

**CARP Financial Services Poll Report  
May 4, 2012**

**KEY FINDINGS**

**Members have just more than 3 accounts on average at their main financial institution, and pay just over \$12 on average in monthly fees**

**The majority say their main financial institution offers a no-frills, no-fee basic account suitable for seniors, almost all agree it is important such accounts should be offered, that they would be more likely to do business with an institution offering this kind of account and that it should be offered automatically to seniors**

**Two thirds think bank fees are too high, and the majority would switch banks to get better rates.**

**Three quarters use financial advisors and half of those who do say their advisor is a Certified Financial Planner, or CFP. Reputation of the firm and referral from friends or family are the most important factors in choosing an advisor**

**Half think a professional designation improves trust in an advisor, that an advisor would lose this designation for misdeeds, and two thirds say they understand the meaning of their advisor's designation.**

**Members agree 'captive agents' (employees of one financial institution, who sell only that company's products) shouldn't be called financial advisors, agree they would go to the police in the case of an advisor misdeed and that advisors are not all held to the same standards and practices**

**One half agree there are too many financial advisor designations and that the federal government should regulate financial advisors.**

**The Conservatives have recovered from the decline they suffered post-OAS and F-35, and the Liberals and NDP remain tied in second place.**

## DETAILED FINDINGS

TD (25%) and RBC (22%) are the leading banks among members, with CIBC (13%), Scotiabank (11%) and BMO (12%) bringing up the top five.

### *Which of the following is your main financial institution?*

<b>TD Canada Trust</b>	25%
<b>RBC Royal Bank</b>	22%
<b>CIBC</b>	13%
<b>BMO Bank of Montreal</b>	12%
<b>Scotiabank</b>	11%
<b>Credit union</b>	11%
<b>National Bank</b>	1%
<b>OTHER</b>	6%

Members have, on average, just over three accounts with their main financial, and one third (32%) have four or more accounts.

### *How many accounts do you have with your main financial institution?*

<b>One</b>	13%
<b>Two</b>	28%
<b>Three</b>	27%
<b>Four or more</b>	32%
<b>AVERAGE NUMBER</b>	<b>3.1</b>

Members pay, on average, just more than \$12 a month in bank fees.

### *How much do you pay in monthly bank fees and charges?*

<b>Less than \$10</b>	78%
<b>\$10 to \$15</b>	8%
<b>\$16 to \$20</b>	3%
<b>\$21 to \$30</b>	4%
<b>\$30 or more</b>	3%
<b>AVERAGE \$</b>	<b>\$12.50</b>
<b>DON'T KNOW</b>	5%

Six-in-ten say their main financial offers a no-frills, no-fee account (61%).

***Does your main financial institution offer a basic, no-fee account for those who do not require many services?***

<b>Yes</b>	61%
<b>No</b>	5%
<b>DON'T KNOW</b>	35%

The vast majority think it is important for financial institutions to offer no-fee basic accounts (92%), more than half adopting the strongest position (59% extremely important).

***Most financial institutions in Canada once offered no-fee seniors' plans. Now, some banks are discontinuing those accounts. How important is it to you that major financial institutions offer a basic, no-fee banking service for those with limited needs or incomes?***

<b>IMPORTANT</b>	<b>92%</b>
Extremely important	59%
Very important	27%
Important	12%
<b>NOT IMPORTANT</b>	<b>6%</b>
Not very important	5%
Not at all important	1%
<b>DON'T KNOW</b>	<b>1%</b>

The large majority say they are more likely to do business with a financial institution that offers a no-fee 'senior's account'.

***Would you be more likely to do with business with a financial institution if it offered a basic, no-fee seniors' service?***

<b>Yes</b>	82%
<b>No</b>	10%
<b>DON'T KNOW</b>	8%

The wide majority say banking patrons 65 and over should automatically be offered a no-fee, no-frills account (89%).

***Should all banking clients over 65 with limited needs be automatically offered a no-frills, no-fee account?***

<b>Yes</b>	<b>89%</b>
<b>No</b>	<b>4%</b>
<b>DON'T KNOW</b>	<b>7%</b>

Two thirds agree bank fees are too high in Canada (67%), and more than one quarter adopt the strongest position (28% much too high).

***Are bank fees too high, too low or about right in Canada?***

<b>TOO HIGH</b>	<b>67%</b>
<b>Much too high</b>	<b>28%</b>
<b>Too high</b>	<b>39%</b>
<b>About Right</b>	<b>16%</b>
<b>TOO LOW</b>	<b>*</b>
<b>Too low</b>	<b>*</b>
<b>Much too low</b>	<b>*</b>
<b>DON'T KNOW</b>	<b>17%</b>

The majority of members say they are likely to switch financials to get better rates and fees (56%).

***How likely are you to switch banks to get better fees and rates?***

<b>LIKELY</b>	<b>56%</b>
<b>Very likely</b>	<b>29%</b>
<b>Somewhat likely</b>	<b>27%</b>
<b>NOT LIKELY</b>	<b>41%</b>
<b>Not very likely</b>	<b>27%</b>
<b>Not at all likely</b>	<b>14%</b>
<b>DON'T KNOW</b>	<b>4%</b>

Close to three quarters of members use financial advisors (72%).

***Do you use the services of a financial advisor or an investment specialist?***

<b>Yes</b>	72%
<b>No</b>	28%

The most common designation recalled among those with an advisor is CFP (Certified Financial Planner - 48%), and this dwarfs any other designation recalled (Canadian Investment Manager - CIM 12%, etc.). A substantial minority either don't know the designation or say their planner has none (15%).

***What is his or her designation?***

<b>Certified Financial Planner - CFP</b>	48%
<b>Canadian Investment Manager - CIM</b>	12%
<b>Personal Financial Planner - PFP</b>	8%
<b>Chartered Financial Analyst - CFA</b>	6%
<b>Chartered Accountant - CA</b>	3%
<b>Professional Retirement Planner - PRP</b>	3%
<b>Certified General Accountant - CGA</b>	1%
<b>Certified Management Accountant - CMA</b>	1%
<b>DON'T KNOW/NO DESIGNATION</b>	15%

Reputation of the firm (35%) and a referral from friends or family (30%) are both important factors in choosing an advisor.

***Which one factor is most important to you in choosing a financial advisor?***

<b>Reputation of firm</b>	35%
<b>Referral from friend/family</b>	30%
<b>Referral from bank</b>	9%
<b>Word of mouth</b>	8%
<b>Professional designation</b>	5%
<b>Rates/fees</b>	4%
<b>OTHER</b>	7%
<b>DON'T KNOW</b>	3%%

One half of members say a professional designation builds trust (50%), but one third do not agree (35%).

***Does the fact that a financial advisor has a professional designation cause you to trust him or her more?***

<b>Yes</b>	50%
<b>No</b>	35%
<b>DON'T KNOW</b>	15%

Two thirds claim to understand the meaning of their advisor's designation (64%), although three-in-ten do not (30%).

***Do you understand the meaning of your financial advisor's three letter designation?***

<b>Yes</b>	64%
<b>No</b>	30%
<b>ADVISOR HAS NO DESIGNATION</b>	7%

One half believe an advisor will lose his or her ability to practice if they defraud a client (50%), but an almost equal percentage don't know if this is the case (47%).

***As far as you know, would your financial advisor lose his or her professional designation if he or she defrauded or misled a client?***

<b>Yes</b>	50%
<b>No</b>	4%
<b>DON'T KNOW</b>	47%

Most do not see 'captive agents' as true financial advisors (61%).

***Do you think financial professionals who work for one company, and sell that company's products only should be able to call themselves a "financial advisor"?***

<b>Yes</b>	19%
<b>No</b>	61%
<b>DON'T KNOW</b>	21%

The police are the first line of recourse among members in case of advisor fraud (31%), followed by the advisor's professional association (18%), the advisor's firm (15%), Consumer and Corporate Affairs (11%) or dealing directly with the advisor in question (10%).

***If you felt you had been defrauded or misled by your financial advisor, to whom would you turn?***

<b>Police</b>	31%
<b>Advisor's professional association</b>	18%
<b>Advisor's firm</b>	15%
<b>Consumer and Corporate Affairs</b>	11%
<b>Deal directly with advisor</b>	10%
<b>Better Business Bureau</b>	4%
<b>OTHER</b>	2%
<b>DON'T KNOW</b>	10%

Few believe all advisors are held to the same standards and practices (11%).

***Do you believe all financial advisors are held to the same standards of practices and conduct?***

<b>Yes</b>	11%
<b>No</b>	64%
<b>DON'T KNOW</b>	25%

One half agree there are too many professional advisor designations (54%), but four-in-ten don't know if this is the case or not.

***Are there too many financial advisor designations?***

<b>Yes</b>	54%
<b>No</b>	5%
<b>DON'T KNOW</b>	41%

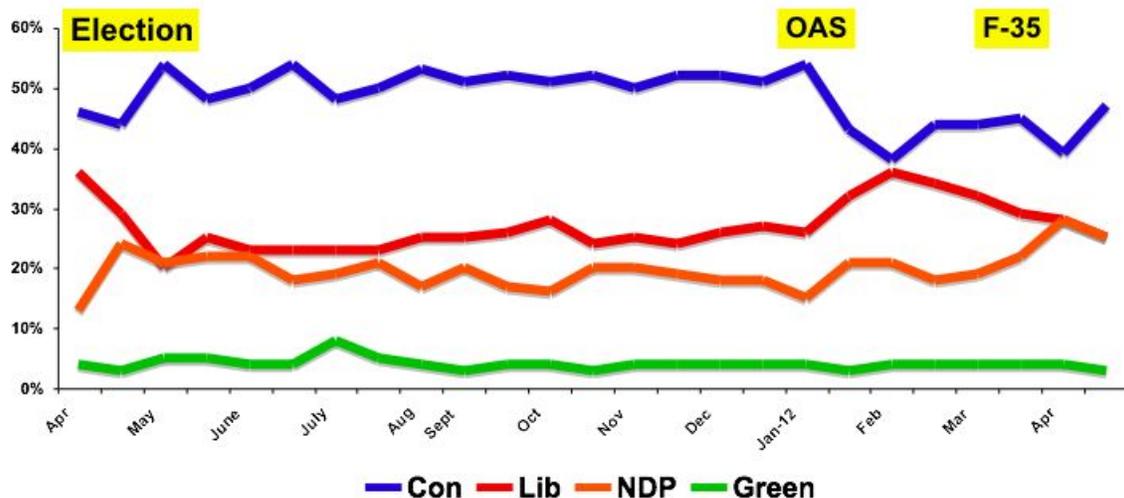
Close to half agree the federal government should regulate financial advisors (47%), followed by a notional national investor protection agency (32%) and provincial governments (11%).

***Who do you think should regulate financial advisors?***

<b>Federal government</b>	47%
<b>National investor protection agency</b>	32%
<b>Provincial government</b>	11%
<b>Banks/insurers should self-regulate</b>	4%
<b>NO REGULATION NEEDED</b>	*
<b>OTHER</b>	*
<b>DON'T KNOW</b>	7%

## ELECTORAL PREFERENCE

The Conservatives have resuscitated their brand after having undergone a significant decline in support since they introduced their plan to change OAS, which was compounded by scandals over robocalls and the F-35. The Government party now sits at 47%, up from a low of 39% after F-35 broke. In the meantime, since the election of Tom Mulcair as party leader, the NDP has seen their fortunes improve to the point where they are tied with the faltering Liberals (at 25% each).



**More than 3100 CARP Poll™ panel members responded to this poll between April 20 and 23. The margin of error for a probability sample this size is plus or minus 1.8%, 19 times out of 20. That is, if you asked all members of the CARP Poll™ panel the identical questions, their responses would be within 2%, either up or down, of the results shown here, 95% of the time**