

## 10-11-24 – ADVISOR – Cautious Canadians are taking risks

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### Cautious Canadians are taking risks

Katie Keir / November 24, 2010



A new survey suggests that while Canadians think of themselves as risk-averse, they are leaving themselves and their families open to massive liabilities by under-insuring. According to the TD Insurance Risky Business Poll, the majority of Canadians say they're cautious and avoid risk (55%), with only 8% saying they are risk-takers. No surprise, given the reputation of Canadians as careful and reserved.

However, when you look at their insurance coverage, a very different story emerges. **Three in 10 Canadians don't have life insurance**, and **6-in-10 have no critical illness coverage**.

"Canadians may say they're risk averse, but when it comes to insurance many are making choices that would be outside of their comfort zone," says Dave Minor, vice-president, TD Insurance. "It just doesn't make sense to roll the dice when it comes to protecting your family and lifestyle. The right insurance can give you the peace of mind that comes from being protected against the unexpected."

Of the 31% of Canadians who do not have life insurance,

- 40% say they don't think it's necessary,
- 23% admit they probably should have it and another 23% feel they can't afford it.
- Additionally, one-third of Canadians worry about the adequacy of the protection offered by their insurance policies.

"Whether you need a policy to cover basic expenses or something more sophisticated, it's worth contacting your insurer to find out how to make investing in insurance work for you, rather than leaving yourself open to risk and worry," says Minor.

Perhaps not surprisingly, younger Canadians are the most likely to take risks and the least likely to have life insurance. For example, 15% of Canadians 18-29 considers themselves risk-takers. However, only 59% of Canadians in this age group have life insurance, compared to over 70% of Canadians between the ages of 30 and 59.

"It's only natural to lose some of our adventurous spirit as we age and have more responsibilities," says Minor. "Canadians are clearly less willing to take a gamble when they have more to lose but many are still leaving themselves open to risk. Whether you're hitting one of life's milestones or not, it's important to re-evaluate your insurance and make sure that it still suits your needs."

When asked what life events have changed their appetite towards risk, the top answer from Canadians was having children (48%), followed by buying a house (23%) and getting married (18%).

Results for the TD Insurance Risky Business Poll were collected through an Environics Research Group telephone omnibus, conducted October 27 - November 11, 2010.

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