

Richard Rand's

Random Views

"Simplifying All The Financial Needs of Busy Families"



Wealth Management
Dominion Securities

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Rand Wealth Management
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Meetings are indispensable when
you don't want to do anything.

~John Kenneth Galbraith

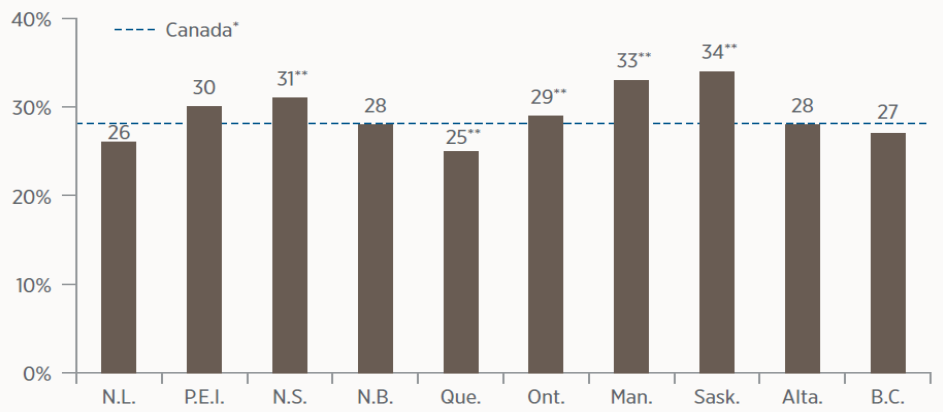
Rand Wealth Management - November 2017

Well, the leaves are changing, the mornings are cooler and the mountains have started to get their white coats of snow....so it must be near the end of 2017 already! I am truly amazed at how quickly the days, months and years go by now, but I guess I am not 25 anymore either!

I attended a conference on Ageing in Canada over the summer and the content of the event really hit home to me in many ways. Not only are the days, weeks and years seem to be speeding up, but we as a whole are living longer and for the most part in better health as we stroll along Life's Path. But one part of this stroll, that for a lot of my clients was relatively unexpected, is the transition of their parents and parents in law into an Ailing Parent Event. This is happening when my clients are either in their last few years of working life, where the children might be gone from the house but are still financially dependent and then one or more of their parents have a significant health issue and they are now having to transition in the role of Caregivers.

According to Statistics Canada, nearly half (46%) of all Canadians have provided care to a family member or friend with a long-term health condition, disability or aging need at some point in their lives. Many of them could be your clients as approximately 8 million people or 28% of the population did so in 2012 alone – the last year surveyed. That number is expected to increase over the next decade, as the share of Canadians aged 65 and older grows from its current level of 17% to roughly 22%. (Continued on the next page)

Percentage of Canadians providing care, by province, 2012



Source: Statistics Canada, General Social Survey, 2012

Please visit us at our new website: <http://ca.rbcwealthmanagement.com/richard.rand>

Private password for clients only access: **Wealth2017**

The Many Faces of Caregiving

Caregiving can be varied and complex with the type, nature and duration shaped by the unique circumstances of the individual requiring care. Caregiving events can be short-term and episodic – a broken leg or hip from a fall – or they can be long-term and intensive – a terminal illness in a palliative care centre. As varied as the caregiver role may be, two things are certain: there will be time off work and expenses. In fact, elder care costs Canadians \$33 billion a year in direct out-of-pocket expenses and time off work, which means current and future cash flows may be impacted.

Continuum of Care: Intensity, predictability and controllability

	Occasional daily care	Episodic care	Continuous/ long-term care	Palliative/ end-of-life care	Recuperative care	Home care
Caregiver involvement	Moderate to intense	Moderate to intense	Moderate to intense	Intense	Moderate to intense	Moderate to intense
Duration	Long-term <i>May span years</i>	Short- to mid-term <i>May span days, weeks, months</i>	Mid- to long-term <i>May span months, years</i>	Unpredictable <i>Typically three to six weeks but could last months, years</i>	Short- to long-term <i>May span days to years depending on condition</i>	Short- to long-term <i>May span days to years depending on condition</i>
Degree of control	High and predictable <i>Easy to plan in advance for changes to work and life responsibilities</i>	Limited and unpredictable <i>Impossible to plan in advance</i>	Mid to high <i>Periods of high control can be disrupted with periods of mid-level control</i>	None	None to high <i>Depends on condition, e.g. pulled muscle vs. hip replacement after an unexpected fall</i>	High and predictable <i>Easy to plan in advance for changes to work and life responsibilities</i>
Example(s)	Groceries, yardwork, transportation	Treatment-related care <i>e.g. appointment in response to arthritis flare-up</i>	Chronic and/or progressive illness or disability <i>e.g. Parkinson's, Alzheimer's</i>	Care in hospital, palliative care facility, community or home environments	Recover following surgery, pneumonia, stroke	Supported independent living <i>e.g. support service coordination, safety and security assistance</i>

2017 Year-End Tax Planning

Opportunities to reduce your 2017 tax bill

Tax loss selling

If you have realized capital gains during the year, and you are holding securities with unrealized losses, consider selling those securities to realize the losses. This strategy of selling securities at a loss to offset capital gains realized during the year is a year-end tax planning technique commonly known as tax loss selling.

If the investment still has strong fundamentals and meets your investment needs, consider all costs, including transaction costs before selling investments solely for the purpose of triggering the tax loss.

When disposing of a security, the sale for Canadian tax purposes will be deemed to have taken place on the settlement date. Assuming a two-day settlement period, in order to utilize the tax loss selling strategy for the 2017 tax year, transactions must be initiated by December 27, 2017 for both Canadian and U.S. securities in order to settle during 2017. Canadian and U.S. option transactions have a one-day settlement, therefore, option transactions must be initiated by December 28, 2017 to ensure a 2017 settlement.

Year-end bonus planning

Receiving a bonus prior to yearend creates additional Registered Retirement Savings Plan (RRSP) contribution room for 2018 if these contributions are based on the prior year's

total compensation. On the other hand, if you expect to be in a lower tax bracket next year, consider deferring the receipt of your bonus (if your employer permits) to early 2018. If the bonus is paid directly to you, there will be withholding taxes at source on the bonus payment. However, if your employer permits, some or all of the withholding taxes on the bonus may not have to be withheld if the bonus or a portion of the bonus is transferred directly to your RRSP. You must have adequate unused RRSP deduction room in the year of transfer.

TFSA contributions

If you have not yet done so, you can make your TFSA contribution for 2017 (up to \$5,500) and catch up on any unused contribution room from 2009-2016.

RRSP Contributions

You have until March 1, 2018 to make a contribution to your RRSP or a spousal RRSP in order to be able to deduct the amount on your 2017 tax return. However, if you have contribution room, contributing to your RRSP early (i.e., before December 31, 2017) helps to maximize the tax-deferred growth in your plan which may increase your savings for retirement.

Year-end expenses

Generally, you can deduct certain expenses you paid in the year on your personal income tax return. Therefore, remember to pay all investment management fees, tuition fees, deductible accounting and legal fees, childcare expenses, alimony, medical expenses and any business expenses (if deductible on your

personal tax return by 31st if it is your intention to deduct them on your 2017 tax return.

Conclusion

This article covers some common individual tax planning strategies that you may want to consider before year-end. Speak with your qualified tax advisor to determine if any of these strategies are suitable for you in your circumstances.

This article may contain several strategies, not all of which will apply to your particular financial circumstances. The information in this article is not intended to provide legal or tax advice. To ensure that your own circumstances have been properly considered and that action is taken based on the latest information available, you should obtain professional advice from a qualified tax and/or legal advisor before acting on any of the information in this article.

As an alternative to cash, you can also donate publicly listed securities in-kind to qualified charities without being subject to tax on the realized capital gain. You will receive a donation tax receipt equal to the fair market value of the security at the time of the donation.

Note: As this is a timely but involved subject, please refer to this link on our website for more in-depth information:

https://ca.rbcwealthmanagement.com/richard_rand/publications-sites



MOVEMBER FOUNDATION

**THE ONLY GLOBAL CHARITY FOCUSED
SOLELY ON MEN'S HEALTH**

Everything we do is to stop men dying too young, and to ensure they live happier, healthier, longer lives. We do this by investing in these critical areas:

**PROSTATE CANCER, TESTICULAR CANCER,
MENTAL HEALTH AND SUICIDE PREVENTION**

The Movember Foundation runs awareness and fundraising activities year-round, with the annual Movember campaign in November being globally recognized for its fun and innovative approach to raising money and getting men to take action for their health.

We fund health programs directly through the Movember Foundation and our men's health partners.

MEN'S HEALTH STATS

1 in 13 men in Canada will be diagnosed with prostate cancer in their lifetime

Testicular cancer is the most common cancer in young men aged 15 - 35 years

1 in 5 Canadians will experience a mental health problem

This is Richard's 8th year participating in the annual Movember campaign. Please make sure you get tested and remind your friends & family to get tested.

Getting involved is easy. Simply sign up at our website <https://moteam.co/teammogettested> and fundraise by:

Growing a Moustache

--

Taking the Move Challenge and getting active

--

Hosting an event

--

Making a donation

Coming Soon: Electronic CRM2 Annual Report

As of January 2018, electronic delivery of CRM2 annual reports will be available. Clients who currently receive eStatements, or who switch to eStatements by signing up through DS Online before Dec. 22, 2017, will automatically receive their annual CRM2 reports electronically. Clients will not only be able to access their account statements, trade confirmations and prospectuses, but will also be able to download their annual reports as an Adobe PDF.

Richard's Corner

Community Events Coming Up

- Remembrance Day Event

There are over 30 different Remembrance Day events in the Lower Mainland every November 11th.

Find one in your local Legion or municipal government at

<https://www.legionbcyukon.ca/what-we-do/find-remembrance-day-ceremony>

- Circle Craft Market 2017 at Convention Centre- November 8-12

<https://vancouverbestplaces.com/events-calendar/festivals-and-events/vancouver-circle-craft-market/>



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