

Going to school makes cents

➤ Planning on pursuing a post-secondary education? ➤ Here's how to start budgeting for your future

Are you thinking about going to college or university? In today's job market, having a post-secondary education will take you further in your career.

According to Statistics Canada, a college graduate earns \$7,200 more per year on average, compared to a high school graduate. For university graduates the number is even higher, bringing in an extra \$23,000 per year.

Patricia White, executive director of Credit Counselling Canada, offers some helpful money managing tips for students.

Invest in your education

Borrowing money to pay for school is an investment in your future, an investment that will pay off. A good education will lead to a better job and, most likely, a higher salary.

Consider a government loan

Unlike a bank loan, government loans come with



a few cost-saving perks. For example, if you have a Canada Student Loan, interest doesn't accumulate while you're in school and payments aren't required until six months after you graduate. That rule applies to full- and part-time loans. You can also claim a tax credit for the interest on your loan.

If you have difficulty making ends meet after

graduation, you can apply for the Repayment Assistance Plan, which allows you to make monthly loan payments that fit your budget.

Set your budget

Many students tend to run out of money near the end of the semester and end up borrowing on a credit card or credit line;

these often come with high interest rates. Planning your spending carefully can help you avoid the credit crunch and save money.

Count the little things

Besides the basics of tuition, accommodation and books, remember to include all your possible expenses when setting

your budget. Things like clothing, gifts, restaurant meals, laundry, a cell phone and transportation can certainly add up. Don't forget to set aside some emergency money too. After all, life is unpredictable.

Get a head start

Once you graduate, start repaying your student loan as soon as possible. The sooner you make payments, the less you'll owe. And the less you owe, the less interest

you'll have to pay. Paying it back sooner will save you money down the road. NEWS CANADA

➤ Getting a degree or diploma comes with a price tag, but don't despair. This investment is likely to pay off in the long run.