



# *The* WISEST INVESTMENT

Expert strategies and tips to help prepare the next generation for the inheritance economy.

By: **Robin Taub**

What's one of the best, most forward-thinking investments you can make right now? Preparing for the inheritance economy by raising the next generation to be financially literate and confident with money. During a workshop at the Minerva Summit hosted by Burgundy Investment Counsellor [Mirjana Vladusic](#), [Robin Taub](#), CPA, CA—keynote speaker and author of *The Wisest Investment: Teaching Your Kids to Be Responsible, Independent and Money-Smart for Life*—shared her thoughtful, practical tips and strategies to do just that.

**W**hen I was 33 years old, with two young kids and a demanding job on the trading floor at Citibank, my dad died suddenly. The decisions I faced and the responsibilities I inherited were overwhelming. I took a leave of absence from a job I loved—and never returned. Even as a Chartered Professional Accountant with experience in tax and finance, I wasn't prepared. My family didn't have a plan, and we never talked about money.

This experience changed everything for me. I realized how important it is to have the knowledge, skills, and confidence to make sound financial decisions not just in the everyday moments, but in the big, life-altering ones, too. I learned the hard way that it's crucial to have a plan, and to

years ago, the average home price was three to four times annual median income. Today, it's eight times. And in cities like Toronto and Vancouver, it's 11 and 13.5 times, respectively. The average first-time homebuyer in Ontario is now almost 40 years old. Second, the cost of living is outrageous. Even as inflation cools, the cost of food is up 30 percent and rent is up 32 percent since the pandemic. And third, our students are graduating with debt—\$28,000 on average—and struggling to find jobs. The youth unemployment rate in Canada recently was 14.7 percent, double the national rate. And AI is already reshaping entry-level work, making early career paths less predictable than ever.

It's become normal for parents to support their adult kids financially—and to continue

this: We can prepare for the inheritance economy without ruining our children or our grandchildren.

What about our own financial futures? Families are juggling the desire to “give with a warm hand” and the reality of needing these assets later in life for prolonged retirement needs, rising costs of living, and unanticipated health-care expenses. I met a grandmother who told me that she always dreamed of spending winters in Florida, but her granddaughter needed help with a down payment, so she put that dream on hold. “I want her to have stability,” she told me, “But I do wonder if I'm ever going to get that Florida winter.”

My father-in-law lived a good long life, to age 93. But in his last few years, his care cost roughly \$250,000 annually.

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communicate that plan.

Over the next 20 years, more than \$2 trillion of wealth will change hands in Canada. In this new financial landscape, access to inherited wealth will increasingly shape opportunities and life outcomes. The inheritance economy is coming—and it's time to prepare.

Many of our kids and grandkids are struggling to achieve milestones that once felt within reach: buying a home, saving for the future, or just feeling financially secure. As a result, they're on a different timeline. Maybe they're even on a completely different path than the one we followed.

They're also facing financial challenges we never imagined. First, they're getting priced out of homeownership. Twenty

that support when grandchildren are born.

The cost of raising a child from birth to age 17, excluding post-secondary education, is now almost \$300,000. In response, families are rethinking how and when to transfer wealth. Many parents and grandparents are choosing to help at key life stages rather than waiting until after death. According to a poll by RBC, grandparents aged 55 and older are helping with everything from everyday expenses to education.

But how do we transfer significant wealth without encouraging dependency? How do we balance support with autonomy? Some of you may have been asking these questions in your families for years, while others are just beginning to ask them. I don't have all the answers, but I do know

Fortunately, he had the resources to cover it. But that also meant what he ultimately passed on was reduced. Longer lives—and longer periods of care—are changing what's available to transfer.

That's why it's so important to work with your financial adviser to determine if you can afford to make a living gift. They can model different scenarios to illustrate the impact of giving while living on your cash flow and net worth.

If the numbers work, the next question becomes: How do we help without harming? How do we provide support without undermining motivation, ambition, or purpose, especially during the career-building years?

My son graduated in 2017 with a bach-

elor of arts in philosophy and political science. Like many young people, he didn't know what he wanted to do. He started working in hospitality, bartending and serving to support himself while he tried to figure things out. One night, he began helping the sound crew at an event, drawing on his musical and tech abilities, and, eventually, he became a live audio engineer. The role blends what he enjoys with what he's good at. The path wasn't linear, but it was his. And he needed some financial support while he figured it out.

Affluence can be a double-edged sword. It can provide security and freedom or undermine motivation and purpose. I have five tips that can help prevent "affluenza."

First, talk to your kids and grandkids about the difference between needs and wants. Needs are the essentials for survival: a roof over your head, basic clothes to wear, and nutritious food to eat. Wants are the nice-to-haves: designer clothes, private club memberships, a vacation home.

Second, if they don't already have a job, encourage them to get one to help pay for some of the things that they want. Kids will always find it easier to spend your money than their own, especially if it's money that they've worked hard for. Even young kids can do odd jobs like babysitting, working as a camp counsellor, or refereeing sports.

Third, focus on philanthropy. Older kids might join the board of a family foundation, if there is one. Or maybe you can volunteer together as a family. Giving back opens up the next generation's eyes to the fact that not everyone lives the way they do. It teaches compassion and perspective.

Fourth, encourage and model gratitude. Gratitude doesn't come naturally, it takes practice. Start with something simple. Go around the dinner table and have everyone share one highlight or small win from their week, or suggest using a gratitude journal.

And lastly, have your kids and grandkids create a budget and a financial plan. This includes money they earn as well as money

they receive through gifts. Working with a financial adviser helps reinforce responsibility and accountability.

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great wealth transfer, they need to know how to manage it. If we don't teach our kids about money, they're missing a basic life skill—and that can lead to serious challenges later on.

Making money does not guarantee financial success. Without education, kids can develop poor habits, like excessive spending, that become harder to break over

time. Habits are like well-travelled pathways. They create grooves in the mind that rarely disappear completely. It's far easier to build good habits early than to rewire bad habits later.

If we invest in the next generation early, it will pay off in countless ways. First, they will become financially literate and will possess the knowledge, skills, and confidence to make responsible financial decisions at every life stage. Second, they will become responsible. Imagine not worrying about your kids or grandkids mismanaging an inheritance because they have sound judgment and know when to ask for help. Third, kids with a sense of purpose are motivated to achieve something on their own, even if they grow up with wealth. Everybody needs a "why," but kids of wealth may struggle to find theirs, especially when parents or grandparents cast a long shadow.

You can prepare for the inheritance economy without ruining your children, your grandchildren, or your own financial future, using the following three strategies: educate, plan, and communicate.

When I wrote *The Wisest Investment*, I created a framework for teaching kids of all ages about money that is built around five pillars: earn, save, spend, share, and invest. These five pillars never change, but the lessons evolve as kids get older. These five pillars also form the foundation of wealth stewardship.

A steward sees wealth as something to care for, not just something to own, and they manage it wisely for future generations. Whereas an owner focuses on rights, a steward focuses on responsibilities. A steward aligns financial decisions with family values and long-term goals and thinks about the legacy that they want to leave.

Values matter. Values are the things you're willing to take a stand for. They form an invisible framework that guides financial decisions. In my family, education has always been a core value. Only two of my grandparents finished high school and



none of them had higher education. They worked hard so their children could have the education and opportunities that they didn't. Both of my parents went to university. My mom became a teacher, my dad a lawyer. My brother and I followed, and now our kids have continued this tradition of seeking out higher education. Between my kids, my niece, and my nephew, they're pursuing careers in engineering, finance, and medicine. Education may look different for their kids, but it will always mean learning, growth, and investing in yourself.

To prepare for the inheritance economy, we must plan early and often. Work with your advisers to create financial and estate plans, including wills and powers of attorney for every member of the family. Planning ensures financial decisions are made with the full picture in mind. If you're planning to pay for your grandkids' post-secondary education, don't have it be a surprise. Tell your kids so they can plan accordingly.

Plans will change, but even the best plan won't work if nobody knows about it. That's why communication is another key strategy. Money is still taboo, especially in families with wealth. But avoiding the money conversation doesn't protect kids—it leaves them unprepared. Talking about money doesn't mean giving full access. It means sharing age-appropriate information and explaining the values behind decisions. Advisers can help facilitate these conversations as neutral third parties, creating respectful spaces and acting as a bridge between generations.

The money conversation is ongoing. Even a modest inheritance, given at the right time, can be life-changing. It helps someone buy a home, start a family or a business, return to school, or begin investing.

So, when is the right time to give? Age matters less than readiness. What you're really assessing is financial maturity. And how much should you give? In the words of Warren Buffett: "I want to give my kids just enough so that they would feel they could do anything, but not so much that they would feel like doing nothing."

With education, planning, and communication, we can prepare for the inheritance economy without ruining our children, our grandchildren, or our own financial futures. It takes intention and effort, but it's the wisest investment we can make for ourselves and for the generations that follow. **M**

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