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Special to Postmedia Network

Building wealth doesn't happen by accident

Most people I know spend more time planning their two week vacation than planning their financial future for the rest of their lives! I wonder why? We all know about the importance of making contributions to various retirement accounts, and how we need to pay off our credit cards and stop using our home owner's line of credit as a source of play money. All important stuff, of course.

Most of us don't seem to be affected by such warnings: following the rules in and of themselves doesn't influence us at a personal level. And we don't make real progress unless we

have a feeling about 'what's in it for us.'

I talked about this quandary last week over dinner with Sue Lemon, CEO of the CFA Society Toronto. The CFA Society Toronto is affiliated with CFA Institute, the global body that administers the Chartered Financial Analyst curriculum and sets voluntary ethics-based performance reporting standards for the investment industry.

I asked her how we can make our financial futures more personal and Sue said "we need to think about ourselves as wealth creators." Here is our conversation:

Why is it important for women to think of themselves as 'wealth creators' and what does that even mean?

We build wealth throughout the various stages of

our lives. Women will have many choices around work and lifestyle over the years. They can intentionally create wealth by taking responsibility for becoming financially literate and from there they can plan how to save, invest and make some sacrifices in terms of lifestyle in order to build their personal financial base. They have to be mindful of the career choices they make and figure out if the income earning potential is there. It is especially important for younger women to see themselves as wealth creators from day one.

Creating and having wealth provides personal and financial freedom. Can you give me an example of what this means to you?

There will be times when the economy or the

structure of the firm you're working for changes and your role may no longer be required. This can and does happen at all levels with regularity and it happens globally. It's a huge relief to have already set aside the resources required to keep your household running and to have the time and patience to consider the next opportunity that will keep your career and 'wealth creation' on track — but remember this is a mindset that requires discipline and sacrifice to achieve. My husband has always had this mindset, was my career mentor and has been a big help for me in thinking this way.

I left a very senior role in my late 40s (after working since I was 16) at a large financial institution during the financial crisis. I was able to take some time to

travel and think about my next opportunity which was starting my own business 18 months later. I wasn't in a rush and had time to consider the best opportunities. I was also able to continue to take care of my elderly mother — both physically and financially without a second thought.

So creating wealth leads to financial independence?

Yes and financial independence provides choices as to how and where you want to live, work and play. Life serves all of us multiple curve balls along the way in terms of personal relationships, health issues, and career opportunities — all in the context of uncertainty of economic conditions. It's possible to choose a career that

will satisfy 'value-based' work and still have potential for higher income BUT young women and their parents should be thinking of this reality when university courses are chosen that will set the career paths for their daughters.

The opportunities for young women to participate and excel in high income earning careers have never been better and they may out-earn their spouses. I know many senior women in finance whose husbands have worked from home and looked after the kids and home life so roles are mixed and people are incredibly busy.

It's really about developing and educating young women in creating the "wealth creation mindset" and accepting the reality that building wealth doesn't happen by accident.