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Some post-secondary students and their parents are about to make a \$20,000 mistake



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There's a flaw in the usual back-to-school financial advice for university and college students.

Budgeting and controlling debt are covered, and rightly so. But there's never any mention of a mistake costing as much as \$20,000 that is commonly made at this time of year. It happens as students and their parents start paying the cost of tuition, books and living expenses for the wrong program.

The annual cost for students to attend a post-secondary school in their own city is roughly \$7,000 to \$8,000, and more than double that to go out of town. These costs are magnified if a student takes on debt and has to pay interest.

[Related: Ontario Grade 10 students start lessons in money and career skills](#)

You'll not see any skepticism here about whether the cost of a university or college degree is worth it. Chosen properly, a post-secondary education is an investment in better job prospects and higher wages than people can expect with a high school education alone.

The problem is in the choosing. Lacking proper guidance, some students enroll in programs that don't produce jobs in their field of study. These students end up working minimum wage jobs to bide their time after graduation or doubling down on their education costs by starting a different program.

The mismatch between the skills employers look for and what students study begins in high school, where the focus by guidance counsellors and teachers is too often placed strictly on the process of applying to universities and colleges. Students need to be exposed starting in Grades 10 and 11 to data showing where the jobs are and which programs will prepare them to work in these areas.

To a large extent, this would be to the benefit of the students who are gifted at math and bound for undergraduate studies in science, technology, engineering or mathematics. The so-called STEM programs are job factories, but not everyone has the aptitude.

Where are the other jobs? Canadian Business magazine produces an annual list of the country's Top 100 jobs, as measured by pay, opportunity and outlook. Among the non-science jobs that make the list are corporate sales manager, business services manager, economist and policy researcher, marketing and public relations manager, urban planner and financial planner.

High school students might be too young to lock into career tracks as specific as these. But looking at jobs with bright prospects reminds us that today's employment opportunities require some strategic thinking about what to study. Sign up for a humanities course, if that rings your bell. But try to include courses that prepare you for a real-world job in, say, policy research.

Students may not find the right educational fit until they've already invested a year or two in what turns out to be the wrong program for them. That's the cost of doing business when we ask teenagers to decide the kind of full-time work they'd like to do for the next several decades.

The new rule of saving for post-secondary education is to build in a contingency amount for at least a fifth year of study. This addresses the risk of paying for a year or two of a program that turns out to be a bad fit, and it also makes money available for further study through a graduate certificate program at a college or a master's degree.

Some real life experience outside of school may also help a student make good choices, so stay open to the idea of a gap year after high school. A student dropping out of a program might also do well to work for a bit while figuring out a next move. We seem to regard a post-secondary education as a conveyor belt; you jump on after high school and don't get off until you graduate. Today's grads will likely be working until their late 60s and early 70s. In that light, there's no reason to stress about taking an extra year or two in your 20s to finish a post-secondary degree.

Ontario recently announced a 2018 pilot project in which Grade 10 careers courses will also teach financial literacy. This program would be a failure if it missed the opportunity to teach students that a post-secondary education will be one of the most important investments they and their families ever make.

Spend the money on a post-secondary degree but do it wisely. Picking a school and program for the wrong reasons could be a \$20,000-per-year mistake.