that 48% of respondents with an annual income of less than \$65,000 were homeowners. It could be assumed that such an income level will likely allow for only a minimal down payment and a maximum mortgage with the longest possible term. However, the tighter budget of modest-income households will not have the effect of decreasing the number or importance of the elements that must be considered, as the low income adds a higher level of risk that requires more careful and rigorous consideration and better informed decisions.

3.1.8 RETIREMENT PLANNING / THE RETIREMENT YEARS

Although retirement occurs toward the end of a person's working life, retirement planning should ideally take place throughout this period. Someone who thinks about retirement planning early on is obviously not aware of what his needs will be, how long he will live, what the economy holds in store, whether there will be any tax changes, how his career will progress, etc. Once retired, a person may have to implement certain lifestyle changes, either by choice or necessity.

a) Need for advice

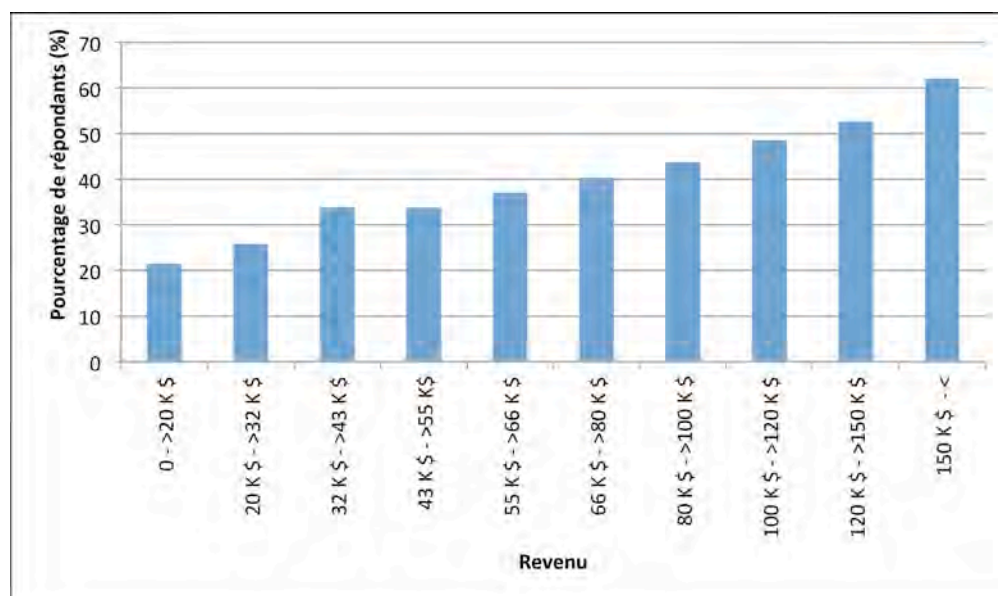
With respect to retirement planning, certain choices will be a given during a person's working life. Obviously, a company pension plan will considerably influence retirement planning. The long-term consequences of all the choices will not always be as simple. Will withdrawing RRSPs for the purchase of a first home ultimately be a sound decision? What level of risk is acceptable or preferable based on the person's current and foreseeable financial situation? It will be

important to assess what a person's needs may be at the time of retirement and to regularly check whether the strategy that has been adopted will enable the goals to be met. Changes over the years to certain facets will obviously impact the overall situation: if an employer is proposing switching from a defined-benefit pension plan to a defined contribution plan, expert advice may be needed to precisely assess the effect that such a change may have on a person's overall strategy and what aspects of the strategy would benefit from being revised. A person planning his retirement or who is retired will also ideally have to be informed of tax measures and the government programs he may be eligible for and under which conditions.

b) Specific characteristics of modest-income consumers

Regarding long-term savings, either involving the purchase of durable and costly goods, the purchase of a property, or for retirement planning, low-income households are especially vulnerable given the proportion that current expenses and debt repayment accounts for in their budget, often leaving little room for matters related to retirement planning.

ILLUSTRATION 10
Percentage of respondents aware of the level of savings required to maintain their standard of living at retirement



Source: Statistics Canada, Canadian Financial Capability Survey, 2009

This is in fact the case for low-wage earners compared to those with a high income or the poorest members of society (who will be entitled to certain government transfers) since studies show that they will experience a substantial decrease in income at retirement: "These estimates suggest that one fifth of Canadians may not have sufficient RPPs and RRSP assets to replace at least 90 percent of their pre-retirement consumption, with higher degrees of inadequacy especially for modest- and middle-income Canadians."³⁵ To ensure a decent retirement for this

³⁵ MINTZ, Jack M. *Summary Report on Retirement Income Adequacy Research*, School of Public Policy, University of Calgary, Calgary, Canada, December 18, 2009, 34 pages, p. 26. Available online at the Department of Finance Canada website. [Online] <http://www.fin.gc.ca/activity/pubs/pension/pdf/riar-narr-BD-eng.pdf> (document viewed on June 19, 2013).

segment of the population, it is important that they be well-informed in maintaining a balance between expenses, debt repayment and savings they can count on (therefore, risky investments may be more dangerous for them). While they will only be able to regularly set aside small amounts, they must devise a strategy in order to increase their savings bit by bit, without the fees related to this type of savings vehicle exceeding the benefit they may draw from it.

3.2 Conclusions

While we reviewed the various events in a person's life that would lead to making one or more financial decisions, as well as areas on which a person should be advised in order to make an informed decision, the need for financial advice occurs throughout the lifecycle, and each of these events is likely to have an impact on personal finances, repercussions on the entire life cycle and thus affect both present and future quality of life.

These observations may apply even more where low-income households are concerned, as there is leeway for the situation to be repaired when some event seriously impacts the household's finances or a wrong decision is made. This is why there is a clear need for this type of consumer to receive financial advice on a consistent and regular basis throughout the life cycle, rather than on particular occasions when the need for a specific financial product occurs or that of solving a major financial problem, since each such decision should be part of a comprehensive vision.

This overview leads us to conclude that, on the one hand, several financial areas can be involved and interrelated when a single event occurs and, on the other, certain financial areas are involved when certain events occur that mark the life cycle: taxes, savings, budgeting, debt management, etc.

We were also able to determine that modest-income households generally have the same needs as Quebec households in general; the major distinction is rather found in the fact that this clientele actually has limited financial resources and that, as such, wrong decisions or great opportunities that were missed as a result of the lack of sound advice may have more serious consequences on their present and future financial security. These limited resources also naturally entail that access to the various professionals may be limited if they must be paid for their services.

The need for a comprehensive vision, the complex nature of certain financial areas, and the expertise required to determine and adequately bring into play all the elements required to create and maintain the fragile balance that will ensure successful planning justify that households – including, and maybe especially, low-income households – may have access to adequate financial advice throughout their life cycle. The documented benefits regarding investment advice are not only transferable; this type of service should ideally be made available to everyone and its benefits should be publicized as much as those of mere investment advice.

To make the best possible decisions, given that they may influence a person's financial situation throughout the course of the life cycle, consumers will therefore need advice that will incorporate and consider the various aspects of financial management. In this respect, a full assessment of a given household's personal finances, along with its goals over the medium and long term, should therefore always precede such advice so that consumers can be directed to the appropriate service or product.

4. Financial Advice Services

4.1 Overview of Services Based on the Various Needs

As we have identified financial advice needs – which are numerous, interrelated and relevant throughout the life cycle – in this section, we will attempt to determine whether the advice that is available and proposed to consumers, in particular modest-income households, is appropriate. To this end, we have grouped in ten categories the potential financial advice needs of households and reviewed the professionals who offer such services:

1. Investment advice
2. Advice on money saving strategies
3. Personal insurance advice (life, disability, serious illness, injury, healthcare costs)
4. Advice on credit insurance/solvency
5. Advice on property insurance and other risk insurance (house, car, assets)
6. Loan advice (mortgages, car loans, lines of credit)
7. Debt repayment advice
8. Tax advice
9. Legal advice
10. Budget planning advice

After reviewing the professionals working in the financial sector based on the type(s) of financial advice provided, we will look at which counselling services, based on the professionals providing them, meet the specific conditions that were previously listed:

- a) Inclusion of financial management in the life cycle
- b) Inclusion of different areas of expertise in the same advice
- c) Ongoing and personalized follow-up
- d) Approach centered on advice rather than sales

Our research was complicated by the fact that there is an incredible number of occupations or titles in the financial services sector. We often noted that two different occupations basically had the same job description, whereas in other cases, the duties part of the same job title could differ substantially, depending on the source that was consulted to obtain the information.

To have an objective base, we decided to use the National Occupation Classification as a starting point. We used this classification along with the associated definitions to select the main occupations that our review would be based on.

As we were aware that financial advice can come from professionals from various fields, we studied the data base by highlighting, using key words chosen from the list of financial needs that we drew up, all the professional titles where the definitions contained these references. We used the following key words for our search: investment, savings, loans, debt, taxation, legal and budget.

Given that we were looking for occupations that at least partly targeted individuals and were intended to provide advice to them, we generated a second list using the following key words: advice, information, inform and help.

From the resulting long list of occupations, we only chose those which within this classification were part of one of three categories, based on skill type, which, according to the descriptions that are presented, appeared to be somewhat relevant: *Business, Finance and Administration* (Skill Type 1)³⁶, *Social Science, Education, Public Administration and Religion* (Skill Type 4)³⁷, and *Sales and Service Occupations* (Skill Type 6)³⁸. The occupations in the other categories that involved neither financial services, customer service, etc. were discarded from our initial lists.³⁹

The next step involved merging the two lists, which resulted in a list of 23 occupations.

From this resulting list of occupations, we only selected the professionals in the major groups that we considered to be pertinent:

Skill Type 1 – BUSINESS, FINANCE AND ADMINISTRATION: 11 Professionals in business and finance; groups 12 and 14, which correspond to administrative and clerical occupations, as well as office support occupations were excluded.

Skill Type 4 – SOCIAL SCIENCE, EDUCATION, PUBLIC ADMINISTRATION AND RELIGION: 41 Professional occupations in social science, education, public administration and religion; group 42, made up of paraprofessional occupations, was excluded.

Skill Type 6 – SALES AND SERVICE: 62 Specialized sales and service occupations; 65 Service representatives and other customer and personal services occupations; Group 63, which included service supervisors, was excluded.

A review of the 17 remaining occupational titles immediately revealed that the type of advice offered by certain professionals or their area of expertise excluded them from our scope of research. They too were removed from our list.⁴⁰

³⁶ Skill Type 1: Business, Finance and Administration: "This category contains occupations that are concerned with providing financial and business services, administrative and regulatory services and clerical supervision and support services. Some occupations in this Skill Type are unique to the financial and business service sectors; however, most are found in all industries. □ **HUMAN RESOURCES AND SOCIAL DEVELOPMENT CANADA.** National Occupational Classification (NOC). Tutorial. <http://www30.rhdcc.gc.ca/CNP/English/NOC/2006/Tutorial.aspx> (page viewed on June 19, 2013).

³⁷ Skill Type 4. Social Science, Education, Public Administration and Religion: "This Skill Type category includes occupations that are concerned with law, teaching, counselling, conducting social science research, developing government policy, and administering government and other programs. □ *Ibid.*

³⁸ Skill Type 6. Sales and Service: "This Skill Type category contains sales occupations, personal and protective service occupations and occupations related to the hospitality and tourism industries. □ *Ibid.*

³⁹ The professionals part of the following categories were therefore not retained: Skill Type 0: Occupations in personnel and executive management; Skill Type 2: Natural and applied sciences; Skill Type 3: Health sector; Skill Type 5: Art, culture, recreation and sport; Skill Type 7: Trades, transport and equipment operators; Skill Type 8: Primary industry; Skill Type 9: Processing, manufacturing and utilities.

⁴⁰ 1314 Assessors, valuers and appraisers; 4152 Social workers; 4162 Economists and economic policy researchers and analysts; 6232 Real estate agents and salespersons; 6523 Airline ticket and service agents; 6524 Ground and water transport ticket agents, cargo service representatives and related clerks; 6552 Other customer and information services representatives.

We chose from this sample the nine (9) following titles or occupations that seemed to meet one or more of the 10 needs that were identified:

- 1111 Financial auditors and accountants
- 1112 Financial and investment analysts
- 1113 Securities agents, investment dealers and brokers
- 1114 Other financial officers
- 1313 Insurance underwriters
- 4112 Lawyers and Quebec notaries
- 6231 Insurance agents and brokers
- 6235 Financial sales representatives
- 6551 Customer services representatives – Financial institutions

ILLUSTRATION 11
Type of financial advice offered for each occupation
based on the National Occupation Classification

Occupations by NOC code	Occupations retained based on the NOC code ⁴¹	Investment	Money saving strategies	Personal insurance	Credit insurance/solvency	Property and risk insurance	Loans	Debt repayment	Taxation	Legal matters	Budget planning
1111 Financial auditors and accountants	Accountant								x		
1112 Financial and investment analysts		x	x					x			
1113 Securities agents, investment dealers and brokers	Securities agent and investment dealer	x	x								
1114 Other financial officers	Financial planner	x	x	x	x	x		x	x	x	x
1313 Insurance underwriters				x	x	x					
4112 Lawyers and Quebec notaries										x	
6231 Insurance agents and brokers				x	x	x					
6235 Financial sales representatives		x	x				x	x			
6551 Customer services representatives – Financial institutions		x					x				

⁴¹ To simplify the text, we chose to summarize the longer titles in the NOC. For instance, Code 1113 corresponds to "Securities agents, investment dealers and brokers." This category alone has 38 "example titles."

HUMAN RESOURCES AND SOCIAL DEVELOPMENT CANADA. Example Title page, HRSDC web site, Government of Canada, Ottawa, Canada, June 2, 2013. [Online]
<http://www5.hrsdc.gc.ca/NOC/English/NOC/2011/QuickSearch.aspx?val65=1113> (page viewed on June 2, 2013).

We chose not to examine in greater detail the occupations with services that obviously do not meet the needs of households in terms of integrated advice. We therefore chose to immediately discard from our list securities agents and investment dealers (NOC 1113) since they only provide advice pertaining to investments and investment strategies.

We also found the advice services provided by insurance brokers (NOC 6231) as well as insurance underwriters (NOC 1313) to be too limited, as far as the number of domains they cover, for a more in-depth review to be warranted.

Given that sales figure prominently in the description of their main duties, we also chose to exclude financial sales representatives from our detailed analysis. While the description of their duties still explicitly includes advice as part of the sale of products, this type of occupation will be useful later on when comparing the duties of an “advisor” against those of a “sales representative” where sales or the solicitation of new clients are concerned.

We also discarded the occupation of “Customer service representative – Financial institutions” (NOC 6551), since it consists more in directing consumers to the appropriate service or product and toward the professional associated with it rather than directly providing advice.

Our overview of professionals will finally focus on four (4) occupations:

- 1111 Financial auditors and accountants – Accountant
- 1112 Financial and investment analysts
- 1114 Other financial officers – Financial planner
- 4112 Lawyers and Quebec notaries

To complete the list of professionals as needed and to see whether our review of counselling services was comprehensive enough, we referred to the websites of financial institutions, available programs of study, and especially job offers in the financial services sector.

This research allowed us to determine certain types of jobs that do not appear in the National Occupation Classification as titles or occupations, but which could be listed under the “example titles,” and that appear to be very commonplace in this sector of activity. It also allowed us to complete our assessment of the expertise that may be found in certain professions:

- “Portfolio managers” have duties similar to those of financial analysts and investment analysts (NOC 1112); this title is in fact included in the example titles for these occupations. Therefore, this is the title we will be using for this occupation;
- Code 4112, as we have seen, includes two highly different occupations: the field of expertise related to lifecycle-based personal financial management is more part of the domain of notaries than of lawyers; we will only be considering the notarial profession in our assessment.
- When reviewing job offers in the financial services sector, we came across many “personal financial advisor” and “financial services advisor” positions; therefore, we added these titles to the list of occupations to be examined.

We therefore created a table that includes all the titles or occupations that we will be looking at that shows the various needs which, based on our various sources of information, these various occupations meet or claim to meet.

ILLUSTRATION 12
Types of financial advice for each occupation

Occupations	Investment	Savings strategies	Personal insurance	Credit insurance/solvency	Property and risk insurance	Loans	Debt repayment	Taxation	Legal matters	Budget planning
Accountants (1111)								x		
Portfolio managers (1112)	x	x					x			
Financial planners (1114)	x	x	x	x	x		x	x	x	x
Notaries (4112)									x	
Personal finance advisors	x	x				x	x			
Financial services advisors	x	x				x	x			x

Personal finance advisors, financial services advisors, portfolio managers and financial planners advise clients on various key aspects in terms of making decisions in relation to major life events. We will therefore be looking more closely at the responsibilities of these professionals, how they are paid, and the regulations they may be subject to. This assessment should enable us to determine whether these professionals also meet the four conditions mentioned above: integration into the life cycle, integration of expertise, ongoing and personalized follow-up, and an advice-centered approach.

The field of expertise for accountants and notaries seems more specific if we look at our main sources. However, given that, on the one hand, their advisory role is critical and it can cover broader aspects than just the legal and tax side of personal finance, aspects which, besides financial planners, they are the only ones to cover, and, on the other, that their profession involves adherence to strict standards regarding a code of conduct and qualifications, we will also be examining these professions in order to compare them to the other professions being reviewed.

4.2 Qualifications and Responsibilities of Professionals Providing Financial Advice

4.2.1 NOTE ON METHODOLOGY

Whereas the financial advice services available to consumers appear fairly complex where financial matters are involved, we have attempted to clarify these services by combining, in addition to the responsibilities, the activities and qualifications that are usually associated with the various professionals providing financial advice, the regulation for these professions and the type of compensation.

As previously mentioned, we noted that, except in certain cases, there are no clear distinctions among the professions associated with financial services provided to individuals. In fact, with very few exceptions, the titles used by professionals can vary from one institution to another for professionals providing the same services, and major differences can be noted between the responsibilities associated with two separate positions but referred to by the same title, and between requirements regarding the qualifications required for these positions. It is therefore extremely difficult to draw up an objective profile of these occupations. As previously mentioned, there may be many different titles for the same occupation classification, which does not make it easier to ensure that a given professional is able to carry out a given function compared to another using a similar title.

4.2.2 PERSONAL FINANCE ADVISORS, INSURANCE AND FINANCIAL SERVICES ADVISORS, AND FINANCIAL PLANNERS⁴²

An analysis of our table has revealed that the precise definition of a given occupation and the range of services offered in relation to the profession are only clear when compared with others, as the separate elements of a given profession can only be rarely determined based on the individual profiles.

We first attempted to identify professionals whose job descriptions showed that they were likely to provide the type of advice, i.e. general, personalized and regular, that consumers require throughout their life cycle. We found three professionals who seemed to meet these criteria: personal finance advisors, insurance and financial services advisors, and financial planners.

Our analysis of the table of professions led to four observations that could be used to describe these professionals that provide general financial advice:

- 1) Personal finance advisors, insurance and financial services advisors, and financial planners have similar qualifications and fields of activity;
- 2) Personal financial advisors, insurance and financial services advisors, and financial planners have a very different educational background;
- 3) Financial sales representatives and insurance and financial services advisors have similar duties and objectives to attain, but use a different approach with clients.

⁴² Portfolio managers, who are sometimes financial planners, have postgraduate degrees in finance and their advice pertains to investment; the management of major assets is part of their actual specialization. Given this specific characteristics, they will be covered in a separate section.

a) Areas of activity

Similarities were noted in the work of financial planners, personal finance advisors, and insurance and financial services advisors.

The main task of each professional is to review the consumer's needs and goals, then assess his financial situation in order to advise him on the means needed to attain the objectives. If the professional recommends that the consumer purchase financial products, he could determine whether the client is eligible for some of these products, recommend products that fit with the consumer's financial situation, and possibly sell the products that have been recommended and chosen.

ILLUSTRATION 13

**Comparative table:
Skills of financial planners, personal finance advisors
and insurance and financial services advisors⁴³**

Financial planner ⁴⁴	Personal finance advisor	Insurance and financial services advisor ⁴⁵
<ul style="list-style-type: none"> - Develop personal financial plans that cover cash management, finances, insurance coverage, investments, retirement and estate planning, taxes and legal matters. - Advise clients on implementing the financial plan to help them achieve their goals. 	<ul style="list-style-type: none"> - Ensure client retention by meeting the client's general financial needs (Job posting 11⁴⁶). - Recommend the best strategies for making the accrued capital grow (Job posting 12⁴⁷). - Manage and renew mortgages and investments (Job posting 11). - Establish a relationship of trust and ensure the client's satisfaction, especially by providing personalized service (for clients with assets of less than \$100,000) (Job posting 12). 	<ul style="list-style-type: none"> - Develop plans or recommendations in relation to insurance or financial services. - Provide guidance with respect to financial products and services (e.g. deposit accounts, mutual funds and segregated funds, credit and debit cards, personal loans, and home mortgages). - Settle and follow up on claims.
<ul style="list-style-type: none"> - Analyze clients' financial records, set goals and develop a financial strategy. 	<ul style="list-style-type: none"> - Do the required analyses in order to recommend or reject credit applications (Job posting 11). 	<ul style="list-style-type: none"> - Do a risk assessment and review insurance claims in view of approval or refusal; - Assess needs and goals.
<ul style="list-style-type: none"> - Arrange, if necessary, for the sale of financial products and investments, and monitor the portfolio to ensure its quality and profitability. 	<ul style="list-style-type: none"> - Solicit and sell products and services (Job posting 11). 	<ul style="list-style-type: none"> - Promote and sell insurance and financial products in a direct or indirect distribution network (brokerage).
<ul style="list-style-type: none"> - Help expand business and attract new clients. 	<ul style="list-style-type: none"> - Do prospecting, find new business opportunities (Job posting 11). 	<ul style="list-style-type: none"> - Do representation activities with clients.

However, major characteristics differentiate the above professions: first, the importance of overall analysis and planning appears much greater for financial planners than the two other types of advisors, where planning and advising appear to be intimately linked to the products that are available rather than to the general strategy that the consumer should adopt.

⁴³ Appendix A includes a full description of the skills for each of these professions. We chose as sources for Personal Finance Advisor, a title not found in the NOC, two job postings that are representative of the skills generally required. For the occupation of Insurance and Financial Services Advisor, also not found in the NOC, we referred to the description provided in the associated program of study, namely, the mandatory college program approved by the Ministère de l'Éducation, des Loisirs et du Sport.

⁴⁴ **HUMAN RESOURCES AND SKILLS DEVELOPMENT CANADA.** Page: NOC1114 – Other Financial Officers / Financial Planners, National Occupational Classification, HRSDC website, Government of Canada, Ottawa, Canada, June 2, 2013. [Online] <http://www30.rhdc.gc.ca/CNP/English/NOC/2006/QuickSearch.aspx?val65=1114> (page viewed on June 2, 2013).

⁴⁵ **MINISTÈRE DE L'ÉDUCATION, DU LOISIR ET DU SPORT DU QUÉBEC.** Page: 410. *C0 Conseils en assurances et en services financiers*, MELS website, Government of Quebec, Quebec, Canada, July 5, 2002. [Online] <http://www.mels.gouv.qc.ca/ens-sup/ens-coll/cahiers/program/410C0.asp> (page viewed on May 13, 2013).

⁴⁶ Job posting, "Personal Finance Advisor" (Verchères), National Bank, National Bank website, viewed on May 9, 2013.

⁴⁷ Job posting, "Personal Finance Advisor" (Laval), Caisses populaires Desjardins, Jobbom.com, viewed on May 9, 2013.

There is also a difference in the apparent importance of the promotion and sale of products among the various professions. The predominance of this aspect seems to be even greater among insurance and financial services advisors, and is confirmed, in job postings, by the job descriptions and associated qualifications. The job postings in fact generally stress excellent knowledge of the products offered by the financial institution, experience and skill in sales and selling techniques and, in some cases, certification for the sale of certain products, which would be considered an asset.

b) Qualifications

Although there are similarities between the counselling services provided by financial planners, personal finance advisors, and insurance and financial services advisors, their qualifications, on which their competence is based, show the basic differences between the services they are likely to provide.

In fact, to be able to practice his profession and advise clients, a financial planner must complete a program of study that is only offered by the Institut québécois de planification financière (IQPF) and pass the final exam. In addition, to be eligible for the program, students must already have an undergraduate or postgraduate degree in a finance-related field, or be an licenced notary, chartered accountant or lawyer.

Personal financial planning programs are offered by certain Quebec universities and by the Institute of Canadian Bankers. The IQPF Professional Training course is the final stage of studies before the IQPF exam, the last step in the certification process.⁴⁸

Once they have obtained the IQPF diploma, financial planners must keep their knowledge up-to-date through professional development.

The title of Insurance and Financial Services Advisor, for its part, only requires a Diploma of Collegial Studies (DCS).

For instance, the course on how to prepare a financial products strategy suited to the client's needs ("*Élaborer un programme de produits financiers adaptés aux besoins d'une cliente ou d'un client*") must allow students to develop the following skills:

1. *Determine the practical conditions of use for each financial product and service;*
2. *Assess the client's needs;*
3. *Develop a product strategy based on the assessment of financial, retirement planning and estate planning needs;*
4. *Prepare the presentation of the strategy to the client.⁴⁹*

⁴⁸ **INSTITUT QUÉBÉCOIS DE LA PLANIFICATION FINANCIÈRE (IQPF)**. Page: *Requirements and Regulations*, IQPF website, Montreal, Canada, date unknown. [Online] <http://www.iqpf.org/formation/exigences-de-formation.en.html?sessionid=E89DBC7CDC41ED63A57EB0751BB1939> (page viewed on March 20, 2013).

⁴⁹ **MINISTÈRE DE L'ÉDUCATION, DU LOISIR ET DU SPORT DU QUÉBEC**. Page: *01RW: Élaborer un programme de produits financiers adapté aux besoins d'une cliente ou d'un client*, MELS website, Government of Quebec, Quebec, Canada, July 5, 2005. [Online] <http://www.mels.gouv.qc.ca/ens-sup/ens-coll/cahiers/cours-comp/comp.asp?NoObj=01RW> (page viewed on February 25, 2013).

The wording is strangely similar to what is used by the Institut québécois de la planification financière (IQPF) to describe financial planners on its website page *Becoming a Financial Planner*.⁵⁰

A financial planner is a personal financial professional, a generalist who analyses the complex and intricate aspects of a client's financial situation [legal, insurance-related, financial, taxation, investment, retirement, estate planning] in order to develop a personalized action plan [...].

The IQPF states that a financial planner “has the skills needed to conduct a detailed analysis of every aspect that affects the sound management of personal finances. Drawing on broad financial expertise, a financial planner plays an important role in key moments of people's lives.”

Some of the competencies (as well as a few skills and obligations) which the IQPF lists include:

- *Establish the client profile [...]*
- *Use a relational rather than transactional approach*
- *Establish the client's personal and professional goals*
- *Develop a capacity for analysis, synthesis and judgment*
- *Coordinate the work of specialists involved in the client's file*

In reality, it is fairly difficult to determine the precise qualifications for a personal finance advisor. This is a title which financial institutions frequently refer to but for which, as we mentioned, we were unable to find a separate profile in the National Occupational Classification or in any Cegep or university program of study. However, as stated in the chapter introduction, the many job postings and the few descriptions found on financial institution websites or in articles lead us to believe that this title, which specifically refers to an integrated and personalized approach, does not require as complete an academic background as that of financial planner, while appearing to be more demanding than what is offered to financial services advisors.

The academic requirements for financial services advisors are more clear: the title requires a Diploma of Collegial Studies (DCS) involving 2,265 hours and 57 credits made up of financial services and insurance courses.⁵¹

With respect to “personal finance advisor” or “financial advisor” positions (as the names of the actual position have multiple variations), it would seem that they primarily require a combination of experience in the financial field and a college-level diploma or undergraduate university degree. Given the different combinations found in job postings, it is difficult to know what, in terms of educational background, is considered a priority by financial institutions in the selection of a candidate for such a position.

⁵⁰ **INSTITUT QUÉBÉCOIS DE LA PLANIFICATION FINANCIÈRE.** Page: *Financial planner: a title that expands your horizons!*, IQPF website, Montreal, Canada, date unknown. [Online] <http://www.iqpf.org/futuretudiant.en.html> (page viewed on December 3, 2012).

⁵¹ **MINISTÈRE DE L'ÉDUCATION, DU LOISIR ET DU SPORT DU QUÉBEC.** Page: 410. *C0 Conseils en assurances et en services financiers, Op. cit.*, note 45.

See also:

CÉGEP DE STE-FOY. Page: *Programme régulier: 410.C0 Conseil en assurances et en services financiers*, Cégep de Ste-Foy, Ste-Foy, Canada, 2013. [Online] <http://www.cegep-ste-foy.qc.ca/csf4/programmes/preuniversitaires-et-techniques/conseil-en-assurances-et-en-services-financiers/grilles-de-cours/regulier/> (page viewed on June 2, 2013).

JOB POSTING 11

A Diploma of Collegial Studies (DCS) in business administration (or a related discipline) and at least three (3) years experience in sales and customer service.

OR

A bachelor's degree in business, finance option (or a related discipline) and at least six (6) months experience in sales and customer service.

OR

A DCS and at least four (4) years experience in sales and customer service, including experience in the financial sector.

OR

A bachelor's degree and at least two (2) years experience in sales and customer service, including experience in the financial field.⁵² [translation]

JOB POSTING 12

A bachelor's degree in business administration or in a related field.

0 to 6 months experience in personal finance counselling.

OR

Certificate in personal financial planning or any other certificate in business administration, provided the candidate has taken at least three (3) courses related to three financial planning fields, including finance and taxation.

Two (2) years experience in financial services, including one (1) year experience in personal finance counselling.

Other combinations of education and relevant experience could be considered.

Be a licensed mutual fund sales representative [...] ⁵³ [translation]

The prerequisites and qualifications for financial planning are understandably greater. However, the requirements vary based on the candidate's background. The categories in the following table are based on these various eligible prior academic backgrounds:

⁵² Job posting, "Personal Financial Advisor," *Op. cit.*, Note 46.

⁵³ Job posting, "Personal Financial Advisor," *Op. cit.*, Note 47.

Note that to become a mutual fund sales representative, a person needs to be a registered portfolio manager (we will see later what this involves) or pass the Canadian Investment Funds Exam given by the Conseil des fonds d'investissement du Québec or the Institute of Canadian Bankers, or the Canadian Securities Course Exam given by the latter. A mutual fund sales representative must also be registered in the National Registration Database (NRD).

AUTORITÉ DES MARCHÉS FINANCIERS. Page: *Dealing Representative of a Mutual Fund Dealer*, AMF website, Quebec, Canada, 2010. [Online] <http://www.lautorite.qc.ca/en/dealing-representative-of-mutual-fund-dealer.html> (page viewed on June 3, 2013).

ILLUSTRATION 14⁵⁴
Academic path of a financial planner

HIGH SCHOOL DIPLOMA				
- Secondary V math				
DIPLOMA OF COLLEGIAL STUDIES (DCS)				
- DCS (equivalent to about 1560 hours), including: <ul style="list-style-type: none">• Differential calculus• Vector algebra• Possibility of minimal academic performance				
- Other eligibility requirements for adults or students from other provinces.				
UNIVERSITY PROGRAMS				
CATEGORY I	CATEGORY II	CATEGORY III	CATEGORY IV	CATEGORY V
- Postgraduate degree with a concentration in personal financial planning, consisting of at least 45 hours of courses in each personal financial planning field (finance, taxation, legal matters, retirement, estate planning, investments and insurance). OR - Title of Certified Financial Planner (CFP) and a bachelor's degree or postgraduate diploma in administration, economics, law or actuarial science or in any other related field recognized by the IQPF, or have at least three (3) certificates in one or more of these disciplines each involving at least 450 hours of university-level courses, and have taken at least 25 different courses as part of the program of study.	- CA, CGA, CMA, lawyer, notary	- Undergraduate or postgraduate degree in business administration, economics, law or actuarial science or three (3) in one or more of these disciplines each involving at least 450 hours of university-level courses, and have taken at least 25 different courses as part of the program of study. OR - Chartered Administrator with a bachelor's degree in business administration, economics, law, actuarial science or any other related field recognized by the IQPF.	- Chartered Life Underwriter (CLU), Fellow of the Canadian Securities Institute, Canadian Investment Manager (CIM), Chartered Investment Manager (CIM®), Financial Risk Manager (FRM), Certified Financial Planner (CFP), Chartered Financial Analyst (CFA), Financial Investment Advisor (<i>Conseiller en investissements financiers</i> in France), Associate of the Society of Actuaries (ASA) or Fellow of the Society of Actuaries (FSA), and two (2) certificates in business administration, economics, law or actuarial science each involving at least 450 hours of university-level courses.	- Bachelor's degree or postgraduate degree or have at least three (3) certificates each involving at least 450 hours of university-level courses and have taken at least 25 different courses as part of the program of study.
		- Two years experience in at least one of the seven personal financial planning areas of intervention over the last five years.		
		- IQPF equivalency exam in each of the seven areas of intervention in personal financial planning.		
CERTIFICATE				
- IQPF professional training program (54 hours) - IQPF exam (4 hours) - Financial planner diploma				

⁵⁴ We created the above table mainly on the basis of information found at:

INSTITUT QUÉBÉCOIS DE LA PLANIFICATION FINANCIÈRE. Page: *Institut québécois de la planification financière*, IQPF website, Montreal, Canada, 2008. [Online] <http://www.iqpf.org/index.en.html> (page viewed on December 3, 2012).

And the AMF's requirements for a certificate in financial planning:

AUTORITÉ DES MARCHÉS FINANCIERS. Page: *Financial Planning*, AMF website, Quebec, Canada, 2010. [Online] <http://www.lautorite.qc.ca/en/financial-planning.html> (page viewed on June 3, 2013).

4.2.3 PORTFOLIO MANAGER

Portfolio managers are sometimes financial planners or advisors with a postgraduate diploma in finance. They differ from professionals that provide general advice in that their advice is primarily centered on investments and the management of major assets is part of their actual specialization.

During our review of the various professions, we noted that portfolio managers seemed to carefully assess their clients' financial situation and regularly monitor the implementation of a strategic plan, as shown in the following job description for this type of professional:

JOB POSTING 1

*Assist in the construction of customized investment strategies, models, proposals, and action plans for existing and potential clients. Implement action plans and pro-actively manage client portfolios to ensure highest level of return and service to the client. Pro-actively identify, investigate and resolve client inquiries and provide the Investment Counsellors with recommendations for resolution for complex situations. Develop, document and maintain a profile for each client including next steps to increase and solidify the relationship. Recognize and refer opportunities for a client whose financial interests may benefit from the expertise of another RBC FG member. Attend client meetings as required. Act as the primary contact for the client on portfolio related issues.*⁵⁵

As several of the duties listed resemble those of financial planners, it will not be surprising to note that certain job postings for the position of portfolio manager require (or consider as a major asset) a certificate in financial planning or financial analysis. Others require a diploma in economics, commerce or business administration, in addition to a few years experience in the financial services sector.

There are still major distinctions between a financial planner and a portfolio manager: although the latter must do an in-depth analysis of his clients' financial situation, this is done as part of an investment strategy, as his work is centered on investments:

*The Portfolio Manager's job is to develop the right combination of securities to maximize investor return for a given level of risk. Often, choices may be limited if the client's fund is limited towards certain types of investments, such as technology or gold sector stocks. The Portfolio Manager must have superior analytical and communication skills and excellent knowledge of markets and investment products. Portfolio management is a continuous and dynamic process.*⁵⁶

We also noted that the portfolio manager's clientele, as seen in the job description, is generally made up of high net worth and ultra-high net worth clients:

⁵⁵ Job posting, Associate Portfolio Manager (Edmonton) Royal Bank of Canada, LinkedIn, viewed on December 7, 2012.

⁵⁶ **CSI – MOODY'S ANALYTICS.** Page: Portfolio Manager, Introduction tab, CSI website, Montreal, Canada, no date. [Online] https://www.csi.ca/student/en_ca/career/portfolio/pm.xhtml?lang=en_ca (page viewed on February 25, 2013).

JOB POSTING 1

*[...] the Associate Portfolio Manager (APM) works with experienced Investment Counsellors to construct customized investment strategies for high net worth individuals [...]*⁵⁷

JOB POSTING 2

*The Associate is responsible [...] for assisting with the management of a portfolio of ultra-high worth clients*⁵⁸

Although certain financial planner job postings refer to high net worth clients, this reference is not as frequent as in portfolio manager job postings.

a) Notaries and accountants

While the professionals presented above are directly involved in financial advice and services provided to individuals, notaries provide legal advice in relation to their clients' finances, while accountants provide financial advice and assist their clients with accounting matters.

Both are likely, as part of their respective areas of expertise, to provide advice related to financial management or planning. Given the fairly close relationship between a person's personal finances and his tax-related or legal situation, the professional that provides advice in these areas must be familiar with the field of personal finance in order to not hinder the person by recommending a course of action which, because it does not take into account all aspects of the client's finances, could be ill-advised.

Let's now look at the scope and limitations of the qualifications of notaries and accountants, especially with respect to advice related to integrated personal financial management.

b) Notaries

We did not find many job postings for notaries that included services to individuals (several of the job postings were for notaries involved in commercial or corporate law). During the course of our research, the only job postings we found pertained to positions in private firms rather than with financial institutions. Neither the job postings that we viewed or the National Occupational Classification (NOC) provided enough details on a notary's responsibilities towards his client and the advice he may provide.

The NOC description includes the following:

- *Advise clients of their legal rights and all matters related to law;*
- *Draw up legal documents such as real estate transactions, wills, divorces and contracts, and prepare statements of legal opinions;*
- *May act as executor, trustee or guardian in estate and family law matters.*⁵⁹

⁵⁷ Job posting, Associate Portfolio Manager, *Op. cit.*, note 55.

⁵⁸ Job posting, Associate/Analyst – Wealth Management (Toronto), Royal Bank of Canada, LinkedIn, viewed on December 7, 2012.

Note that these descriptions apply equally to lawyers as the two occupations are part of the same category (NOC4112). The job postings only mention vague tasks: “Real estate, estate planning, wills, mandates, etc.”⁶⁰ (Job posting 3), “the incumbent will more specifically be involved in property law, joint ownership, corporate law and other related fields, as part of a general practice”⁶¹ (Job posting 4) and “Carry out tasks inherent in the work of a notary such as meeting with clients, title searches, drawing up acts of law, checking the trust accounting system, etc.”⁶² (Job posting 5).

Useful details on the qualifications of professionals working in this field are instead found through information available at the Chambre des notaires du Québec. The various fields that a notary can specialize in include family law, property law, estate law, as well as tax-related matters and financial planning. The Chambre des notaires du Québec describes the role of notary as follows:

The notary is seeking parity between individuals wishing to enter into a contract by ensuring they have fully understood the explanations and truly agree on each clause in the document. The notary’s challenge is to enable the parties to reach an agreement in order to prevent any conflict where there would necessarily be a winner and a loser.

*As a public officer and legal counsel, a notary is required to act with impartiality toward all the persons he is dealing with. He must provide the parties with all the explanations required for them to make the best decision.*⁶³ [translation]

No one can work as a notary or use the title of notary without being registered with the Ordre professionnel des notaires⁶⁴. The mandatory qualifications to be registered with the professional corporation are a bachelor’s degree in law (three years), a diploma in notarial law (1 year) and a professional internship (32 weeks)⁶⁵. Notaries are also required to follow ongoing professional development.

c) Accountants

We found only a few job postings for accountants that specifically involved services to individuals, as accountants usually work for private firms (rather than financial institutions) or in public service. We noted that certain job postings that contained the term “accountant” sometimes referred to bookkeepers or accounting technicians. While the latter job titles are very common in job postings, we did not think they included personal advice services.

⁵⁹ HUMAN RESOURCES AND SOCIAL DEVELOPMENT CANADA. Page: 4112 Lawyers and Quebec Notaries, National Occupational Classification, HRSDC website, Ottawa, Canada, June 2, 2013. [Online] <http://www30.rhdcc.gc.ca/CNP/English/NOC/2006/ProfileQuickSearch.aspx?val=4&val1=4112&val65=avocat> (page viewed on June 2, 2013).

⁶⁰ Job posting, “Notary” (Quebec), CENTUM Accès Hypothécaire 2011, Emploi Québec website, viewed on June 7, 2013.

⁶¹ Job posting, “Notary” (Montreal), Dauth Sansfaçon, Notaires S.E.N.C., Emploi Québec website, viewed on June 7, 2013.

⁶² Job posting, “Notary” (Quebec), Claudine Poirier, Emploi Québec website, viewed on June 7, 2013.

⁶³ CHAMBRE DES NOTAIRES. Page: *Devenir notaire*, Chambre des notaires website, Montreal, Canada, no date. [Online] <http://www.cmq.org/fr/devenir-notaire.html> (page viewed on June 6, 2013)

⁶⁴ Professional Code (R.S.Q., c. C-26), Section 32.

⁶⁵ CHAMBRE DES NOTAIRES. Page: *Devenir notaire*, Op. cit., note 63. It states: “Note: this career path is in the process of being revised.” (page viewed on June 6, 2013).

While the job postings for the position of “notary” necessarily implied that candidates had to be members of the professional corporation (as the title of notary is a reserved title), such is not the case for accountants; although there is a professional corporation in Quebec for accountants (*Ordre des comptables professionnels agréés*), only the titles of “Certified General Accountant,” “Certified Management Accountant” and “Chartered Accountant” are reserved for members of the professional corporation. We also found certain job postings for accountants for which only a diploma of collegial studies was required. As in the case of bookkeepers and accounting technicians, these positions usually did not involve personal advice services.

The job postings are still fairly vague on the required qualifications, with the title of Chartered Accountant (CA) or Certified General Accountant (CGA) being sometimes required, or elsewhere considered an asset. However, a university degree is still required.

The job description for the position of Accountant in the National Occupational Classification includes the following:

- *Plan, set up and administer accounting systems and prepare financial information for an individual;*
- *Examine financial accounts and records and prepare income tax returns from accounting records;*
- *Analyze financial statements and reports and provide financial, business and tax advice.*⁶⁶

Duties in the job postings include the following:

JOB POSTING 6

*Complete bookkeeping and year-end adjusting entries. Financial statements with review engagement, financial statements with notice to readers and participation in audit missions. Corporate income tax and personal income tax.*⁶⁷

JOB POSTING 7

*Preparing tax planning files, preparing restructuring files, revision of income tax returns, [...], tax research.*⁶⁸

⁶⁶ **HUMAN RESOURCES AND SOCIAL DEVELOPMENT CANADA.** Page: 1111 *Financial Auditors and Accountants*, National Occupational Classification, HRSDC website, Ottawa, Canada, June 2, 2013. [Online] <http://www30.rhdcc.gc.ca/CNP/English/NOC/2006/QuickSearch.aspx?val65=1111> (page viewed on June 2, 2013).

⁶⁷ Job posting, “Auditor-Chartered Accountant” (Saint-Jérôme), Gilles Lafleur comptable agréé inc., Emploi Québec website, viewed on May 7, 2013.

⁶⁸ Job posting, “Tax expert” (Montreal), unknown accounting firm (agence de placement Gestion VCA inc.), Emploi Québec website, viewed on May 7, 2013.

The Chartered Professional Accountants Act⁶⁹ provides a good idea of the scope of the duties of professionals part of the Ordre des comptables professionnels agréés:

4. The practice of the profession of chartered professional accountant consists, with respect to the accounting, management, finances or taxation relating to the economic activities and patrimony of a person, enterprise or organization, in:

- 1. Gathering and organizing financial and non-financial information, analyzing and evaluating it, attesting to its conformity or certifying it, communicating the information and providing advice in relation to it; and*
- 2. Developing and evaluating policies, procedures, processes and controls related to governance, strategy and risk management, attesting to their conformity or certifying them, implementing them and providing advice in relation to them.*

The purpose of these professional activities is to optimize the performance, profit and growth of the patrimony of a person, enterprise or organization, promote good governance or accountability, or increase information reliability.

The website of the Ordre des comptables professionnels du Québec (OCPQ) provides a few details on an accountant's responsibilities towards his clients:

*Chartered professional accountants are subject to a code of ethics that governs the practice of their profession and imposes general and specific obligations towards the public, clients and the profession. One of these is to discharge their professional obligations with integrity.*⁷⁰

We will see further on what this code of ethics involves.

With respect to qualifications, the National Occupational Classification and the OCPQ website mention a postgraduate program in accounting along with a two-year internship, as well as the need for ongoing professional development.

4.3 Compensation and Payment

Several forms of compensation are used in the financial services sector that may depend on various criteria such as the type of professional or institution the consumer is dealing with, his financial situation, etc. There are four forms of compensation for the professional and four forms of payment by the consumer for services that have been provided to the consumer. Note that rarely will the consumer be given several options; the professional or the institution will generally establish both the form of remuneration and the form of payment.

⁶⁹ Chartered Professional Accountants Act (c. C-48.1) Section 4.

⁷⁰ **ORDRE DES COMPTABLES AGRÉÉS DU QUÉBEC**. Page: *Work and Obligations of CPAs, CAs*, OCAQ website, Montreal, Quebec, no date. [Online] <http://ocaq.qc.ca/public/work-and-obligations-of-cas.html> (page viewed on June 7, 2013).

4.3.1 FORMS OF COMPENSATION

A professional providing financial advice can: 1) Be on salary; 2) Receive bonuses based on the number of clients brought to the firm and the value of the assets involved; 3) Receive commissions based on the client's assets or products that are purchased; 4) Receive hourly fees or lump-sum amounts.

The income of a large number of professionals consists of a combination of the various forms of compensation. Although a professional who is paid fees may also receive a commission, the professional working for a financial institution will often receive two or three types of compensation: salary + commission; salary + bonus; commission + bonus; salary + commission + bonus.

Our review of the job postings revealed that these four forms of compensation can be indiscriminately associated with virtually all the professionals, but that certain types of remuneration for financial advice services characterize some professionals more than others, or that they can be associated with the type of institution or company the professional is working for rather than the type of service being provided.⁷¹

This is the case for chartered accountants and notaries, who charge fees; there is no indication that they likely receive bonuses or commissions.

Given that many job postings do not indicate the form of compensation or salary level, we are unable to make more precise or systematic observations on the relationships between the various responsibilities or competencies, or the different professional titles, and the form of compensation.

4.3.2 FORMS OF PAYMENT

Consumers who receive financial advice may be charged fees (especially in the case of a chartered accountant, notary or independent financial planner). If the latter is working on salary or receiving bonuses or commissions, the advice is often provided “free of charge”; the professional and institution will be “compensated” via the revenues generated by the consumer's purchase of certain financial products, the return on the consumer's investments, etc.

Consumers may at times be presented with various options such as rates for each transaction or for overall investment management over a certain period of time. If the professional's services are fee-based, which is often the case for financial planners and independent

⁷¹ For instance, the Financial Planning Standards Council states the following in a financial planner job posting: “Depending on the company and industry sector, your compensation can consist of salary, bonus, commission and fee, or any combination thereof. [...] Compensation is in part related to the sector in which planners work and how long they have been in business.”

FINANCIAL PLANNING STANDARDS COUNCIL. Page: *Financial Planning Standards Council*, FPSC website, Toronto, Canada, no date. [Online] www.fpsc.ca (page viewed on July 7, 2013).

A financial planner job posting for BMO states that compensation shall consist of: “Competitive base salary – Commission based on personal sales (paid monthly) which is equivalent to over 50% of total compensation – annual team bonus”

Job posting, “Financial Planner” (Mascouche), BMO Financial Group, LinkedIn, viewed on December 6, 2012.

accountants, consumers may be given a choice between an hourly rate or a lump-sum amount for the work that has been agreed upon (such as the creation of a financial plan).

4.3.3 Regulations

The similarities between the services provided by the various professionals, who to a certain extent use a general approach (financial planners, personal financial advisors and financial services advisors) and the differences that may be found between the qualifications required to provide these separate services to consumers, which consumers may have a hard time distinguishing, lead us to examine the type of regulations stipulated for each professional, where applicable.

We will therefore be looking at the regulations associated with this field by specifically searching for standards dealing with the qualifications of professionals, their responsibilities and obligations towards their clients, the scope of the fields of expertise, and guarantees regarding the professionals' independence.

4.3.4 FEDERAL LEGISLATIVE FRAMEWORK

The main applicable federal laws regulate the financial products and services provided to individuals as well as the institutions offering these services. They consist of the Bank Act, the Insurance Companies Act, and the Cooperative Credit Associations Act.

With respect to regulations for professionals, we first need to refer to the Professional Code in Quebec.⁷² This act defines the reserved titles and institutes the professional corporations that regulate the professionals involved.

Adopted as part of the financial sector reform in the early 1990s and created using a similar approach, these laws were designed to structure a certain deregulation of financial products; banks would have access to the insurance products market and insurance and finance companies to a group of products similar to those previously reserved for banks (e.g. investment products and wealth management). In particular, opening up the market to more competition would give consumers a greater number of and more competitively priced options.

This major revision of the financial services sector would also continue through a legislative review every five years. In view of the 2002 review, the Task Force on the Future of the Canadian Financial Services Sector was set up in 1996 to make recommendations on legislative changes deemed necessary. The Task Force's report was filed in September 1998⁷³. On this basis, in 1999 the Department of Finance published the government's strategic framework.⁷⁴

⁷² *Professional Code* (R.S.Q., c. C-26)

⁷³ **TASK FORCE ON THE FUTURE OF THE CANADIAN FINANCIAL SERVICES SECTOR.** *Change, Challenge, Opportunity: Report of the Task Force: Highlights*, Ottawa, Canada, Canadian Government Publishing, September 1998, 292 pages.

⁷⁴ **DEPARTMENT OF FINANCE.** *Reforming Canada's Financial Services Sector: A Framework for the Future*, Department of Finance, Government of Canada, Ottawa, Canada, 1999, 96 pages. [Online] http://www.collectionscanada.gc.ca/webarchives/20071115232358/http://www.fin.gc.ca/finserve/docs/finservept_e.pdf (document viewed on October 17, 2012).

After reviewing “the contribution of the sector to the best interests of Canadian consumers,” the Task Force concluded that “Canada is, for the most part, well positioned to meet and benefit from the changes occurring in the sector.”⁷⁵ To “better meet the challenges wrought by change,” the Task Force formulated no fewer than 124 recommendations “for enhancing competition and competitiveness, improving the regulatory framework, meeting Canadians’ expectations and empowering consumers.”⁷⁶

Affirming that “strong competition is also a fundamental requirement for consumers to be well served,” the government recognizes that “competition alone is not sufficient to provide a satisfactory balance between consumers and providers of financial services.”⁷⁷

In this respect, the document cites the observations of the Task Force, which was pleading for greater transparency and the need to counter the pressure exerted on consumers where financial products are concerned:

*The current framework for consumer protection is not as effective as it should be in reducing the information and power imbalance between institutions and consumers.”*⁷⁸

The Bank Act in fact stipulates measures adopted to require a certain level of transparency on the part of financial institutions in relation to their financial products and services and to limit pressure, provisions that will come into play especially with regard to professionals who provide financial advice services and also sell financial products:

459.1 (1) A bank shall not impose undue pressure on, or coerce, a person to obtain a product or service from a particular person, including the bank and any of its affiliates, as a condition for obtaining another product or service from the bank.

(...)

Communication

*(4.1) A bank shall, in accordance with the regulations, disclose the prohibition on coercive tied selling set out in subsection (1) in a statement in plain language that is clear and concise, displayed and available to customers and the public at all of its branches where products or services are offered in Canada, on all of its websites through which products or services are offered in Canada and at all prescribed points of service in Canada.*⁷⁹

⁷⁵ *Idem.* p. 6.

⁷⁶ *Ibid.*

⁷⁷ **DEPARTMENT OF FINANCE.** *Reforming Canada’s Financial Services Sector: A Framework for the Future*, Op.cit. Note 74, p. 50.

⁷⁸ *Ibid.*

In which reference is made to the Task Force on the Future of the Canadian Financial Services Sector.

⁷⁹ *Bank Act* (S.C. 1991, c. 46), Section 491.

The Office of the Superintendent of Financial Institutions has been given the mandate “to supervise financial institutions in order to determine whether they are in sound financial condition and are complying with their governing statute law and supervisory requirements under that law.”⁸⁰ As the Office’s mission does not include protecting the public, the Financial Consumer Agency of Canada (FCAC) was created in 2001 to remedy the situation. The FCAC was given the mission to:

3. (2) a) supervise financial institutions and external complaints bodies to determine whether the institution or body is in compliance with the consumer provisions applicable to them, and the terms and conditions or undertakings with respect to the protection of customers of financial institutions that the Minister imposes or requires, as the case may be, under an Act listed in Schedule 1 and the directions that the Minister imposes under this Act;

b) promote the adoption by financial institutions and external complaints bodies of policies and procedures designed to implement:

(i) the provisions, terms and conditions, undertakings or directions referred to in paragraph (a);

(ii) voluntary codes of conduct that are designed to protect the interests of their customers, that are adopted by financial institutions and that are publicly available; and

(iii) any public commitments made by them that are designed to protect the interests of their customers;

c) monitor the implementation of voluntary codes of conduct that are designed to protect the interests of customers of financial institutions, that have been adopted by financial institutions and that are publicly available and to monitor any public commitments made by financial institutions that are designed to protect the interests of their customers;

d) promote consumer awareness about the obligations of financial institutions and of external complaints bodies under consumer provisions applicable to them and about all matters connected with the protection of consumers of financial products and services; and

e) foster, in co-operation with any department, agency or agent corporation of the Government of Canada or of a province, financial institutions and consumer and other organizations, an understanding of financial services and issues relating to financial services;

f) monitor and evaluate trends and emerging issues that may have an impact on consumers of financial products and services.⁸¹

⁸⁰ *Office of the Superintendent of Financial Institutions Act* (R.S.C. (1985), c. 18 (3rd supp)), Section 4.

⁸¹ *Financial Consumer Agency of Canada Act* (S.C. 2001, c. 9), Section 3.

Each financial institution is required to “establish procedures for dealing with complaints made by persons having requested or received products or services in Canada from a bank,⁸² which it will submit to the Financial Consumer Agency of Canada on an annual basis.

The Financial Consumer Agency of Canada thus has a mission centered on supervision, but also of guidance, promotion and awareness-raising. The Agency also has coercive powers, that are found at section 19 et seq of its constituent act, in case of a violation of that law or of a «specified consumer provision» in a federal law governing financial institutions that regulation could prescribe. As its powers are limited to the promotion of good practices, encouraging financial institutions to adopt codes of conduct, it is not here that we will look for restrictive rules that regulate financial advice services, ensure that professionals are qualified, and guarantee their independence.

4.3.5 PROVINCIAL REGULATIONS

Let's now look on the provincial side to see which regulations could apply to financial advice services.

a) An Act Respecting the Autorité des Marchés Financiers and An Act Respecting the Distribution of Financial Products and Services

In 2002, by adopting the Act Respecting the Agence nationale d'encadrement du secteur financier, the Government of Quebec created and defined the responsibilities of a body that was the product of the merger of the Finance Services Office and the Commission des valeurs mobilières du Québec. The idea behind what was to become the Autorité des marchés financiers consisted in setting up an authority that would provide a regulatory framework for the financial sector for all matters not covered by the Bank Act. It therefore seemed important to bring the monitoring of the distribution of financial products and services, derivatives, the stock market, etc. under the same roof in order to reduce the duplication of responsibilities likely to leave grey areas that could contain products or services that did not fit in with any of the already existing financial institutions.

When it was created, the Autorité des marchés financiers was put in charge of enforcing the Act Respecting the Distribution of Financial Products and Services,⁸³ which fairly thoroughly regulates, among other matters, the activities, qualifications and responsibilities of three types of professionals: claims adjusters, insurance representatives, and financial planners. We will be looking more closely at the regulations for financial planners, the only professionals who offer general financial advice.

⁸² *Bank Act* (S.C. 1991, c. 46), Section 455. (1) a).

⁸³ *An Act Respecting the Distribution of Financial Products and Services* (R.S.Q., c. D-9.2)

Financial planners – qualifications and accreditation

As previously seen, no one may use the title of financial planner unless they have completed the program of study at the Institut québécois de la planification financière and passed the final exam. In addition, such a person will generally have to obtain a certificate from the Autorité des marchés financiers.⁸⁴

56. [...] no person may use the title of financial planner or purport to offer financial planning services without holding the appropriate certificate issued by the Authority.

The same rule applies with regard to the titles similar to the title of financial planner, and the abbreviations of those titles, determined by regulation.

57. Only a person holding a diploma in financial planning issued by the Institut québécois de planification financière may obtain, from the Authority, a certificate authorizing the person to use the title of financial planner.

The Regulation Respecting the Compulsory Professional Development of Financial Planners,⁸⁵ adopted under An Act Respecting the Distribution of Financial Products and Services, ensures that the financial planner's know-how and expertise are maintained by requiring that professional development units (PDUs) be acquired during the course of the financial planner's practice, with the reference periods extending over 24 months:

3. A financial planner must, for any reference period, take part in professional development activities and accumulate 40 PDUs apportioned as follows:

(1) 15 PDUs related to training activities developed and provided by or in partnership with the IQPF involving integrated financial planning in the following 7 areas:

- a) Finance;*
- b) Taxation;*
- c) Legal aspects;*
- d) Retirement;*
- e) Estate planning;*
- f) Investment;*
- g) Insurance;*

(2) 15 PDUs related to training activities recognized by the Authority in one or more of the 7 areas listed in paragraph 1;

(3) 10 PDUs related to training activities recognized by the Authority in subjects pertaining to compliance with standards, ethics and business conduct, including 5 PDUs related directly to financial planning.

The Code of Ethics of the Chambre de la sécurité financière,⁸⁶ also adopted under An Act Respecting the Distribution of Financial Products and Services, stipulates the duties and obligations of financial planners towards their clients in sections 9 through 29.⁸⁷

⁸⁴ *Ibid*, Sections 56 and 57.

⁸⁵ *Regulation Respecting the Compulsory Professional Development of Financial Planners* (R.R.Q., c. D-9.2, r. 14.1), Section 3.

⁸⁶ *Code of Ethics of the Chambre de la sécurité financière* (R.R.Q., c. D-9.2, r 3.k), Sections 13, 18-22.

These rules require the financial planner to: observe the limits of his knowledge and the client's means and his own (he should not, for instance, undertake or continue work for which he was not sufficiently prepared without obtaining the necessary assistance – Sect. 9); refrain from making any false, misleading or incomplete representations, such as regarding his know-how or expertise; act with integrity and diligence, “giving him all the information that may be necessary or useful. He must take reasonable steps so as to advise his client properly” (Sect.12); show diligence and availability; have a full understanding of the facts before providing any advice or recommendations; provide his client with the explanations the client needs to understand and evaluate the product or services that he is proposing or providing. The representative must never attempt to avoid his responsibilities or, obviously, appropriate his clients' assets for his own personal use.

The Code also contains numerous provisions on the planner's independence:

13. A representative must fully and objectively explain to his client or any potential client the type, advantages and disadvantages of the product or service that he is proposing to him and must refrain from giving information that may be inaccurate or incomplete.

18. A representative must, in the practice of his profession, always remain independent and avoid any conflict of interest.

19. A representative must subordinate his personal interests to those of his client or any potential client. Without limiting the generality of the foregoing, the representative:

1) may not advise a client to invest in a legal person, partnership or property in which he has, directly or indirectly, a significant interest; [...]

20. A representative must be objective when his client or any potential client asks him for information. He must express opinions and make recommendations objectively and impartially, without considering his personal interest.

21. A representative must ignore any intervention by a third party that could influence the way in which he performs the duties related to his practice to the detriment of his client or any potential client.

22. A representative must not pay or undertake to pay to a person who is not a representative any compensation, any remuneration or any other advantage, except where permitted by the Act Respecting the Distribution of Financial Products and Services (Chapter D-9.2).

⁸⁷ An article by Ronald McKenzie mentions that the IQPF Financial Planners' Code of Conduct consists of eight principles: client first, integrity, objectivity, competence, honesty/fairness, confidentiality, diligence, professionalism. The article states, “The ‘client first’ principle is now the most critical principle in financial planning” [translation] **MCKENZIE, Ronald**. “L'IQPF révisé les huit principes directeurs de son code de déontologie,” in *Conseiller*, Montreal, Canada, October 17, 2011. [Online] <http://www.conseiller.ca/nouvelles/l%E2%80%99iqpf-revise-les-huit-principes-directeurs-de-son-code-de-deontologie-32578> (page viewed on December 3, 2012).

Given the stringent regulations that financial planners are subject to and the fairly strict obligations they must observe, the Act is designed to ensure that no one may let consumers wrongly believe that he has the required qualifications or is subject to these obligations. As we have seen, the Act prohibits the use of the title of financial planner or other similar title. For good measure, a regulation was adopted that lists an impressive number of titles considered to be similar:⁸⁸

1. The following titles are similar to the title of financial planner and may not be used by anyone:

- (1) chartered financial planner (CFP)*
- (2) registered financial planner (RFP)*
- (3) chartered financial adviser (CFA)*
- (4) financial consultant*
- (5) financial co-ordinator*
- (6) financial adviser*
- (7) personal finance consultant*
- (8) personal finance co-ordinator*
- (9) personal finance planner*
- (9.1) private wealth advisor (PWA)*
- (10) Any title including one of the following 5 expressions, in which the words composing each expression either appear together or are separated by other words:*
 - a) financial planner*
 - b) financial planning*
 - c) financial adviser*
 - d) financial consultant*
 - e) financial co-ordinator*

However, a study conducted by the Public Interest Advocacy Centre (PIAC/CDIP), which concluded that provincial authorities needed to set up a regulatory framework for financial planners, considers that the excessively broad scope of this regulatory approach is not without problems:

However, according to his view, this has several unintended consequences for Quebec-based financial planners. First, the 'catch all' part of the naming regulation contains "many prohibited titles are not at all similar (or not directly related) to 'Planificateur financier' such as 'Private wealth advisor (PWA),' 'Financial consultant,' 'Financial Advisor,' 'Financial co-ordinator'... Is the designation of 'Financial co-ordinator' used by city of Montreal worker in conflict with 'Financial Planner' designation?" he asks in an e-mail raising the problem. Secondly, he notes that the wording may trench upon dissimilar activities simply by virtue of the words chosen to describe it:

For example, in 2004, [the] Ordre des administrateurs agréés du Québec created in 2004 the designation 'Private wealth advisor (PWA)' and stop[ped] sponsoring it in 2006. PWA description of tasks included duties such as trustee, representative in managing assets of others, liquidator, temporary administrator... These duties are certainly not PI. Fin. [a financial planner's] normal duty.⁸⁹

⁸⁸ Regulation respecting titles similar to the title of financial planner (RRQ, c. D-9.2, r. 20 RSS), Section 1.

⁸⁹ **BISHOP, Jonathan and John LAWFORD.** *Holding the purse strings: regulating financial planners*, Public Interest Advocacy Centre, Ottawa, Canada, December 2009, 104 pages, pp. 43-44. [Online] www.piac.ca/files/fp_report_final_website.pdf (document viewed on July 17, 2012).

Personal financial advisors and financial advisors – Qualifications and accreditation

There are no federal or provincial regulations that directly pertain to personal financial advisors and, more generally, financial advisors, occupations with titles which, at least in Quebec, are prohibited under An Act Respecting the Distribution of Financial Products and Services.

Insurance and financial services advisors – Qualifications and accreditation

Insurance and financial services advisors are regulated by the code of conduct of the financial institution for which they work and by the regulations pertaining to the sale of financial products, if applicable.

Portfolio Managers – Qualifications and accreditation

As the advice provided by portfolio managers is mainly centered on long-term investment strategies, their respective regulations are primarily based on the qualifications required for the sale of investment products. Regulations related to the sale and advice for this type of product are especially relevant for this profession.

Regulation 31-103 Respecting Registration Requirements, Exemptions and Ongoing Registrant Obligations,⁹⁰ adopted under the Securities Act, in fact imposes certain obligations for professionals who provide management and investment advice, given that they are authorized to perform securities transactions. The Regulation states the following specifically with respect to portfolio managers:

3.11. Portfolio manager – advising representative

An advising representative of a portfolio manager must not act as an adviser on behalf of the portfolio manager unless any of the following apply:

- a) the individual has earned a CFA Charter⁹¹ and has gained 12 months of relevant investment management experience in the 36-month period before applying for registration;*
- b) the individual has received the Canadian Investment Manager designation and has gained 48 months of relevant investment management experience, 12 months of which was gained in the 36-month period before applying for registration.*

The Regulation also imposes certain obligations related to their professional practice for all those required to register under the Securities Act in order to be authorized to take certain

⁹⁰ *Regulation 31-103 Respecting Registration Requirements, Exemptions and Ongoing Registrant Obligations* (RRQ, c. V-1.1, r. 10), Section 3.11. Available at the website of the Autorité des marchés financiers. [Online] <http://www.lautorite.qc.ca/files/pdf/reglementation/valeurs-mobilieres/31-103/2013-07-15/2013juil15-31-103-vofficielle-en.pdf> (document viewed on June 8, 2013).

⁹¹ The Chartered Financial Analyst (CFA) program is a globally recognized standard for measuring the competence and integrity of financial analysts. Its curriculum develops and reinforces a fundamental knowledge of investment principles.

CFA MONTRÉAL. Page: *CFA Program*, CFA-Montréal website, Montreal, Canada, no date. [Online] <http://www.cfamontreal.org/en/cfa-program> (page viewed on June 17, 2013).

actions. Portfolio managers, like investment brokers and mutual fund sales representatives, must, since securities transactions are involved, become aware of certain information related to their clients before taking action to ensure that the client's best interests are served.⁹²

13.2. Know your client

2)c) ensure that it has sufficient information regarding all of the following to enable it to meet its obligations under section 13.3 or, if applicable, the suitability requirement imposed by an SRO [self-regulatory organization]:

- the client's investment needs and objectives;*
- the client's financial circumstances;*
- the client's risk tolerance;*

13.3. Suitability

1) A registrant must take reasonable steps to ensure that, before it makes a recommendation to or accepts an instruction from a client to buy or sell a security, or makes a purchase or sale of a security for a client's managed account, the purchase or sale is suitable for the client.

2) If a client instructs a registrant to buy, sell or hold a security and in the registrant's reasonable opinion following the instruction would not be suitable for the client, the registrant must inform the client of the registrant's opinion and must not buy or sell the security unless the client instructs the registrant to proceed nonetheless.

As the obligation to register in the database also extends to companies, Section 13.4 of the Regulation states that said companies are responsible for detecting any possible conflicts of interest and resolving them.

4.3.6 REGULATIONS FOR NOTARIES AND ACCOUNTANTS

As notaries and accountants are required, in order to practice their profession under these titles and execute, if applicable, the acts reserved for these professions, to be members of their respective professional corporations, the regulations established by said professional corporations under the legislation that regulates them determine the mandatory qualifications and impose the rules related to the practice.

Nonetheless, if a notary or accountant acts as a financial planner or assumes any other duty in connection with financial services, he must observe the obligations pertaining to any professional who uses these titles or who executes reserved acts.

⁹² *Regulation 31-103 Respecting Registration Requirements, Exemptions and Ongoing Registrant Obligations (RRQ, c. V-1.1, r. 10), Part 13, Division 1 – Know your client and suitability, Sections 13.3 and 13.2 2)c).*

a) Notaries

The Ordre professionnel des notaires du Québec (also known as the *Chambre des notaires*), created by the Notaries Act,⁹³ determines the requirements in terms of qualifications, accreditation and professional development, and enforces compliance with the profession's code of conduct. The Code of Ethics of Notaries⁹⁴ stresses the notary's independence, the prevention of conflicts of interest, and the limitations of the professional's expertise:

7. The advice given by a notary to clients or to parties to an act must be disinterested, frank, and honest.

8. Before concluding a contract for services, the notary must consider the extent of his proficiency and knowledge, the standards of the area in which he practices his profession, and the means at his disposal.

9. Every notary shall seek to establish a relationship of mutual trust between himself and his client. To that end, he shall, in particular,

(1) refrain from practising his profession in a perfunctory manner;

(2) conduct interviews with respect for his client's values and personal convictions.

10. No notary shall intervene in a client's personal affairs in matters not generally acknowledged to be within the scope of the profession.

[...]

23. A notary shall demonstrate reasonable availability and diligence. He shall inform his client if he cannot respond to a request within a reasonable time.

24. In addition to opinion and advice, the notary shall provide his client with all explanations necessary to understand and assess the services rendered.

25. A notary shall render account to his client when so requested.

[...]

30. A notary shall avoid all situations where he could have a conflict of interest. The notary shall notify his client and cease to perform his duties as soon as he is aware that he has a conflict of interest, unless the client, after being informed of the nature of the conflict of interest and the facts relating thereto, authorizes the notary in writing to continue.

b) Accountants

No one may carry the title of “chartered accountant,” “certified general accountant” or “certified management accountant” other than a professional part of the Ordre des comptables professionnels agréés du Québec. The latter professional corporation requires that its members observe qualifications and accreditation requirements and comply with its code of conduct.

⁹³ *Notaries Act* (R.S.Q., c. N-3)

⁹⁴ *Code of Ethics of Notaries* (R.R.Q., c. N-3, r. 2), Sections 7-10, 23-25, 30.

Note that only the above titles are reserved; a mere “accountant” is not a member of the professional corporation and is not bound by either its qualification requirements or code of conduct.

The Code of Ethics of Chartered Professional Accountants,⁹⁵ adopted under the Chartered Professional Accountants Act, stipulates that an accountant must perform his duties with objectivity and within the scope of his expertise, assume responsibility for his services, and assess potential conflicts of interest before accepting a mandate:

16. Whether his duties and obligations be towards the public, a client or an employer, a member shall, in all circumstances before entering into a contract relating to the practice of the profession, consider the extent of his proficiency, knowledge and the means at his disposal. He shall not, in particular, undertake work for which he is not sufficiently prepared or for which he does not have the proficiency or knowledge required without obtaining the necessary assistance.

[...]

21. A member who performs a contract, in whole or in part, in the practice of his profession, assumes full personal civil liability arising therefrom, regardless of his status within the partnership or company. He is forbidden to include in such contract any clause to the effect of directly or indirectly, fully or partially, excluding this liability. He may not invoke the liability of the partnership or company as a ground for excluding or limiting his own liability.

[...]

23. A member shall perform his professional duties with integrity and objectivity.

[...]

36.13. A member shall, before agreeing to provide professional services, determine whether there is any restriction, influence, interest or relationship which, in respect of these professional services, would place him, or would be perceived as placing him, in a conflict of interest position.

Conflict of interest situations shall be assessed in respect of all clients of the partnership or joint-stock company.

⁹⁵ *Code of Ethics of Chartered Professional Accountants* (RRQ, c. C-48.1, r. 6), available at the Éditeur officiel du Québec website. [Online]
http://www2.publicationsduquebec.gouv.qc.ca/dynamicSearch/telecharge.php?type=3&file=/C_48_1/C48_1R6.HTM
(page viewed on June 23, 2013).

4.3.7 FINANCIAL PLANNING IN QUEBEC AND THE REST OF CANADA

Although legislation regulating financial planners in Quebec has various shortcomings, as we will see further on, only British Columbia has equivalent regulations in Canada: reserved titles, disclosure obligations, and the list of qualifications required for the profession.⁹⁶

Elsewhere in Canada, financial planning is not subject to any restrictive legislation; the profession is self-regulated, with professionals being free to join various professional associations as desired: the Financial Planners Standards Council, which accredits Certified Financial Planners (CFP), Advocis, which accredits Chartered Financial Consultants (CFC), and the Institute of Advanced Financial Planners, which accredits the Registered Financial Planners (RFP).

The lack of a government-backed regulatory framework – decried by the Financial Planners Standards Council, which advocates the creation of standards common to all the provinces⁹⁷ – has resulted in several problems, including advice of variable quality, a fact of which consumers may not necessarily be aware.

*The public must understand that fee-based financial planning is NOT a regulated industry in the same manner as public accounting, the practice of law, or the selling of securities. Anyone in Canada can set up shop and claim to be a financial advisor.*⁹⁸

This being said, professions such as personal financial advisor or financial services advisor are not subject to direct regulation; these professionals must meet the qualification requirements and code of ethics of the financial institution where they work. In such a case, regulations pertaining to the financial products they sell would also apply.

4.4 General Financial Advice Services

Our overview of the needs of modest-income households in terms of general financial advice led us to realize that this group basically differs from higher-income households only by the fact that their limited means create a possible accessibility problem and greater interaction among the various aspects of their finances. We will therefore be reviewing the general financial advice services that meet the needs of all households regardless of income.

Faced with a multitude of financial advice services, to whom can consumers therefore turn to meet their need for generic financial advice?

Among the financial services professionals who provide advice in various fields, i.e. personal financial advisors, financial services advisors, portfolio managers and financial planners, several

⁹⁶ Regulations for British Columbia are found in the *Securities Act*, [RSBC 1996] C-418, the *Securities Regulation*, B.C. Reg. 196/97 and the policies of the British Columbia Securities Commission, including: **BRITISH COLUMBIA SECURITIES COMMISSION. BC Policy 31-601 - Registration Requirements**, Victoria, Canada, September 21, 2009, 10 pages. [Online]

<http://www.bsc.bc.ca/uploadedFiles/securitieslaw/policy3/BCP%2031-601.pdf> (document viewed on June 23, 2013).

⁹⁷ In view of standardizing the profession in Canada, the Financial Planning Standards Council (FPSC) adopted the eight code of ethics guidelines for financial planners in Quebec. **MCKENZIE, Ronald**. "L'IQPF révisé les huit principes directeurs de son code de déontologie," *Op. cit.*, note 87.

⁹⁸ **CAMPANELLA, FABIO**. "Fee-based financial planning isn't for everyone," in *Financial Post*, Don Mills, Canada, May 3, 2012. [Online] <http://business.financialpost.com/2012/05/03/fee-based-financial-planning-isnt-for-everyone/> (page viewed on June 23, 2012).

should be excluded from this search for professionals who provide generic services, namely, that involves considering the person's overall financial situation.

Our assessment of the assurances of qualifications and independence as well as the regulatory framework for professionals lead us to believe that only financial planners have adequate qualification and independence guarantees. Financial planners are in fact the only professionals whose accreditation in Quebec ensures that they are able to concurrently provide advice that integrates financial management into the person's life cycle, incorporates the various required areas of expertise in the same advice, personalized follow-ups, and advice that does not favour the professional (or the financial institution where the professional is working) at the client's expense.

The regulations for chartered accountants and notaries also ensures, as we have seen, the quality and objectivity of the advice being provided. However, unless they are also financial planners, CAs and notaries are not responsible for providing advice that covers the various aspects of personal finance; their expertise rather consists in ensuring that their advice is in line with the other aspects of their clients' finances.

4.4.1 SHORTCOMINGS OF FINANCIAL ADVICE SERVICES

As previously mentioned, despite the guarantees provided by legislation, regulations and the Code of Ethics, the legislative framework for financial planners is not perfect. We will be looking at some of the shortcomings that we consider to be a hindrance to ensuring that consumers obtain the independent general services they may require.

a) Independence

Certain standards, as we have seen, ensure the financial planner's independence. However, these guarantees can only be applied to activities related to financial planning. In fact, "professional standards only regulate the practice of integrated or modular personal financial planning and do not include the purchase or sale of specific financial products."⁹⁹ [translation] As the financial planner has duties other than exclusive financial planning, and he can receive commissions or bonuses for some of his activities like the other advisors, the independence obligations are thus limited. This is often the case for professionals working for a financial institution who can, through the Partial Mandate,¹⁰⁰ provide their expertise alongside other services of the financial institution rather than provide complete integrated financial planning.

⁹⁹ INSTITUT QUÉBÉCOIS DE LA PLANIFICATION FINANCIÈRE. *Normes professionnelles: planification financière personnelle*, IQPF website, Montreal, Canada, Revised in 2006, 146 pages, p. 3. [Online] <http://www.iqpf.org/userfiles/File/outils/normes-iqpf2006.pdf> (document viewed on December 3, 2012).

¹⁰⁰ INSTITUT QUÉBÉCOIS DE LA PLANIFICATION FINANCIÈRE. *The Partial Mandate*, IQPF website, Montreal, Canada, November 30, 2010, 36 pages, p. 2. [Online] <http://www.iqpf.org/userfiles/File/outils/Mandat-partiel-ENG-2010-11-30.pdf> (document viewed on May 9, 2013).

The model proposed by the IQPF includes the following paragraph: "We are authorized to act in the following areas: financial planning, individual insurance, group savings, (specify disciplines). We also offer the following financial products and services: financial planning, life and disability insurance contracts, mutual funds (specify)."

Some suggest that a fee-only system would reduce conflicts of interest¹⁰¹ and the risk of consumers being offered unnecessary or less appropriate financial products: “If there are no commissions at play then the fee-based advisor has no incentive to convince you to invest money in any particular fashion, nor buy an exuberant amount of life insurance if you truly do not need it.”¹⁰²

This solution may not be perfect either, as consumers who have to apply the financial plan that has been created by the professional themselves will need, on the one hand, to be somewhat familiar with managing their finances and, on the other, will have to deal with other types of advisors for the purchase of financial products and investments, with the inconveniences this may entail.

Financial planners not working for financial institutions only represent a small portion of financial advice services. Based on the data in the AMF’s register of persons authorized to carry out activities associated with advising or the sale of financial products, a large portion of professionals working solely in the field of financial planning are employed by major financial institutions.¹⁰³

Some authors already noted in 2008 that the number of financial planners was decreasing and that there would be a shortage at some point given the combined effect of retirements and fewer professionals being accredited by the IQPF. Five years later, the number of financial planners has in fact decreased, whereas demand for them is growing.

While the substantial qualifications of financial planners is a guarantee of quality that allows them to stand out from other professional advisors, the requirement of a university bachelor’s degree constitutes, according to Claude Paquin, VP of the Investors Group in Quebec, a major hindrance to the appeal the profession has on young generations.¹⁰⁴

The lack of interest in this profession could also stem from the decrease in the financial planners’ income, given that an increasing number of their clients are retiring and in so doing moving into “outflow” mode. “An advisor with a lot of licences could better ensure the stability of his income while providing better services to his clients.”¹⁰⁵

These new parameters could unfortunately have a major impact on a financial planner’s independence.

¹⁰¹ See, for instance:

MONEYSENSE STAFF. “Where to find a fee-only financial planner – The most comprehensive listing of Canadian fee-only financial planners on the web,” in *MoneySense*, Toronto, Canada, January 10, 2012. [Online] <http://www.moneysense.ca/2012/10/01/where-to-find-a-fee-only-financial-planner/> (page viewed on December 11, 2012).

¹⁰² **CAMPANELLA, FABIO.** “Fee-based financial planning isn’t for everyone,” *Op. cit.*, note 98.

¹⁰³ 561 registered companies only have one financial planner; often they consist of numbered companies or include the planner’s name. It is estimated that over 75% of financial planners work, at least partly, for a major financial institution. AUTORITÉ DES MARCHÉS FINANCIERS. *Register of firms and individuals authorized to practise*, Québec, Canada, Excel file sent on February 20, 2013.

¹⁰⁴ **PICARD, Pierre.** “Pénurie annoncée de 1 500 planificateurs financiers d’ici cinq ans,” in *Finances et Investissement*, Montréal, Canada, January 10, 2008. [Online] <http://www.finance-investissement.com/dossiers/p-nurie-annonc-e-de-1-500-planificateurs-financiers-d-ici-cinq-ans/a/17171> (page viewed on December 18, 2012).

¹⁰⁵ **GIROUX, André.** “Les clients et leur conseiller vieillissent: quel en est l’impact?” in *Conseiller*, Montreal, Canada, May 8, 2012. [Online] <http://www.conseiller.ca/nouvelles/les-clients-et-leur-conseiller-vieillissent-quel-en-est-l-impact-2-33618> (page viewed on December 18, 2012).

b) Confusion over titles

As previously seen, consumers wishing to meet with an advisor able to review their financial situation and subsequently make recommendations could turn to a financial planner, either one that is certified by the IQPF and the AMF or a financial services or personal financial advisor with the equivalent of an Attestation of Collegial Studies or, better yet, a university degree that combines certain courses in finance or taxation and a certificate in personal financial planning¹⁰⁶ – qualifications that are not regulated by An Act Respecting the Distribution of Financial Products and Services.

However, the responsibilities of this profession partly straddle the planner's competencies since an in-depth financial assessment may be required for decisions as important as mortgage loans and investment strategies (which may, for instance, serve as retirement savings). Are consumers able to determine the level of proficiency of those from whom they are requesting services?

In fact, An Act Respecting the Distribution of Financial Products and Services and the regulatory framework for the professional practices, credentials and educational background of financial planners was in fact designed to create safeguards that would allow consumers to benefit from trustworthy financial advice services.

An article was published in 2009 that decried the shortcomings of legislation that was intended to limit consumer confusion regarding the professionals they deal with and which noted that “the population is still not aware what a financial planner is and their professional title of F.Pl.”¹⁰⁷ The author was astonished that the title of “financial advisor,” the use of which is prohibited by law, was surprisingly used by the OCVM or the Ombudsman for Banking Services and Investments.

The situation described at the time does not seem to have improved since then. While many in the industry do not understand how the AMF, which must apply this regulation, can tolerate such a paradox: “the AMF does not seem to be aware of the regulation it is in charge of enforcing: financial advisor is not an allowed title”¹⁰⁸ [translation]. The Autorité des marchés financiers, when questioned by us, presented the following interpretation of the Act:

An Act Respecting the Distribution of Financial Products and Services and its associated regulations contain specific provisions on the use of certain titles. A representative who is certified by the Autorité des marchés financiers acting in a discipline covered by the Act must present himself using the specific title in relation to the discipline or category of field in which he is authorized to practice.
[...]

The Regulation Respecting Titles Similar to the Title of Financial Planner prohibits a person, whether he is a representative certified by the Autorité, in financial planning or

¹⁰⁶ See our previous section on the required qualifications for professionals.

¹⁰⁷ PARENT, Jean-François. “Titres professionnels: pourquoi pas une loterie?”, in Finances et Investissement, Montreal, Canada, July 10, 2009. [Online] <http://www.finance-investissement.com/blog/blog/2009/10/07/les-titres-pourquoi-pas-une-loterie/> (page viewed on February 25, 2013).

¹⁰⁸ BONNEAU, Yves. “L’AMF se soucie peu de l’industrie”, in *Conseiller*, Montréal, Canada, October 2, 2012. [Online] <http://www.conseiller.ca/nouvelles/l%E2%80%99amf-se-soucie-peu-de-l%E2%80%99industrie-37909> (page viewed on June 13, 2013).

another field, from using the listed titles to present himself to the public or his clients. Thus, no one, not even a financial planner, may use the titles specified in this regulation.

However, an organization may use these titles when generally referring to “financial advisors” in Quebec or from a group, etc., or to a group of persons working in the financial sector. In such a case, these designations are no longer considered as prescribed titles but rather as generic terms that refer to something known by the general public.

Therefore, use of the terms “financial advisors” and “financial services advisors,” in a general and generic manner, is allowed without contravening the provisions of the Act and the associated regulations.¹⁰⁹ [translation]

During our research, we noted that use of the title of “financial advisor” largely exceeds its generic meaning; it is therefore fairly troublesome to see job postings with these prohibited titles or Cegeps offering a program in insurance and financial services advising where students can choose the “financial services” option that would enable them upon graduating to become a *personal finance advisor*.¹¹⁰

Still, use of these titles, whether legally justified or not, will tend to create confusion among consumers, which seems to confirm the fact that close to half of Quebecers apparently cannot differentiate between an advisor and a financial planner.¹¹¹

c) Advice ancillary to sales

During a survey conducted in 2012 for the Institut québécois de planification financière (IQPF) on Quebecers’ perception of financial planners, 50% of respondents stated not being able to distinguish them from financial advisors; close to half of those who were able to do so stated that the distinctive feature of financial advisors was to... provide advice.¹¹² What is a major problem is that the review of financial advice services shows that advisors provide efficient advice, but they generally do so based on and in view of closing a sale.

¹⁰⁹ **DIRECTION DES PRATIQUES DE DISTRIBUTION ET DES ORGANISMES D’AUTORÉGLEMENTATION.** *E-mail response from the Autorité des marchés financiers to questions from the Union des consommateurs*, Autorité des marchés financiers, Quebec, Canada, February 27, 2013.

¹¹⁰ Video presenting the insurance and financial services counselling program:

CÉGEP DE SAINTE-FOY. Page: 410. *CO Conseil en assurances et en services financiers – Description du programme*, Cégep de Sainte-Foy, Sainte-Foy, Canada, 2013. [Online] <http://www.cegep-ste-foy.qc.ca/csf4/index.php?id=63> (page viewed on June 2, 2013).

¹¹¹ **MCKENZIE, Ronald.** “Investir dans un planificateur financier,” in *Conseiller*, Montréal, Canada, November 20, 2012. [Online] <http://www.conseiller.ca/nouvelles/investir-dans-un-planificateur-financier-38710> (page viewed on February 26, 2013).

¹¹² **BERGER, Hélène.** Press release: *Faire affaire avec un planificateur financier est un investissement rassurant pour une majorité de Québécois(es), selon un récent sondage de l’IQPF*, Institut québécois de la planification financière, Montreal, Canada, November 19, 2012, 2 pages. [Online] <http://www.igpf.org/userfiles/File/medias/Communique-2012-11-19.pdf> (document viewed on June 12, 2013).

In reviewing the job postings in the financial services sector, we noted, both in the job descriptions and the form of compensation, that there was a major tendency to prioritize the sale of products and services, and that the advisor's compensation depended on it.¹¹³

*The products and sales methods have led to potential conflicts of interest [...] Without institutional or individual investors, there would be no markets. These markets are complex, interrelated, and have put the investor at a disadvantage in several ways.*¹¹⁴
[translation]

However, the search for financial advice does not necessarily mean the consumer wishes to purchase investments, take out insurance or a loan, etc.; recommending or choosing a product is only one of the aspects of advice in relation to personal financial management. This is why the advice that is generally provided with the sale of a product is problematic, as the advisor must juggle contradictory interests, namely, those of the person seeking advice and his own interests (or those of the company employing him).

It is therefore particularly alarming to note that consumers do not appear to be aware of this fundamental difference between an advisor with his own interests and a financial planner who is required by law to set aside his interests in order to focus more on those of his client.¹¹⁵

4.5 Conclusion

Based on the analysis throughout this chapter, we can conclude that there is no profession that perfectly meets the needs of households in terms of general financial advice, or any profession without shortcomings, as shown by an empirical observation of this field.

The lack of regulations regarding education and training standards, responsibilities towards clients and mechanisms to prevent conflicts of interest does not ensure that consumers seeking independent advice will find what they are looking for in personal financial advisors since there is no guarantee as to their independence or qualifications. The same goes for financial services advisors, who are not required to do an in-depth assessment of the consumer's financial situation and life goals before providing advice.

As we have seen, these limitations do not apply to notaries and chartered professional accountants who, in order to hold this title and keep it, must meet major requirements in terms of education/training and the code of conduct of their respective professions. However, just like CPAs, notaries must also only provide advice within the scope of their knowledge which, with respect to personal finance, is only complementary to the accounting and legal advice they respectively provide.

¹¹³ In fact, Canadian advisors have the highest bonuses and commissions in the world: **VALLIÈRES, Martin**. "Les frais des fonds communs sous la loupe," in *La Presse*, Montreal, Canada, December 14, 2012. [Online] <http://affaires.lapresse.ca/economie/services-financiers/201212/14/01-4603893-les-frais-des-fonds-communs-sous-la-loupe.php> (page viewed on December 15, 2012).

¹¹⁴ **DESJARDINS, François**. "La CVMO plaide pour des produits financiers simplifiés," in *Le Devoir*, Montreal, Canada, October 31, 2012. [Online] http://www.ledevoir.com/economie/actualites-economiques/362755/la-cvmo-plaide-pour-des-produits-financiers-simplifies?utm_source=infolettre-2012-10-31&utm_medium=email&utm_campaign=infolettre-quotidienne (page viewed on June 24, 2013).

¹¹⁵ *Code of Ethics of the Chambre de la sécurité financière* (R.R.Q., c. D-9.2, r 3.k) Section 19. "A representative must subordinate his personal interests to those of his client or any potential client."

As portfolio managers only provide advice that is mainly centered on investments and that targets a specific client group, they must also be excluded.

Professionals with the title of financial planner, despite the few shortcomings that we pointed out, appear to be those most likely to provide comprehensive advice to individuals. Their mandatory education and training ensures that they are qualified to provide tax advice, financial advice in debt management and estate planning, as well as advice on the legal aspects of personal finance. In addition to having an approach that integrates the various aspects of money management, financial planners use a long-term vision that takes into account the specific goals along with the present and future constraints and obstacles facing clients, which will allow them to make the necessary adjustments if any changes occur in the client's situation. The financial planner must, in accordance with the law, enquire about the client's situation and inform him of the implications related to the various options available to him. Lastly, since the financial planner must comply with several standards in terms of independence, objectivity and procedures to avoid conflicts of interest, his advice, when acting in this capacity, should not be provided in view of selling a financial product.

5. Accessibility

Now that we have defined the types of financial advice which households require, we have determined that financial planners would be the professionals that could best meet these needs. We can therefore answer the first part of our question in the affirmative: there truly are counselling services that can meet the needs of households, in particular modest-income households.

Our research nonetheless revealed a few drawbacks, some of which could have an impact on the accessibility of such counselling services. In fact, we have found that our target client group could potentially face numerous obstacles to obtaining such services. In this chapter, we will present the main barriers that have the effect of substantially reducing access to financial planners' services: knowledge-related barriers, physical barriers, organizational barriers, and economic barriers, among others.

5.1 Knowledge-Related Barriers

Consumers are faced with a number of knowledge-related barriers: Are they aware of their needs in terms of integrated financial advice? Do they know whether the kind of service that could meet their needs is available? Do they know who is able to provide such a service and under what conditions? Are they aware of the basic differences among the various services that may be offered to them?

We have already answered some of these questions in the negative. The literature as well as our survey results, which we will discuss in greater detail later, reveal a major lack of information in this area. In fact, 12% of the respondents to our survey stated not knowing what type of professional could provide them with advice on their overall finances.

The lack of awareness of the profession with an expertise that best fits this description, i.e. financial planning, its characteristics and its benefits is astonishingly great. In fact, although a survey from the Institut québécois de la planification financière (IQPF) reveals that 85% of respondents have heard about financial planning, half of them do not really know what it involves:

(...) the IQPF survey reveals that Quebecers are still unaware of the profession of financial planner. In fact, although 85% of respondents stated having already heard of the profession, only 50% perceived differences between a financial planner and a financial advisor. 'In addition, it is very surprising to see that for 42% of respondents who were able to differentiate between the two titles, the advisor advises and the planner plans,' said the IQPF¹¹⁶. [translation]

This lack of knowledge is also confirmed by the Public Interest Advocacy Centre (CDIP/PIAC) in a study on the regulation of financial planners, which noted it even in the financial planners' clients: "People who identified themselves as clients of financial planners or advisors in this

¹¹⁶ MCKENZIE, Ronald. "Investir dans un planificateur financier," *Op. cit.*, note 111.

research did not, for the most part, demonstrate a clear awareness of what a financial planner is or what is involved in financial planning.¹¹⁷

5.2 PHYSICAL BARRIERS

As previously seen, Quebec has about 4,500 financial planners, and this number seems to be decreasing. If the 3.4 million households in Quebec were to decide to go see a financial planner, each professional would have over 750 clients whose finances he would ideally be monitoring over the years. However, studies indicate that a given financial advisor can only provide adequate service to no more than 150 clients, under ideal conditions.¹¹⁸ Without a dramatic increase in the number of available financial planners, universal access seems unfeasible. Under the circumstances, access to this service therefore appears destined to remain reserved for a privileged few.

Note also that the geographic distribution of financial planners causes a major imbalance in this average use.

ILLUSTRATION 15
Proportion of households served by a financial planner
by administrative region

	Number of financial planners	Number of households per financial planner	Estimated number of households
Québec	681	464	315,994
Chaudière - Appalaches	362	473	171,280
Laval	299	531	158,639
Montréal	916	655	600,220
Lanaudière	263	731	192,271
Laurentides	311	746	231,882
Abitibi-Témiscamingue	76	832	63,225
Estrie	162	853	138,179
Mauricie	140	868	121,498
Bas St-Laurent	99	896	88,673
Montréal	918	945	867,602
Centre du Québec	100	999	99,877
Gaspésie- Îles de la	28	1,460	40,876
Outaouais	104	1,490	154,924
Saguenay Lac-Saint-Jean	78	1,511	117,821
Côte-Nord	24	1,664	39,927
Nord du Québec	1	12,864	12,864

Sources: Institut de la statistique du Québec, *Perspectives démographiques du Québec et des régions, 2006-2056* and Autorité des marchés financiers, *Register of firms and individuals authorized to practise*

¹¹⁷ BISHOP, Jonathan and John LAWFOR. *Holding the purse strings: regulating financial planners*, Op. cit., note 89, p. 82.

¹¹⁸ ÉQUIPE DE CONSEILLER.CA. "Existe-t-il un nombre idéal de clients?", in *Conseiller*, Montreal, Canada, July 4, 2011. Translation by Anaïs Chabot of an article published on Advisor.ca. [Online] <http://www.conseiller.ca/nouvelles/existe-t-il-un-nombre-ideal-de-clients-29719> (page viewed on May 9, 2013).

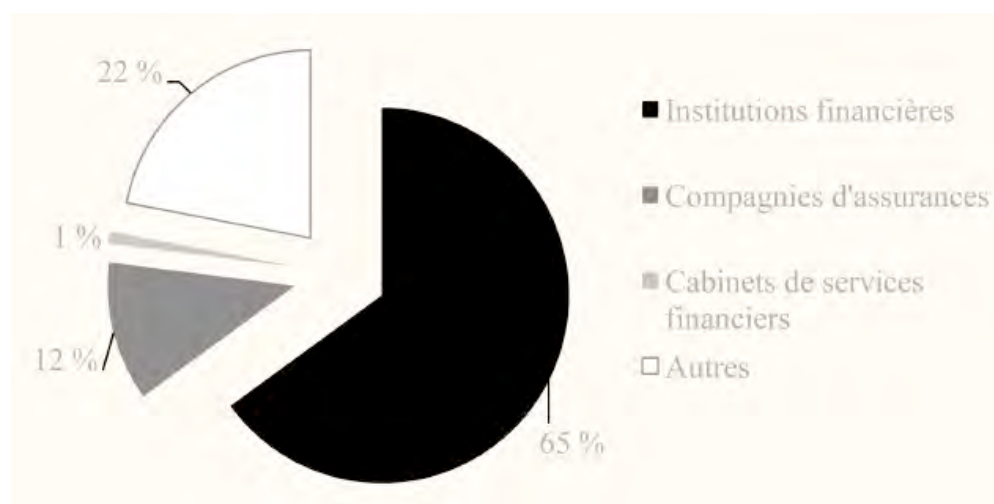
Note also that the limited number of financial planners and their distribution does not only create a problem of scarcity, but entails, for many Quebecers who live outside of urban centres, problems with geographic access, as few services are available locally.

There may be an additional physical access problem for modest-income households. In fact, the literature confirms that low-income households are often “unbanked,” and sometimes even operate outside of the traditional banking system:

Low-income Canadians are disproportionately likely to be unbanked. Some have estimated that the percentage of low-income individuals who are unbanked may be as high as 15 per cent. A 1995 Environics study found that eight per cent of individuals with incomes below \$25,000 did not have access to banking services.¹¹⁹

As previously mentioned, most financial planners practice their profession within a financial institution (e.g. bank, caisse populaire, insurance company¹²⁰). For consumers who are not part of the traditional banking and financial system, access to financial planners may therefore be even more difficult.

ILLUSTRATION 16
Distribution of financial planners based on location of practice



Source: Institut québécois de la planification financière, rapport annuel 2011-2012¹²¹

5.3 Organizational Barriers

Because over 85% of planners work for a financial institution, consumers with general financial questions are frequently directed to an advisor. Given the scarcity of financial planners and the cost they represent to the financial institution, these services are usually reserved for clients

¹¹⁹ **LAW COMMISSION OF ONTARIO.** Page: *Reasons for using cheque cashing services*, LCO, Toronto, Canada, no date. [Online] <http://www.lco-cdo.org/fr/node/440> (page viewed in March 2013).

¹²⁰ A large proportion of financial planners are also insurance representatives.

¹²¹ **INSTITUT QUÉBÉCOIS DE PLANIFICATION FINANCIÈRE.** *Rapport annuel 2011-2012*, IQPF, Montreal, Canada, 2012, 16 pages, p. 5. [Online] <http://www.iqpf.org/userfiles/File/IQPF/rapports-annuels/Rapport-annuel-2011-2012.pdf> (document viewed on May 6, 2013).

with a major return potential in the institution's eyes;¹²² there are mechanisms in place to screen and redirect clients to ensure that they do not unduly take up the financial planner's precious time.

Hence, a screening process that more or less categorically blocks access to the financial planner for clients with a lower net worth is a major barrier to accessing this expertise for households with limited income or investment assets.

5.4 Economic Barriers

While households with modest income or assets have limited access to a financial planner working for a financial institution, such consumers still have the option of going to see a financial planner who is self-employed or working for a small financial services firm. As previously mentioned, this may in fact be the best choice, as issues of independence and potential conflicts of interest seem less of a problem when the professional is not in a position where he is required to promote his employer's financial products.

This type of service is available, as we have seen, on a fee basis, whether at an hourly rate or for a set amount. However, the services of a financial planner are relatively costly, and therefore accessible only to a minority of consumers.

An article published in January 2012 in *MoneySense* that reviews financial planners who operate on a fee basis made a general observation on the natural clients for this type of service: "In general, fee-only planners are most appropriate for people with more than \$100,000 to invest who don't mind getting involved in buying and selling their own investments."¹²³

The hourly fees of financial planners on average range from \$175 to \$200 (\$100 to \$125 for a "junior" financial planner or assistant). The fees of certain professionals can be as high as \$300-\$400 an hour. Some firms require a minimum portfolio of over \$500,000, and a fee of \$800 to \$1,200 would be standard for an initial financial plan. Note that financial planners tend to charge similar fees across Canada; the different requirements imposed by Quebec legislation therefore do not seem to result in higher fees.

Although such costs can in theory be justified for seeing an independent advisor whose approach centered on a financial plan and advice could in fact enable the client to considerably improve his financial situation, it will only be reasonable for a consumer to pay such a fee (provided, of course, he can afford it) when the resulting economic benefits exceed the costs.

Given the various barriers to financial planning, including the major economic barrier, the negative ratio between a person's income and his propensity to obtain advice from a professional in this field will not be surprising.

¹²² This is confirmed by financial planner job postings at financial institutions, which state that the work to be done will involve the "[consolidation] of assets to invest by high net worth clients in order to increase BMO's portfolio share" [translation] Financial planner (Mascouche), BMO Financial Group, LinkedIn, viewed on December 6, 2012, or: "Provide integrated and high-calibre services that may include Desjardins' financial planning services with clients consisting of members with assets of more than \$200,000 to invest" [translation]

Job posting, Financial Planner (Ste-Julie), Caisse Desjardins du Grand-Coteau, LinkedIn, viewed on May 5, 2012.

¹²³ **MONEYSENSE STAFF.** "Where to find a fee-only financial planner – The most comprehensive listing of Canadian fee-only financial planners on the web," *Op. cit.*, note 101.

6. Consumer Survey

Following our theoretical review of the need for financial advice by households, in particular modest-income households, and our depiction of financial advice services and the associated problems, we thought it useful to attempt to determine consumers' perception of these same issues and to see whether consumers are aware of the usefulness of obtaining general financial management advice over the short and medium term.

We also attempted to determine through the survey whether there may be other barriers to obtaining financial advice services or access to such services.

6.1 Methodology

Our survey was conducted among a sample of 2,022 respondents, half from Quebec and the other half from the rest of Canada. Respondents had to be involved in the management of the household's finances. The survey, conducted online, took place from October 11 to 19, 2012.

A total of 2,022 persons responded to the survey, half from Quebec and the other half from the rest of Canada. Respondents had to be involved in the management of the household's finances and the household had to have an annual income of under \$65,000 (the sample included no more than 10% of households with income under \$10,000). The survey was conducted between October 11 and 19, 2012 and involved 30 questions.

The online collection was conducted by the Passages polling firm. The sample was formed based on the Research Now bank of panel members, which includes about 450,000 available panel members. A survey invitation was sent out to about five times the number of required respondents (2,000). The margin of error was $\pm 2.2\%$, 19 times out of 20, with a random sample.

Whereas our research on regulations mainly pertained to Quebec legislation, and that part of the survey involved checking its effect on consumers' perceptions, a longer questionnaire (30 questions) was submitted to Quebecers; the questionnaire for the Canadian facet was 18 questions long.

Weighting for the sample was done in two respects: one, so that the age distribution would be representative of the Canadian population; and two, for questions intended for all Canadians, the sample of Quebec respondents was adjusted so that it would be representative of the distribution of Canadians in each province.

To determine respondents' knowledge of the various professionals that provide financial advice services and the trust they may have in them, we asked all the respondents about the type of professional that the household had seen over the last 10 years for financial advice and attempted to see which professionals they would be likely to consult on certain topics.

We extended the survey among Quebec respondents by asking them more specific questions on their perception of the competence and independence of the various professionals and institutions and on the general financial advice services.

Given the bias of our research, which dealt with access to financial advice services for modest-income households, the selection of respondents was limited to households with an annual gross income under \$65,000.

The report from the polling firm can be found in Appendix D.¹²⁴

6.2 Respondent Profile

Our respondents were 48 years of age on average.

There were certain differences in the economic profile of the Quebec respondents and that of the respondents elsewhere in Canada (the Canadians). The Canadian respondents have a slightly higher average income than the Quebecers (about \$1,300 more per year).

77.5% of the survey respondents have a gross annual household income of over \$30,000 (Quebec: 74.6%, rest of Canada: 78.4%) and more than half (53.2%) have an income over \$40,000 (Quebec: 50.5%, rest of Canada: 54%).

56.5% of households with an annual income under \$30,000 (22.2%) have more than one member (55.3% in Quebec and 57.6% for the Canadians). If one takes into account the low-income cutoff based on the number of members in a household, about 20% of respondents are below the low-income cutoff.¹²⁵

With respect to sources of income for the respondents overall: 69.7% are employed. Wages and work income generally represent the primary source of income for respondents (91.3%), whereas it is the secondary source of income for only 6.6% of respondents. The most frequent secondary source of income is government benefits (e.g. employment insurance, disability, pension), with 37.6% of respondents receiving such benefits.

Only 17.5% of respondents have investment income (e.g. annuities, interest, dividend). This type of income was only mentioned as an additional source of income (secondary or tertiary). A total of 41% of respondents reported having more than one source of income (Quebec: 37.2%; Canada: 42.2%).

The respondents have little savings. When asked to specify their assets, close to one-third made no mention of any savings or investments (e.g. RRSPs, stock, deposits). Canadians also appear to have significantly more savings than Quebecers. The proportion of those who made no mention of any savings is considerably higher in Quebec: 40.5% versus 28.4% for the rest of Canada.

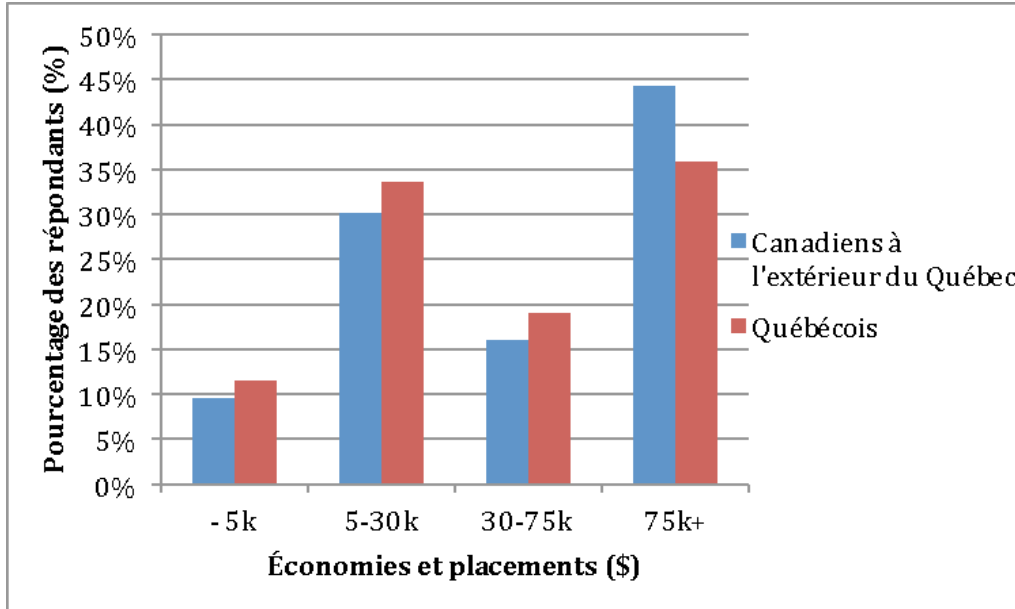
Those who, among the Quebec and Canadian respondents, stated having savings have very different profiles. In fact, 35.9% and 44.4% of them respectively have savings of more than

¹²⁴ See Appendix D: **PASSAGES**. *Les conseillers financiers – Rapport de recherche*, Montreal, Canada, November 2012, 41 pages.

¹²⁵ **COMMISSION ADMINISTRATIVE DES RÉGIMES DE RETRAITE ET D'ASSURANCES QUÉBEC**. Page: *Seuil de faible revenu (avant impôt) pour chaque année selon la taille du ménage*, website of the Commission administrative des régimes de retraite et d'assurances Québec, Québec, Canada, no date. [Online] <http://cdn.carra.gouv.qc.ca/g%C3%A9n%C3%A9ral/pages/IN99KXX00A001.aspx> (page viewed on June 8, 2013).

\$75,000, and 78.8% of Quebec respondents are homeowners versus 80.7% of Canadian respondents.¹²⁶

ILLUSTRATION 18
Savings and investments of respondents who mentioned having some



There is a major gap between the average assets reported by Canadian households outside of Quebec (\$100,000) and those of Quebecers (\$70,000). In addition, significantly more Canadians are homeowners than Quebecers (60.1% and 48.7%, respectively).

Despite the larger number of homeowners among our Canadian respondents, the average level of debt among Quebecers (\$16,000) is still only slightly smaller than that of the other Canadian respondents (\$22,000). The greatest source of debt is the mortgage among respondents who have one. Credit cards and lines of credit are the most common source of debt among the other respondents.

¹²⁶ Note that 75% of these respondents (Quebecers and Canadians) are more than 51 years of age. Most likely, a large proportion of them had a higher income during their working life that may have decreased considerably at retirement.

6.3 Where Do Households Get Financial Advice?

We asked respondents (Q 11) whether over the past 10 years anyone in the household had been to see one or more of the following professionals: accountant, notary, financial planner/advisor, insurance advisor/broker, budget consultant, securities advisor/broker, insolvency counsellor/credit repairer, or other type of professional.

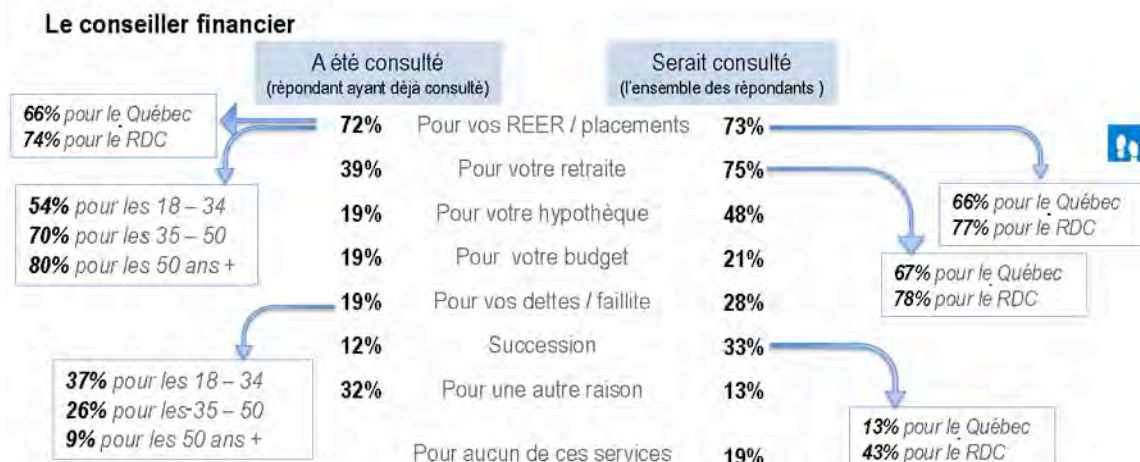
Seven out of 10 respondents had obtained professional advice over the last 10 years. In Quebec, 30.6% said they had not seen any of these professionals, compared to 34.3% in the rest of Canada. The professionals that were consulted the most were financial advisors/planners (37.6%), accountants (30.1% for Quebecers, 22.3% for Canadians) and, for the Quebec respondents, notaries (29.2%).

Regarding the other professionals, 21.5% of respondents went to see an insurance advisor or broker, 17.2% a securities advisor or broker, and only 3.5% consulted an insolvency counsellor or credit repairer, and 3% a budget consultant.



We asked what the professionals had been consulted about (Q 12), while providing the following suggestions: income tax, debt or bankruptcy management, budget management, purchase of insurance, RRSP or asset management, mortgage, retirement planning, estate planning, an inheritance, or other topics. We also asked them (Q 13) which of the professionals that were mentioned would they tend to spontaneously consult to obtain financial advice on these various topics.

Financial planners or advisors were mainly consulted for investment questions but also for other reasons such as retirement planning and mortgages. Although the consulting reasons are about the same where RRSPs and investments are concerned, the differences are sometimes very pronounced for the other areas.



• En moyenne, le conseiller financier a été consulté pour 2.1 différents services

Regarding accountants, 95% of the consultations involved tax-related questions. However, only 59% of all respondents would spontaneously tend to consult them on this topic, and 38% would not consult them for any of the services mentioned on our list.

Insurance brokers were consulted by 83% of respondents for the purchase of insurance, as well as by 10% of respondents for investments or RRSPs, a mortgage (6%), and other reasons (26%).

Securities brokers were consulted for a variety of reasons, but mainly for RRSPs, investments (73%) and retirement (37%).

Insolvency counsellors were naturally consulted for debt or bankruptcy (49%), but also for other reasons (22%). However, they were spontaneously consulted on this topic only by 37% of total respondents, with 61% having no intention to consult them for any reason.

Budget consultants were consulted in relation to debt (51%), budgeting (48%), retirement (24%) and for other reasons (65%). They were spontaneously consulted on budget-related issues by 32% of total respondents and on debt and bankruptcy by only 11% of respondents, with 62% of respondents not intending to consult them for any reason.

For several areas related to personal finances, a non-negligible percentage of respondents reported that they would not consult any type of financial professional: income tax: 35.25%; debt/bankruptcy: 27.3%; budgeting: 47.6%; retirement: 27%.

The polling firm proposed the following analysis:¹²⁷

Analysis

Generally, the various types of professionals have relatively low consultation rates among modest-income Canadian households.

- As will be seen below, those low consultation rates may be explained in part by the fact that a high proportion of Canadians living in modest-income households feel, on one hand, that they do not have the means to pay for such services and, on the other hand, do not have sufficient property or assets to make such an undertaking worthwhile.
- Financial advisors (38%) are relatively well represented in this regard, followed by accountants (24%) and insurance brokers (22%).
- Most likely due to their lesser experience, young people 18 to 34 years of age have done less business with this type of professionals (42%).

The financial advisor manifestly offers a range of services perceived as broader than that of other professionals working in the financial field.

- Strong proportions of respondents would be inclined to consult a financial advisor for their RRSPs/investments, retirement and mortgage.
- The title of “financial advisor,” which is quite generic, suggests that those holding the title are generalists rather than actual specialists.

14

Analysis (cont'd)

For its part, the field of practice of accountants seems more confined to taxes.

The same applies to insolvency advisors regarding debts, to insurance brokers regarding insurance and, to a lesser extent, to notaries regarding estates.

Finally, Canadians seem vague about the field of practice of securities advisors.

- Two thirds of respondents would not be inclined to request the services of securities advisors for any of the types of services presented.
- As opposed to financial advisors, securities advisors may be thought, in the context of the poll, to suffer somewhat from the complexity of their title. In other words, words such as “securities” may seem forbidding to some people and may even suggest that the services of such professionals are relatively expensive.

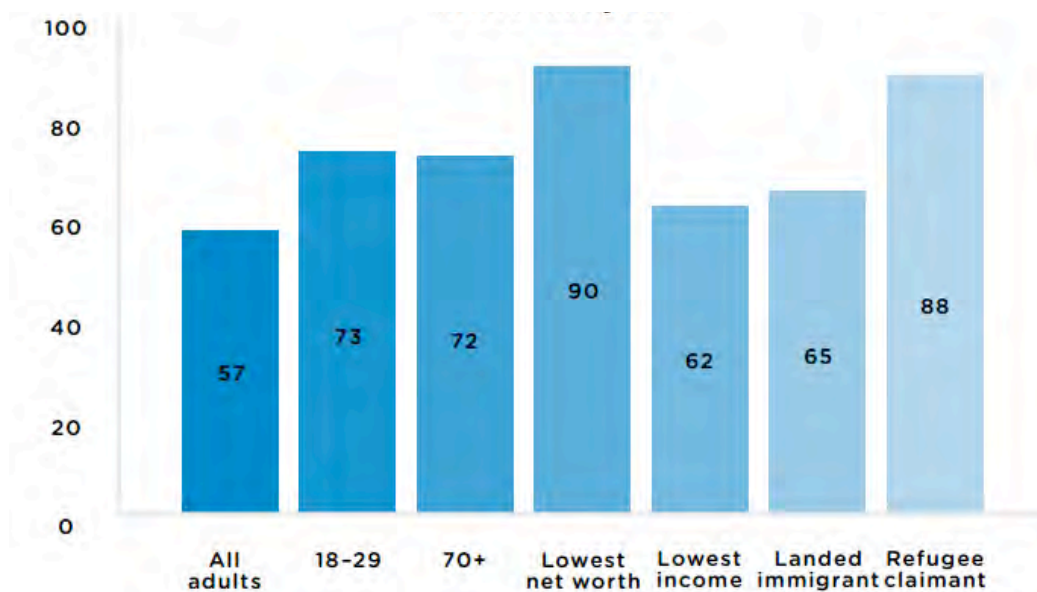
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¹²⁷ See Appendix D: **PASSAGES**. *Les conseillers financiers – Rapport de recherche*, Op. cit., note 124, pp. 14 and 15.

6.4 Perception of the Need for Financial Advice

Our survey revealed a reality that is somewhat different from the preconception that you need to have a high level of income to be able or want to consult a professional to get help with managing your finances; the value of the assets would in this regard have more influence than income.

ILLUSTRATION 19
Canadians who have not seen a financial advisor (last 12 months)

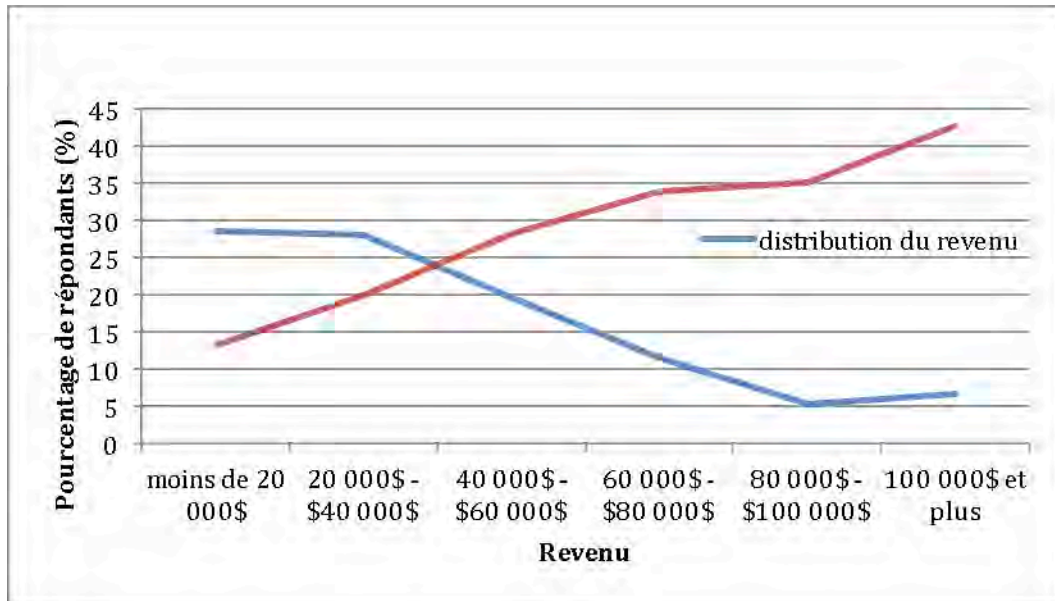


Source: Robson, Jennifer. *The Case for Financial Literacy*¹²⁸

As shown in the previous graph, the relationship between financial consultations and asset worth appears to be much greater than the relationship with income level. In fact, it would seem that the difference between the number of consultations by modest-income households is only 5% less than the average, compared to a difference of 33% for households with few assets.

¹²⁸ ROBSON, Jennifer. *The Case for Financial Literacy*, Op. cit. note 29, p. 12, fig. 7.

ILLUSTRATION 20
Relationship between respondents' income and use of financial planning services (savings and investment strategies)



Source: Statistics Canada, Canadian Financial Capability Survey, 2009

The positive exponential relationship between the value of a household's assets and obtaining financial advice is constantly mentioned in the literature; this relationship is so strong that popular belief automatically associates financial advice with investment advice, an association that is present to an equal extent among service providers and consumers.

These differences are found in the consultation frequency among our respondents equally based on income criteria and savings and investment criteria; the level of savings and investments also clearly has greater influence on consultation frequency compared to income. The use of financial planning in the two revenue extremes considered for the respondents (from 0 to 29k and from 50 to 64K) varies only by 13 %, as, when the savings are considered, the difference in the use of services between those who have savings of 30 to 75K and those who have more than 75K, for example, is more than 20 %.

ILLUSTRATION 21
Consultation frequency of a financial planner or advisor
based on income level

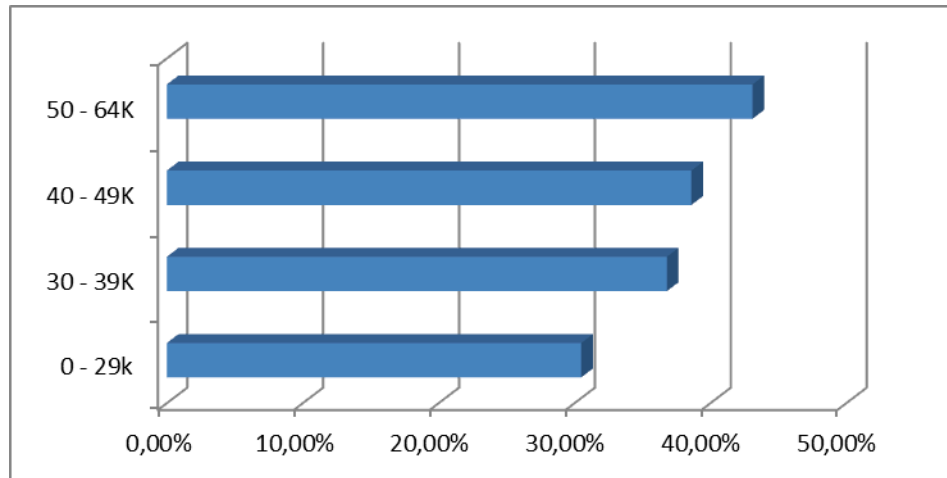
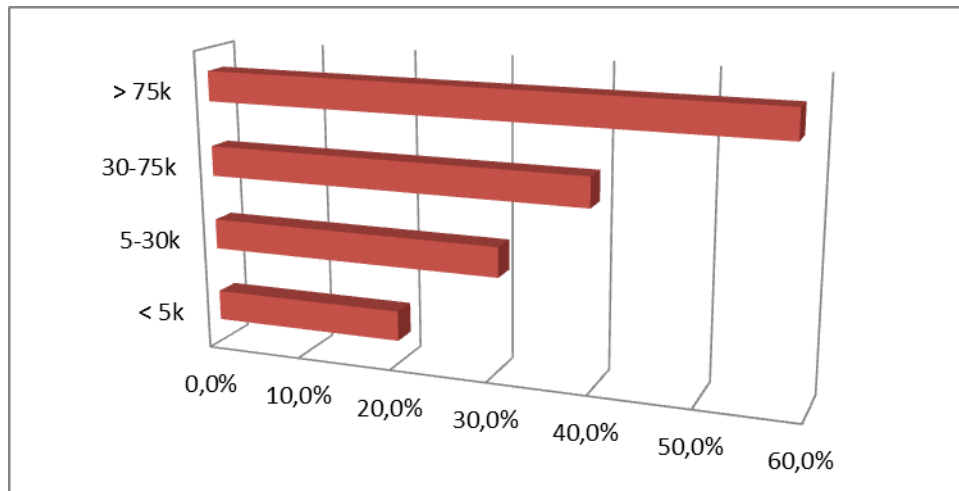


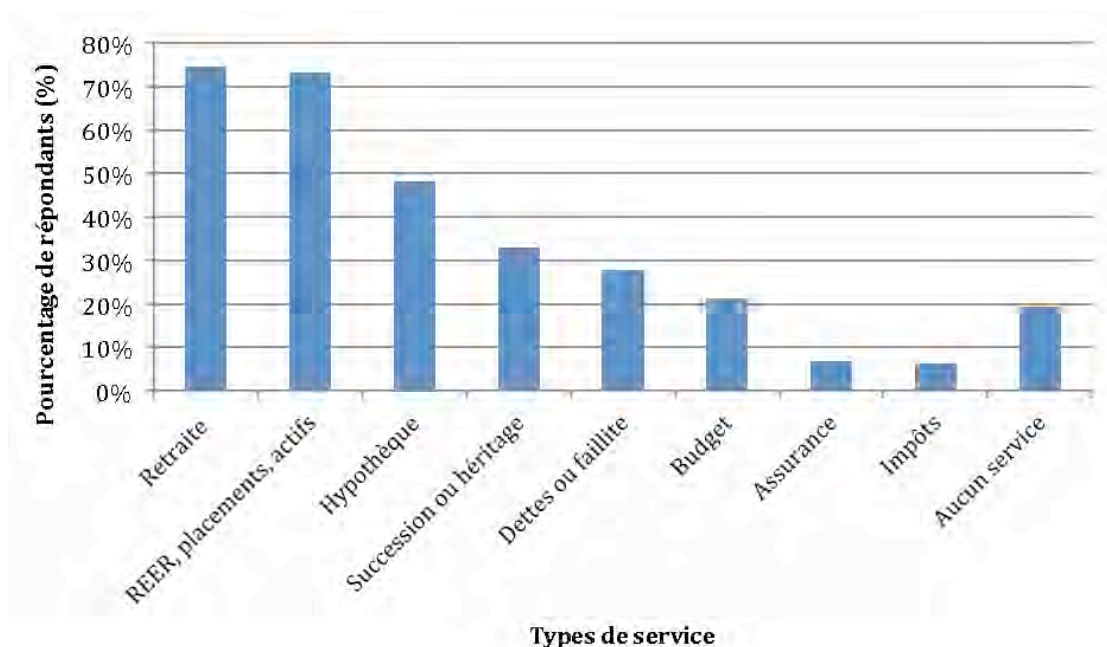
ILLUSTRATION 22
Consultation frequency of a financial planner/advisor
based on savings and investments



However, our survey results seem to indicate that if modest-income Quebec households could obtain financial advice, they would use it gladly. Although only about one respondent in three had previously consulted a financial planner, three respondents out of four would be willing to see one of these professionals for questions relating to personal money management, either regarding RRSPs, investments, assets, or retirement.

ILLUSTRATION 23

Which of the following services would you have a tendency to spontaneously consult?
Response: financial planner/advisor



The preconception based on which financial advice mainly focuses on investments and savings is also found among respondents since a major proportion of them have seen or are thinking about seeing a financial advisor or planner on this topic. However, respondents would also consider seeing a financial advisor or planner for a wider range of topics.

Over the last 10 years, less than 7% of Quebec respondents went to see a financial advisor, 5% an accountant and 4% an insolvency counsellor in relation to debt or bankruptcy. However, when they were asked in what areas would they would find the advice of a professional useful, 21% said they believed they could benefit from the help of a professional in managing their debt, with this being the need ranking highest among the other options (e.g. income tax returns, investment management, estate planning).

Based on our analysis of the responses obtained when we asked respondents which professionals they would tend to consult for various financial topics, we were able to determine that modest-income households are much more open to seeking professional advice than past consultations show.

In fact, the responses obtained when respondents were asked for what type of advice would they see a given professional indicate, on the one hand, that certain associations seem to form naturally between certain professionals and certain services (accountants take care of income tax returns, insolvency counsellors handle debt problems, budget consultants help consumers with setting up a budget, etc.) and, on the other, that respondents would tend to see a separate professional for each financial issue for which they need advice. It could thus be deduced that respondents do not generally perceive any of the professionals on the list submitted to them as being able to advise them on all their financial issues.

As shown above, financial advisors and planners refute this trend to some extent: respondents would in fact consider seeing them for a wider range of services than what is generally perceived as being their specialty. A greater number of respondents would thus tend to see a professional in relation to retirement or debt management.

6.4.1 USEFULNESS: PREFERRED FIELDS FOR ADVICE

The polling firm proposed the following analysis:¹²⁹

Analysis
Quebecers are generally cool to the idea of consulting a professional who could advise them about their overall finances.
<ul style="list-style-type: none"> – Almost one third of Quebecers consider that they do not have sufficient property or assets to make such an undertaking worthwhile. – It should be emphasized that over one tenth of Quebecers say that they would not know whom to approach for obtaining such services. While not surprising at first sight, these results demonstrate a lack of communication about such services.
The impression that the services of such professionals are expensive is prevalent among the public.
<ul style="list-style-type: none"> – Over half of Quebecers (particularly the elderly) believe they do not have the means to pay for the services, and over one third say that do not know how much the latter cost. Younger people are particularly ill informed about those costs. – Here again, the democratization of such services depends on more-sustained communication. The fact that they can be offered at modest prices should be a relevant angle of communication.
26

Analysis (cont'd)
Tax consultations are revealed as the most popular type of service (40%), followed by the complete balance sheet (30%), investment advice (27%) and debt management (21%).
<ul style="list-style-type: none"> – Debt management seems more popular among 18 to 34 year-olds (39%), whereas 35-50 year-olds prefer the development of a complete balance sheet (38%).
27

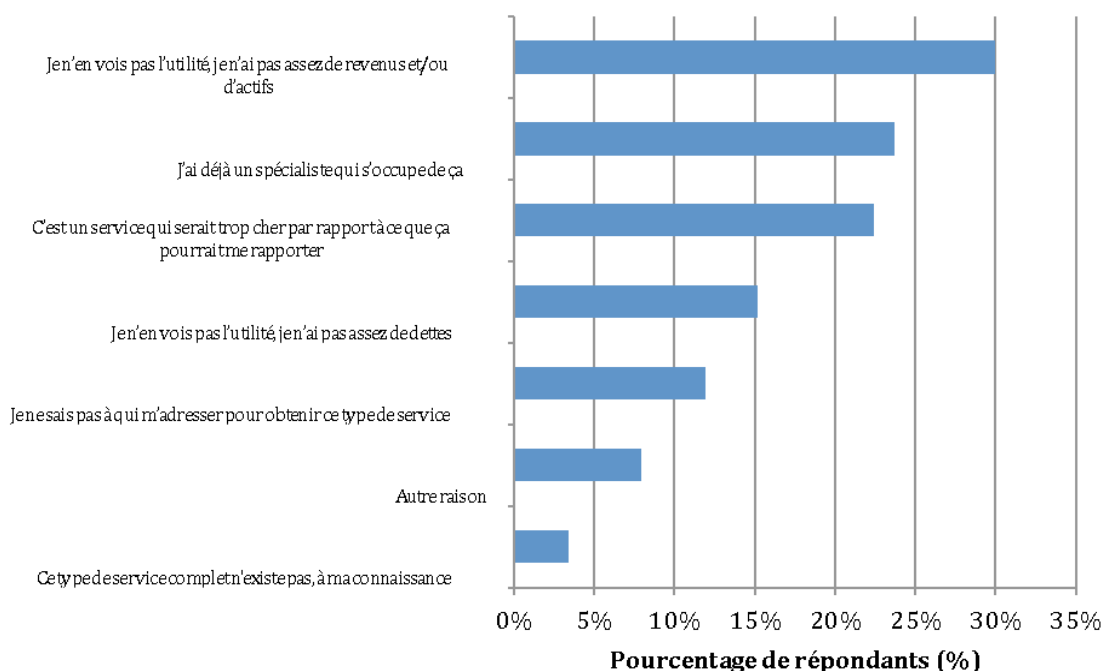
¹²⁹ See Appendix D: **PASSAGES**. *Les conseillers financiers – Rapport de recherche*, Op. cit., note 124, pp. 26 and 27.

When Quebec respondents were asked for which financial topics would they find the help of a professional useful, 21% said they would benefit from the help of a professional in managing their debt, with this type of advice being considered a priority. Note that among all the Quebec respondents, there is almost an equal proportion of households that would find it useful to have a professional do a general assessment of their finances (30%) and of households that do not think they need any help with money management (31%). Note also that respondents over 50 tend to be at the top of the latter statistic.



While the need to have tax returns filed and help with investments correspond overall with previous results, awareness of the usefulness of professional advice for a comprehensive financial review ranks second among the needs that were expressed (ahead of investment management). In fact, Quebec respondents mentioned that they had doubts about the usefulness of such an integrated service, its availability and accessibility.

ILLUSTRATION 24
**Would you be willing to see a professional who could give you
 advice on your overall finances?**



To determine more precisely what we assumed the respondents' concerns would be in this respect, we asked them two more specific questions. In response to the first, "Based on your household income, do you think you can afford such services?" (Q 18), only 11% answered yes. Although 55% said no, 34% admitted not knowing how much such services would cost.

We then asked the next question (Q 19): "Would you know whom to contact to obtain such services?" Surprisingly, 68.8% of respondents answered yes. We find such a perception paradoxical given the fact that respondents, based on their answers to the other questions, seem to want to obtain financial advice on a piecemeal basis.

Nonetheless, the assessment by respondents of the likely usefulness of such a service for them is largely based on the fact that this type of service is mainly useful to someone with a high level of income or assets, or a lot of debt. This perception runs counter to the conclusion that we had reached, which is that advice on a consumer's overall finances should theoretically, in our opinion,¹³⁰ be useful to all households, regardless of income, level of assets, or debt.

¹³⁰ See chapter 2.

6.4.2 CONSUMER TRUST – INDEPENDENCE AND COMPETENCE

The polling firm proposed the following analysis:¹³¹

Analysis

The comparison of average scores obtained by the various types of organizations and professionals yields three interesting findings:

- Generally, professionals obtain higher scores than organizations, whether in the assessment of their independence or their competence.
- Organizations, except for non-profit organizations, are much more trusted to be competent than independent. This suggests that people are somewhat cynical about certain types of institutions. Even non-profit organizations are somewhat less trusted for their independence than their competence.
- 18-34 year-olds express greater trust than others in the competence and independence of various professionals / types of organizations.

Accountants and financial institutions are most trusted with regard to competence as well as independence.

However, it should be pointed out that the variance between the most and least trusted professional or type of organization is relatively narrow and that none of the parties tested attained the average score of 5 (out of 7).

31

Although a large percentage of respondents claimed to know whom to turn to to obtain advice on their overall finances, their consideration of the independence of the services being proposed or their assessment of said independence is possibly such that their certainties are questioned.

Earlier, we mentioned the independence problems associated with financial advice services provided along with the sale of financial products and the legal requirements in terms of independence, which for all intents and purposes are not present in any financial services not provided by a member of a professional corporation. Nonetheless, the Quebec respondents to our survey appeared to underestimate the importance of a financial advisor's independence, or at least have a hard time correctly assessing the professional's actual independence.

We provided the following definition to respondents:

Independence: In particular: lack of a conflict of interest, along with the appearance and risk of any conflict of interest. The aim of an independent service is to first benefit the client rather than the service provider.

On this basis, we asked Quebec respondents to rate their level of trust in certain financial institutions or persons likely to offer them financial advice. The responses are surprising and confirm that in terms of independence, financial institutions appear to be more worthy of trust than consulting firms, government institutions or non-profit organizations.

¹³¹ See Appendix D: **PASSAGES**. *Les conseillers financiers – Rapport de recherche*, Op. cit., note 124, p. 31.

Dans quelle mesure avez-vous confiance en... (moyenne sur 7, 7=totalement confiance)

(Pour le Québec seulement)

L'indépendance



• La moyenne générale des 18 – 34 est de 4.2 vs 3.9 pour les 35 ans +

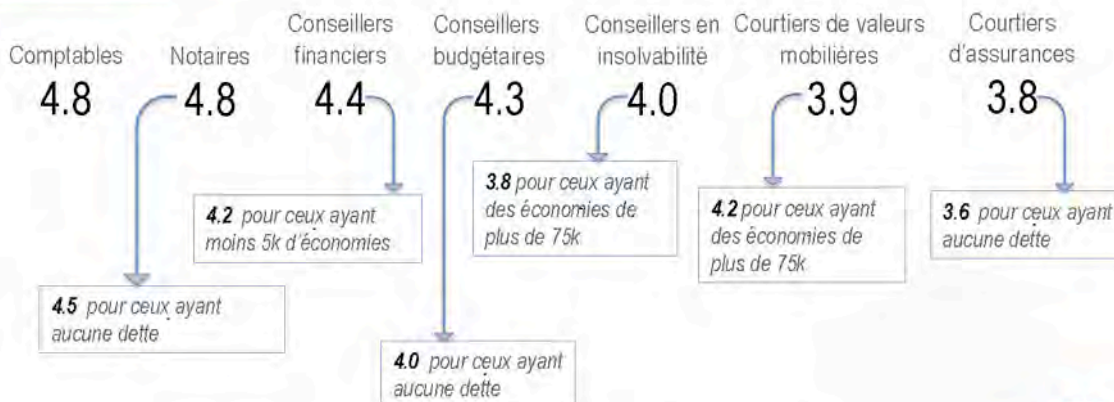


With respect to professionals, accountants and notaries obtained the highest trust rating in terms of independence. They were rated higher than financial advisors, budget counsellors and securities brokers.

Dans quelle mesure avez-vous confiance en... (moyenne sur 7, 7=totalement confiance)

(Pour le Québec seulement)

L'indépendance



• La moyenne générale des 18 – 34 est de 4.7 vs 4.4 pour les 35 ans +



We also mentioned earlier the problems related to competence as stringent standards are only applied to members of professional corporations, and institutions sometimes only require minimal qualifications for financial advisor positions. Once again, Quebec respondents seemed to have a hard time applying an objective assessment.

We provided respondents with the following definition, which goes so far as to allude to legal training/educational requirements:

Competence: The knowledge and ability required to provide a reliable and quality service that meets legal requirements.

Once again, respondents claimed that in terms of competence, they believed banking institutions to be more deserving of trust than consulting firms, government institutions or non-profit organizations.



With regard to professionals, accountants and notaries again obtained the best rating in terms of trust for their competence, once again ahead of financial advisors, budget consultants and securities brokers.



6.4.3 COMMENTS

It can be noted that respondents trust professionals both in terms of independence and competence in two categories where members are subject to mandatory training/education and to rules that regulate their obligation to be independent. It would have been interesting to see whether this trust was based on a knowledge of these specific characteristics.

Using the assumption, at the time of drawing up the survey, that the households part of the survey would have had little contact with financial planners and would not necessarily be familiar with the difference between financial advisors and financial planners (what our literature review in fact confirmed), we make no distinction between these two professions in this section on trust. Upon reviewing the results, we regret our decision. It would have been interesting to see whether the respondents made a major distinction between the two types of counselling services.

However, the differences between the various professionals are fairly small: out of a scale of 1 to 7, the questions on the independence and competence of professionals and institutions were given a rating of 3.8 to 4.9. Based on the survey data, we believe that the respondents perceive this sector as a fairly homogeneous whole, and appear to be unaware of the specific characteristics of the various professionals involved. In this context, note that this sector does not generate considerable trust, whether with respect to independence or competence, equally in terms of professionals and institutions.

6.5 Past Experiences

One-fourth of Quebec respondents stated having in the past been significantly impacted by a bad financial decision (Q 14), and for one-third of them, the decision had been based on recommendations made by a professional (Q 16).

If this proportion is converted to the entire Quebec population, this means that 9% of modest-income households had already been impacted by poor advice from a professional.

However, it could also be said that most unfortunate situations arising from decisions that were made occurred when persons made the decisions themselves (without the help of an expert).¹³² [translation]

Respondents who experienced major repercussions following a poor financial decision (Q 15): the situation resulted in bankruptcy (16%); they had to borrow money (19%); they had to dip into their savings (12%).

6.5.1 QUEBECERS AND CANADIANS

Our overview of financial advice services revealed a major difference in the regulatory framework for the various “financial advisors” across Canada, with Quebec and B.C. being the only provinces to strictly regulate financial planners. We wanted to see whether the regulatory “asymmetry” had an effect on the perception of consumers nationwide. The analysis of our results did not enable us to detect any significant difference in how financial advice was perceived as part of personal financial management.

We found a few minor differences between the behaviour of Canadians and Quebecers regarding the various professionals who provide financial advice with respect to frequency of use.¹³³ The following differences were noted: Canadians were twice more likely as Quebecers to see a securities broker (20% versus 10%), while Quebecers tended to consult accountants more than Canadians did (30% versus 22%).

¹³² See Appendix D: **PASSAGES**. *Les conseillers financiers – Rapport de recherche*, Op. cit., note 124, p. 24.

¹³³ The corporate rate of use of notaries, who are virtually only found in Quebec, is obviously the exception, with a substantial difference, but one that is not significant for the purposes of our research. According to the project, we were supposed to compare the perceptions of Canadians and Quebecers. The shorter questionnaire submitted to the Canadians unfortunately omitted the questions that would have allowed such a comparison.

In general, more Canadians than Quebecers tended not to consult any professional (34% of Canadians versus 31% of Quebecers). However, the trend is reversed when savings and investments are specifically involved:

ILLUSTRATION 25
Which professional would you spontaneously tend to consult
for your RRSPs / investments / assets?

	Quebec	Canada
Financial planner/advisor	65.9%	76.7%
No financial professional	24.3%	18.1%

6.5.2 FINANCIAL ADVICE: SERVICES COMPLEMENTARY TO FINANCIAL PRODUCTS

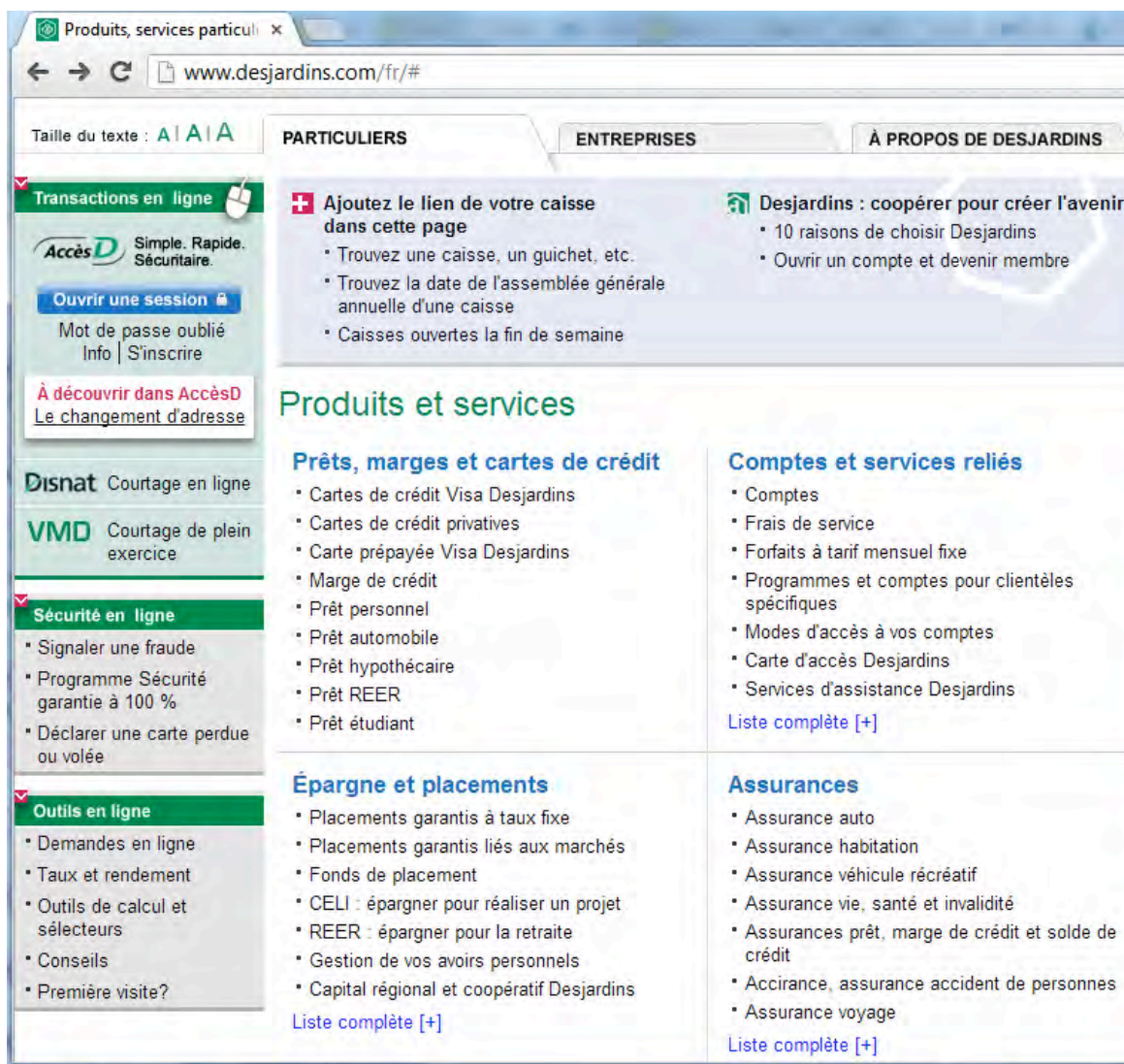
The results of our survey lead us to believe that help from a professional for personal money management is perceived by consumers as being a peripheral service, not clearly delineated, useful to meet specific needs for those with substantial financial resources rather than being an essential element to maintaining healthy finances, regardless of income or assets.

Perhaps because it is the type of service that is most easily accessible and one which they have used until now, consumers considering seeking financial advice seem to first think about the types of services offered by financial institutions. It is true that in general, when consumers contact a money management professional, it is generally in order to obtain a financial product such as an investment, loan, mortgage or insurance. The literature confirms that consumers are generally aware of financial advice and know when it is provided with the financial product they wish to acquire, whereas seeing an independent financial advisor could sometimes result in the decision to purchase a financial product (or not to acquire the product that was initially thought to be useful).

This perspective on the part of consumers is not surprising. The very structure of the services in the financial institutions that serve most Canadians is centered on separating financial products; at least this is what can be seen in the way the services of several financial institutions are presented on their websites, where the services are mixed with the products:

ILLUSTRATION 26

Personal banking services – Caisses populaires Desjardins¹³⁴



¹³⁴ **CAISSES POPULAIRES DESJARDINS.** Page: *Products and services*, Desjardins website, Montreal, Canada, no date. [Online] <http://www.desjardins.com/en/index.jsp> (page viewed on May 17, 2013).

ILLUSTRATION 27

Personal banking – Royal Bank of Canada¹³⁵



It is therefore not surprising that consumers perceive financial advisors as salespersons first, given that the only type of general advisor to which they have access provides financial advice on a complementary basis, as part of products which, when sold, will provide a commission to the person who has recommended them. It is also not surprising to note, as we saw at the beginning of the second chapter, that consumers will ask family members for advice or seek advice from other sources rather than consult professionals, since they do not have the means to pay for an independent professional, a type of advisor whose role and usefulness are unclear in their eyes.

The Financial Consumer Agency of Canada seems to have recognized there is a problem since it has designed a Web platform¹³⁶ to help consumers choose a financial advisor. However, its capacity to define, or help consumers define, what the work of a “financial advisor” specifically consists of and in what way does his expertise differ from that of a financial planner is limited. When the interactive website states “I need broad financial advice” rather than “I need advice

¹³⁵ **ROYAL BANK OF CANADA.** Page: *Personal banking*, RBC website, Montreal, Canada, no date. [Online] <http://www.rbcroyalbank.com/personal.html> (page viewed on May 17, 2013).

¹³⁶ **FINANCIAL CONSUMER AGENCY OF CANADA.** Page: *Financial professionals – What kind of financial help do I need?*, FCAC, Ottawa, Canada, April 12, 2013. [Online] (page viewed on June 21, 2013).

about a specific product or service,” the first answer shown still directs us to a financial advisor who will provide advice on a specific topic:

ILLUSTRATION 28
Financial Consumer Agency of Canada
Financial professionals – What kind of financial help do I need?

The screenshot shows a web form titled "Financial help" with a purple header. The form contains two numbered questions. Question 1 asks if the user needs help with a variety of financial matters or just one, with radio button options for "I need broad financial advice." and "I need advice about a specific product or service." Below this is a text input field labeled "The service area(s) I need is:". Question 2 asks "What do I want to do with my money?" with radio button options for "I want someone to help me clarify my financial needs.", "I want to buy a specific product or service.", and "I want someone who will help me meet my goals over a longer period of time."

Source: See note 136 – Screenshot

6.6 CONCLUSION

The polling firm proposes the following conclusions:¹³⁷

1. **A major unknown:** Financial professionals are relatively not much consulted by modest-income households. The impression of not having the means to pay for such services, and the feeling of not having sufficient assets to justify them, clearly lower the number of such consultations.
2. **Communicate the accessibility of services:** In terms of communication, the accessibility of services should be emphasized as a priority. In other words, it is not necessary to be well off or have impressive real estate properties to call upon financial professionals.
3. **Debunk a myth:** It should also be emphasized that the services of a financial professional can be provided at an affordable price. There is a widespread belief that such services are expensive.
4. **Simplify titles:** A modest-income person may be more likely to be intimidated (or at least feel less personally concerned) by the idea of consulting a securities advisor than a financial advisor. In other words, the complexity of a professional's title may hinder the perception that those services are accessible to all.
5. **Independence before competence:** It appears that the independence of the various organizations and professionals remains to be proven more than their competence. In other words, steps should be taken for those professions not to be submerged by the wave of cynicism that has spread across Canada toward several types of institutions.

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¹³⁷ See Appendix D: **PASSAGES**. *Les conseillers financiers – Rapport de recherche*, Op. cit., note 124, p. 36.

7. International Experience

7.1 International Overview

Our research did not enable us to conclude that broad financial advice that was independent, personalized, affordable and accessible was available to modest-income Quebec households. We decided to do an overview of financial counselling services for such households abroad in order to determine whether such services were available, and if so, the mechanisms used to guarantee the quality of the financial advice provided to consumers. We attempted to see whether there were appropriate services for modest-income households and whether initiatives were in place that could improve access to such services.

We began by doing a literature review, more specifically on comparative studies of financial sector professionals from various countries.

We particularly examined the regulatory framework of professionals or the products they were offering, along with the possible barriers to access. As the available financial services could, based on our preliminary research, be comparable to the situation in Canada, although appearing from the outset to present differences likely to provide a context, we did a more in-depth analysis of financial counselling services in France and the U.S. We examined the main professions in the field to determine whether they were being regulated in some manner, and looked for analyses and critical reviews made in relation to this area of activity in these jurisdictions.

We also wanted to see whether quality financial advice services were available to modest-income consumers in other countries, especially in France and the U.S. We then attempted to see whether there were programs in place aimed at facilitating access to professionals who provided complete services. We found such a program in the U.S., but as we did not find anything similar in France, we turned to Great Britain to look at its Citizens Advice program which we noted during our overview of the services available abroad.

As part of this overview, we contacted the Financial Planning Association by e-mail to obtain more specific information on the U.S. program as well as the Citizens Advice program to obtain information on the qualifications and training of the professionals part of the program. Only the Citizens Advice program responded to our inquiry.

7.1.1 PROBLEMS WITH FINANCIAL ADVICE SERVICES

The financial advice services provided by professionals in the sector are fairly consistent from one country to another. In fact, they are generally found in three forms: financial advice provided by a financial institution offering an array of products and services; financial advice by an independent firm specialized in financial planning or wealth management; financial planning as a complementary service in establishments operating in a specific field (insurance firms or, in countries such as France, real estate investment firms).

As in Canada, the level of competence and independence of those providing financial advice in the countries that were reviewed can vary considerably and there are also elements of confusion here as well.

In fact, although banks have financial advisors whose main task consists in providing personalized advice that includes the various aspects of money management, it is often difficult to distinguish the person selling the financial product from the person providing the advice; very often it is the same person. This confusion between functions is less apparent in advisors working for independent firms, despite the fact that they may also receive commissions when they recommend certain investments and other financial products.

*Commission-based agents and brokers often take offense at this distinction. Blurring the difference, they created the category dubbed “fee based,” which means they charge a fee in addition to collecting commissions. Study after study show that even consumers seeking a strictly fee-only advisor find these terms confusing.*¹³⁸

As here, advisor independence is one of the main problems which the respective players in this sector are faced with.

The mechanisms that were put in place to ensure advisor independence, where applicable, sometimes involve titles reserved by law for certain professionals, and other times codes of conduct implemented by the companies or associated with the sale of certain products. However, the independence requirement is open to debate, with some of the organizations involved believing that it should be sufficient to make it a duty for professionals to disclose potential conflicts of interest, while others maintain that only a complete ban on commissions and bonuses can truly ensure that the advice being provided is objective.

A study conducted in Australia by the Australian Securities & Investments Commission in 2012 on retirement advice rated only 3% of the advisors being assessed as “good,” with 39% being rated “poor.” The Commission noted that:

Unsurprisingly, where advice fees were contingent on a product recommendation, there were numerous examples where the advice appeared to be structured towards recommending or selling financial products. In some cases, this was at the expense of optimal strategic advice, and prevented some otherwise adequate advice from being rated as good.

*Two-thirds of the advice [...] involved the recommendation or continuation of in-house products or products associated with the advice group*¹³⁹.

¹³⁸ **MAROTTA, David John.** “Fee-Only Financial Planner: What’s the difference?” in Forbes, New York, USA, November 6, 2012. [Online] <http://www.forbes.com/sites/davidmarotta/2012/06/11/fee-only-financial-planner-whats-the-difference/> (page viewed on June 20, 2013).

¹³⁹ **AUSTRALIAN SECURITIES & INVESTMENTS COMMISSION.** *Shadow shopping study of retirement advice, Report 279*, ASIC website, Sidney, Australia, March 2012, 82 pages. [Online] [http://www.asic.gov.au/asic/pdf/lib.nsf/LookupByFileName/rep279-published-27-March-2012.pdf/\\$file/rep279-published-27-March-2012.pdf](http://www.asic.gov.au/asic/pdf/lib.nsf/LookupByFileName/rep279-published-27-March-2012.pdf/$file/rep279-published-27-March-2012.pdf) (document viewed on May 13, 2013).

See also:

KELL, Peter, *The future of advice post FOFA: A speech by Peter Kell, Commissioner, Australian Securities and Investments Commission*, ASIC website, Sidney, Australia, May 1, 2012, 12 pages. [Online] [http://www.asic.gov.au/asic/pdf/lib.nsf/LookupByFileName/Future-of-advice-post-FoFA.pdf/\\$file/Future-of-advice-post-FoFA.pdf](http://www.asic.gov.au/asic/pdf/lib.nsf/LookupByFileName/Future-of-advice-post-FoFA.pdf/$file/Future-of-advice-post-FoFA.pdf) (document viewed on May 13, 2013).

The Commission also mentions the importance for an advisor of looking at the client's overall situation:

28. [...] Clearly, the likelihood of an adviser providing high-quality financial advice is severely reduced if they do not adequately determine the client's personal circumstances.

*30. [...] Poor strategies generally occurred where the client's expressed needs and objectives were not addressed. This commonly included the failure of advisers to address areas that did not directly involve investment products. For example, several clients had borrowings and debts that were not addressed in circumstances where a reasonable adviser would have considered these debts.*¹⁴⁰

The low level of trust that consumers have towards financial advisors was observed in several countries which, like England, decided that in order to limit potential conflicts of interest, financial advisors would be prohibited from being paid commissions on financial products, with their compensation being based solely on the advice provided (and not on the product sold).¹⁴¹

A German study examined the approach which consists in prohibiting commissions, as implemented in England and proposed in several other countries.¹⁴² Around 2005, England, where financial advice was being provided as in Canada by both independent advisors and tied advisors (working for an institution and selling the latter's products), implemented the obligation to disclose commissions. It concluded, upon review, that the approach had no tangible effect and that legislation had wrongly targeted the symptoms rather than the source of the problem. The new legislation, in force since December 31, 2012, standardizes professional requirements (in particular for training and education) and in several cases bans commissions on a product that was personally recommended to a consumer.

The German study reiterated that several countries (Finland, Denmark, the Netherlands and Australia) have recognized that consumer trust in financial services was at its lowest and that the quality of financial advice was not adequate. The study mentioned the measures that have been taken and that are being considered by these countries to counter conflicts of interest.

The regulation of the conflict of interest in financial service advice and the banning of commissions are not only issues that are addressed in the United Kingdom, but also in other countries of the EU and in non-EU countries:

- *Finland: On 1st of September 2005 commissions were prohibited on the Finish pension market with a three-year transitional period.*
- *Denmark: In Denmark commissions were banned on the Danish pensions market with a five-year transitional period starting from 1st of July 2006.*
- *Netherlands: The Dutch government has banned commissions on a wide range of products such as banking, insurance and investment products starting from 1st of*

¹⁴⁰ *Ibid.*

¹⁴¹ "The Financial Services Authority is ordering all financial advisers to charge a fee for their services rather than hiding costs in a product's charges."

COLLISON, Patrick. "The end line for commission," in *The Guardian*, London, UK, December 14, 2012. [Online] <http://www.guardian.co.uk/money/2012/dec/14/end-of-line-for-commission> (page viewed on June 20, 2013).

¹⁴² **THORUN, Christian and Frank NIEMEYER.** *Towards a fairer deal for consumers and the financial industry: Lessons from the Retail Distribution Review in the UK*, Association of German Fee-Only Advisers and Quirin Bank, Berlin, Germany, September 17, 2012, 55 pages, pp. 37-38. [Online] <http://www.sven-giegold.de/wp-content/uploads/2012/09/Towards-a-fairer-deal-engl-version.pdf> (document viewed on December 19, 2012).

January 2013. The definition of products takes a consumer centric view: comparable and substitutable products are all covered by the ban's definition.

- *Australia: The Financial Advice package is voluntary from 1st of July 2012 and will become mandatory from 1st July 2013. The package includes three key components:*
 - i) *A ban on up-front and trailing commissions and like payments in relation to the distribution and advice of retail investment products and the introduction of adviser charging;*
 - ii) *The introduction of a statutory best interest or fiduciary duty so that financial advisers must act in the best interest of their clients; and*
 - iii) *Expanding the availability of low-cost limited or scaled advice to improve access to and affordability of financial advice. Scaled advice is advice about one area of an investor's needs, such as insurance, or about a limited range of issues*

[...]

In all countries discussed, there is a recognition that banning commissions is necessary, but not sufficient to improve the quality of financial advice. The Dutch emphasise, for example, that consumers should have clear expectations of the kind of advice they receive. Consumers must be informed in their orientation phase whether they receive independent advice, advice of a tied advisor (an adviser that advises products from a limited range of providers) or direct selling advice of the provider (an adviser that advises on the company's own products). Furthermore, the Netherlands will increase the qualification level of financial advisers¹⁴³.

7.1.2 CUSTOMIZED SERVICES

a) United States

The subprime crisis had a particularly strong impact in the U.S., causing both a major drop in U.S. consumer trust in the financial system and a few reforms aimed at rectifying the situation¹⁴⁴ and eliminating the general mistrust. Financial advisors, however, have yet to be regulated at the federal level. A 2011 report by the United States Government Accountability Office (GAO) on the subject bears a title that aptly summarizes the situation: "Regulatory Coverage Generally Exists for Financial Planners, but Consumer Protection Issues Remain."¹⁴⁵ Several of the issues raised by the GAO in its report are similar to those found in Canada, including the many titles under which financial advisors present themselves:

Individuals who provide financial planning services may use a variety of titles when presenting themselves to the public, including financial planner, financial consultant, and financial adviser, among many others. However, evidence suggests that the different titles financial professionals use can be confusing to consumers. The 2008 RAND study

¹⁴³ *Ibid.* pp. 37 et 41.

¹⁴⁴ Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, creation of the Bureau of Consumer Financial Protection, tightening of regulations on derivative products and increased monitoring of banking activities.

¹⁴⁵ **U.S. GOVERNMENT ACCOUNTABILITY OFFICE.** *Consumer Finance: Regulatory Coverage Generally Exists for Financial Planners, but Consumer Protection Issues Remain.* U.S. Government Accountability Office, Washington, USA, 51 pages, January 18, 2011. [Online] <http://www.gao.gov/assets/320/314684.pdf> (document viewed on December 19, 2012).

*found that even experienced investors were confused about the titles used by broker-dealers and investment advisers, including financial planner and financial adviser. Similarly, in consumer focus groups of investors conducted by SEC in 2005 as part of a rulemaking process, participants were generally unclear about the distinctions among titles, including broker, investment adviser, and financial planner.*¹⁴⁶

However, the GAO was even more concerned about the shortcomings of legislation based on the sale of products rather than on the provision of financial advice and the flaws in such an approach. As shown in the following figure, U.S. financial planners are regulated either as investment advisors, securities brokers, or insurance agents. While the latter two professions are regulated through the securities that are traded or the insurance that is sold, only financial planners who provide investment advice have a fiduciary duty, namely, a legal obligation to act in their clients' best interest. Planners, depending on the service they provide and the advice given during a session, may or may not have to put their clients' interests first. The industry, as opponents to more stringent regulations did in Europe, ensures that adequate disclosure is sufficient to eliminating any problems for consumers.¹⁴⁷

Oddly, advice on loans or debt management are not part of the scope of the study. Although 22% of U.S. households used financial planning services in 2007 for investments and to back spending decisions, 12% of households consulted these professionals for loan and credit-related decisions.¹⁴⁸

¹⁴⁶ *Ibid.*, p. 21.

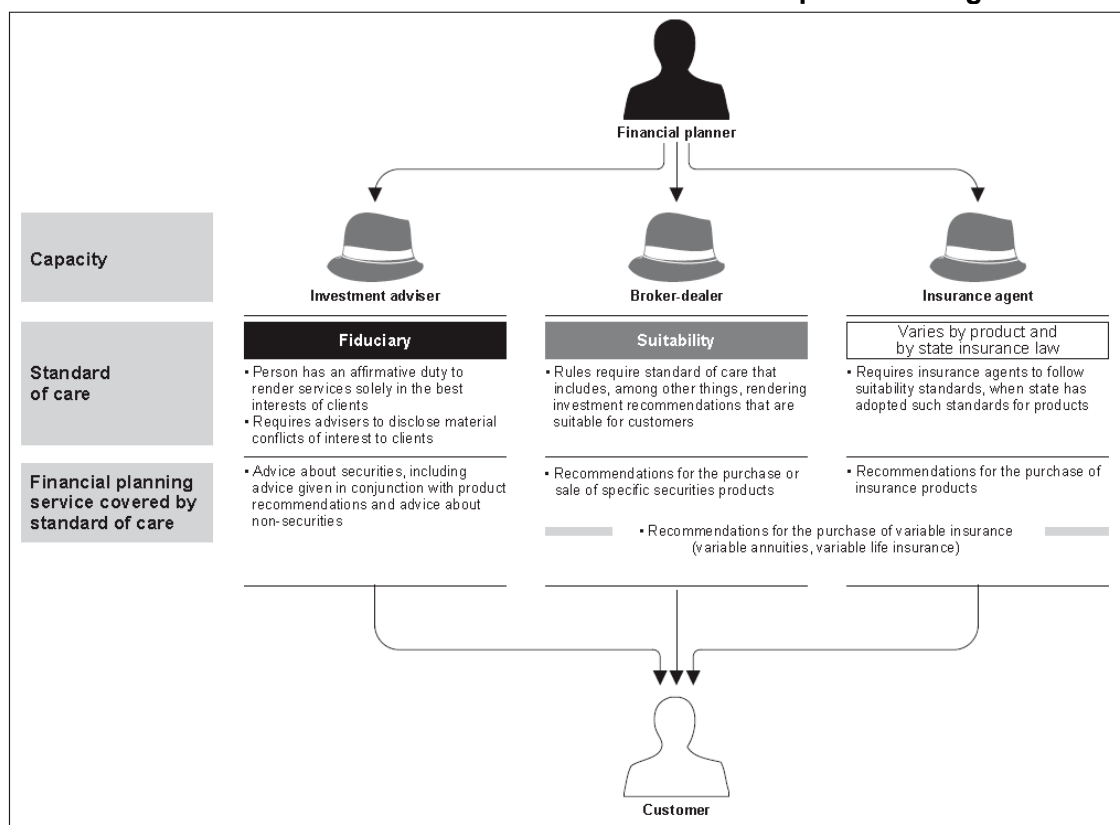
¹⁴⁷ "Representatives of financial services firms that provide financial planning told us they believe that clients are sufficiently informed about the differing roles and accompanying standards of care that a firm representative may have. They noted that when they provide both advisory and transactional services to the same customer, each service—such as planning, brokerage, or insurance sales—is accompanied by a separate contract or agreement with the customer. These agreements disclose that the firm's representatives have different obligations to the customer depending on their role. In addition, once a financial plan has been provided, some companies told us that they have customers sign an additional agreement stating that the financial planning relationship with the firm has ended." □

Ibid., p. 19.

¹⁴⁸ *Ibid.*, p. 3.

ILLUSTRATION 29

Differences between standards related to financial planner obligations



Source: GAO.

Note: This figure is illustrative and is not comprehensive; financial planners may serve in capacities other than those shown here, and not all investment advisers, broker-dealers, and insurance agents serve as financial planners.

Source: **U.S. GOVERNMENT ACCOUNTABILITY OFFICE. Consumer Finance: Regulatory Coverage Generally Exists for Financial Planners, but Consumer Protection Issues Remain.** U.S., *Op. cit.*, note 145, p. 21.

Lastly, besides the fact that regulation is partial and inconsistent,¹⁴⁹ the mechanisms that must ensure the conformance of financial advice also lack consistency. As in Canada, there are professional corporations¹⁵⁰ whose members must observe a code of ethics and whose competence is ensured by minimal qualifications and a comprehensive exam.¹⁵¹ Membership in this association is also not mandatory in this case; however, these professionals are prohibited from presenting themselves as being licensed.

¹⁴⁹ Investment advisors are regulated by the Advisers Act and must be regularly monitored by the Securities and Exchange Commission. However, investment advisors working for banks are subject to banking regulations. Professionals involved in brokerage activities are monitored by the Financial Industry Regulatory Authority, while those who sell insurance products are subject to the Suitability in Annuities Transactions Model Regulation. "[The Securities and Exchange Commission] and state securities regulators also regulate information that investment advisers are required to disclose to their clients." *Ibid.* p. 9.

¹⁵⁰ The most important one, for the type of advising that concerns us, is the Financial Planning Association: **FINANCIAL PLANNING ASSOCIATION.** Page: *Why a CFP Professional?*, FPA website, Denver, USA, no date. [Online] <http://www.fpanet.org/WhatIsFinancialPlanning/WhyaCFPProfessional/> (page viewed on January 21, 2013).

¹⁵¹ **MOORE, Frank.** *Frank Advice on Choosing a Financial Advisor.* Certified Financial Planner, Vintage E-News website, Ann Arbor, USA, date unknown. [Online] <http://www.vintagefs.com/frank-advice-on-choosing-a-financial-advisor> (page viewed in May 2013).

Therefore, roughly the same problems are found in the U.S. as in Canada, including compensation practices that raise the question of a potential conflict of interest. The GAO's recommendations are sound: not seeing at this stage the need to adopt any specific regulations, the report insists on the additional efforts that are required so that consumers are well informed and that advisors are aware of their obligations.

Still, some continue to wish that measures be taken so that modest-income households can also benefit from this type of professional service:

The economics of the financial services industry push us in that direction. The financial services industry rewards us in most cases for implementation. This is true across most segments. Larger implementations produce greater revenue. Wealthy clients produce greater revenue for the planner on a per capita, per engagement or per hour basis. So 95% of financial planners strive to serve the top 5% of consumers. [...] We see doctors and lawyers serving the poor every day. We hardly ever see a financial planner doing the same because there is still no structure to make delivery of these services a viable occupation for a well-trained financial planner at a living wage.

Until financial planners serve lower income and middle market consumers, it will be unlikely that the public (or their elected officials) will view us as a profession .¹⁵²

Pro bono financial planning program

Based on the literature review, we are led to believe that there is a real concern in the U.S. regarding accessibility to general financial planning for most Americans, and that many consider this to be a major need, one that remains unmet. However, there are few substantial initiatives. The most widespread type of affordable financial planning service appears to be found in the Financial Planning Association's pro bono programs.¹⁵³

The Association's various divisions, which it coordinates, provide a professional advice service, similar to what is done in the legal field, that is free of charge to households referred by community organizations and to eligible persons who request it and whose situation is considered critical by the Association. The economic eligibility criteria are based on income: maximum annual income of \$43,000 for a single person, of \$55,350 for a three-member household, etc.

¹⁵² **CANDURA, Dan.** "What Financial Planning Needs to do to Become a Profession," in *Financial Planet*, Denver, USA, September 2012. [Online] <http://www.financialplanet.org/2012/financial-planning-profession-2/> (page viewed on May 7, 2013).

¹⁵³ **FINANCIAL PLANNING ASSOCIATION.** Page: *Pro Bono*, FPA website, Denver, USA [Online] <http://www.fpanet.org/professionals/Connect/ProBono/> (page viewed on January 21, 2013).

The target clientele for this service is not limited to modest-income households; it includes young adults, the homeless, and victims of domestic violence. The service, which makes financial planning services available to its clientele, aims at covering all the needs that we listed in chapter 3 of our report:

*Planners assist clients with medical debt, credit/debt management challenges, job loss, retirement, and general financial planning concerns. Volunteers across the country are donating thousands of hours of their time. All are working not only to help the vulnerable members of our communities, but to invent a new form of community service - pro bono financial planning.*¹⁵⁴

The advisors, acting on a volunteer basis, must be active financial planners and members in good standing of the Financial Planning Association and have taken training to enable them to better understand the specific needs of the target clientele:

To serve as a volunteer in FPA's pro bono financial planning program, individuals must:

- *Be an FPA member in good standing who is a financial planning practitioner.*
- *Abide by the FPA Code of Ethics and agree to uphold FPA's Standard of Care, requiring them to place their clients' interests first.*
- *Complete FPA's Pro Bono Boot Camp training session.*
- *Sign the pro bono letter of engagement that states he/she will take responsibility for services provided in the engagement.*¹⁵⁵

Despite the obvious usefulness of such a program, it appears that such services are not sufficient for meeting the needs of modest-income households in the U.S.: "No financial clinics and very few pre-paid financial planning benefits exist. While there are some pro-bono projects, they serve a fraction of those served at the top of the economic ladder."¹⁵⁶

b) France

In France as elsewhere, financial advice services are first and foremost regulated through financial products. It also seems that financial planning is not a common discipline and that "wealth management planning" is the field that most resembles it:

*This profession [of wealth management advisor] is therefore complex and requires solid qualifications and skills in a multitude of varied fields such as civil law (e.g. matrimonial regimes, estate tax, social law), tax law, insurance law, heritage law, knowledge of economics, real estate and finance (e.g. financial investments, real-estate investments, stock market transactions, asset management)*¹⁵⁷. [translation]

¹⁵⁴ *Ibid.*

¹⁵⁵ **FINANCIAL PLANNING ASSOCIATION.** Page: FPA Pro Bono Guidebook, FPA website, Denver, USA, 27 pages, p. 5. [Online] http://www.fpanet.org/docs/assets/5FE60161-AD13-57B8-B2602D45AF7D0D6D/FPAProBonoGuidebook_March2013.pdf (document viewed on May 7, 2013).

¹⁵⁶ **CANDURA, Dan.** "What Financial Planning Needs to do to Become a Profession," *Op. cit.*, note 152.

¹⁵⁷ **GISCARD D'ESTAING, Louis.** *Rapport relatif aux conseillers en gestion de patrimoine*, Ministère de l'économie, des finances et de l'industrie, Paris, France, July 2011, 115 pages, p. 13. Available at the website of La documentation française. [Online] <http://www.ladocumentationfrancaise.fr/var/storage/rapports-publics/114000415/0000.pdf> (document viewed on May 20, 2013).

As noted in the report cited above, the profession is not directly regulated; numerous disparities have been noted between the professionals' ethics and competence, as they act more as sellers of financial products when working for a bank:

Lastly, the consumers who were interviewed justly mention that financial institution employees are first required to advise and sell in-house products, and that the compensation system pushes them to recommend a given product, sometimes to the detriment of the client. Problems of transparency and advising duty therefore appear to be key issues.¹⁵⁸ [translation]

This is not surprising since they are for the most part compensated through the commissions they receive on their clients' investments, with fee-based advisors accounting for only 10-15% of all wealth management advisors.¹⁵⁹

In France, as in the United States and Canada, general financial advice services create a similar set of problems: confusion over titles, risk of conflicts of interest associated with commission-based compensation, advice primarily centered on investments, disparity in competence among wealth management advisors, while the consumer's need for money management advice has increased as financial services have become more complex and products have grown in number (including products available as a package or various payment options). Once again, modest-income households or those with few assets are the first to bear the brunt of this situation:

Despite this observation [French bankers recognize that the language and procedures used in the financial services sector are complex and not very accessible to the average person], they also concede that the logical answer to these problems, i.e. better monitoring of the persons most concerned, has not been implemented; on the contrary. In fact, pressured by the need to produce results, they spend more time with clients with real economic potential. Spending time with modest-income clients represents a cost over the short term that very few financial institutions are willing to bear, knowing that those who do so try to keep this "unproductive time" to a minimum.¹⁶⁰ [translation]

We were not able to find any initiatives in France involving general and independent financial advice services that are free or affordable for modest-income households. We even found that the French appeared to be less concerned by this issue than Americans and Canadians, judging by our review of newspaper articles published in past years. However, this lack of interest in providing free advice is not one that extends to financial advice services in general.

In fact, an analysis of the French Monetary and Financial Code¹⁶¹ leads us to believe that despite the system's shortcomings (no regulation that directly targets general advice and the activities of wealth management advisors), it has still established a framework to limit inappropriate advice or at least to better protect consumers. On the one hand, direct sellers

¹⁵⁸ *Ibid*, p. 15.

¹⁵⁹ RÉGNIER, Paul. "Combien coûte la gestion de son patrimoine par un GP?", in *Tout sur les placements*, Paris, France, March 26, 2012. [Online] <http://www.toutsurlesplacements.com/combien-coute-la-gestion-de-son-patrimoine-par-un-cgp.html> (page viewed on December 4, 2012).

¹⁶⁰ GLOUKOVIEZOFF, Georges. *L'exclusion bancaire et financière des particuliers*, in *Les travaux de l'Observatoire 2003-2004*, Observatoire National de la Pauvreté et de l'Exclusion sociale (ONPES), Paris, France, 39 pages, pages 167 to 205, p. 178. [Online] <http://www.onpes.gouv.fr/IMG/pdf/Travaux2003-2004-1-2-3-exclusionbancaire-Gloukoviezoff.pdf> (document viewed in May 2013).

¹⁶¹ The Monetary and Financial Code regulates the French monetary and financial system and has a part that resembles the Quebec *Act Respecting the Distribution of Financial Products and Services*.

such as financial investment advisors¹⁶² and brokers/intermediaries in banking operations and payment services (“IOBSPs”) must not only inform their clients of the various products and services that are available, but must also enquire about the client’s financial situation, his financial capability, and his goals before making any recommendations. It is even more important for modest-income households that IOBSPs include not only investment-related advice but advice on mortgage loans, consumer credit and general insurance. The advice and loans create an obligation for the advisor to not only assess the borrower’s repayment ability, but also to ensure that repayment of the loan will not impact his other financial obligations:

*When the contract deals with a credit transaction, the IOBSP must precisely assess the client’s knowledge and experience in terms of banking transactions as well as his financial situation and needs. He must also ask the client about his means, expenses and any current loans so that a solvency review can be done.*¹⁶³ [translation]

To minimize impulsive decision-making and allow consumers to compare the various services, consumers usually have 14 days after signing the contract to cancel it without penalty.¹⁶⁴ As the previously mentioned professionals are required to have professional liability insurance (the minimum coverage for the insurance policy is €500,000 per claim¹⁶⁵), French consumers are provided with some protection in the event of poor advice.

Lastly, although financial sector stakeholders are vehemently opposed to the above measure, they may be obliged to ban commission-based compensation for financial advisors presenting themselves as independent. This new requirement arises from reforms proposed in the EU’s Markets in Financial Instruments Directive proposed in October 2012 and that should be adopted before the end of 2013. Whereas they are already obliged to disclose their form(s) of compensation, financial sector professionals believe that this measure will, unless commissions are obtained retroactively by product providers, have the effect of increasing the cost of financial advice for consumers. However, “only 16% of French consumers would be willing to pay, preferring the free advice provided by institutional banks.”¹⁶⁶ [translation]

¹⁶² Financial Investment Advisors are a regulated profession that requires registration, adherence to a code of conduct, and membership in a professional corporation. If a wealth management advisor is also a financial investment advisor, he could provide tax, legal and other advice, but the regulation specifically covers advice dealing with investments.

¹⁶³ **MIGNOT, Vincent and Françoise COPPIN.** Page: “Les Intermédiaires en opérations de banque et en services de paiement (IOBSP),” Cbanque website, Saint-Grégoire, France, January 8, 2013. [Online] <http://www.cbanque.com/credit/iobsp.php#> (page viewed on May 12, 2013).

¹⁶⁴ As comparison, the Quebec Consumer Protection Act provides for a discretionary right of cancellation of only two days.

See: *Consumer Protection Act* (R.S.Q., c. P-40.1), Section 73.

¹⁶⁵ About 700 000 CA\$. **AUTORITÉ DE CONTRÔLE PRUDENTIEL (ACP).** Page: *Foire aux questions IOBSP*, Banque de France website, Paris, France, date unknown. [Online] <http://www.acp.banque-france.fr/vous-etes/intermediaires/intermediaires-en-operations-de-banque/faq-iobsp.html> (page viewed on May 12, 2013). As comparison, in Quebec, the Autorité des marchés financiers imposes professional liability insurance with a coverage of \$500,000 per claim.

AUTORITÉ DES MARCHÉS FINANCIERS. *Guide pour la rédaction d’un contrat d’assurance de responsabilité professionnelle*, AMF website, Quebec, Canada, 2008, 31 pages, p. 14. [Online] http://www.lautorite.qc.ca/files/pdf/professionnels/obligations/Guide-redaction-contrat-ass-repons-prof_FR.pdf (document viewed on May 12, 2013).

¹⁶⁶ **REIBAUD, Rejane.** “Les conseillers en gestion de patrimoine sur le pied de guerre face à la réforme de leur modèle,” in *Les Échos*, France, April 16, 2013. [Online] http://m.lesechos.fr/redirect_article.php?id=0202689964757 (page viewed on May 14, 2013).

c) Great Britain: Citizens Advice Program

Whereas originally we had planned to review financial advice services in the U.S. and France, we found out about a program in Great Britain that we thought would be interesting to present. Like the U.S., Great Britain set up an initiative aimed at providing a greater number of consumers with access to professional financial advice services.

Set up as a pilot project for 2007-2009 by a charitable organization, Citizens Advice, jointly with 37 other independent financial advisors from the Personal Finance Society, the *Moneyplan* program consisted in provided free consultations to interested consumers in order to answer their questions and give them advice on all major aspects of their finances.

*Jackie Nowell, head of partnership development for Citizens Advice, said: 'The results so far of partnering Citizens Advice Bureaux with IFAs in the Moneyplan project indicate both that there is a need for a national generic financial advice service and that this is an effective model for delivering it. The range of issues presented to the IFAs is broad, but it appears that there is particular demand from those who may own their own homes, but have low incomes. This evidence emphasises that there is a gap in provision which needs to be addressed.'*¹⁶⁷

A study was conducted in 2008 to determine whether there was a great enough need for a permanent program on a larger scale and, if so, to study what the service would consist of.

A service which until 2010 was a division of the Financial Services Authority (FSA) was launched as an independent service in April 2011 by the British government. The Money Advice Service aims at providing financial advice to British consumers. While Citizens Advice targets households struggling with debt, the Money Advice Service's main objective is to increase consumers' level of comfort with money management and their ability to make good decisions, and believes that personalized, professional and independent support is required to do so: "Our statutory objectives are to enhance the understanding and knowledge of members of the public about financial matters (including the UK financial system), and to enhance the ability of members of the public to manage their own financial affairs."¹⁶⁸

Operating under the Financial Service Authority, the program is mainly funded through taxes charged to the financial services industry.

The Money Advice Service is ambitious: "We give free, unbiased money advice to everyone across the UK – online, over the phone and face to face,"¹⁶⁹ and the organization's website includes very detailed information that is structured by financial theme and life events (e.g. buying a home, having children, loss of employment, divorce, retirement).

¹⁶⁷ **SMITH, Steve A.** "Demand' For Generic Financial Advice, □ in *Article Creek*, Washington, USA, January 20, 2008. [Online] <http://www.articlecreek.com/articledetail.php?artid=42794&catid=62> (page viewed on June 13, 2013).

¹⁶⁸ **THE MONEY ADVICE SERVICE.** Page: *About us*. Website of The Money Advice Service, London, UK, no date. [Online] <https://www.moneyadviceservice.org.uk/en/static/about-us> (page viewed on January 23, 2013).

¹⁶⁹ *Ibid.*

The service is fairly extensive to meet the needs of all British modest-income consumers nationwide, contrary to the U.S. Pro Bono program, which is only available to consumers whose situation is somewhat critical. However, the advisors working for the Money Advice Service are not necessarily financial planners. They are mainly retired financial professionals or individuals with several years experience in the field or in social work:

*In our recruitment we look for people with experience in financial services and the advice sector. Many of our advisers have worked in financial advice (either as an IFA or as an adviser in a bank branch) or have worked in welfare and benefits advice (for example at a Citizens Advice Bureau).*¹⁷⁰

¹⁷⁰ **THE MONEY ADVICE SERVICE – ENQUIRIES.** *E-mail response from Money Advice Service to enquiries made by Union des consommateurs, The Money Advice Service, London, UK, January 25, 2013.*

Conclusion

Quebecers are better educated than they were 30 years ago. However, they still have poor financial literacy, possibly as a result of the increased complexity and the multitude of financial products. And their level of debt is continuing to grow, exceeding 150% in 2013.

The deregulation of the financial sector should encourage competition among financial institutions. In theory, consumers, faced with a wide range of options, are in a position to freely choose products that are best suited to them. However, the ability to make such a choice not only requires adequate knowledge of the basic concepts of personal finance management, but also often access to professional advice. Consumers in fact are often only aware of the options that are advertised the most, and they do not necessarily have the capacity to consider their personal finances as a whole and comprehend the scope of their choices over the short, medium and long terms, along with the impact that a given decision may have.

Although consumers are able to set certain goals, the best ways of attaining them can often only be determined with the help of a financial professional, who has the knowledge, competence and independence required to draw up a comprehensive financial review and recommend on this basis the best strategies and types of products. This is how financial advice can contribute to increasing the financial capability of consumers.

Our study aimed at determining whether generic financial advice services were available and accessible to modest-income Quebec consumers. An overview of a range of consumer needs in terms of financial advice led us to determine that on the one hand, the needs of modest-income consumers were generally the same as those of the general population, with their limited income merely making the management of their personal finances more difficult. We also noted that consumers need advice in several areas such as debt management, retirement planning, legal and tax-related advice, etc. Lastly, we determined that to truly benefit consumers, financial advice should follow four basic requirements. The service must make financial management a part of the life cycle, incorporate the various areas of expertise into the same advice, provide ongoing and personalized follow-ups, and be provided as part of an approach centered on advice rather than sales.

Following a review of the various professionals likely to provide financial advice, the responsibilities and qualifications of each professional, the regulations that ensure adequate training and rules of conduct, their form of compensation, the latter being likely to influence the level of independence and impartiality, we concluded that there are not many professional titles that can guarantee the competence required to provide general financial advice with complete impartiality, with financial planners standing out as the only ones that meet all the criteria that we established.

Whereas independent professional financial advice services would be beneficial in all respects for households in general, we unfortunately noted that there are many barriers to accessing such professional expertise for consumers in general, which indicates that the possibility for lower income households of accessing the services offered by such professionals is clearly unrealistic. These services are too costly for the vast majority of consumers, too limited in supply to meet demand, not widely known by the general public and, lastly, not available through institutional channels, namely those which consumers will go to first.

Based on our study, modest-income consumers try to adapt as best they can to the situation, and continue to seek ways to obtain advice when a specific need arises, such as for the purchase of a home, for retirement questions, etc. Consumers believe that they could not afford or it would not be profitable for them to obtain personalized advice for their general finances, and in any event would not know whom to turn to to obtain such services and whom to trust. In any case, consumers seem to have very little awareness of their own needs, a lack of knowledge that is reinforced by the image projected by financial institutions in their role as financial advisor, which would be directly linked to obtaining financial services and products rather than first being part of sound financial management habits.

The overview of the financial advice services available abroad revealed that the many problems we encountered (e.g. confusion related to the various professions, compensation that inevitably creates conflicts of interest, uneven qualifications among the professionals with similar responsibilities) are not specific to financial advice services in Canada. The quality of the advice provided to the public appears in fact to be a problem for many countries such as Australia, Great Britain, Denmark, and the United States, especially since the 2008 financial crisis, which eroded consumer trust in the entire financial system. Measures have in fact been adopted or are considered being adopted to restore public trust in the financial system and, in our case, financial advisors. One of the approaches that is favoured consists in imposing fiduciary duties or prohibiting advisors from hiding their compensation in the sale of financial products.

These rules designed to ensure the independence of financial advisors are obviously not sufficient to break down all the barriers; initiatives have been implemented elsewhere to enable modest-income households to obtain quality financial advice through free programs that use financial planners. These are initiatives that Canada could take note of.

Recommendations

- Whereas financial products are increasingly varied and increasingly complex;
- Whereas over the course of life events, consumers are required to make important financial decisions whereby they are required to deal with a complex financial universe;
- Whereas for several of these decisions, and to distinguish the usefulness, quality and relevance of the various financial products and services proposed to them, they will have to contact several professionals in this field, regardless of their level of financial literacy;
- Whereas financial decisions are likely to affect consumers' overall current and future situation;
- Whereas the consumer's entire financial situation must often be considered to provide relevant financial advice;
- Whereas, regardless of their financial situation, all households should have access to such financial advice;
- Whereas advice on the overall financial situation, like any financial advice, should be provided in the best interest of the person that requires such a service;
- Whereas having an advisor's income dependent on a commission or bonus resulting from the sale of a product creates a potential conflict of interest for him;
- Whereas several foreign jurisdictions regulate the compensation of financial advisors in order to avoid any potential conflicts of interest;
 1. Union des consommateurs is recommending that the governments adopt measures aimed at ensuring the independence of the professionals who provide financial advice to consumers;
 2. Union des consommateurs is recommending in this respect that the governments follow the example of foreign jurisdictions that prohibit professionals from receiving commissions in relation to the financial advice they provide;
- Whereas there is a large number of professionals who administer advice which consumers may require;
- Whereas, in addition to the titles reserved by law for certain members of professional corporations, a wide range of titles is given to several professionals likely to provide financial advice;
- Whereas, failing regulation, the various titles given to these professionals are likely to confuse consumers, who are unaware of the qualifications related to any given title, the regulations which the professionals may be subject to, their level of independence, etc.;
- Whereas consumers often obtain their financial advice piecemeal, from financial institutions;
 3. Union des consommateurs is recommending that the governments mandate the relevant authorities, i.e. the AMF and the FCAC, to standardize the titles used by professionals who provide financial advice to consumers. Such standardization should be done on the basis of the professionals' expertise, qualifications, and level of independence;
 4. Union des consommateurs is recommending that all the players concerned ensure that the public is properly informed on the role and mandate of each professional providing financial advice services;
 5. Union des consommateurs is recommending that all professionals and institutions ensure that consumers are informed from the outset of their meeting with the advisor of the latter's qualifications and level of independence;

- Whereas all consumers would likely benefit from advice that considers their general financial situation, on an ongoing and regular basis throughout the life cycle;
 - Whereas consumers are not very aware of the benefits that such an approach could represent for them;
 - Whereas only financial planners, given the regulations they are subject to and the scope of their mandate, provide assurances regarding the level of competence and independence required to provide such advice;
 - Whereas most Quebecers are currently unable to afford the services of an independent financial planner;
 - Whereas initiatives have been implemented in several countries so that the financial means of consumers do not prevent from obtaining quality financial advice.
6. Union des consommateurs is recommending that all the players concerned adopt measures aimed at making consumers aware of the benefits of receiving, on an ongoing and regular basis throughout the life cycle, advice that takes into account their general financial situation;
 7. Union des consommateurs is recommending that the governments follow the example of international experiences so that they implement initiatives that will enable modest-income consumers to have access to neutral and objective financial advice.

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APPENDIX A: The Main Duties of Financial Advisors

1111 Vérificateurs/vérificatrices et comptables¹

Les vérificateurs examinent et analysent les documents comptables et registres financiers de particuliers ou d'entreprises, afin d'assurer l'exactitude des documents en accord avec les principes comptables généralement reconnus. Les comptables planifient, organisent et administrent des systèmes de comptabilité pour des particuliers ou des entreprises. Les stagiaires des firmes de comptabilité sont inclus dans ce groupe. Les vérificateurs et les comptables sont employés par des firmes de comptabilité et de vérification des secteurs public et privé, ou ils peuvent être des travailleurs autonomes.

Fonctions principales

Les vérificateurs et les comptables exercent une partie ou l'ensemble des fonctions suivantes :

Vérificateurs

- examiner et analyser les livres de comptes et le grand livre, les états de compte, les inventaires, les dépenses, les déclarations de revenus et autres pièces comptables, les registres et les systèmes financiers de particuliers, de services à l'intérieur d'entreprises ou de sociétés, ou tout autre genre d'établissement afin de vérifier l'exactitude des écritures et assurer la conformité aux méthodes comptables établies, aux procédures et aux vérifications internes;
- rédiger un rapport de vérification détaillé et présenter des recommandations propres à améliorer les pratiques comptables et la situation financière du particulier ou de l'établissement;
- effectuer, à l'occasion, des missions de vérification dans des entreprises afin d'assurer le respect des dispositions de la Loi de l'impôt sur le revenu, de la Loi canadienne sur les sociétés par actions et des autres obligations légales;
- superviser, au besoin, d'autres vérificateurs ou les personnes responsables de la comptabilité chez les clients.

Comptables

- concevoir, mettre en œuvre et administrer des systèmes comptables et préparer des renseignements financiers pour des particuliers, des services à l'intérieur d'entreprises, de sociétés ou d'autres genres d'établissements;
- examiner les livres comptables, et préparer les états financiers et les rapports;
- concevoir et appliquer des méthodes d'établissement et de comptabilisation du coût de revient et des procédures de contrôle interne;
- examiner les états et les comptes financiers et préparer les déclarations de revenus;
- analyser les états financiers et les rapports et donner des conseils dans le domaine financier ou fiscal;
- remplir, à l'occasion, des fonctions de liquidateur dans des cas de faillite;
- superviser et former, s'il y a lieu, des stagiaires comptables, d'autres comptables ou des techniciens en administration.

¹ RESSOURCES HUMAINES ET DÉVELOPPEMENT DES COMPÉTENCES CANADA. Page 1111

Vérificateurs/vérificatrices et comptables, Classification nationale des professions, site de RHDCC, Ottawa, Canada, 16 juin 2013. [En ligne] <http://www5.hrsdc.gc.ca/noc/Francais/CNP/2011/RechercheRapide.aspx?val65=1111> (page consultée le 16 juin 2013).

1112 **Analystes financiers/analystes financières et analystes en placements**²

Les analystes financiers et les analystes en placements rassemblent et analysent de l'information financière comme les prévisions économiques, le volume d'échanges et les mouvements de capitaux, les résultats financiers des entreprises, le rendement antérieur et les tendances des actions, obligations et autres titres de placements sur le marché, afin de donner des conseils financiers et de placements ou de financement aux établissements ou à leurs clients. Les études et évaluations qu'ils préparent traitent, entre autres, des sujets comme une offre d'achat publique, un placement privé, une fusion ou une acquisition. Les analystes financiers travaillent dans divers établissements privés et publics, tels que les banques, maisons de courtage, compagnies d'assurance, sociétés d'investissements, entreprises manufacturières, sociétés fiduciaires, services d'utilité publique et firmes de souscripteurs. Les analystes en placements travaillent principalement dans les maisons de courtage et les sociétés de gestion de fonds.

Fonctions principales

Les analystes financiers et les analystes en placements exercent une partie ou l'ensemble des fonctions suivantes :

Analystes financiers

- évaluer des risques financiers, préparer des prévisions financières, des scénarios de financement et autres rapports concernant la gestion des capitaux et rédiger des rapports et des recommandations;
- planifier les flux monétaires à court terme et à long terme et évaluer le rendement de la trésorerie;
- analyser les projets d'investissement;
- participer au volet financier des contrats et appels d'offres, et fournir des conseils à cet égard;
- faire le suivi des dossiers de financement auprès des bailleurs de fonds;
- élaborer, mettre en oeuvre et exploiter des outils de gestion et d'analyse du portefeuille financier;
- élaborer un profil de risque périodique relié au portefeuille de la dette;
- participer à la préparation des budgets d'opération et d'investissements.

Analystes en placements

- recueillir des données financières et de placements touchant les entreprises, les actions et les obligations et autres investissements en consultant les rapports quotidiens sur les actions et les obligations, les prévisions économiques, le volume d'échanges, les revues financières, les guides de valeurs mobilières, les états financiers d'entreprises, et d'autres publications et rapports financiers;
- examiner et analyser l'information financière et de placement recueillie, y compris les profils d'entreprises, les prix des actions et des obligations, les rendements et les tendances futures et autres données reliées à l'investissement;

² RESSOURCES HUMAINES ET DÉVELOPPEMENT DES COMPÉTENCES CANADA. Page 1112 *Analystes financiers/analystes financières et analystes en placements*, Classification nationale des professions, site de RHDCC, Ottawa, Canada, 16 juin 2013. [En ligne] <http://www5.hrsdc.gc.ca/noc/Francais/CNP/2011/RechercheRapide.aspx?val65=1112> (page consultée le 16 juin 2013).

- donner des conseils et recommander des placements aux clients, aux cadres supérieurs d'entreprises, aux gestionnaires de caisses de retraite, aux agents en valeurs mobilières et aux associés;
- rédiger des prévisions économiques des entreprises et des industries, des rapports analytiques, des notes d'information et de la correspondance.

1113 Agents/agentes en valeurs, agents/agentes en placements et négociateurs/négociatrices en valeurs³

Les agents en valeurs et les agents en placements achètent et vendent des actions, des obligations, des bons du Trésor, des fonds communs de placement et d'autres valeurs pour des investisseurs, des gestionnaires de caisses de retraite, des banques, des sociétés de fiducie, des compagnies d'assurances et d'autres établissements. Les négociateurs en valeurs achètent et vendent des actions, des obligations, des biens, des devises étrangères et d'autres valeurs à la bourse au nom des agents en placements. Ils travaillent dans des compagnies de placements, des firmes de courtage, à la bourse et dans d'autres établissements dans le secteur des valeurs mobilières.

Fonctions principales

Les agents en valeurs, les agents en placements et les négociateurs en valeurs exercent une partie ou l'ensemble des fonctions suivantes :

Agents en valeurs et agents en placements

- développer une relation à long terme avec leurs clients en élaborant des stratégies d'investissement afin de réaliser leurs objectifs financiers, et en leur donnant des conseils et de l'information au sujet des divers placements, de manière à les guider dans la gestion de leur portefeuille;
- étudier les périodiques financiers, les rapports sur les actions et les obligations, les publications commerciales et d'autres documents, et tisser un réseau de relations au sein du secteur de la finance pour obtenir toute l'information pertinente afin de déterminer les placements intéressants pour les clients;
- exécuter des ordres sur les placements en achetant et en vendant des actions, des obligations, des bons du Trésor, des fonds communs de placement et d'autres valeurs pour des investisseurs, des gestionnaires de caisses de retraite ou des compagnies, telles que des banques, des sociétés de fiducie et des compagnies d'assurances;
- vérifier les portefeuilles de placements des clients et s'assurer que les opérations de placement sont effectuées conformément aux règlements de l'industrie.

³ RESSOURCES HUMAINES ET DÉVELOPPEMENT DES COMPÉTENCES CANADA. Page 1113 *Agents/agentes en valeurs, agents/agentes en placements et négociateurs/négociatrices en valeurs*, Classification nationale des professions, site de RHDCC, Ottawa, Canada, 16 juin 2013. [En ligne] <http://www5.hrsdc.gc.ca/noc/Francais/CNP/2011/RechercheRapide.aspx?val65=1113> (page consultée le 16 juin 2013).

Négociateurs en valeurs

- acheter et vendre des actions, des obligations, des biens, des devises étrangères et d'autres valeurs, à la bourse, au nom des agents en placements;
- élaborer des stratégies commerciales en étudiant les informations sur les placements, en surveillant les conditions du marché à partir du parquet de la bourse et en communiquant avec les services commerciaux des autres entreprises en placements, les gestionnaires de caisses de retraite et les analystes financiers des firmes de placements;
- faire des offres d'achat ou de vente des valeurs, et inscrire les détails des ventes sur les fiches d'ordre des bourses;
- préparer des rapports sur le rendement du portefeuille.

1114 Autres agents financiers/agentes financières⁴

Ce groupe de base comprend les professions du domaine financier non classées ailleurs, comme les planificateurs financiers, les inspecteurs et les vérificateurs financiers, les investigateurs financiers, les preneurs fermes, les courtiers en hypothèques et les agents de fiducie. Ils travaillent dans des banques, des sociétés de fiducie, des sociétés d'investissements, des compagnies d'assurances, des gouvernements ou à leur propre compte.

Fonctions principales

Les principales fonctions exercées dans certaines professions incluses dans ce groupe de base sont résumées ci-dessous :

Planificateurs financiers

- élaborer, pour leurs clients, des plans de planification financière personnels couvrant la gestion des liquidités, la planification financière, la couverture d'assurance, la planification d'investissements, la planification de retraite et de succession, la fiscalité et les aspects légaux;
- analyser leurs données financières, fixer des objectifs et établir une stratégie financière;
- conseiller leurs clients sur la mise en oeuvre d'un plan financier leur permettant de réaliser leurs objectifs;
- négocier, s'il y a lieu, l'achat et la vente de produits financiers selon leur titre de compétence, et assurer le maintien de la qualité du portefeuille et de sa rentabilité en faisant un suivi régulièrement;
- travailler à l'expansion des affaires, solliciter et prospector de nouveaux clients.

Inspecteurs et vérificateurs financiers

- examiner les documents des banques, des sociétés de fiducie, des coopératives de crédit, des caisses populaires, des sociétés de prêts, des sociétés immobilières, des compagnies d'assurance, des caisses de retraite, des courtiers en valeurs mobilières et d'autres institutions financières pour assurer le respect des lois et règlements régissant les institutions financières.

⁴ RESSOURCES HUMAINES ET DÉVELOPPEMENT DES COMPÉTENCES CANADA. Page 1114 *Autres agents financiers/agentes financières*, Classification nationale des professions, site de RHDCC, Ottawa, Canada, 16 juin 2013. [En ligne] <http://www5.hrsdc.gc.ca/noc/Francais/CNP/2011/RechercheRapide.aspx?val65=1114> (page consultée le 16 juin 2013).

Investigateurs financiers

- examiner les manquements éventuels au code de déontologie et aux lois sur les valeurs mobilières, qui sont commis soit par des personnes, soit par des compagnies qui fournissent des services en valeurs immobilières ou d'autres services financiers connexes.

Preneurs fermes

- souscrire des émissions d'actions ou d'obligations;
- déterminer, de concert avec des sociétés et des administrations publiques, les catégories et les échéances des nouveaux titres émis et préparer des prospectus d'émissions.

Agents de fiducie

- administrer des successions, de même que des fiducies établies à l'intention des particuliers, des sociétés, des organismes de charité, et d'autres genres de fiducie;
- gérer des comptes fiduciaires, recevoir et enregistrer les revenus sur les investissements et disposer des fonds en fiducie.

Courtiers en hypothèques

- rencontrer les clients pour les interroger sur leur revenu, leur actif et leur passif, ainsi que sur le genre, le prix et l'état des propriétés à hypothéquer;
- négocier des emprunts hypothécaires, au nom des clients, avec des prêteurs ou des établissements de prêts.

1228 Agents/agentes d'assurance-emploi, d'immigration, de services frontaliers et du revenu⁵

Les agents d'assurance-emploi, d'immigration, de services frontaliers et du revenu administrent et appliquent les lois et les règlements sur l'immigration, l'assurance-emploi, les douanes et l'accise. Ils travaillent pour des agences gouvernementales.

Fonctions principales

Les agents d'assurance-emploi exercent une partie ou l'ensemble des fonctions suivantes :

- déterminer l'admissibilité des personnes qui demandent des prestations d'assurance-emploi;
- vérifier les faits quant aux raisons de la perte d'emploi et de la disponibilité à travailler;
- surveiller le paiement des prestations au cours de la période d'admissibilité aux prestations et faire enquête lorsqu'il y a possibilité d'abus ou de fraude.

⁵ RESSOURCES HUMAINES ET DÉVELOPPEMENT DES COMPÉTENCES CANADA. Page 1228 *Agents/agentes d'assurance-emploi, d'immigration, de services frontaliers et du revenu*, Classification nationale des professions, site de RHDCC, Ottawa, Canada, 16 juin 2013. [En ligne] <http://www5.hrsdc.gc.ca/noc/Francais/CNP/2011/RechercheRapide.aspx?val65=1228> (page consultée le 16 juin 2013).

Les agents en immigration exercent une partie ou l'ensemble des fonctions suivantes :

- déterminer l'admissibilité, au Canada, des personnes qui demandent à y entrer en étudiant leurs papiers officiels et en s'entretenant avec elles;
- accorder le statut d'immigrant reçu, admettre les demandeurs ou ordonner leur détention ou leur déportation;
- rechercher et arrêter les personnes soupçonnées d'infraction aux lois de l'immigration;
- aider au déplacement des personnes à déporter en sollicitant leur admission dans d'autres pays et en leur procurant des documents nécessaires pour le voyage;
- agir à titre de témoin dans les affaires relatives aux appels en matière d'immigration.

Les agents de services frontaliers et inspecteurs des douanes exercent une partie ou l'ensemble des fonctions suivantes :

- interroger les personnes aux frontières afin de décider de l'admissibilité des marchandises et d'évaluer les droits de douanes;
- inspecter les bagages pour déceler les marchandises non déclarées et les objets de contrebande;
- renseigner les fabricants et les expéditeurs sur les lois et les règlements des douanes;
- vérifier la fabrication des articles assujettis aux règlements des douanes et effectuer des appréciations;
- monter à bord des transporteurs en provenance de l'étranger pour déterminer la nature de leur chargement et s'assurer que toute la marchandise transportée est conforme aux règlements de la douane et du commerce;
- vérifier la marchandise importée par la poste;
- arrêter et détenir, au besoin, des personnes soupçonnées d'avoir commis une infraction en vertu de la Loi sur les douanes ou une autre infraction en vertu du Code criminel en attendant l'intervention de la police.

Les agents de taxes d'accises exercent une partie ou l'ensemble des fonctions suivantes :

- vérifier les registres comptables afin de déterminer les revenus, les exonérations et les droits exigibles, s'assurer que le règlement sur les déclarations est respecté et déceler les fraudes;
- examiner les systèmes comptables et le contrôle interne des établissements;
- donner des conseils sur les rapports et les méthodes d'évaluation des marchandises assujetties aux droits d'accise;
- préparer les dossiers et aider à la recherche et à la saisie des documents, ainsi qu'à l'établissement de l'accusation en vue de poursuites judiciaires.

1242 Adjoints administratifs juridiques/adjointes administratives juridiques⁶

Les adjoints administratifs juridiques effectuent diverses tâches administratives et de secrétariat dans des cabinets d'avocat, les services juridiques de grandes entreprises, les sociétés immobilières, les bureaux de cadastre, les gouvernements fédéral et provinciaux, les administrations municipales et les tribunaux.

Fonctions principales

Les adjoints administratifs juridiques exercent une partie ou l'ensemble des fonctions suivantes :

- préparer et saisir à l'ordinateur des lettres et des documents juridiques tels que des actes notariés, des testaments, des affidavits et des mémoires, à partir de textes manuscrits, sténographiés ou dictés;
- réviser et relire les documents et la correspondance pour vérifier s'ils sont conformes aux procédures juridiques et à l'usage grammatical;
- fixer les rendez-vous et les dates des réunions et des conférences de l'employeur;
- établir et tenir des systèmes de classement, selon les principes établis pour la gestion des documents et des procédures juridiques, et contrôler fréquemment la sécurité des documents confidentiels;
- ouvrir et distribuer le courrier postal et électronique et les autres documents reçus et coordonner la circulation des renseignements à l'interne et avec d'autres services ou organismes;
- formuler et mettre en oeuvre les méthodes de travail;
- surveiller et former, s'il y a lieu, d'autres employés en ce qui a trait aux méthodes de travail et à l'exploitation de logiciels courants;
- assister, au besoin, à des audiences devant les tribunaux, à des réunions ou à des conférences afin de prendre des notes, de noter en sténographie des textes dictés et de rédiger les procès-verbaux;
- exécuter, s'il y a lieu, d'autres tâches générales de bureau, notamment préparer les relevés financiers.

1313 Assureurs/assureures⁷

Les assureurs étudient et évaluent les demandes d'assurance afin de déterminer les risques à couvrir et de fixer les primes ainsi que l'étendue des couvertures en fonction des politiques de la compagnie. Les assureurs travaillent au siège social et dans les succursales des compagnies d'assurance.

⁶ RESSOURCES HUMAINES ET DÉVELOPPEMENT DES COMPÉTENCES CANADA. Page 1242 *Adjoints administratifs juridiques/adjointes administratives juridiques*, Classification nationale des professions, site de RHDCC, Ottawa, Canada, 16 juin 2013. [En ligne] <http://www5.hrsdc.gc.ca/noc/Francais/CNP/2011/RechercheRapide.aspx?val65=1242> (page consultée le 16 juin 2013).

⁷ RESSOURCES HUMAINES ET DÉVELOPPEMENT DES COMPÉTENCES CANADA. Page 1313 *Assureurs/assureures*, Classification nationale des professions, site de RHDCC, Ottawa, Canada, 16 juin 2013. [En ligne] <http://www5.hrsdc.gc.ca/noc/Francais/CNP/2011/RechercheRapide.aspx?val65=1313> (page consultée le 16 juin 2013).

Fonctions principales

Les assureurs exercent une partie ou l'ensemble des fonctions suivantes :

- étudier des demandes de polices d'assurance individuelles et collectives en assurance automobile, assurance-incendie, assurance maladie, assurance-vie, assurance responsabilité, assurance de biens, assurance maritime, assurance aviation et d'autres assurances;
- évaluer les demandes de polices d'assurance et les demandes de renouvellement des polices en fonction des risques, des primes, de l'étendue des couvertures et des autres conditions des contrats d'assurance en consultant des rapports médicaux, des tables de taux et d'autres documents de référence; ajuster les primes, la protection ou le risque même pour obtenir l'approbation de nouvelles demandes ou de demandes de renouvellement;
- approuver la vente de polices d'assurance et assurer le respect des règlements gouvernementaux;
- fournir des recommandations relatives à l'élaboration de régimes d'assurance individuelle ou collective;
- fournir des conseils de souscription et répondre aux questions des clients, des agents d'assurance, des consultants et d'autres membres du personnel de la compagnie;
- rédiger des rapports sur la tarification et mettre à jour les formulaires d'assurance au besoin.

1411 Employés de soutien de bureau généraux/employées de soutien de bureau générales⁸

Les employés de soutien de bureau généraux préparent de la correspondance, des rapports, des relevés et d'autres documents, se servent du matériel de bureau, répondent au téléphone, vérifient, enregistrent et traitent des formulaires et des documents tels que des contrats et des demandes, et effectuent diverses tâches générales de bureau conformément aux méthodes établies. Ils travaillent dans les bureaux des secteurs public et privé.

Fonctions principales

Les employés de soutien de bureau généraux exercent une partie ou l'ensemble des fonctions suivantes :

- préparer de la correspondance, des rapports, des relevés, des formulaires, des présentations, des demandes et d'autres documents à partir de notes manuscrites ou dictées;
- répondre aux demandes de renseignements présentées par téléphone, en personne ou par voie électronique ou acheminer ces demandes à la personne compétente;
- fournir des renseignements généraux aux employés, aux clients et au public sur les règlements et les procédés de l'entreprise ou des programmes;

⁸ RESSOURCES HUMAINES ET DÉVELOPPEMENT DES COMPÉTENCES CANADA. Page 1113 *Agents/agentes en valeurs, agents/agentes en placements et négociateurs/négociatrices en valeurs*, Classification nationale des professions, site de RHDCC, Ottawa, Canada, 16 juin 2013. [En ligne] <http://www5.hrsdc.gc.ca/noc/Francais/CNP/2011/RechercheRapide.aspx?val65=1411> (page consultée le 16 juin 2013).

- photocopier et agraffer des documents pour les diffuser, les expédier par courrier et les classer;
- trier et classer des documents selon des systèmes de classement établis, trouver et récupérer des documents des dossiers suite aux demandes, et tenir des registres de matériaux classés ou purgés;
- tenir et préparer des rapports à partir de dossiers concrets ou électroniques, d'inventaires, de listes d'envoi et de bases de données;
- traiter le courrier reçu et sortant, par la poste ou par voie électronique;
- envoyer et recevoir des messages et des documents au moyen d'un télécopieur ou du courrier électronique;
- assister lors de procédures administratives, comme la dotation budgétaire, l'administration de contrats et les horaires de travail;
- tenir l'inventaire des fournitures de bureau, commander des fournitures au besoin et veiller à ce que l'entretien de l'équipement de bureau soit effectué;
- effectuer, s'il y a lieu, des tâches générales de comptabilité, telles que préparer des factures et des dépôts bancaires;
- trier, vérifier et traiter, au besoin, des reçus, des dépenses, formulaires et d'autres documents;
- coordonner, s'il y a lieu, le déroulement du travail des autres employés de soutien de bureau.

1434 Commis de banque, d'assurance et d'autres services financiers⁹

Les commis de banque, d'assurance et des autres services financiers rassemblent, traitent et tiennent à jour les renseignements bancaires et ceux portant sur les assurances, et d'autres questions financières. Ils travaillent dans des banques, des sociétés de crédit, des compagnies d'assurance privées ou publiques, des sociétés de placement et d'autres établissements financiers des secteurs public et privé.

Fonctions principales

Les commis de banque, d'assurance et d'autres services financiers exercent une partie ou l'ensemble des fonctions suivantes :

Commis de banque

- compiler les relevés des dépôts, des retraits, des remboursements de prêts et des versements hypothécaires, des chèques, des achats, des ventes et de l'échange des valeurs;
- traiter les demandes et les paiements de prêts et de prêts hypothécaires, les demandes de régime d'épargne-retraite, les dépôts à terme, les traites et les mandats;
- vérifier et faire le bilan des transactions effectuées au guichet automatique et des écritures dans le grand livre, calculer les frais de service et les paiements d'intérêt, et aviser les clients des divergences entre les comptes et des cartes bancaires saisies;

⁹ RESSOURCES HUMAINES ET DÉVELOPPEMENT DES COMPÉTENCES CANADA. Page 1434 *Commis de banque, d'assurance et d'autres services financiers*, Classification nationale des professions, site de RHDCC, Ottawa, Canada, 16 juin 2013. [En ligne] <http://www5.hrsdc.gc.ca/noc/Francais/CNP/2011/RechercheRapide.aspx?val65=1434> (page consultée le 16 juin 2013).

- répondre aux demandes de renseignements sur les produits, les politiques et les services bancaires;
- vendre, s'il y a lieu, des traites, des mandats, des chèques de voyage et des devises étrangères, louer des coffrets de sûreté et ouvrir et fermer des comptes d'épargne, des comptes de chèque et d'autres types de compte.

Commis d'assurance

- traiter les admissions, les résiliations, les opérations relatives aux réclamations, les modifications de police d'assurance et les paiements de primes;
- étudier les demandes d'assurance et vérifier la couverture, les primes versées et d'autres renseignements ayant trait aux assurances;
- calculer les primes d'assurance, les prestations de retraite et les rentes;
- recueillir et tenir à jour des données sur des réclamations, les taux et d'autres données et registres relatifs aux assurances;
- répondre aux demandes de renseignements sur les produits, les polices et les services d'assurances.

Autres commis de services financiers

- établir et tenir à jour les listes ayant trait aux locations, aux ventes et les autres listes relatives aux biens réels;
- établir et tenir à jour les listes d'actions, d'obligations et d'autres titres;
- trier, vérifier et traiter les transactions immobilières, les opérations sur titres et d'autres opérations financières;
- répondre aux demandes de renseignements et au courrier.

4112 Avocats/avocates (partout au Canada) et notaires (au Québec)¹⁰

Les avocats (partout au Canada) et notaires (au Québec) donnent à leurs clients des conseils juridiques, représentent leurs clients devant les comités d'administration et rédigent des documents juridiques tels que des contrats et des testaments. Les avocats plaident également des causes, représentent leurs clients et intentent des poursuites devant les tribunaux. Les avocats travaillent dans des cabinets d'avocats ainsi que dans les bureaux du procureur. Au Québec, les notaires travaillent dans des études de notaires. Les avocats (partout au Canada) et les notaires (au Québec) travaillent au sein des administrations fédérale, provinciales et municipales, ainsi qu'au service de différentes entreprises, ou ils peuvent être des travailleurs autonomes. Ce groupe de base comprend aussi les stagiaires en droit.

Fonctions principales

Les avocats (partout au Canada) et notaires (au Québec) exercent une partie ou l'ensemble des fonctions suivantes :

- informer leurs clients de leurs droits et de toute question de nature juridique;
- effectuer des recherches pour retrouver les précédents jurisprudentiels et pour réunir des preuves;

¹⁰ RESSOURCES HUMAINES ET DÉVELOPPEMENT DES COMPÉTENCES CANADA. Page 4112

Avocats/avocates (partout au Canada) et notaires (au Québec), Classification nationale des professions, site de RHDCC, Ottawa, Canada, 16 juin 2013. [En ligne]
<http://www5.hrsdc.gc.ca/noc/Francais/CNP/2011/RechercheRapide.aspx?val65=4112> (page consultée le 16 juin 2013).

- plaider les causes de leurs clients devant les tribunaux et les commissions (avocats seulement);
- rédiger des documents juridiques tels que des actes relatifs aux transactions immobilières, des testaments, des requêtes en divorce et des contrats, et rédiger des avis juridiques;
- négocier des règlements dans le cas de litiges en matière civile (avocats seulement);
- remplir des fonctions administratives et de gestion reliées à la pratique du droit;
- agir, s'il y a lieu, à titre de médiateur, de conciliateur ou d'arbitre;
- agir, s'il y a lieu, à titre d'exécuteurs testamentaires, de fiduciaires ou de tuteurs dans les affaires relatives au droit immobilier et au droit de la famille.

4162 Économistes, recherchistes et analystes des politiques économiques¹¹

Les économistes, les recherchistes et les analystes des politiques économiques, effectuent des recherches, contrôlent des données, analysent de l'information et préparent des plans et des rapports dans le but de résoudre des problèmes économiques et commerciaux, et ils élaborent des modèles afin d'analyser, d'expliquer et de prévoir les phénomènes et les tendances économiques. Ils formulent des conseils sur des questions comme les finances, la fiscalité et la politique monétaire, le commerce international, les produits agricoles et les ressources naturelles, le marché du travail et l'industrie. Ils travaillent pour des ministères et organismes gouvernementaux et dans tout le secteur privé, y compris les associations, syndicats, organismes de recherche, banques et sociétés de placements.

Fonctions principales

Les économistes, les recherchistes et les analystes des politiques économiques exercent une partie ou l'ensemble des fonctions suivantes :

- effectuer des recherches et élaborer des modèles afin d'analyser, d'expliquer et de prévoir les phénomènes et les tendances économiques, et mettre au point des méthodes pour rassembler et analyser les données;
- prévoir la production et la consommation de biens et de services précis d'après la production et la consommation passées et la conjoncture économique générale et particulière à l'industrie;
- prévoir les tendances du revenu et des dépenses, des taux d'intérêt et des taux de change;
- analyser les facteurs de la croissance économique et suggérer aux organismes gouvernementaux les mesures propres à accroître l'activité économique;
- analyser les facteurs qui influencent la participation au sein de la population active, l'emploi, les salaires, le chômage et d'autres issues du marché du travail;
- étudier des formules mathématiques et des techniques statistiques et les appliquer à l'essai et à la quantification des théories économiques et à la solution de problèmes économiques;

¹¹ **RESSOURCES HUMAINES ET DÉVELOPPEMENT DES COMPÉTENCES CANADA.** Page 4162 *Économistes, recherchistes et analystes des politiques économiques*, Classification nationale des professions, site de RHDCC, Ottawa, Canada, 16 juin 2013. [En ligne] <http://www5.hrsdc.gc.ca/noc/Francais/CNP/2011/RechercheRapide.aspx?val65=4162> (page consultée le 16 juin 2013).

- étudier les caractéristiques de la monnaie et du crédit ainsi que le fonctionnement des banques et autres institutions financières, afin d'élaborer des politiques monétaires et de faire des prévisions financières;
- contrôler les données économiques pour évaluer l'efficacité des politiques monétaires et fiscales, et pour formuler des conseils sur le bien-fondé de ces politiques;
- examiner les problèmes liés à l'activité économique d'entreprises particulières;
- examiner les méthodes de financement, les coûts et les techniques de production ainsi que les politiques de mise en marché pour recommander d'éventuelles améliorations;
- étudier des données statistiques sur les échanges internationaux de biens et de services;
- prévoir la production et la consommation de ressources renouvelables ainsi que la consommation et l'épuisement des ressources non renouvelables;
- effectuer des recherches sur les conditions du marché local, régional ou national afin de déterminer le volume des ventes et le niveau des prix de produits et de services, d'évaluer les possibilités de débouchés et les tendances futures et d'élaborer des stratégies d'affaires;
- suivre les tendances économiques régionales et locales;
- étudier les procédés réglementaires et fournir de l'information pour étayer des poursuites judiciaires impliquant le gouvernement ou d'autres parties.

4211 Techniciens/techniciennes juridiques et personnel assimilé¹²

Les techniciens juridiques préparent des documents juridiques et effectuent des recherches pour le compte d'avocats ou d'autres professionnels. Les techniciens juridiques indépendants fournissent des services juridiques au public dans la mesure où le permet la loi ou fournissent des services juridiques techniques à des cabinets d'avocats et à d'autres organismes, en vertu d'ententes contractuelles. Les notaires publics assermentent des personnes, reçoivent des déclarations sous serment, signent des documents juridiques et effectuent d'autres tâches dans des limites de l'exercice de leurs fonctions professionnelles. Les agents des marques de commerce conseillent leurs clients sur des questions touchant la propriété intellectuelle. Les techniciens juridiques sont employés par des cabinets d'avocats, des entreprises spécialisées dans la recherche de titres et dans les services juridiques d'organismes privés et publics. Les techniciens juridiques indépendants sont habituellement des travailleurs autonomes. Les notaires publics sont employés par le gouvernement, les secteurs publics et privés, ou ils peuvent être des travailleurs autonomes. Les agents des marques de commerce sont employés par des cabinets d'avocats et dans des services juridiques d'organismes privés et publics, des organismes de développement et de recherche de marques de commerce, ou ils peuvent être des travailleurs autonomes.

¹² **RESSOURCES HUMAINES ET DÉVELOPPEMENT DES COMPÉTENCES CANADA.** Page 4211
Techniciens/techniciennes juridiques et personnel assimilé, Classification nationale des professions, site de RHDCC, Ottawa, Canada, 16 juin 2013. [En ligne]
<http://www5.hrsdc.gc.ca/noc/Francais/CNP/2011/RechercheRapide.aspx?val65=4211> (page consultée le 16 juin 2013).

Fonctions principales

Les techniciens juridiques et les techniciens juridiques exercent une partie ou l'ensemble des fonctions suivantes :

Techniciens juridiques

- aider les avocats en rencontrant les clients, les témoins et autres intéressés, en réunissant des preuves documentaires, en rédigeant les mémoires de procès et en prenant les dispositions nécessaires pour les procès;
- aider les avocats à la préparation de médiation et aux règlements judiciaires de différends;
- rédiger des testaments, des transactions immobilières et d'autres documents juridiques, des rapports de la cour et des déclarations sous serment;
- dépouiller les registres, les dossiers du greffe et autres documents juridiques;
- préparer la correspondance juridique et exécuter des tâches générales de bureau et de clerc.

Techniciens juridiques indépendants

- représenter les clients à la cour des petites créances et dans d'autres cours dont les procédures sont simples ainsi que devant les tribunaux et les organismes administratifs;
- conseiller les clients et intenter des actions concernant des propriétaires et des locataires, des infractions aux règlements de la circulation, des changements de noms et autres causes comprises sous leur juridiction.

Notaires publics

- faire prêter serment et recevoir les déclarations sous serment et les dépositions;
- agir en tant que témoin et certifier la validité des signatures sur les documents.
- rédiger, au besoin, des contrats, préparer des billets à ordre et rédiger des testaments, des hypothèques et autres documents juridiques;
- s'occuper, au besoin, de l'homologation de testaments et administrer les successions.

Agents de marques de commerce

- conseiller leurs clients sur des questions touchant la propriété intellectuelle et les représenter auprès du registraire des marques de commerce dans diverses affaires, y compris les poursuites concernant les demandes d'enregistrement de marques de commerce;
- fournir des conseils sur la capacité d'enregistrement de marques de commerce, les exigences d'enregistrement, les transferts de propriété intellectuelle et la protection des marques de commerce enregistrées;
- représenter les clients dans les causes présentées à la Commission des oppositions des marques de commerce et dans des affaires connexes;
- représenter, s'il y a lieu, des clients à l'échelle internationale, en consultation avec des associés et des avocats étrangers.

4212 Travailleurs/travailleuses des services sociaux et communautaires¹³

Les travailleurs des services sociaux et communautaires administrent et mettent en oeuvre différents programmes d'assistance sociale et de services communautaires, et aident les clients à régler leurs problèmes personnels et sociaux. Ils travaillent pour des organismes gouvernementaux et de services sociaux, des organismes de soins de santé mentale, des foyers de groupe, des refuges, des centres d'aide aux toxicomanes, des conseils et commissions scolaires, des établissements correctionnels et d'autres établissements.

Fonctions principales

Les travailleurs des services sociaux et communautaires exercent une partie ou l'ensemble des fonctions suivantes :

- réviser l'information générale sur les clients, les rencontrer pour établir l'historique du cas et préparer des rapports d'admission;
- évaluer les forces et les faiblesses des clients en ce qui a trait aux compétences;
- aider les clients à faire la part des solutions qui s'offrent à eux et à élaborer des plans d'action, tout en leur fournissant l'aide et l'encadrement dont ils ont besoin;
- évaluer et vérifier l'admissibilité aux avantages sociaux;
- diriger les clients vers d'autres services sociaux ou les aider à trouver et à utiliser les ressources qui existent dans la collectivité, y compris l'aide juridique, médicale, financière, au logement, à l'emploi, au transport, les garderies et d'autres services;
- conseiller les clients qui demeurent dans des foyers de groupe et des maisons de transition, superviser leurs activités et contribuer à la planification avant et après la libération;
- participer à la sélection des clients pour les programmes dont ils ont besoin ainsi qu'à leur admission;
- organiser des ateliers de dynamique de la vie, des programmes de désintoxication, des programmes de gestion du comportement, des services à la jeunesse et d'autres programmes de services communautaires et sociaux sous la surveillance de professionnels de la santé ou des services sociaux;
- rencontrer les clients pour évaluer leur progrès, les encourager et discuter de différents problèmes ou difficultés;
- aider à évaluer l'efficacité des programmes de soins en surveillant attentivement les changements de comportement chez les clients et leurs réactions aux interventions;
- donner des conseils et aider les bénéficiaires d'aide sociale ou de pensions;
- fournir des services d'intervention et d'hébergement d'urgence;
- mettre en oeuvre et organiser la prestation de services précis dans la collectivité;
- entretenir des relations avec d'autres organismes de services sociaux et fournisseurs de soins de santé intervenant auprès des mêmes clients afin de fournir des renseignements et de s'enquérir de leur progrès;
- coordonner les activités bénévoles des organismes de services sociaux, des établissements de soins de santé et des organisations d'art et de sport;

¹³ **RESSOURCES HUMAINES ET DÉVELOPPEMENT DES COMPÉTENCES CANADA.** Page 4212

Travailleurs/travailleuses des services sociaux et communautaires, Classification nationale des professions, site de RHDCC, Ottawa, Canada, 16 juin 2013. [En ligne]

<http://www5.hrsdc.gc.ca/noc/Francais/CNP/2011/RechercheRapide.aspx?val65=4212> (page consultée le 16 juin 2013).

- tenir, s'il y a lieu, des statistiques sur les programmes à des fins d'évaluation et de recherche;
- superviser, s'il y a lieu, des bénévoles et des travailleurs aux services sociaux.

6231 Agents/agentes et courtiers/courtrières d'assurance¹⁴

Les agents et les courtiers d'assurance vendent de l'assurance-vie, de l'assurance automobile, de l'assurance sur les biens, de l'assurance-maladie et d'autres types d'assurance à des particuliers, des entreprises et des établissements publics. Les agents d'assurance travaillent dans des compagnies d'assurance ou travaillent comme représentant indépendant de certaines compagnies d'assurance. Les courtiers d'assurance travaillent dans des compagnies de courtage ou peuvent être associés à d'autres courtiers ou être propriétaires uniques. Ce groupe de base comprend également les superviseurs d'agents d'assurance.

Fonctions principales

Les agents et les courtiers d'assurance exercent une partie ou l'ensemble des fonctions suivantes :

- vendre de l'assurance automobile, de l'assurance-incendie, de l'assurance maladie, de l'assurance-vie, de l'assurance sur les biens, de l'assurance maritime, de l'assurance aviation et tout autre genre d'assurances à des clients;
- établir une couverture d'assurance pour les clients, calculer les primes et déterminer les modalités de paiement;
- donner des renseignements sur les régimes d'assurance collective et individuelle, les régimes couverts, les prestations payées et les autres caractéristiques de la police d'assurance;
- s'assurer que les formulaires appropriés, les examens médicaux et d'autres exigences de la politique sont complétés;
- donner suite aux réclamations et répondre aux requêtes de clients;
- trouver d'éventuels clients et les solliciter.

6235 Représentants/représentantes des ventes financières¹⁵

Les représentants des ventes financières vendent des produits et des services de base de dépôt, d'investissements ou de prêts aux particuliers et aux entreprises. Ils travaillent dans des banques, des caisses populaires, des sociétés de fiducie et d'autres établissements financiers semblables.

¹⁴ **RESSOURCES HUMAINES ET DÉVELOPPEMENT DES COMPÉTENCES CANADA.** Page 6231 *Agents/agentes et courtiers/courtrières d'assurance*, Classification nationale des professions, site de RHDCC, Ottawa, Canada, 16 juin 2013. [En ligne] <http://www5.hrsdc.gc.ca/noc/Francais/CNP/2011/RechercheRapide.aspx?val65=6231> (page consultée le 16 juin 2013).

¹⁵ **RESSOURCES HUMAINES ET DÉVELOPPEMENT DES COMPÉTENCES CANADA.** Page 6235 *Représentants/représentantes des ventes financières*, Classification nationale des professions, site de RHDCC, Ottawa, Canada, 16 juin 2013. [En ligne] <http://www5.hrsdc.gc.ca/noc/Francais/CNP/2011/RechercheRapide.aspx?val65=6235> (page consultée le 16 juin 2013).

Fonctions principales

Les représentants des ventes financières exercent une partie ou l'ensemble des fonctions suivantes :

- ouvrir des nouveaux comptes personnels et non personnels, et faciliter l'accès aux guichets automatiques et aux services bancaires téléphoniques et en ligne;
- rencontrer les demandeurs de prêts personnels, de prêts hypothécaires, de prêts étudiants et de prêts à l'entreprise;
- promouvoir la vente des produits et des services de dépôt, d'investissements, de crédit et de prêts;
- aider les clients en proposant des solutions pour répondre à des objectifs financiers tels que l'expansion d'entreprise, la gestion des dettes, les investissements et d'autres objectifs financiers;
- étudier et évaluer les situations financières des demandeurs, leurs références, leur degré de solvabilité et leur capacité de remboursement;
- remplir les documents relatifs au crédit et aux prêts;
- présenter les demandes de crédit ou de prêts au directeur de la succursale ou au directeur du crédit, recommander l'approbation ou le rejet des demandes, ou approuver ou rejeter les demandes de prêts, selon leur degré d'autorité et en veillant au respect des normes de l'établissement en matière de crédit;
- préparer les relevés des comptes en souffrance et acheminer les comptes inconciliables vers les agences de recouvrement;
- examiner et mettre à jour les dossiers de crédit et de prêts;
- agir en tant que garde conjointe pour l'argent comptant et les valeurs.

6551 Représentants/représentantes au service à la clientèle – institutions financières¹⁶

Les représentants au service à la clientèle de ce groupe de base, traitent les transactions financières des clients et fournissent des renseignements au sujet des produits et des services bancaires connexes. Ils travaillent dans des banques, des sociétés de fiducie, des caisses populaires et des établissements financiers similaires.

Fonctions principales

Les représentants au service à la clientèle exercent une partie ou l'ensemble des fonctions suivantes :

- encaisser et verser des espèces, encaisser des chèques, effectuer des virements, encaisser des règlements de factures et de cartes de crédit, délivrer des mandats bancaires et des chèques certifiés, et effectuer d'autres transactions bancaires connexes;
- obtenir et consigner les renseignements nécessaires pour fournir les services aux clients qui veulent, par exemple, ouvrir des comptes, souscrire à des régimes d'épargne et acheter des obligations;
- vendre des chèques de voyage, des devises étrangères ou des mandats bancaires;

¹⁶ **RESSOURCES HUMAINES ET DÉVELOPPEMENT DES COMPÉTENCES CANADA.** Page 6551
Représentants/représentantes au service à la clientèle – institutions financières, Classification nationale des professions, site de RHDCC, Ottawa, Canada, 16 juin 2013. [En ligne]
<http://www5.hrsdc.gc.ca/noc/Francais/CNP/2011/RechercheRapide.aspx?val65=6551> (page consultée le 16 juin 2013).

- répondre aux demandes de renseignements, et résoudre les problèmes ou les écarts relativement aux comptes des clients;
- informer les clients des produits bancaires et des services disponibles pour répondre à leurs besoins.

6552 Autres préposés/autres préposées aux services d'information et aux services à la clientèle¹⁷

Les autres préposés aux services d'information et aux services à la clientèle répondent aux demandes de renseignements, donnent des informations au sujet des produits, des services et des politiques d'un établissement et fournissent des services à la clientèle tels que la réception des paiements et le traitement des demandes de service. Ils travaillent dans des établissements de vente au détail, des centres de contact, des compagnies d'assurance, de téléphone et des entreprises de services d'utilité publique et dans d'autres établissements des secteurs privé et public.

Fonctions principales

Les principales fonctions exercées dans certaines professions incluses dans ce groupe de base sont résumées ci-dessous :

Préposés aux services à la clientèle dans des établissements de commerce au détail

- répondre, en personne ou au téléphone, aux demandes de renseignement des clients;
- s'occuper des plaintes au sujet des produits, des services ou des politiques de l'établissement;
- prendre des dispositions en vue d'un remboursement, d'un échange et de l'établissement d'une note de crédit pour la marchandise retournée;
- recevoir les comptes pour paiements;
- recevoir les formulaires de demande de cartes de crédit ou les demandes d'emploi.

Commis de centres de contact

- prendre les commandes de biens ou de services des clients;
- faire la promotion des biens et des services;
- répondre aux demandes de renseignements et aux urgences;
- examiner les plaintes et mettre les comptes à jour.

Préposés aux services à la clientèle dans les compagnies d'assurance ou de téléphone, les sociétés de services d'utilité publique et d'autres entreprises semblables

- expliquer aux clients la nature et le coût des services offerts;
- commander des services;
- fournir de l'information sur les réclamations ou les comptes;
- mettre les comptes à jour, envoyer les factures et traiter les paiements de réclamations d'assurance et recevoir des paiements pour des services.

¹⁷ RESSOURCES HUMAINES ET DÉVELOPPEMENT DES COMPÉTENCES CANADA. Page 6552 *Autres préposés/autres préposées aux services d'information et aux services à la clientèle*, Classification nationale des professions, site de RHDCC, Ottawa, Canada, 16 juin 2013. [En ligne] <http://www5.hrsdc.gc.ca/noc/Francais/CNP/2011/RechercheRapide.aspx?val65=6551> (page consultée le 16 juin 2013).

Préposés aux services d'information

- fournir aux clients et au public des renseignements concernant les produits, les services, les horaires, les taux, les règlements et les politiques en réponse aux demandes de renseignements faites par téléphone ou en personne.

PROFESSIONS ABSENTES DE LA CLASSIFICATION NATIONALE DES PROFESSIONS

Conseiller en assurances et en services financiers¹⁸

* Cette profession n'existe pas dans la Classification canadienne des professions, même à travers une liste exhaustive de possibles appellations différentes pour un même emploi. Nous avons donc dû nous contenter de d'autres sources :

Fonctions principales

- les activités de représentation auprès de la clientèle;
- l'analyse des besoins et des objectifs de la cliente ou du client;
- l'élaboration de programmes ou de recommandations ayant trait aux assurances ou aux services financiers;
- l'analyse de risques et de demandes d'assurance à des fins d'acceptation ou de refus;
- la promotion et la vente de produits d'assurance et de produits financiers dans un réseau direct ou indirect de distribution (courtage);
- le règlement et le suivi des réclamations.

« Guider le client dans le domaine des produits et des services financiers (par exemple : compte de dépôt, fonds communs de placement et fonds distincts, cartes de crédit et de débit, prêts personnels et hypothèques résidentielles. »¹⁹

« faire une offre de service intégrée et de qualité pour une clientèle de consommateurs afin de répondre à leurs besoins en matière de placement et de financement (sauf hypothécaire) »²⁰

« Sa principale tâche sera d'offrir les bonnes solutions bancaires – celles qui répondent aux divers besoins financiers des nouveaux clients et clients actuels – en ouvrant de nouveaux comptes, en offrant des conseils en matière de crédit et de placement de base ainsi qu'en faisant la promotion de tous nos produits et services personnels »²¹

Conseiller en finances personnelles

* Cette profession n'existe pas dans la Classification canadienne des professions, même à travers une liste exhaustive de possibles appellations différentes pour un même emploi. Nous avons donc dû nous contenter de autres sources :

- « - identifier les occasions d'affaires dans votre marché pour l'ensemble des produits et des services de la banque;*
- vous assurer de l'application des normes de qualité de service et de qualité opérationnelle, de même que du respect des procédures administratives et de sécurité;*
- rencontrer des objectifs de vente;*

¹⁸ MINISTÈRE DE L'ÉDUCATION, DU LOISIR ET DU SPORT DU QUÉBEC. Page 410. C0 Conseils en assurances et en services financiers, op. cit., note 46.

¹⁹ CÉGEP DE STE-FOY. Page Programmes d'étude. 410. C0 Conseil en assurances et en services financiers, Cégep de Ste-Foy, Ste-Foy, Canada, 2013. <http://www.cegep-ste-foy.qc.ca/csf4/programmes/preuniversitaires-et-techniques/conseil-en-assurances-et-en-services-financiers/description/>

²⁰ Offre d'emploi, poste de «Conseiller - services aux membres» (Bellechasse), Caisses Desjardins de la région de Bellechasse, site des Caisses populaires Desjardins, consulté le 9 mai 2013.

²¹ Offre d'emploi, poste de «Représentant en services financiers» (Gatineau), TD Canada Trust, site jobs.brassring.com, consulté le 9 mai 2013.

- *gérer et renouveler des échéanciers hypothécaires et de placements; assurer la fidélisation et la rétention de la clientèle en répondant à l'ensemble de ses besoins financiers;*
- *assurer le développement de vos connaissances des produits et des services offerts par la banque et en comprendre les avantages pour les clients;*
- *établir une relation de confiance et assurer la satisfaction de la clientèle, particulièrement en fournissant un service personnalisé »²²*

- « - *Établir et maintenir une relation d'affaires personnalisée avec des membres attirés disposant, de façon générale, d'un actif financier n'excédant pas 100 000 \$.*
- *Répondre aux besoins de financement des membres, notamment en matière hypothécaire.*
- *Conseiller les membres sur les meilleures stratégies pour faire fructifier leur capital accumulé.*
- *Être à l'écoute des attentes et des besoins des membres afin d'améliorer la qualité du service.*
- *Effectuer les analyses requises afin de recommander ou non les demandes de crédit.*
- *Effectuer de la prospection, identifier de nouvelles occasions d'affaires, solliciter et vendre des produits et services »²³*

« *S'occuper d'une clientèle établie
Développer de nouveaux marchés
Assister des conseillers d'expérience
Travailler avec d'autres professionnels en droit et en fiscalité
En fin de carrière vente de votre portefeuille de clientèle »²⁴*

²² Offre d'emploi, poste de «Conseiller, Finances personnelles» (Verchères), Banque Nationale, site de la Banque Nationale, consulté le 8 mai 2013.

²³ Offre d'emploi, poste de «Conseiller, finances personnelles» (Pierrefonds), Caisse Desjardins Sainte-Geneviève de Pierrefonds, site des Caisses populaires Desjardins, consulté le 9 mai 2013.

²⁴ Offre d'emploi, poste de «Conseiller financier – finances personnelles» (Magog), Industrielle Alliance, site d'Emploi Québec, consulté le 9 mai 2013.

APPENDIX B: List of Job Postings

1. Associate Portfolio Manager (Edmonton) Banque royale du Canada, LinkedIn, consulté le 7 décembre 2012.
2. Associate/Analyst – wealth managment (Toronto), Banque Royale du Canada, LinkedIn, consulté le 7 décembre 2012.
3. Notaire (Québec), Centum accès hypothécaire 2011, Emploi Québec, consulté le 7 juin 2013.
4. Notaire (Montréal), Dauth Sansfaçon, Notaires S.E.N.C., Emploi Québec, consulté le 7 juin 2013.
5. Notaire (Québec), Me Claudine Poirier, Emploi Québec, consulté le 7 juin 2013.
6. Vérificateur-comptable agréé (Saint-Jérôme), Gilles Lafleur comptable agréé inc., Emploi Québec, consulté le 7 juin 2013.
7. Fiscaliste (Montréal), Cabinet de comptable inconnu (agence de placement Gestion VCA inc.), Emploi Québec, consulté le 7 mai 2013.
8. Planificateur financier (Mascouche), BMO Groupe financier, LinkedIn, consulté le 6 décembre 2012.
9. Planificateur financier (Sainte-Julie), Caisse Desjardins du Grand-Coteau, LinkedIn, consulté le 5 mai 2012.
10. Conseiller, finances personnelles (Pierrefonds), Caisse Desjardins Sainte-Geneviève de Pierrefonds, site des Caisses populaires Desjardins, consulté le 9 mai 2013.
11. Conseiller, Finances personnelles (Verchères), Banque Nationale, site web de la Banque Nationale, consulté le 9 mai 2013.
12. Conseiller (ère) – Finances personnelles (Laval), Caisses populaires Desjardins, Jobbom.com, consulté le 9 mai 2013.

APPENDIX C: Questionnaire

Start



Webmestre: pdescarie@passagesmarketing.com

age

Veillez svp indiquer votre âge



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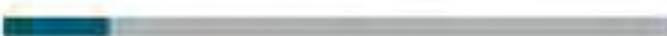
Webmestre: pdescarie@passagesmarketing.com

prov

Dans quelle province ou territoire résidez-vous?

- ☐ Terre-Neuve-et-Labrador
- ☐ Île-du-Prince-Édouard
- ☐ Nouvelle-Écosse
- ☐ Nouveau-Brunswick
- ☐ Québec
- ☐ Ontario
- ☐ Manitoba
- ☐ Saskatchewan
- ☐ Alberta
- ☐ Colombie-Britannique
- ☐ Territoire du Yukon
- ☐ Territoires du Nord-Ouest
- ☐ Nunavut



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Webmestre: pdescarie@passagesmarketing.com

q1

Vous impliquez-vous dans les décisions financières de votre ménage?

- ☐ Oui, seul
- ☐ Oui, en partie
- ☐ Non



0%  100%

Webmestre: pdescane@passagesmarketing.com

intro

Ce questionnaire réalisé par Union des consommateurs a pour but de **connaître les attitudes des Canadiens envers les intervenants en matière de services financiers.**

Soyez assuré(e) que les données issues de cette consultation demeureront strictement anonymes et confidentielles.



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Webmestre: pdescane@passagesmarketing.com

q2

Quelles sont les sources de revenu de votre ménage?

Veuillez sélectionner toutes les réponses qui s'appliquent.

- ☐ Salaire ou revenu de travail
- ☐ Prestations gouvernementales (assurance-emploi, invalidité, pension, etc.)
- ☐ Prestations privées (pension, maladie, invalidité, etc.)
- ☐ Revenus de biens (rentes, vente d'actifs, héritage, revenu de loyer etc.)
- ☐ Revenus de placements (rentes, intérêts, dividendes etc.)
- ☐ Pension alimentaire
- ☐ Bourse d'études, autres bourses
- ☐ Autre



0%  100%

q3

Veillez classer vos **sources de revenu** par ordre d'importance

1 étant la plus importante

- ☐ Salaire ou revenu de travail
- ☐ Prestations gouvernementales (assurance-emploi, invalidité, pension, etc.)
- ☐ Prestations privées (pension, maladie, invalidité, etc.)
- ☐ Revenus de biens (rentes, vente d'actifs, héritage, revenu de loyer etc.)
- ☐ Revenus de placements (rentes, intérêts, dividendes etc.)
- ☐ Pension alimentaire
- ☐ Bourse d'études, autres bourses
- ☐ Autre



0%  100%

Webmestre: pdescarie@passagesmarketing.com

q4

Dans laquelle des catégories suivantes se situe le revenu annuel total de votre ménage avant impôts ?

Inclure **TOUTES** les sources de revenus

- ☐ 0 à 19 999\$
- ☐ 20 000\$ à 24 999\$
- ☐ 25 000\$ à 29 999\$
- ☐ 30 000\$ à 39 999\$
- ☐ 40 000\$ à 49 999\$
- ☐ 50 000\$ à 64 999\$
- ☐ 65 000\$ et plus



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Webmestre: pdescarie@passagesmarketing.com

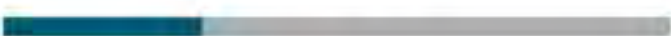
q5

Concentrons-nous maintenant sur **VOS AVOIRS**.

Veuillez identifier les avoirs de votre ménage.

- ☐ Immeubles (résidence principale, chalet, terrain, etc.)
- ☐ Véhicules (voiture, bateau, motocyclette etc.)
- ☐ Meubles et électroménagers
- ☐ Objets de valeurs (bijoux, objets de collection, etc.)
- ☐ Économies et placements (REER, actions, dépôts etc.)
- ☐ Autre
- ☐ Aucun



0%  100%

Webmestre: pdescarie@passagesmarketing.com

q6

Veuillez maintenant classer **les avoirs** de votre ménage par ordre d'importance.

1 étant le plus important

- Immeubles (résidence principale, chalet, terrain, etc.)
- Véhicules (voiture, bateau, motocyclette etc.)
- Meubles et électroménagers
- Objets de valeurs (bijoux, objets de collection, etc.)
- Économies et placements (REER, actions, dépôts etc.)
- Autre
- Aucun



0%  100%

Webmestre: pdescarie@passagesmarketing.com

q7

Veillez indiquer la valeur approximative de l'ensemble de vos **économies et placements**.

- ☐ Moins de 5000\$
- ☐ 5001\$ et 15 000\$
- ☐ 15 001\$ et 30 000\$
- ☐ 30 001\$ et 75 000\$
- ☐ 75 001\$ et 125 000\$
- ☐ 125 001\$ et 200 000\$
- ☐ 200 001\$ et 300 000\$
- ☐ 400 001\$ et 500 000\$
- ☐ 500 001\$ et 750 000\$
- ☐ 750 001\$ et plus



0%  100%

Webmestre: pdescarie@passagesmarketing.com

q8

Concentrons-nous maintenant sur **LES DETTES** de votre ménage.

Veillez svp identifier les différents types de dettes de votre ménage.

- ☐ Prêt hypothécaire
- ☐ Marge de crédit
- ☐ Solde impayé de carte de crédit
- ☐ Prêt étudiant
- ☐ Prêt sur salaire
- ☐ Prêt personnel
- ☐ Autre, spécifiez
- ☐ Aucune



0%  100%

Webmestre: pdescarie@passagesmarketing.com

q9

Classez par ordre d'importance les dettes de votre ménage

1 étant le plus important

- ☐ Prêt hypothécaire
- ☐ Marge de crédit
- ☐ Solde impayé de carte de crédit
- ☐ Prêt étudiant
- ☐ Prêt sur salaire
- ☐ Prêt personnel
- ☐ Autre, spécifiez
- ☐ Aucune



0%  100%

Webmestre: pdescarie@passagesmarketing.com

q10

En excluant le(s) prêt(s) hypothécaire(s), à combien estimez-vous le montant total des dettes de votre ménage?

- ☐ Moins de 5000\$
- ☐ 5001\$ et 15 000\$
- ☐ 15 001\$ et 30 000\$
- ☐ 30 001\$ et 75 000\$
- ☐ 75 001\$ et 125 000\$
- ☐ 125 001\$ et 200 000\$
- ☐ 200 001\$ et 300 000\$
- ☐ 400 001\$ et 500 000\$
- ☐ 500 001\$ et 750 000\$
- ☐ 750 001\$ et plus



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Webmestre: pdescarie@passagesmarketing.com

q11

Au cours des **10 dernières années**, un membre de votre ménage (que ce soit vous ou quelqu'un d'autre) a-t-il consulté l'un ou l'autre des professionnels suivants.

Vous pouvez choisir plusieurs réponses.

- ☐ Comptable
- ☐ Notaire
- ☐ Planificateur / conseiller financier
- ☐ Conseiller / courtier d'assurances
- ☐ Conseiller budgétaire
- ☐ Conseiller / courtier de valeurs mobilières
- ☐ Conseiller en insolvabilité / redresseur financier
- ☐ Autre professionnel financier
- ☐ Aucun de ces professionnels



0%  100%

Webmestre: pdescarie@passagesmarketing.com

q12a

Pour quelle(s) raison(s) avez-vous consulté ces professionnels?

(Plusieurs réponses sont possibles par conseiller)

	Comptable	Notaire	Planificateur / conseiller financier	Conseiller / courtier d'assurances	Conseiller budgétaire	Conseiller / courtier de valeurs mobilières	Conseiller en insolvabilité / redresseur financier	Autre professionnel financier	Aucun de ces professionnels
Pour vos impôts	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Pour la gestion de vos dettes / d'une faillite	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Pour la gestion de votre budget	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Pour l'achat d'assurances	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Pour la gestion de vos REER / placements	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Pour l'achat d'une maison	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Pour une hypothèque	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Pour la planification de votre retraite	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Pour une planification successorale et d'un testament	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Pour une autre raison	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



0%  100%

q12b

Pour quelle(s) raison(s) avez-vous consulté ces professionnels?

(Plusieurs réponses sont possibles par conseiller)

	Comptable	Notaire	Planificateur / conseiller financier	Conseiller / courtier d'assurances	Conseiller budgétaire	Conseiller / courtier de valeurs mobilières	Conseiller en insolvabilité / redresseur financier	Autre professionnel financier	Aucun de ces professionnels
Pour vos impôts	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Pour la gestion de vos dettes / d'une faillite	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Pour la gestion de votre budget	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Pour l'achat d'assurances	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Pour la gestion de vos REER / placements	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Pour l'achat d'une maison	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Pour une hypothèque	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Pour la planification de votre retraite	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Pour une planification successorale et d'un testament	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Pour une autre raison	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



0%  100%

Webmestre: pdescarie@passagesmarketing.com

q12c

Pour quelle(s) raison(s) avez-vous consulté ces professionnels?

(Plusieurs réponses sont possibles par conseiller)

	Comptable	Notaire	Planificateur / conseiller financier	Conseiller / courtier d'assurances	Conseiller budgétaire	Conseiller / courtier de valeurs mobilières	Conseiller en insolvabilité / redresseur financier	Autre professionnel financier	Aucun de ces professionnels
Pour vos impôts	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Pour la gestion de vos dettes / d'une faillite	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Pour la gestion de votre budget	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Pour l'achat d'assurances	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Pour la gestion de vos REER / placements	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Pour l'achat d'une maison	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Pour une hypothèque	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Pour la planification de votre retraite	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Pour une planification successorale et d'un testament	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Pour une autre raison	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



0%  100%

q13a

Pour **LES SERVICES** suivants, qui seriez-vous spontanément porté à consulter pour...

Plusieurs réponses sont possibles par conseiller

	Comptable	Notaire	Planificateur / conseiller financier	Conseiller budgétaire	Conseiller en insolvabilité / redresseur financier	Aucun professionnel financier
Pour vos impôts	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Pour vos dettes / une faillite	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Pour votre budget	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Pour vos REER / placements / actifs	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Pour votre retraite	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



0%  100%

Webmestre: pdescarie@passagesmarketing.com

q13b

Toujours pour **LES SERVICES** suivants, qui seriez-vous spontanément porté à consulter pour...

Plusieurs réponses sont possibles par conseiller

	Notaire	Planificateur / conseiller financier	Conseiller / courtier d'assurances	Conseiller / courtier de valeurs mobilières	Aucun professionnel financier
Pour vos assurances	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Pour votre succession ou un héritage	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Pour votre hypothèque	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Pour votre retraite	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



0%  100%

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q14

Une mauvaise décision financière a-t-elle déjà eu un **impact significatif** sur d'autres aspects de vos finances ou de votre vie?

Par exemple, un mauvais placement vous a obligé de rectifier votre plan de remboursement d'hypothèque ou de repousser votre retraite de quelques années?

- ☐ Oui
- ☐ Non



0%  100%

q15

Veillez choisir la situation qui représente **le mieux** l'impact que cette décision a eu sur vos finances ou votre vie :

- ☐ J'ai dû avoir recours à du crédit (prêt, marge de crédit, hypothèque)
- ☐ J'ai dû reporter ma retraite
- ☐ J'ai été confronté à certains problèmes familiaux
- ☐ J'ai fait face à un stress qu'il m'a été difficile de gérer
- ☐ J'ai dû prendre un second emploi ou faire du temps supplémentaire
- ☐ J'ai dû me départir d'actifs (bien, immeubles, placements)
- ☐ J'ai dû gruger dans mes économies
- ☐ J'ai dû réduire mes dépenses
- ☐ J'ai dû revoir à la baisse mon budget
- ☐ J'ai dû renoncer à certains projets
- ☐ J'ai fait faillite
- ☐ Autre, précisez



0%  100%

q16

Cette décision avait-elle été suggérée par un professionnel des finances?

- ☐ Oui
- ☐ Non



0%  100%

q17

Si quelqu'un vous suggérait de consulter un professionnel qui pourrait vous prodiguer des conseils à propos de l'ensemble de vos finances, d'en faire le bilan (actifs, dettes, budget), d'établir et de proposer des moyens pour atteindre vos objectifs financiers, etc.

Que seriez-vous porté à répondre?

vous pouvez choisir plusieurs options

- ☐ Je n'en vois pas l'utilité, je n'ai pas assez de revenus et/ou d'actifs
- ☐ Je n'en vois pas l'utilité, je n'ai pas assez de dettes
- ☐ C'est un service qui serait trop cher par rapport à ce que ça pourrait me rapporter
- ☐ Je ne sais pas à qui m'adresser pour obtenir ce type de service
- ☐ J'ai déjà un spécialiste qui s'occupe de ça
- ☐ Ce type de service complet n'existe pas, à ma connaissance
- ☐ Autre



0%  100%

Webmestre: pdescarie@passagesmarketing.com

q18

Compte tenu des revenus de votre ménage, croyez-vous avoir les moyens de faire appel à un tel service?

- ☐ Oui
- ☐ Non
- ☐ Vous ne connaissez pas le prix de ces services



0%  100%

Webmestre: pdescarie@passagesmarketing.com

q19

Sauriez-vous à qui vous adresser pour obtenir de tels services?

- ☐ Oui
- ☐ Non



0%  100%

q20

Pour améliorer la gestion vos finances, trouveriez-vous utile qu'un professionnel vous aide...

Vous pouvez choisir plusieurs mentions

- ☐ À faire vos impôts?
- ☐ À gérer vos placements?
- ☐ À gérer vos dettes?
- ☐ À vous aider à éviter une faillite?
- ☐ À faire un budget?
- ☐ À contracter de bonnes assurances?
- ☐ À planifier votre succession?
- ☐ À faire le bilan global de votre situation financière?
- ☐ Vous n'avez pas besoin d'aide dans la gestion de vos finances



0%  100%

Webmestre: pdescarie@passagesmarketing.com

q21

Veuillez classer par ordre d'importance les services selon l'utilité qu'ils pourraient avoir pour votre ménage.

1 étant le plus utile

- ☐ À faire vos impôts?
- ☐ À gérer vos placements?
- ☐ À gérer vos dettes?
- ☐ À vous aider à éviter une faillite?
- ☐ À faire un budget?
- ☐ À contracter de bonnes assurances?
- ☐ À planifier votre succession?
- ☐ À faire le bilan global de votre situation financière?
- ☐ Vous n'avez pas besoin d'aide dans la gestion de vos finances



0%  100%

Webmestre: pdescarie@passagesmarketing.com

Pour les prochaines questions, veuillez considérer la définition suivante de **LA COMPÉTENCE**

Compétence: Posséder les connaissances et l'habileté nécessaires pour fournir un service fiable , de qualité, qui répond aux attentes et aux lois.



0%  100%

Webmestre: poescane@passagesmarketing.com

q22

En ne considérant que **la compétence**, lorsqu'il s'agit de conseils pour vos finances, dans quelle mesure avez-vous confiance en...

1 signifie aucunement confiance et 7, totalement confiance

	Aucunement confiance					Totalement confiance	
	1	2	3	4	5	6	7
Les institutions gouvernementales	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Les firmes d'experts-conseils	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Les organismes à but non lucratif	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Les compagnies d'assurance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Les caisses populaires	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Les institutions bancaires	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>



0%  100%

Webmestre: pdescarie@passagesmarketing.com

q23

Toujours en ne considérant que **la compétence**, lorsqu'il s'agit de conseils pour vos finances, dans quelle mesure avez-vous confiance en...

1 signifie aucunement confiance et 7, totalement confiance

	Aucunement confiance					Totalement confiance	
	1	2	3	4	5	6	7
Conseillers / courtiers de valeurs mobilières	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Conseillers budgétaires	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Conseillers /courtiers d'assurances	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Notaires	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Conseillers en insolvabilité / redresseurs financiers	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Planificateurs / conseillers financiers	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Comptables	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>



0%  100%

Webmestre: pdescarie@passagesmarketing.com

Pour les prochaines questions, veuillez considérer la définition suivante de **L'INDÉPENDANCE**

Indépendance: Notamment: absence de conflit d'intérêt, ainsi que d'apparence et de risque de conflit d'intérêt. Un service indépendant vise à bénéficier d'abord au client, plutôt qu'à celui qui offre le service.



0%  100%

Webmestre: poescane@passagesmarketing.com

q24

En ne considérant que **l'indépendance**, lorsqu'il s'agit de conseils pour vos finances, dans quelle mesure avez-vous confiance en...

1 signifie aucunement confiance et 7, totalement confiance

	Aucunement confiance					Totalement confiance	
	1	2	3	4	5	6	7
Les firmes d'experts-conseils	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Les compagnies d'assurance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Les caisses populaires	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Les institutions gouvernementales	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Les institutions bancaires	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Les organismes à but non lucratif	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>



0%  100%

Webmestre: pdescarie@passagesmarketing.com

q25

Toujours en ne considérant que **l'indépendance**, lorsqu'il s'agit de conseils pour vos finances, dans quelle mesure avez-vous confiance en...

1 signifie aucunement confiance et 7, totalement confiance

	Aucunement confiance					Totalement confiance	
	1	2	3	4	5	6	7
Conseillers budgétaires	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Planificateurs / conseillers financiers	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Notaires	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Comptables	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Conseillers en insolvabilité / redresseurs financiers	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Conseillers / courtiers d'assurances	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Conseillers / courtiers de valeurs mobilières	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>



0%  100%

Webmestre: pdescarie@passagesmarketing.com

q26

Pour conclure, voici quelques questions qui nous permettront de classer vos réponses avec celles des autres répondants.

Êtes-vous propriétaire ou locataire de votre résidence principale actuelle?

- ☐ Propriétaire
- ☐ Locataire



0%  100%

Webmestre: pdescarie@passagesmarketing.com

q27

En vous incluant, combien y a-t-il :

d'adulte(s) dans votre ménage

d'enfant(s) de moins de 18 ans dans votre ménage



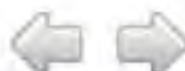
0%  100%

Webmestre: pdescarie@passagesmarketing.com

q28

Veuillez indiquer le plus haut niveau de scolarité complété par un membre de votre ménage :

- ☐ Primaire
- ☐ Secondaire
- ☐ Formation professionnelle, école de métiers
- ☐ Collégial / CÉGEP
- ☐ Universitaire



0%  100%

Webmestre: pdescarie@passagesmarketing.com

q29

Quel est le plus haut niveau de scolarité que **VOUS** avez complété?

- ☐ Primaire
- ☐ Secondaire
- ☐ Formation professionnelle, école de métiers
- ☐ Collégial / CÉGEP
- ☐ Universitaire



0%  100%

Webmestre: pdescarie@passagesmarketing.com

q30

En vous incluant, combien de personnes dans notre ménage contribuent au revenu familial?

- ☐ 1 personne
- ☐ 2 personnes
- ☐ 3 personnes
- ☐ 4 personnes ou plus



0%  100%

Webmestre: pdescarie@passagesmarketing.com

merci

Passages Marketing vous remercie de votre précieuse collaboration !



0%  100%

Webmestre: pdescarie@passagesmarketing.com

APPENDIX D: Survey Report

LES CONSEILLERS FINANCIERS

RAPPORT DE RECHERCHE

NOVEMBRE 2012





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- Les Canadiens ont accès à différents professionnels de la finance. Le milieu de la finance étant vaste et mal circonscrit, plusieurs de ces professionnels se prétendent spécialistes.
- L'Union des consommateurs est donc soucieuse de comprendre les perceptions des familles à revenu modeste de ces différents professionnels et dans quelles circonstances ils ont déjà fait affaire avec eux ou seraient prêts à les consulter.
- C'est dans ce contexte que L'Union des consommateurs désirait sonder la population canadienne pour ainsi mieux connaître ses habitudes et ses perceptions des différents intervenants en présence. Elle a donc confié à Passages Marketing la réalisation d'un sondage web auprès de 2 022 adultes canadiens vivant dans un ménage dont le revenu brut combiné se situe en-deçà de 65 000\$ sur une base annuelle.



Collecte en ligne

Taille de l'échantillon : 2022 répondants

Du 11 au 19 octobre 2012

Questionnaire de 10 minutes



Marge d'erreur de +/-
2.2%

19 fois sur 20, si l'échantillon était probabiliste

Pour être représentatif de la population
canadienne l'échantillon sondé a été pondéré
selon l'âge et le poids de chaque province

∅ Ce symbole signifie une faible taille d'échantillon

Analyse

- Le salaire constitue la principale source de revenus des Canadiens sondés.
 - Plus des deux tiers d'entre eux peuvent compter sur un salaire dans la constitution de leur revenu familial.
- Les prestations publiques et privées constituent également des sources de revenu importantes, particulièrement chez les plus âgés (donc davantage les retraités).
- Les revenus de placements participent pour leur part à la constitution du revenu de moins du quart des Canadiens.
- La valeur moyenne de l'ensemble des économies et placements des foyers oscille autour de 85 000\$.
 - Évidemment, le temps qui passe a aidé les 50 ans et plus à construire un patrimoine plus conséquent.
 - Il existe, à cet égard, un fossé relativement manifeste entre le Québec (environ 70 000\$) et le reste du Canada (environ 100 000\$).
 - Ce décalage au niveau du patrimoine accumulé peut être expliqué par le fait que les Canadiens hors Québec sont proportionnellement plus nombreux à posséder une propriété et des économies / placements.

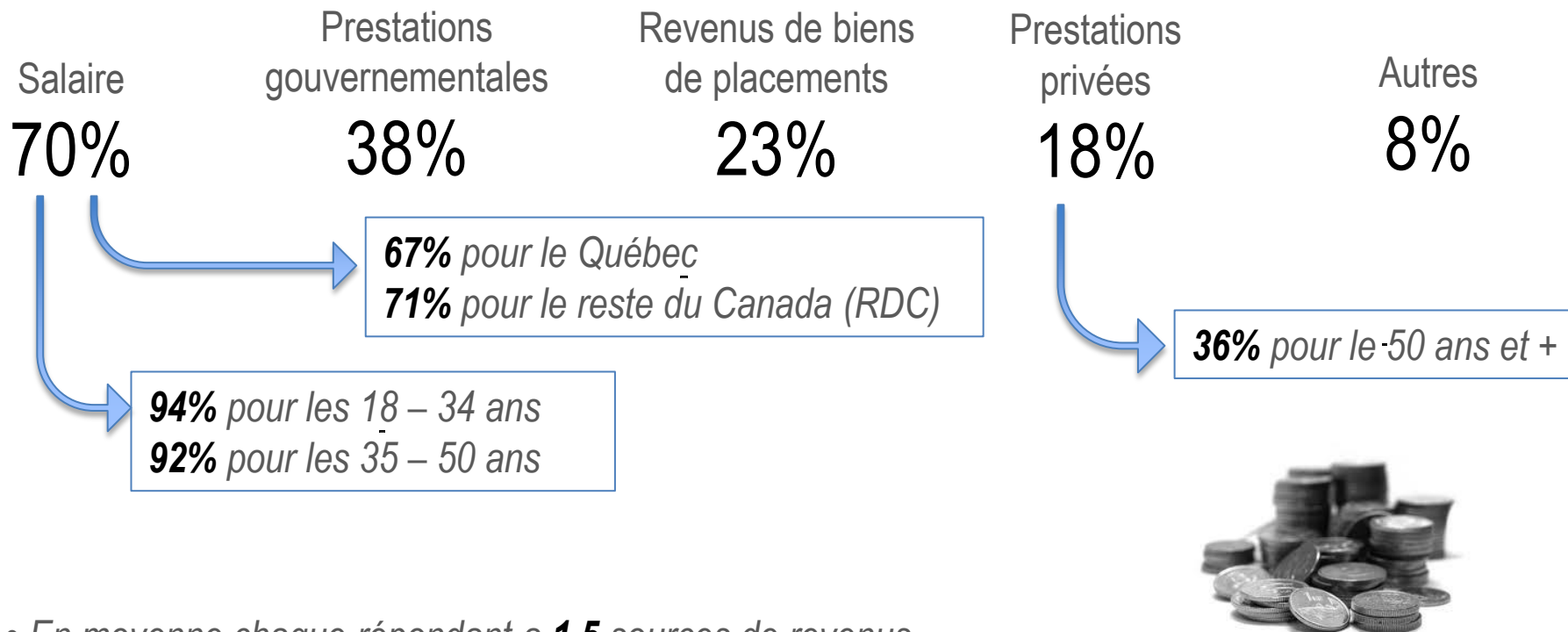


Analyse (suite)

- Les soldes de cartes de crédit et les marges de crédit constituent les dettes les plus fréquemment contractées.
- Les prêts hypothécaires, moins fréquents, constituent toutefois le passif le plus important chez ceux ayant opté pour ce type de prêt.
- Les ménages canadiens à revenu modeste cumulent en moyenne une dette hors hypothèque d'un peu plus de 20 000\$.
 - Fait à souligner, les Québécois possèdent un endettement moyen légèrement inférieur à celui de leurs compatriotes canadiens (16 000\$ vs 22 000\$).



Les sources de revenus



- En moyenne chaque répondant a **1.5** sources de revenus

Valeur approximative de l'ensemble de vos économies et placements.

0 – 5k	25%	→	33% pour le Québec 22% pour le RDC
5 – 15k	16%		
15 – 30k	13%		
30 – 75k	14%		
75 – 125k	9%		
125 – 200	8%		
200k +	15%	→	11% pour le Québec 17% pour le RDC



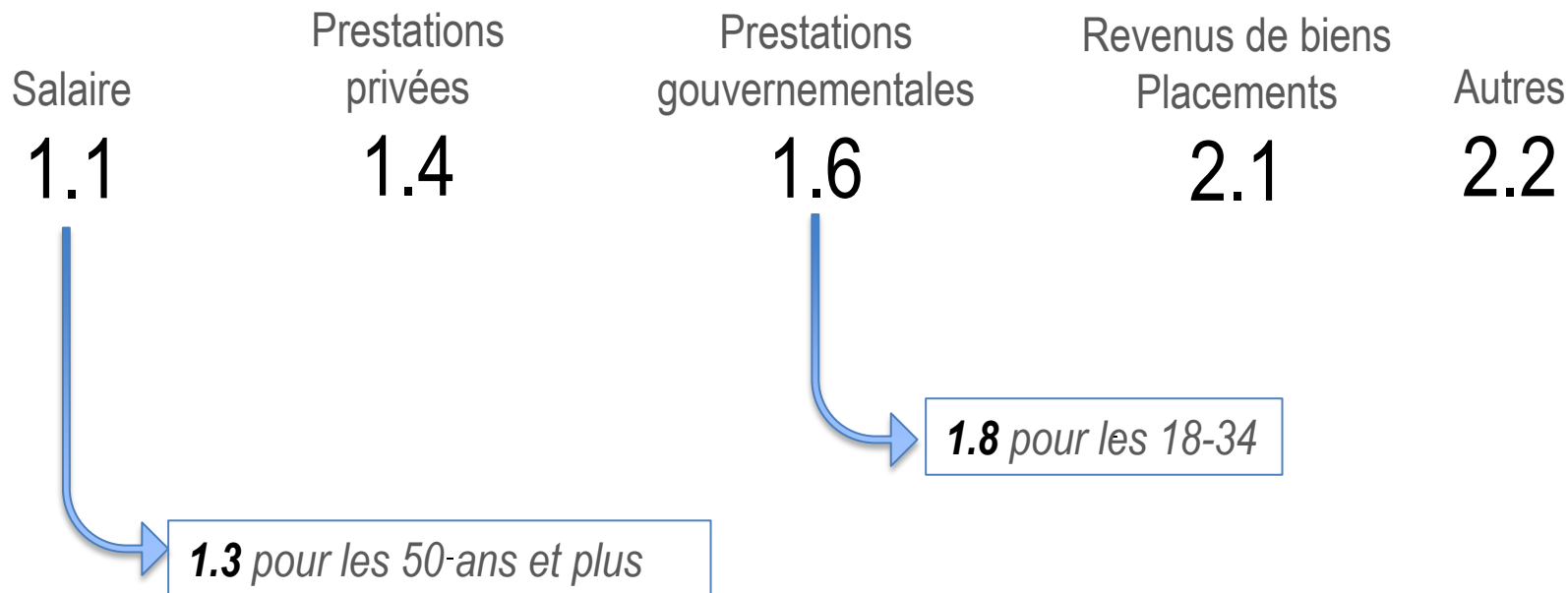
• Revenus et avoirs moyen estimés : 85 400\$



69 600\$ pour le Québec
101 100\$ pour le RDC

31 600\$ pour les 18 – 34 ans
60 000\$ pour les 35 – 50 ans
127 000\$ pour les 50 ans +

L'importance de chacune des sources de revenus (1 étant la plus importante)



Les avoirs de votre ménage et l'importance de chacun (1 étant la plus importante)

Immeubles

57%

1.1

Économies et
placements

66%

2.1

Véhicules

79%

2.5

Meubles /
électroménagers

85%

3.1

Objets de
valeur

45%

3.6

36% pour le Québec
54% pour le RDC

Autres

5%

4.0

Aucun

3%

48% pour le Québec
60% pour le RDC



Différents types de dettes de votre ménage

Solde de carte
de crédit
42%

Marge de
crédit
34%

Prêt
hypothécaire
31%

Prêt
personnel
15%

Prêt
étudiant
12%

Autres
6%

Aucune
23%



32% pour les 18 – 34 ans
42% pour les 35 – 50 ans
23% pour les 50 ans +

22% pour le Québec
13% pour le RDC

15% pour les 18 – 50 ans
32% pour les 50 ans +

- En moyenne, chaque répondant à **1.6** types de dettes

L'importance de chacune des dettes (1 étant la plus importante)

Prêt hypothécaire	Solde de carte de crédit	Marge de crédit	Prêt personnel	Prêt étudiant	Autres
1.1	1.7	1.8	1.8	1.9	1.6

*1.0 pour le Québec
1.1 pour le RDC*

*1.8 pour les 18 – 34 ans
2.1 pour les 35 – 50 ans
1.6 pour les 50 ans +*

*1.9 pour les propriétaires
1.6 pour les locataires*



Le montant total des dettes de votre ménage (excluant les prêts hypothécaires)

0\$	23%
1 – 5k	24%
5 – 15k	21%
15 – 30k	15%
30 – 75k	11%
75k +	6%



• Le total des dettes estimés : 20 420\$



15 875\$ pour le Québec
21 967\$ pour le RDC

24 100\$ pour les 18 – 34 ans
25 039\$ pour les 35 – 50 ans
15 704\$ pour les 50 ans +

Analyse

- De manière générale, les différents types de professionnels présentent des taux de consultation relativement timides parmi les ménages canadiens à revenu modeste.
 - On le verra plus tard, ces faibles taux de consultation peuvent être en partie expliqués par le fait qu'une forte proportion de Canadiens vivant au sein de ménage à revenu modeste ont, d'une part, le sentiment qu'ils n'ont pas les moyens de se payer de tels services et, d'autre part, qu'ils n'ont pas assez d'avoirs ou d'actifs pour entreprendre pareille démarche.
 - Les conseillers financiers (38%) s'imposent de manière relativement éloquente à ce chapitre, suivis par les comptables (24%) et les courtiers d'assurance (22%).
 - Les jeunes de 18 à 34 ans, fort probablement en raison de leur moins grande expérience, ont moins fait affaire avec ce type de professionnels (42%).
- Le conseiller financier possède manifestement un éventail de services perçu plus élargi que les autres professionnels gravitant dans le domaine financier.
 - De fortes proportions de répondants seraient tentés de consulter un conseiller financier pour leurs REER/placements, leur retraite et leur hypothèque.
 - On peut croire que l'appellation « conseiller financier », somme toute relativement générique, laisse supposer que ceux qui en portent le titre sont davantage des généralistes que des spécialistes à proprement parler.

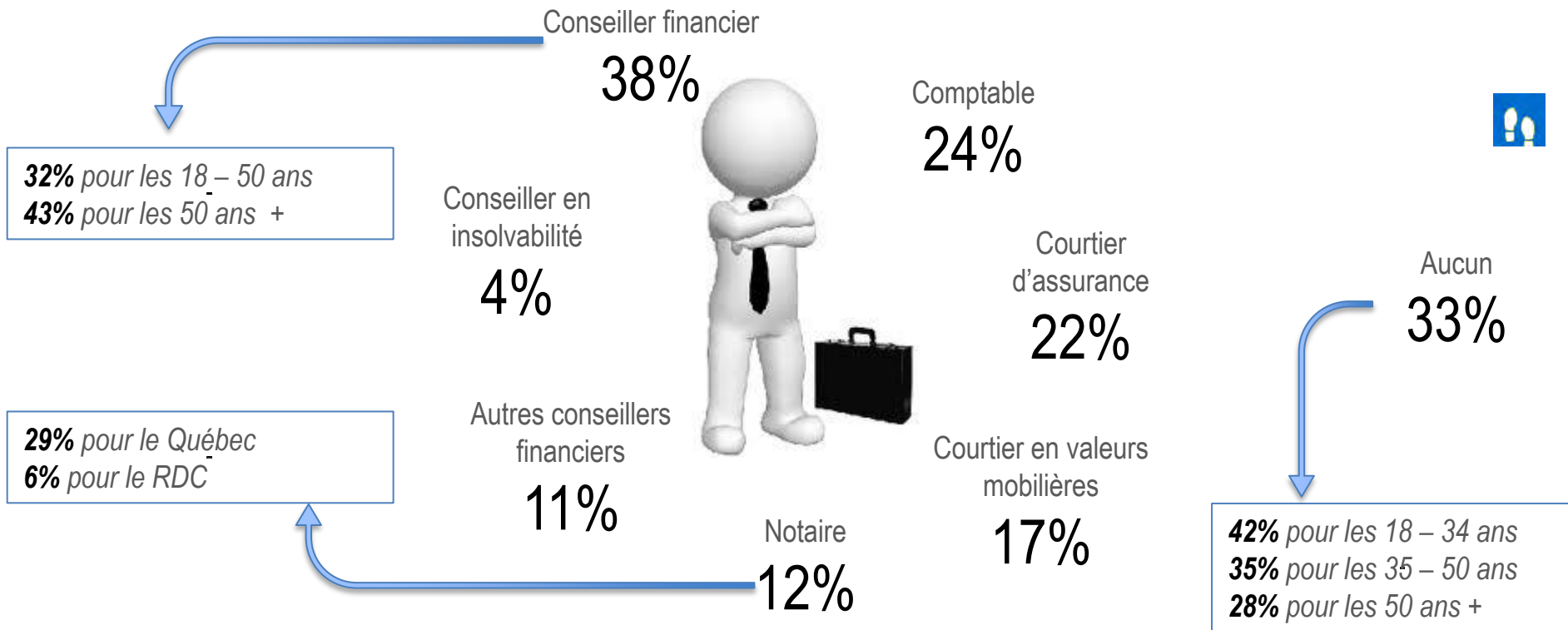


Analyse (suite)

- Pour sa part, le champ d'intervention des comptables semble davantage confiné aux impôts.
- Il en va de même pour les conseillers en insolvabilité avec la gestion des dettes, pour les courtiers d'assurance avec les assurances et, quoique dans une moindre mesure, pour les notaires avec la succession.
- Il semble finalement exister un certain flou dans l'esprit des Canadiens par rapport au champ d'expertise du conseiller en valeurs mobilières.
 - Les deux tiers des répondants ne seraient pas tentés de faire appel à ses services pour l'un ou l'autre des types de services présentés.
 - Contrairement aux conseillers financiers, on peut croire que, dans le contexte du sondage et compte tenu de la cible sondée, les conseillers en valeurs mobilières pâtissent quelque peu de la complexité de leur appellation. Autrement dit, la présence des mots « valeurs mobilières » peut s'avérer rébarbative pour certaines personnes et même évoquer que les services de tels professionnels sont relativement coûteux.

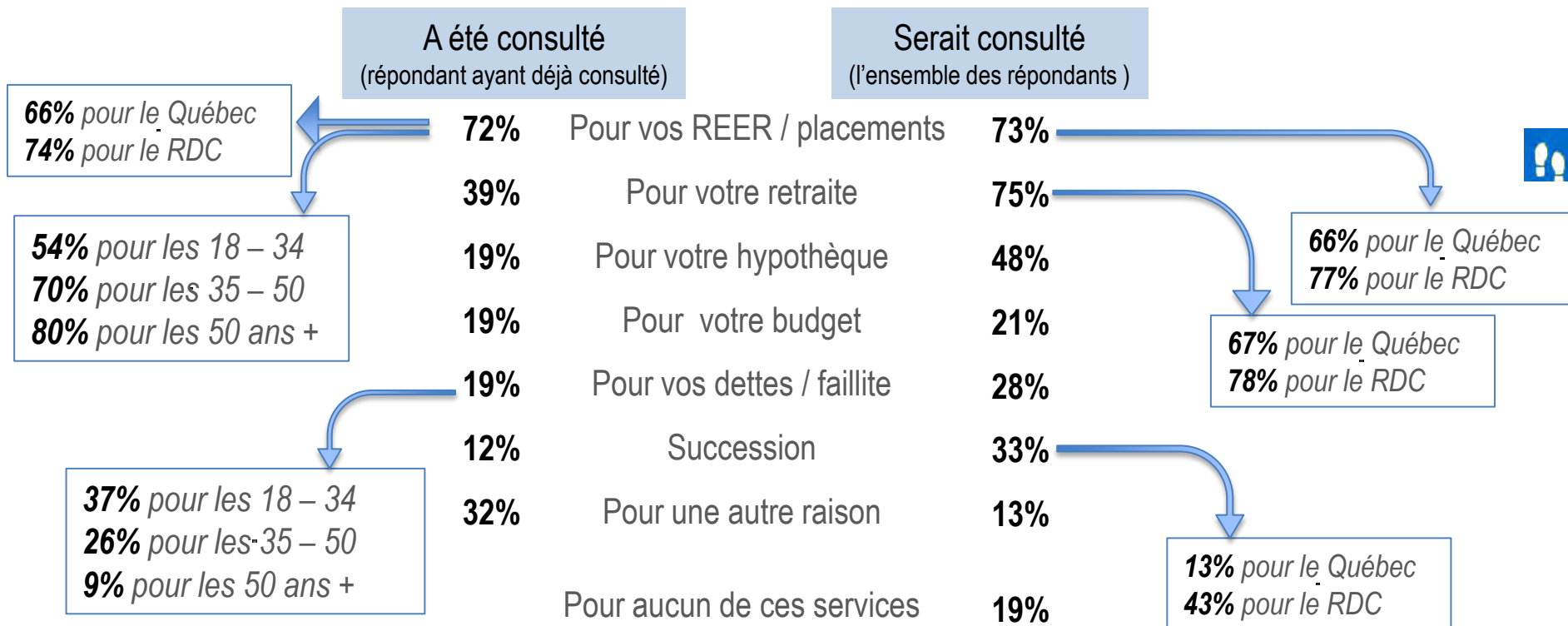


Un membre de votre ménage a-t-il consulté l'un ou l'autre des professionnels suivants:



• En moyenne, chaque répondant a consulté **1.6** professionnels

Le conseiller financier



• En moyenne, le conseiller financier a été consulté pour **2.1** différents services

Le comptable

A été consulté
(répondant ayant déjà consulté)

Serait consulté
(l'ensemble des répondants)



98% pour le Québec
94% pour le RDC

15% pour les 18 – 34
8% pour les 35 – 50
4% pour les 50 ans +

95%	Pour vos impôts
8%	Pour vos REER / placements
5%	Pour votre hypothèque
5%	Pour votre retraite
5%	Pour vos dettes / faillite
5%	Pour votre budget
14%	Pour une autre raison

59%
6%
n/a
6%
9%
6%
n/a

Pour aucun de ces services **38%**

67% pour le Québec
56% pour le RDC

32% pour le Québec
41% pour le RDC

- En moyenne, le comptable a été consulté pour **1.4** différents services

Le courtier d'assurance

A été consulté
(répondant ayant déjà consulté)

Serait consulté
(l'ensemble des répondants)

83%	Pour l'achat d'assurance	73%
10%	Pour vos REER / placements	n/a
6%	Pour votre hypothèque	6%
5%	Pour votre retraite	3%
26%	Pour une autre raison	4%
	Pour aucun de ces services	25%

17% Ø pour le Québec
8% Ø pour le RDC

9% pour les 18 – 34
7% pour les 35 – 50
4% pour les 50 ans +

- En moyenne, le courtier d'assurance a été consulté pour **1.3** différents services

Le courtier de valeurs mobilières

A été consulté
(répondant ayant déjà consulté)

Serait consulté
(l'ensemble des répondants)



59% pour le Québec
75% pour le RDC

67% pour les 18 – 34
70% pour les 35 – 50
76% pour les 50 ans +

73%	Pour vos REER / placements	n/a
37%	Pour votre retraite	14%
10%	Pour votre hypothèque	14%
14%	Succession	11%
13%	Pour vos impôts	n/a
9%	Pour votre budget	n/a
25%	Pour une autre raison	3%

Pour aucun de ces services **67%**

72% pour le Québec
65% pour le RDC

- En moyenne, le courtier en valeurs mobilières a été consulté pour **1.8** différents services

Le notaire

A été consulté
(répondant ayant déjà consulté)

Serait consulté
(l'ensemble des répondants)

53%

Pour votre succession

41%

7%

36%

Pour votre hypothèque

7%

41%

Pour une autre raison

Pour aucun de ces services

55%

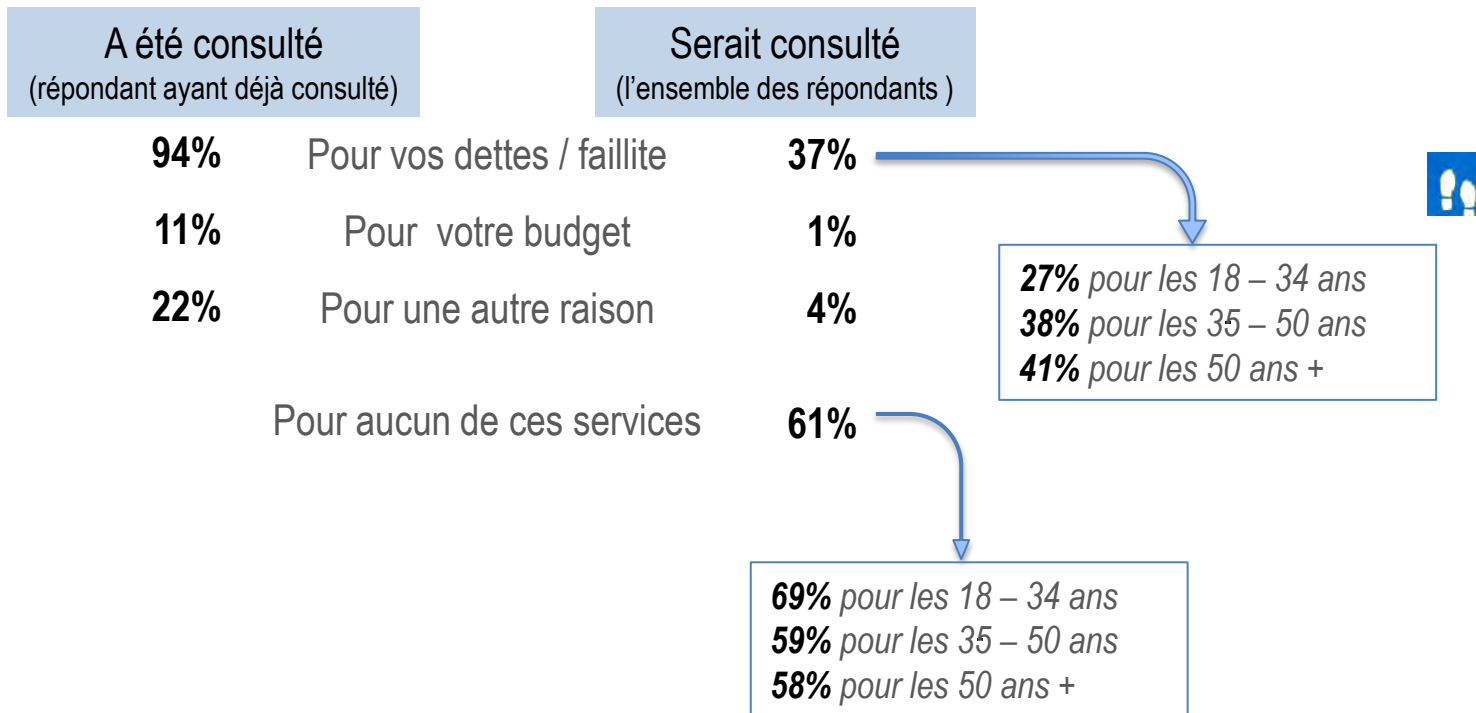
37% pour les 18 – 34
46% pour les 35 – 50
61% pour les 50 ans +

71% pour le Québec
25% pour le RDC

25% pour le Québec
71% pour le RDC

- En moyenne, le comptable a été consulté pour **1.3** différents services

Le conseiller en insolvabilité







- En moyenne, le conseiller en insolvabilité a été consulté pour **1.3** différents services

Le conseiller budgétaire

A été consulté
(répondant ayant déjà consulté)

Serait consulté
(l'ensemble des répondants)

51% 	Pour vos dettes / faillite	11%
48% 	Pour votre budget	32%
24% 	Pour votre retraite	5%
65% 	Pour une autre raison	5%

Pour aucun de ces services 62%

58% pour le Québec
65% pour le RDC

- En moyenne, le conseiller budgétaire a été consulté pour **1.9** différents services

 Les résultats doivent être analysés avec prudence étant donné les faibles tailles d'échantillon.

Analyse

- Le quart des Québécois sondés ont déjà eu à vivre avec une mauvaise décision financière ayant eu un impact significatif sur leurs finances et leur vie.
 - Fait intéressant, les Québécois âgés de plus de 50 ans sont proportionnellement moins nombreux à avoir dû faire face à un tel problème.
- Ces mauvaises décisions ont entraîné plusieurs types de conséquences financières, notamment le recours au crédit (19%), voire la faillite (12%).
- Dans le tiers des cas, cette décision avait été conseillée par un professionnel.
 - Si l'on ramène cette proportion à l'ensemble de la population québécoise, c'est donc dire que 9% des ménages à revenu modeste ont déjà subi les conséquences d'un conseil mal avisé provenant d'un professionnel.
 - Par contre, on peut aussi conclure que la plupart des situations fâcheuses découlant de décisions prises sont survenues lorsque les individus prenaient eux-mêmes les décisions (sans l'aide d'un expert).
- Soulignons finalement que nul n'est à l'abris des fluctuations économiques (récessions, ralentissements boursiers, etc.).



Une mauvaise décision financière a-t-elle déjà eu un impact significatif
(Pour le Québec seulement)

Oui

25%



26% pour les 18 – 34
30% pour les 35 – 50
22% pour les 50 ans +

Décision suggérée par un professionnel

36%



L'impact de cette décision

- | | |
|--|-----|
| • J'ai dû avoir recours à du crédit | 19% |
| • J'ai fait faillite | 16% |
| • J'ai dû gruger dans mes économies | 12% |
| • J'ai dû réduire mes dépenses | 9% |
| • J'ai dû renoncer à certains projets | 9% |
| • J'ai été confronté à des problèmes familiaux | 7% |
| • Autres | 28% |



Analyse

- Les Québécois se montrent relativement tièdes à l'idée de consulter un professionnel qui pourrait leur prodiguer des conseils sur l'ensemble de leurs finances.
 - Près du tiers d'entre eux considèrent qu'ils n'ont pas assez d'actifs ou d'avoirs pour entreprendre une telle démarche.
 - Soulignons que plus du dixième des Québécois affirment qu'ils ne sauraient pas à qui s'adresser afin d'obtenir de tels services. Ces résultats, sans être frappants au premier abord, démontrent néanmoins qu'il existe un certain terrain communicationnel laissé vacant.
- L'impression de cherté des services de tels professionnels est vastement répandue au sein de la population.
 - Plus de la moitié des Québécois croient qu'ils n'en ont pas les moyens (particulièrement chez les plus âgés) et plus du tiers affirment ignorer combien il peut en coûter. Les plus jeunes se montrent, à ce dernier égard, particulièrement peu informés.
 - Encore ici, la démocratisation accrue de tels services passe forcément par une communication plus soutenue. Le fait qu'ils puissent être offerts à prix modiques constituerait un angle communicationnel pertinent.



Analyse (suite)

- La consultation à propos des impôts se révèle le type de service potentiellement le plus populaire (40%), suivie du bilan complet (30%), des conseils sur les placements (27%) et de la gestion de la dette (21%).
 - La gestion des dettes apparaît comme un service qui trouverait davantage écho chez les 18 à 34 ans (39%), tandis que les 35-50 ans longneraient davantage vers l'élaboration du bilan financier complet (38%).



Que diriez-vous de consulter un professionnel qui pourrait vous prodiguer des conseils à propos de l'ensemble de vos finances...

(Pour le Québec seulement)



- Je n'en vois pas l'utilité, je n'ai pas assez de revenus et/ou d'actifs
- J'ai déjà un spécialiste qui s'occupe de ça
- C'est un service qui serait trop cher par rapport à ce que ça pourrait me rapporter
- Je n'en vois pas l'utilité, je n'ai pas assez de dettes
- Je ne sais pas à qui m'adresser pour obtenir ce type de service
- Autre

30%

24%

22%

15%

12%

11%

17% pour les 18 – 34
19% pour les 35 – 50
30% pour les 50 ans +



Croyez-vous avoir les moyens de faire appel à un tel service?

(Pour le Québec seulement)

Oui
11%

Non
55%

Vous ne connaissez pas
le prix de ces services

34%

*45% pour les 18 – 34
54% pour les 35 – 50
63% pour les 50 ans +*

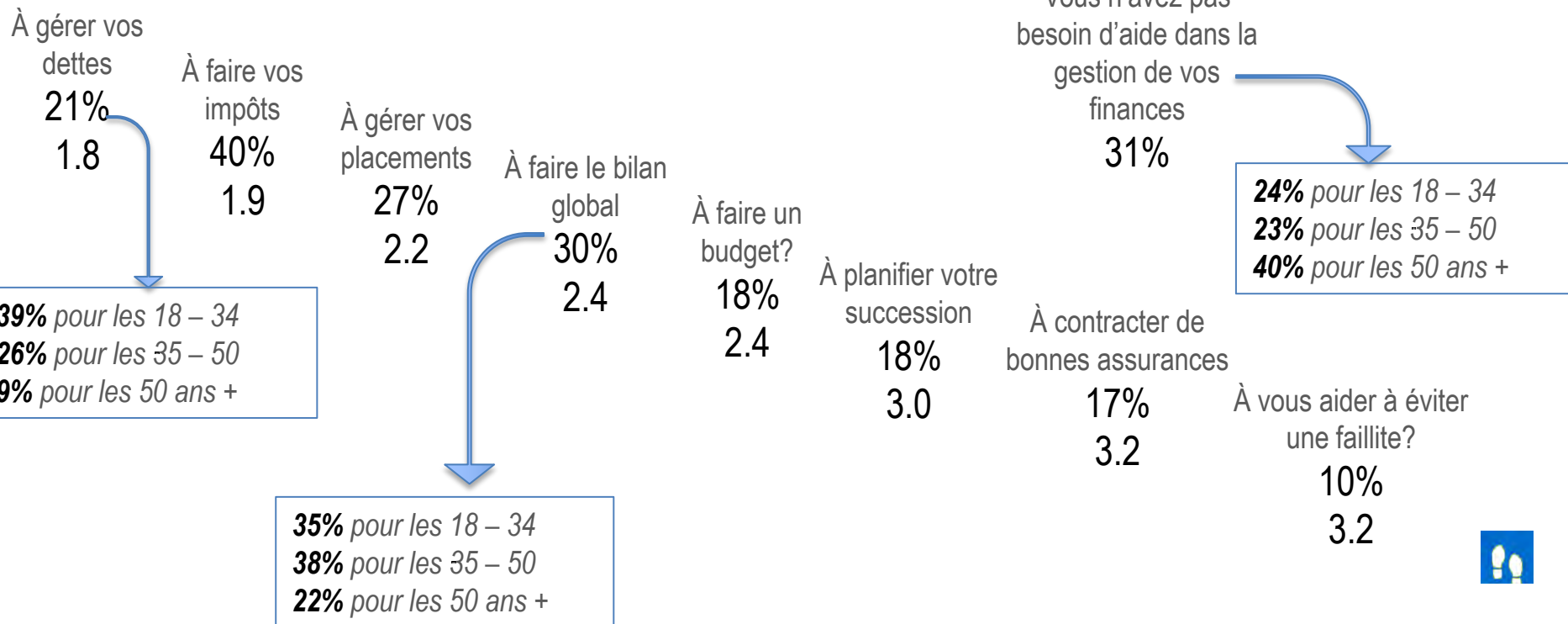
*43% pour les 18 – 34
33% pour les 35 – 50
29% pour les 50 ans +*

Sauriez-vous à qui vous adresser pour obtenir de tels services?

Oui
69%



Trouveriez-vous utile qu'un professionnel vous aide... et l'utilité de chacun (1 étant le plus utile) (Pour le Québec seulement)



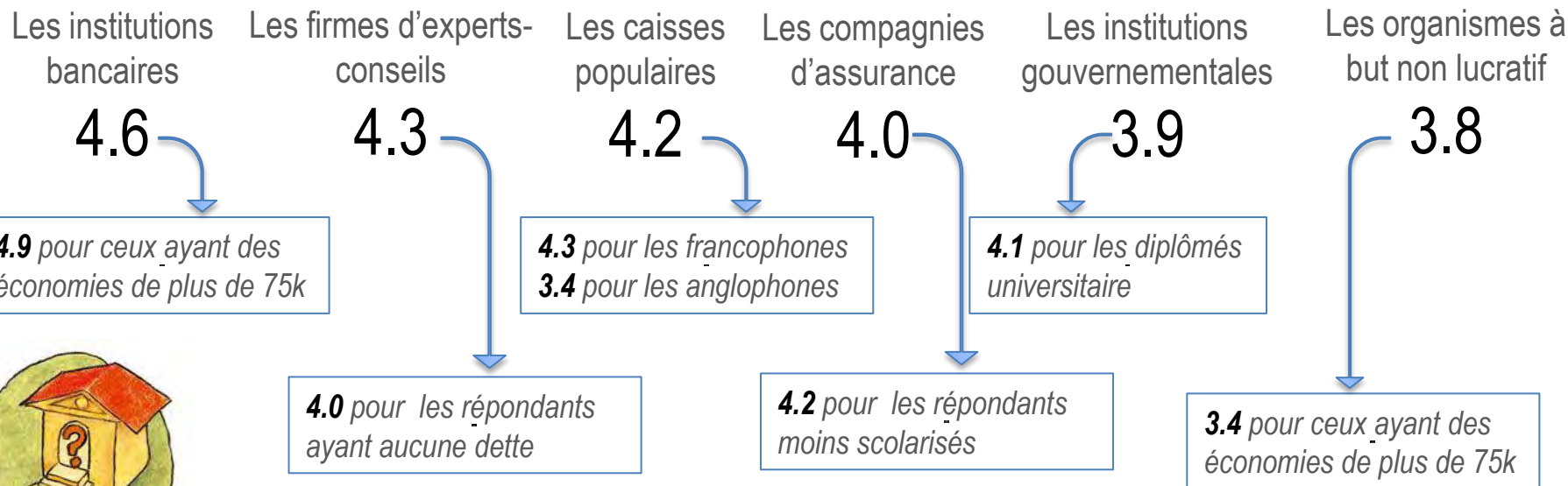
Analyse

- La comparaison des notes moyennes obtenues par les différents types d'organisations et de professionnels met en lumière trois constats intéressants:
 - De manière générale, les professionnels obtiennent des scores moyens plus élevés que les organisations et ce, qu'il s'agisse de l'évaluation de leur indépendance ou de leur compétence.
 - Les organisations, à l'exception des organismes sans but lucratif, inspirent davantage confiance sur le plan de la compétence que de l'indépendance. À ce chapitre, il est permis de croire qu'il existe, au sein de la population, un certain cynisme vis-à-vis de certains types d'institutions. D'ailleurs, les organismes à but non lucratif n'échappent pas à cette moins grande confiance sur le plan de l'indépendance.
 - Les 18-34 ans accordent davantage leur confiance en la compétence et l'indépendance des différents professionnels / types d'organisations.
- Les comptables et les institutions financières se situent en tête de peloton de la confiance inspirée et ce, tant sur le plan de la compétence que de l'indépendance.
- Par contre, il convient de souligner que le différentiel entre le professionnel ou le type d'organisation inspirant le plus confiance et celui inspirant le moins confiance est relativement restreint et qu'aucune des parties testées n'est parvenue à atteindre le score moyen de 5 (sur 7).



Dans quelle mesure avez-vous confiance en... (moyenne sur 7, 7=totalement confiance)
(Pour le Québec seulement)

La compétence



• La moyenne générale des 18 – 34 est de 4.4 vs 4.0 pour les 35 ans +

Dans quelle mesure avez-vous confiance en... (moyenne sur 7, 7=totalement confiance)

(Pour le Québec seulement)

L'indépendance

Les institutions
bancaires

4.2

4.0 pour ceux ayant des
économies de moins de 5k

Les caisses
populaires

4.0

4.1 pour les anglophones
3.3 pour les francophones

Les organismes à
but non lucratif

4.0

3.8 pour les propriétaires
4.1 pour les locataires

Les firmes d'experts-
conseils

4.0

3.8 pour ceux ayant des
économies de moins de 5k

Les institutions
gouvernementales

3.8

3.4 pour les diplômés
universitaires

Les compagnies
d'assurance

3.7



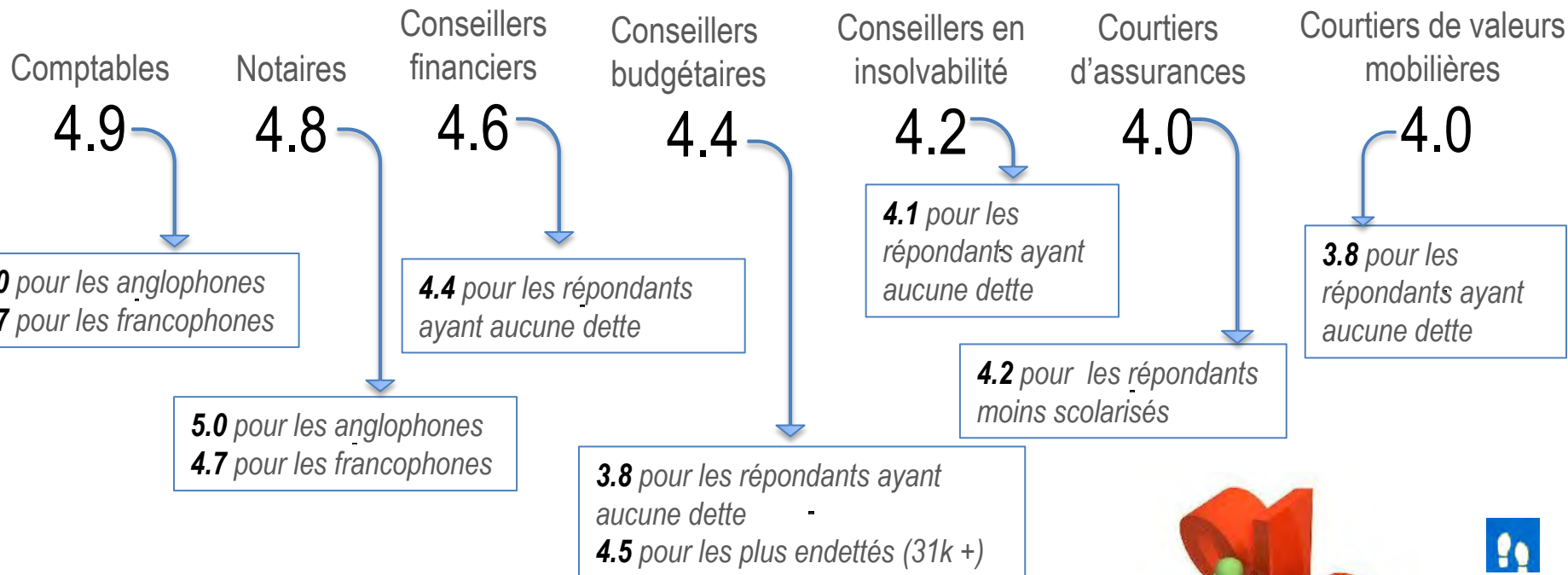
• La moyenne générale des 18 – 34 est de 4.2 vs 3.9 pour les 35 ans +



Dans quelle mesure avez-vous confiance en...(moyenne sur 7, 7=totalement confiance)

(Pour le Québec seulement)

La compétence



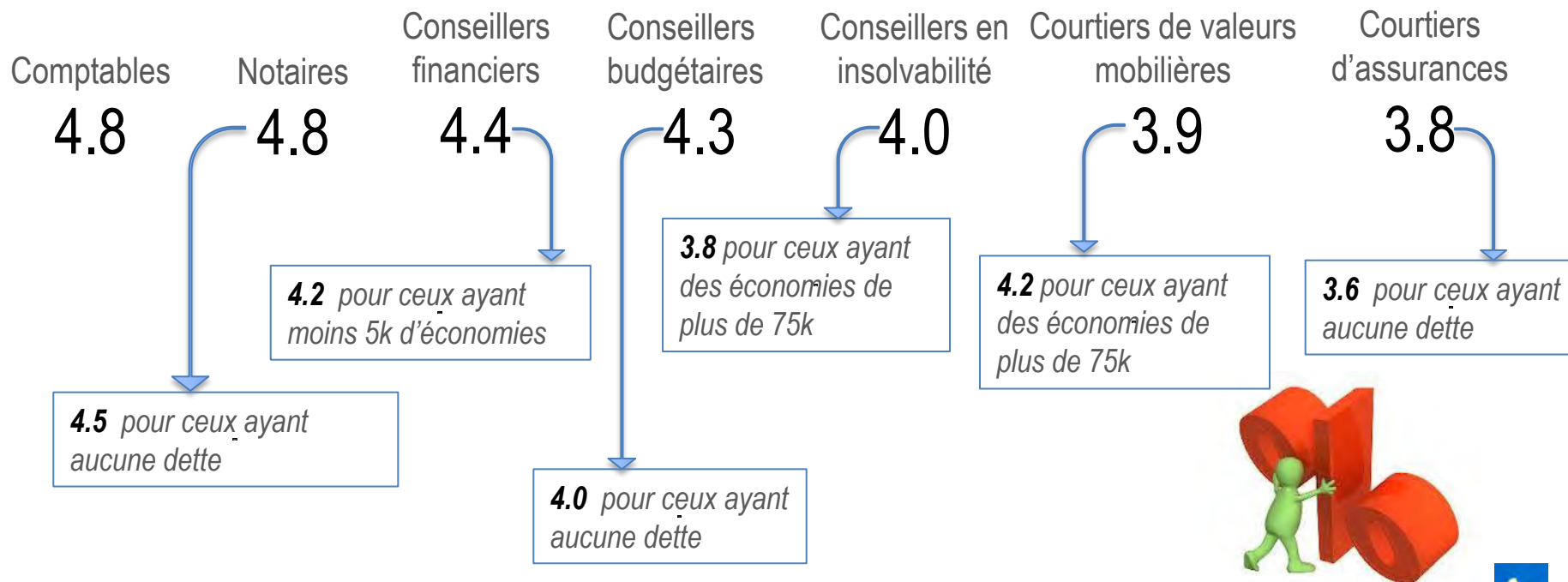
• La moyenne générale des 18 – 34 est de 4.6 vs 4.3 pour les 35 ans +



Dans quelle mesure avez-vous confiance en...(moyenne sur 7, 7=totalement confiance)

(Pour le Québec seulement)

L'indépendance



- La moyenne générale des 18 – 34 est de 4.7 vs 4.4 pour les 35 ans +

- 1 **Une grande inconnue:** Les professionnels financiers sont relativement peu consultés par les ménages à revenu modeste. L'impression de ne pas avoir les moyens de se payer de tels services et le sentiment de ne pas avoir assez d'actifs représentent des freins manifestes à la consultation.
- 2 **Communiquer l'accessibilité:** Sur le plan communicationnel, il faudra prioriser l'accessibilité des services. En d'autres mots, nul besoin d'être bien nanti ou de posséder un parc immobilier imposant pour faire appel à des professionnels financiers.
- 3 **Déboulonner un mythe:** Il faut également insister sur le fait que les services d'un professionnel financier peuvent être dispensés à prix abordable. Il existe dans la population une perception relativement prégnante selon laquelle de tels services sont chers.
- 4 **Simplifier les titres:** On peut croire qu'une cible au revenu plus modeste pourrait davantage être intimidée (ou du moins, se sentir moins rejointe) à l'idée de consulter un conseiller en valeurs mobilières comparativement à un conseiller financier. Autrement dit, la complexité du titre portée par un professionnel peut nuire à la perception que ces services sont accessibles à tous.
- 5 **L'indépendance avant la compétence:** Il semble que l'indépendance des différentes organisations et divers professionnels doit davantage être prouvée que leur compétence. Autrement dit, il faut éviter que ces professions soient englouties dans la vague de cynisme envers plusieurs types d'institutions, qui sévit actuellement au Canada.



Le revenu annuel total de votre ménage



0 – 19k	4%	→	5% pour le Québec 3% pour le RDC
20 – 24k	9%		
25 – 29k	10%		
30 – 39k	24%		
40 – 49k	24%		
50 – 64k	29%	→	32% pour les 18 – 50 25% pour les 50 ans +



- Salaire moyen estimé : 40 745\$ →

42 722\$ pour les propriétaires
38 380\$ pour les locataires

Impliqué dans les décisions financières

Oui, seul : 55%

Oui, en partie : 45%

Âge du répondant

18 – 24 ans 10%

25 – 34 ans 16%

35 – 44 ans 16%

45 – 54 ans 20%

55 – 64 ans 18%

65 ans + 21%

Moyenne 48 ans

La famille

Nombre d'adulte : 1.8

Nombre d'enfants de moins de 18 ans : 0.4 (21% des ménages ont des enfants)



Résidence

Propriétaire : 57%

Locataire: 43%



Scolarité

	du répondant	du ménage
Primaire/Secondaire	28%	24%
Formation professionnelle	12%	12%
Collégial	31%	32%
Universitaire	30%	32%

Nombre de personnes qui contribuent au revenu familial

1 personne	50%
2 personnes	44%
3 personnes et plus	6%
Moyenne	1.6



Province

Terre-Neuve-et-Labrador	3%
Île-du-Prince-Édouard	1%
Nouvelle-Écosse	8%
Nouveau-Brunswick	4%
Québec	25%
Ontario	42%
Manitoba	4%
Saskatchewan	2%
Alberta	5%
Colombie-Britannique	7%



Vers la connaissance

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