

# CANADIAN MILLIONAIRES PROFILED

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**Toronto, ON** – According to the most recent *Ipsos-Reid Affluent Canadians Report*, over half (57%) of the richest stratum of Canadians, approximately 200,000 Canadian households with at least \$1 million in household financial assets, are retired. Almost one third (31%) of money millionaires own a business or someone in their household does so.

Nine-in-ten (87%) of these millionaire households expect to make a financial contribution to a charity or local community organization in the next year. Furthermore, over half (52%) intend to volunteer their time to a charity or local community organization in the next year.

*These are some of the findings from the Ipsos-Reid Affluent Canadians Report. Survey data for the Report were collected via the mail between October 31<sup>st</sup> and December 8<sup>th</sup>, 2003. The results are based on a randomly selected sample of 198 Canadian adults, all of whom have at least \$1,000,000 in household financial assets. These represent approximately the top 2% of Canadians according to wealth. With a sample of this size, the results are considered accurate to within  $\pm 7.0$  percentage points, 19 times out of 20, of what they would have been had the entire Canadian millionaire population been polled. The margin of error will be larger within regions and for other sub-groupings of the survey population. These data were statistically weighted by region and age composition.*

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As part of the Ipsos-Reid Affluent Canadians Report, a sample of 198 millionaires were surveyed (as were another 2,043 Affluent Canadians with financial assets between \$100,000 and \$1 million). These wealthier Canadians were asked about their financial goals, charitable giving, use of financial services and a series of profile questions.

- Among the group of money millionaires surveyed, 57% were retired, 10% described themselves as being in professional occupations, 16% as business executives or senior managers, 5% noted they did not work outside the home or were homemakers, and the remainder named other types of occupations.
- When asked about ownership of a business, either by themselves or by someone in the household, 31% reported ownership.
- The average age of millionaires is 61.5. This is not surprising, since many of this group have amassed their portfolios over several decades of patient investing and a majority are now retired. However, 15% of millionaires are under the age of 45 and 36% are between 45 and 64 years of age.

### *Wealth vs. income*

Not all rich Canadians have ultra high incomes. The Affluent Canadians Report categorizes Canadians based upon their level of financial assets and not specifically their income. One third (35%) reported annual household incomes below \$100,000. For money millionaires who are retired and living off investments and savings a portfolio of \$1 million invested in conservative income producing assets may indeed accrue \$40,000 (simple investment returns at 4%) or \$50,000 (at 5% returns) in pre-tax income.

- Another third (34%) report household incomes between \$100,000 and \$150,000.
- 28 percent earn over \$150,000 a year in pre-tax household income.



## *Money, yes and property too*

These millionaires were asked about their financial assets, borrowing and ownership of property. While their bank balances are healthy, the millionaire's financial portfolios also include stocks, bonds, mutual funds, GIC's, T-bills and other types of investments. At the same time, property ownership is almost universal among this segment of Canadians.

- 95% own their principal residence and 51% have other real estate investments.

Among those with other real estate investments:

- 36% have a vacation property and 38% own real estate held for investment purposes
- 26% have invested in a timeshare property

## *Stay in school is good advice*

Millionaires tend to be a well-educated group compared with Canadians in general. While the 10% of millionaires are in professional occupations that require advanced degrees, such as doctors or lawyers, over one-quarter (27%) attained a university degree at the bachelors level and another one-third (32%) have completed a graduate degree.

- Just over one-quarter (29%) did not go on to university
- One-in-ten (11%) started university but did not attain a degree

## *Giving money and time to worthy causes*

Nine-in-ten (87%) millionaire households surveyed expect to make a financial donation to a charity or local community organization in the next year. Furthermore, just over one-half (52%) noted they expect to volunteer time to a charity or local community organization in the next year. Twenty-four percent said they would not be volunteering their time and just under one-quarter (23%) were unsure.



## *Charities that fund healthcare top the list for donations*

Among those who expressed an intention to donate money, the Affluent Canadians survey then asked about the types of charities or organizations that would receive contributions. More than one charity could be named. Among those intending to give, a majority (92%) mentioned charities that fund healthcare, such as the Canadian Cancer Society or the Heart & Stroke Foundation. Two-thirds (65%) intend to donate money to a national charity that funds local community needs, such as United Way, Easter Seals or Shriners, while 61 percent intend to donate to specific funding drives for local hospitals or community organizations and 57 percent to a church or religious organization.

*For more information on this news release and about the Ipsos-Reid Affluent Canadians Report, please contact Harriet Shenken, Vice President, Ipsos-Reid. The Affluent Canadian Report surveys the financial goals, attitudes about and use of financial services of 2,241 Canadians with over \$100,000 in household financial assets.*

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*For full tabular results of this release, please visit our website at [www.ipsos-reid.com](http://www.ipsos-reid.com). News Releases are available at [http://www.ipsos-reid.com/media/content/PRE\\_REL.cfm](http://www.ipsos-reid.com/media/content/PRE_REL.cfm)*

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