

*"The Wealthy Barber"* by David Chilton

David Chilton's popular *The Wealthy Barber* is a good starting point for anyone who wants to construct a personal financial plan. Many people are so scared of dealing with their money that they don't do anything at all--only to suffer for it over the long haul. "When I finally learned the basics of financial planning, I couldn't believe how straightforward they were. It's just common sense," is the overarching message.

*The Wealthy Barber* takes the form of a novel. The narrator, Dave, a 28-year-old school teacher and expectant father, his sister, who runs a small business, and his buddy, Tom, who works in a refinery, sit around a barber shop and listen as the well-to-do barber, teaches them how to get rich. He is a simple, down-to-earth barber dispensing homespun wisdom while he lops a little off the top. Ray's barbershop isn't the place to learn strategies for trading options and commodities. Instead, his advice covers the basics of RRSPs, mutual funds, real estate, insurance, and the like. His first and most important rule is "pay yourself first." Take 10 per cent off every pay cheque as it comes in and invest it in safe interest-bearing instruments. Through the magic of compound interest, this 10 per cent will turn into a substantial nest egg over time. This book isn't about how to get rich quick. It's about how to get rich slowly and stay that way.

Chilton's common-sense approach has obviously hit home since his book first appeared; with more than 1.5 million copies sold to date, *The Wealthy Barber* is the best-selling book ever of any kind in Canada. Some of the financial details have been updated in recent editions, but the story and fundamental advice are timeless. It's probably not the last book you'll want to read on the subject, but it's a good starting point for learning about financial planning. --*Edward Trapunski*

[http://www.amazon.ca/Wealthy-Barber-Successful-Financial-Planning/dp/0773762167/sr=1-1/qid=1170164891/ref=sr\\_1\\_1/701-0056252-0277137?ie=UTF8&s=books](http://www.amazon.ca/Wealthy-Barber-Successful-Financial-Planning/dp/0773762167/sr=1-1/qid=1170164891/ref=sr_1_1/701-0056252-0277137?ie=UTF8&s=books)