

‘I don’t want to be gouged by an adviser that does a little for a lot’



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A millennial reader e-mailed us here at The Globe recently to express some frustration about finding trustworthy investment advice at a fair price. This person has an adviser, but is shopping around for someone else.

"I've been interviewing other advisers, all with different strategies and approaches," this reader said. "Each one tells me why they're better than the other, but they really seem all the same. How do I navigate this industry when everything is explained and written in a way that makes it so difficult to understand? I want my hard-earned money to grow, but I don't want to be gouged by an adviser that does a little for a lot."

Here are five thoughts to find financial advice that suits your needs for a fair cost:

- 1.) Decide what you need: Do you simply want someone to manage your investments, or do you want financial planning as well? What specific planning questions do you want answered and in what form?
- 2.) Ask the adviser if you're a fit as a client: Make your expectations clear and ask the adviser to honestly say whether they can be met.
- 3.) Look for an adviser who's interested in you, the client: Advisers certainly need to establish their credentials, but they also need to understand you and your need. Look for someone who asks you a lot of questions about your needs
- 4.) Focus on value as much as fees: Ask an adviser what he or she charges, and then get a list of services provided. Don't compare advisers on fees alone – look at the full package of fees and services.
- 5.) Consider the robo-adviser: A clean and clear option in which you pay cheap fees to have your investment portfolio managed for you.

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Rob's personal finance reading list...

Goodbye, pension

A personal finance blogger explains why he advised his spouse to commute a small [defined-benefit pension plan](#) at an employer she was leaving. That means taking the money out of the pension and moving it to a locked-in retirement account – basically, exchanging the money-for-life commitment of the DB plan for the opportunities and risks associated with investing in financial markets.

How best to use your Aeroplan miles

Air Canada is splitting from Aeroplan in 2020. Good info here for people who want to [use up their existing miles](#) and consider Aeroplan alternatives.

The roast chicken budget strategy

A strategy for healthy meals on a budget – roast a [whole chicken](#) once a week and have leftovers for days.

This is the cost to thrive in Toronto

Life in the big city is expensive. A study says 20- to 40-year-old need to make at least [\\$57,000 to \\$70,000](#) before taxes to live a good life in Toronto. That means having enough to meet basic needs, remain connected to family and community, support professional advancement and ensure long-term financial stability.

Today's featured financial tool

The Investment Industry Regulatory Organization of Canada offers this list of questions to ask an investment adviser you're considering.

Ask Rob *The question:* "My TFSA is currently maxed out (yes!). Through investment in Vanguard ETFs, the value of the TFSA is more than the sum of all available contribution room since 2009. If I wish to withdraw \$5,000 before the end of 2017, will my contribution room in 2018 be the \$5,000 withdrawal from 2017 plus the \$5,500 contribution for 2018?"

The answer: "Yes. Kudos for understanding the recontribution rules for TFSAs. In your position, you can replace what you withdraw in the next calendar year. You also have that year's contribution room as well."

In case you missed these Globe and Mail personal finance stories

- At age 30 or 60 – how best to invest your TFSA
- How to invest a sudden cash windfall
- Say hello to John Heinzl's new Yield Hog portfolio

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