

# Paying for Post-Secondary Education



Higher education provides many benefits to students, such as building a career foundation, expanding social skills and learning responsibility. However, this education can come at a steep cost. The price tag will depend largely on whether or not your child attends a nearby school. If your child is still years away from post-secondary education, you'll need to budget for inflation as well.

## Major expenses

With proper planning and budgeting, many families can manage an investment in the child's future. Before exploring different ways to pay for education, let's consider the three primary expenses.

**Tuition:** Factors that impact tuition include the school and program, whether your child attends full-time or part-time, and your child's citizenship status. Also plan for the cost of school supplies, books and other course materials.

**Accommodations:** The cost is mostly dictated by living arrangements on or off campus (e.g., if your child rents solo or has housemates/roommates). Food expenses may involve a campus meal plan and/or groceries, dining out or eating at home. Other costs to consider include hydro and utilities, phone, internet/cable, insurance, clothing, personal care and entertainment.

**Transportation:** These expenses will vary. Students staying at home might rely on public transit, ride sharing, walking or cycling. Some may need (or choose) to drive, which means using a family vehicle or buying their own, and paying for maintenance, parking, insurance and fuel. If your child moves away, plan for transportation costs while at school, plus costs for roundtrip travel (car, bus, train or plane) whenever they return home.

## Making ends meet

Once you gain a sense of the costs involved, the other part of your budget pertains to covering these costs. A budget organizes your expenses and income, and helps determine if your finances are on track. Here are five common sources of money to help pay for post-secondary education:

- 1. RESPs.** The [Registered Education Savings Plan \(RESP\)](#) is a proven way to save for school. Not only is investment growth within the plan tax deferred until withdrawal, but if the student is in a low tax bracket when they use the funds for schooling – which is often the case – the tax impact will be minimal. As well, they may qualify for benefits like the [Canada Education Savings Grant](#) and [Canada Learning Bond](#), which provide additional funds for education.
- 2. Personal savings.** The student may opt to use some of their accumulated savings for school, plus parents and grandparents are often able and willing to help out.

3. **Borrowing.** The federal government offers financial assistance to students in need. Your child may be eligible for a [government grant or loan](#); if approved, they can use the money for school-related expenses and won't begin repaying until after they graduate, according to a specific schedule. Provincial governments may also offer funding, so check with your province for information.
4. **Scholarships.** Students with strong academic standing could be eligible for a range of scholarships. [Scholarships Canada](#) and the Government of Canada's [scholarships website](#) are great places to start. High school guidance counsellors also have current information on scholarships and bursaries, plus they can offer direction on the application process.
5. **Employment earnings.** Many students build savings by working in the summer and part-time during the school year. You can guide your child on what employment opportunities may suit their experience, skills and interests. Remind them that earning money for school is great, but education should be prioritized and their work schedule must allow enough time for classes, study, assignments, etc.

## INVESTED IN YOU.

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