Financial advice magazine turns 25

Former teacher Dale Ennis started up the home-based Canadian Moneysaver after personally getting stung in an investment venture, writes KRISTIN GOFF.

Canada's oldest personal finance magazine, Canadian Moneysaver, celebrates its 25th anniversary this year in a manner very much in keeping with the philosophy of founder and publisher Dale Ennis.

A former teacher, Mr. Ennis is making his way across the country, in wellspaced trips, giving a free lecture called "Cost Cutting Your Way to Wealth."

It's a six-hour lecture delivered in an hour and a half, he jokes.

"I bombard people, I do that. If I give them a hundred ideas and three or four of them stick, that's good."

For example, there's the story of the $10,000 diamond engagement ring his wife, Betty, refused to let him buy, that will be worth more than $650,000 by the time she's 65 ... the $1,200 difference between the highest and lowest annual premium quotes for $500,000 worth of life insurance for a 45-year-old Ontario male ... the importance of knowing your tax factor ... the fact that four-per-cent inflation can cut your savings in half in 18 years, if your nest egg simply holds its current value.

"I'm a great believer in common sense," says Mr. Ennis, who dismisses a lot of "professional" advice as self-serving "nonsense" designed to sell products, not necessarily meet consumer needs.

There is no doubt that Mr. Ennis has seen sweeping changes in the investment industry since he started his publication out of his home in the small community of Bath, Ont. - about 20 kilometres west of Kingston - 25 years ago.

When he started Canadian Moneysaver as an eight-page newsletter with just 532 subscribers, GICs were paying around 17.5 per cent for a fiveyear term and most people felt little need to investigate any other investment options.

There were only 91 mutual funds in Canada in 1981. Now there are more than 1,700, according to the Investment Funds Institute of Canada.

Mr. Ennis seems less interested in commenting on the radical changes in the financial industry in the past quarter century than on the pitfalls that await the unwary today because of the number and complexity of the products that are out there.

Mention mutual funds and he's off on a riff about the dangers of rear-end or deferred-load funds that are sometimes mistaken for no-load funds.

"Hundreds of thousands of Canadians today lost a small fortune because they didn't understand what's sometimes called no-load funds. They aren't no-load funds," he fumes.

Unless a person holds them for seven or eight years, a fee applies when deferred-load funds are sold. And, on average, people pay four per cent of the value of the fund to pull out, after holding the fund for only three years, he says.

Mr. Ennis' single-minded attention to saving money shows through in the magazine he runs pretty much as he sees fit.

The publication, now 44 pages, has always refused paid advertising to ensure its independence. (Strangely, it does run advertisements from book publishers and others, for which it doesn't charge. That's because it is required to have some advertising in order to qualify for a special postal rate for magazines).

The magazine also used the same cover for eight years until a reader's complaint prompted a redo. The current version of the cover is more colourful, but hardly glitzy.

Mr. Ennis, who with his wife, Betty, owns the magazine, is unapologetic.

"We're Canadian Moneysaver, and to be flashy would be a bit of a conflict with our philosophy," he says.

Mr. Ennis started the home-based magazine after getting stung by a product that combined elements of insurance with investment, but which he discovered carried excessively high fees.

He decided at the start to recruit experts in the field as his writers, rather than filter their views through journalists. As a result, the articles from professors, retired academics and retired or active professionals in the financial industry give the publication a serious and sometimes slightly geeky tone.

The articles in its May edition range from topics on investing in real estate or assessing preferred shares to such esoteric topics as the tax implications of buying back pension service prior to 1990.

Priced at under $20 a year, the magazine has grown largely by word of mouth. Mr. Ennis says he hates the marketing side of his business.

He will only say the publication has "tens of thousands" of subscribers, whom he refers to as members. The magazine has formed informational "ShareClubs" in 40 cities across Canada and also offers financial conferences and cruises for members.

Mr. Ennis says his family has grown wealthy from the magazine and by following its advice in their personal lives.

But wealth, he is quick to add, is a relative thing that has to do with lifestyle preferences as much as pure dollars and cents.

"Our family is wealthy, to be very blunt," says Mr. Ennis. "We are wealthy at our lifestyle. We're very, very content with our lifestyle. It's my hope that everyone would be able to continue their (chosen) lifestyle. That would be Utopia."

It isn't likely to happen, he concedes. But the belief that it is possible for those who want to work at it is what keeps him going.

"I don't plan to retire," Mr. Ennis says. "Why? Because I do what I want to do."

The magazine posts free and subscriber-only information on its website: www.canadianmoneysaver.ca .

CHRIS MIKULA, THE OTTAWA CITIZEN
Dale Ennis launched the Canadian Moneysaver as an eight-page newsletter dispensing common sense to 532 subscribers. The magazine has grown to 44 pages with subscribers in the 'tens of thousands.'