



CARRICK ON MONEY

A crash course in affording university and college



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It's time to start treating the cost of a university or college education as one of life's big expenses, like a car or house.

We ideally plan in detail how to afford big purchases so they're manageable. With college and university, it's easy for both parents and young adults to coast along and only confront the considerable costs in the last year or two of high school. But advance planning makes the cost more manageable.

To help with this planning, we created [The Globe and Mail student calculator](#) for both parents and students. It's designed to help piece together how students will afford costs that can be as high as \$10,000 for tuition, books and other resources if you go to school in town and double that if you attend a school in another city.

The calculator offers an opportunity for parents and students to discuss a few money matters related to postsecondary costs:

- How much has been saved by parents in registered education savings plans
- How much students are saving from their part-time and summer work for college or university
- How much a student might need to borrow
- Whether the student's marks will attract any scholarship money
- The costs and benefits of staying in town versus attending a school somewhere else

Grade 10 feels like the right time to start talking about the cost of university and college. Plan to revisit the subject – and [our calculator](#) – a few times in the ensuing years to see how plans to afford a postsecondary education are coming along. Planning diligently may help students borrow less and become financially independent sooner after graduation.

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Rob's personal finance reading list...

Best laptops for students

Three picks, each of a different [price point](#). The cheapest costs \$350 or so.

How risky are your mutual funds?

The latest risk ratings for funds (you'll find them in the Fund Facts summary available for each fund) no longer reflect the big crash of 2008-09, which means they may [underplay](#) the potential for losses to come. There's some good information here on how to imagine the risk if you're putting money in a stock market-based mutual fund or ETF.

How to unclog a kitchen drain

Four ways to clear a [kitchen drain](#), all of them much cheaper than calling a plumber.

The simple first step to building wealth

Gordon Stein, author of Cashflow Cookbook, explains how to start tracking your "[wealth number](#)."

Ask Rob

Q: My wife has investments in her cash (nonregistered) account that we would like to sell. However, we do not know the original cost. How do we calculate the capital gains?

A: First, find out as best you can the date on which the shares were purchased. Your broker may be able to help on this. Then, try the investor relations page on the website of the companies issuing your shares. There may be a database to look up historical share prices for the stock. Alternatively, try the historical quotes page on [BigCharts](#). Type CA: in front of TSX-listed stocks, as in CA:BCE. Also check out this note from the [Toronto Public Library](#) on looking up historical stock prices.

Do you have a question for me? [Send it my way](#). Sorry I can't answer every one personally. Questions and answers are edited for length and clarity.

Today's financial tool

A [financial checklist](#) for newcomers to Canada – a very useful guide that includes lists of the documents needed to open various types of accounts.

In case you missed these Globe and Mail personal finance-related stories:

- Canadians are clinging to affordable rent as long as they can
- Market timing and your retirement: Understanding the impact
- Blaming weak returns on investor behaviour: A contrarian take on a familiar refrain (for Globe Unlimited subscribers)

Need a Facelift?

Are you self-employed, an artist, freelancer, contract worker or small business owner? The Globe's Financial Facelift wants to hear from you. Get some free advice from The Globe and Mail about your unique financial situation by requesting to be part of our Financial Facelift series. We want people of all ages, stripes and financial situations. You can even choose your own false name. Better yet, you get to work with our photographers to obscure your identity in one of our trademark Financial Facelift photos. To make sure your financial future is secure, e-mail your situation to finfacelift@gmail.com today.

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