



CONSUMERWATCH: Young adults and debt

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More than ever, young Canadians are struggling with managing money, say officials.

The federal government says six out of 10 young adult Canadians are in debt. By the time college and university begins, the problem can be serious.

"I came in pretty unprepared," says student Matt Poole. "I had to refinance the car."

"Even though my parents pay for everything and I have a job, I'm still broke," says Chantal Desrochers.

The Financial Consumer Agency of Canada has joined forces with the Association of Canadian Community Colleges to stop students' slide into greater debt. A pilot project is starting next month at 10 colleges across the country, including Brandon's Assiniboine Community College.

"The idea of it is to provide students with some information and some strategies on how to manage their funds and finances," says Tamra Rapsky, director of Continuing Studies.

The workshop will cost \$25. But, that's money well spent according to financial planner Christophe Rodrigue, who says managing money is a skill that should be learned early in childhood.

"Obviously they're not going to start saving for retirement at five or six years old. If they can save for a large purchase, (if) they can take 10, 15 or 50 per cent of what they're getting at a young age, to start putting that away for a large purchase, it just develops a habit and once you develop a habit, you can continue that on into adulthood," said Rodrigue.

The problem may be getting those students who don't have great money management skills to sign onto the workshop before their problem gets too serious.

"If you asked a student who just left college and university with debt, they would highly recommend it," Rapsky says. "We just have to convince people when they're first coming that it's worth the effort to go through this."

More information is available in the links below:

Financial Workshop for Young Adults

<http://www.themoneybelt.gc.ca/>

Youth Financial Literacy Study

<http://www.fcac-acfc.gc.ca/>

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