# Have U, Have Not U

## **Canadian Union of Public Employees**

February 8, 2010



#### **BACKGROUND**

In September 2009, five Canadian universities proposed to change the way our Post Secondary Education system is organized and funded in Canada. The University of British Columbia, University of Alberta, University of Toronto, McGill University and the Université de Montréal, now known as the "BIG 5", proposed the division of our current public system where universities would become either a research intensive or a teaching institution and would specialize in either graduate or undergraduate education. Federal funds would be differentially allocated according to the financial needs of the few universities who "specialize" in research and graduate teaching, and all others who specialize in teaching and undergraduate education. They claim this proposal to be in the interest of "world class" research, innovation and global competitiveness.

Post-secondary education in Canada is underfunded by our Federal and Provincial governments and has been for many years. It is now considered a funding crisis. Government grants as a share of university operating revenue decreased from 80% to less than 57% in the 1990's.<sup>2</sup> In order to restore funding to 1992-1993 levels, (adjusting for inflation and population growth), a federal investment of at least \$1.4 billion is needed.<sup>3</sup> Although current funding has increased, the arrangements still have not accounted for the rising cost of living, increased operating and repair costs of buildings, equipment and library resources. In the 2009 Federal budget, the government announced an \$87.5 million reduction to the base budgets of Canada's three federal research granting councils (over 3 years): the Natural Sciences and Engineering Research Council of Canada (NSERC), the Social Sciences and Humanities Research Council (SSHRC) and the Canadian Institutes of Health Research (CIHR). In January 2009, Ontario's enrolment was at an almost all time high, surpassed only in 2003 during the double cohort year, but matching funds on a per student basis were not provided (in constant dollars). Ontario now has the highest tuition rates in the country while spending the least amount on post-secondary education as a share of their GDP.

The BIG 5 proposal is a response to this funding crisis that signals to us that our academic institutions are beginning to engage in a battle amongst themselves for scarce resources and proper funding.

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Post Secondary Education currently receives federal funding as a block transfer to the provinces, calculated on an equal per capita basis to be allocated at the province's discretion. Research is primarily funding by three federal research funding councils: The Natural Sciences and Engineering Research Council of Canada (NSERC), The Social Sciences and Humanities Research Council (SSHRC) and The Canadian Institutes of Health Research (CIHR).

<sup>(</sup>CIHR).

Canadian Association of University Teachers (CAUT) Almanac of Post Secondary Education. 2009-2010. http://www.caut.ca/uploads/2009\_CAUT\_Almanac.PDF.

Canadian Association of University Teacher (CAUT). Statement regarding the 2010 Federal Budget.

<sup>&</sup>lt;sup>4</sup> Council of Ontario Universities (COU). Media release. Application to Ontario Universities rise to record level. January 19, 2009.

### HAVE U, HAVE NOT U

Up to this point, universities have responded to the underfunding crisis by supporting and encouraging a process of increased privatization; commercialization; corporatization and labour casualization on our campuses. As a result, tuition fees, corporate sponsored and directed research, increased contracting out of services and jobs, the loss of student/university operated services and a reliance on underpaid workers has increased. These are measures or "solutions" that have provided the university with the opportunity to either supplement their inadequate public revenue with private sources of income or to save money by denying benefits and paying workers less. According to the Canadian Association of University Teachers (CAUT), total spending on academic salaries, as a proportion of total university expenditure, has decreased from 32% to 20% over the last 30 years. These practices have been informed by business principles currently at odds with a public education system based on principles of equality, accessibility and affordability. They have had a detrimental impact on the quality of our working and learning environment.

Through corporate research funding, patents and intellectual property rights revenue and higher tuition extracted from international graduate students, research and graduate teaching is becoming a far more lucrative option than teaching undergraduate education. In 2008, total research income reached nearly \$6.1 billion<sup>5</sup>, up from 5.7 million the year before. Support from the federal government increased by 7% between 2007 and 2008, while support from non-government sources, including the private sector increased by 35%.<sup>6</sup>

Undergraduate teaching, on the other hand, has become increasingly undervalued. In 1988, almost 65 per cent of operating funds were directed to instruction and non-sponsored research, by 2008 this number had fallen to 58 per cent; equivalent to a \$30 million cutback. Most teaching is now conducted by contract instructors who work in precarious conditions without access to benefits or job security. At York University, contract instructors teach almost 60% of courses offered by the university. These instructors are, without exception, underpaid and most are forced to work on several campuses in order to scrape together a living wage. Access to research and professional development opportunities are next to impossible. In April 2009, McMaster and Guelph University were threatening to lay off upwards of 300 faculty instructors at the same time that the Council of Ontario Universities was announcing that record numbers of students had applied to the Ontario Universities' Application Centre for fall admission of this same year, a 42% increase over 2000. It is no surprise that student/instructor ratios are 62% higher in Ontario than they are in a comparable set of

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<sup>&</sup>lt;sup>5</sup> This includes Federal granting agencies (NSERC, CIHR, SSHRC, CFI); Corporate support; Non-Corporate; Not-for-profit/Foundation sector

Research Infosource Inc. Canada's Top 50 Research Universities List 2009. http://www.researchinfosource.com/top50.shtml

macleans.ca. Where all that money is going. Tuition rises, class size grows, and the bureaucracy gets big. http://www2.macleans.ca/2010/01/14/where-all-that-money-is-going/

universities in US peer states.<sup>8</sup> As working conditions deteriorate, so do learning conditions.

Inequality has already become entrenched in our underfunded system, whether as research vs. teaching institutes or as a daily experience of injustice. In Ontario where tuition fees are the highest in the country, student assistance applications increased by 8% across the province, while the University of Windsor saw their applications for assistance increase by 30% in 2009; University is becoming inaccessible for many students in Ontario. As the numbers of part-time flexible workers increase alongside increases in our contracted services, a pool of workers who do not have access to the same benefits and working conditions as other workers on campus has been created. This includes increasing numbers of contract instructors and researchers, and also many of our trades and maintenance workers. As the latter retire, their jobs are being contracted out to non-unionized workers subject to reduced wages and benefits. We know the workers most vulnerable to these conditions on campus are recent immigrants, women, workers of color and workers with disabilities.

The danger of the BIG 5 proposal lies in how it reinforces and exacerbates this inequality as the expense of workers, students and society in general by attempting to further concentrate our unequal resources in the hands of few. If they were truly interested in fostering "world class" research, under conditions of equality and fairness, they would provide the majority of their academic workers with the opportunity to conduct research or take part in professional development opportunities. They would advocate for desperately needed federal funding and equitable provincial funding formulas to promote our ability to conduct research, and would advocate a decrease in tuition rates to provide students, our future researchers, with equal access to education.

Instead the BIG 5 proposal is primarily about "global competitiveness" and gaining access to a global market of products and people. It dangerously promotes a model that supports the same processes which have exposed our system to the inequality and injustice we, as workers and students, are currently experiencing.

#### **INNOVATION AND GLOBAL COMPETITIVENESS**

Despite continued financial neglect, post secondary education is on our federal agenda. In the current economic climate, and as traditional resource and manufacturing industries decline, economic growth is increasingly hinging on our ability to support a "knowledge economy". Fostering research and innovation has become an exit strategy out of the recession and multi-year plans are being designed to place our Post Secondary campuses at the forefront of not only short term economic recovery but future economic prosperity and global competitiveness.

Government dialogue around the importance of quality post secondary education and "world class" research is not consistent with the resources they are allocating to support it. In the same month that the government cut funding to our three research granting

Ontario Confederation of University Faculty Associations (OCUFA). Ontario University Faculty sound warning over declining quality. 2009. http://www.ocufa.on.ca/

councils, it announced a \$2 billion investment in research infrastructure construction and repair on university and college campuses under the Knowledge Infrastructure Program. On one hand, they are constructing buildings to support research, and on the other hand they are taking away funds from the people who will actually conduct this research.

The Knowledge Infrastructure Program is an element of Canada's Economic Action Plan and is aligned with a broad federal science and technology strategy, "Mobilizing Science and Technology to Canada's Advantage". The latter strategy targets science and technology research; encourages the commercialization and corporatization of research and is actively supporting and creating the conditions for academic/business partnerships. The Knowledge Infrastructure Program actively encourages P3's on campus by requiring matching funding from provinces 10 and the private sector. Together these programs threaten the existence of our social sciences and humanities programs; basic research, inquiry and knowledge generation and further encourage a private, corporate agenda on our campuses. For example:

- Our Social Science disciplines have been severely underfunded: 49% of university professors teach in the Humanities, Education and Social Sciences yet the federal granting council supporting their research only received 13% of the federal research funds. 11
- In the 2009 federal budget, the government targeted SSHRC graduate research scholarships for "business related activities" only.
- In the wake of the economic crisis, programs such as gender studies, global studies and language programs were threatened with closure on university campuses in Ontario.
- The most recent appointment of the Vice-President of Pfizer Canada, a large pharmaceutical corporation, to the governing council of the Canadian Institute of Health Research (CIHR) signals a major shift towards a corporate research agenda by our government.
- Corporate investment in research on Canadian campuses rose by 10.3% in 2008.
- In July 2009, The Department of Foreign Affairs and International Trade (DFAIT) released a report that compared the "import" of international students with the export of lumber and coal, claiming these students are worth in excess of \$6.5

Industry Canada. Knowledge Infrastructure Program. http://www.ic.gc.ca/eic/site/696.nsf/eng/home.

<sup>&</sup>lt;sup>10</sup> The 2009 Ontario Budget committed \$780 million in matching funds for capital funding for colleges and universities.

<sup>&</sup>lt;sup>11</sup> Canadian Association of University Teachers (CAUT) Almanac of Post Secondary Education. 2009-2010. http://www.caut.ca/uploads/2009\_CAUT\_Almanac.PDF.

billion to our economy. 12 International student tuition rates are unregulated and a major source of private funds for universities.

This is a strategy that signals an agenda that may have more to do with creating a place for the business sector on our university campuses, and supporting private initiatives and funding than it does ensuring our education system remains public and accessible to all. It is of interest that the BIG 5 proposal was initiated with the same intended goals to fostering innovation and global competitiveness.

#### IMPACT AND ALTERNATIVE

In the interest of global competitiveness, fiscal efficiency and in pursuit of innovation and "world class" research, government and academic institutions in Canada are losing sight of their mandate to provide and support public education that is accessible, affordable and serving the interest of students, workers and our communities in general.

Far from addressing the crisis, the BIG 5 proposal actually reinforces this crisis by catering to an agenda that supports increasing tuition fees, overreliance on casualized workers, contracting out of services and work, corporatization of our campuses, all of which have led to deteriorated working conditions and an overall decline in the quality of our education system. The BIG 5 proposal is creating a false debate about the merit of research and graduate teaching vs. undergraduate education when the real debate should center on ways to rebuild our public post secondary education system and remove all incentives presented by our government to privatize it. In the interest of our members, students and our communities there can be no other debate.

Fostering a truly world class education system must instead focus on the following:

- 1. Federal and Provincial leadership that is committed to increasing funding for core budgets with the assurance that funding will be allocated to our post secondary institutions on a fair and equal basis.
- 2. Federal and Provincial leadership that is committed to increasing <u>public</u> funding for the building and renewal of campus infrastructure.
- 3. Recognition that education is a right, through federal and provincial leadership committed to the elimination of tuition and user fees, in support of a fully public post secondary education system.
- 4. Commitment to and reliance on public, secure jobs for all workers on campus; including permanent full and part-time academic instructor positions who have access to research and professional development opportunities.
- 5. Untied and guaranteed allocation of research funds to our three federal research granting councils; NSERC, CIHR and SSHRC.

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<sup>\*</sup>sc/cope491
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Foreign Affairs and International Trade Canada (DFAIT). Economic Impact of International Education in Canada. Report 2009. http://www.international.gc.ca/education/impact.aspx.