

## **Submission to the New Brunswick Post Secondary Education Commission 30 April 2007**

### **INTRODUCTION**

The comments to follow focus on three issues raised by the Discussion Paper on Post Secondary Education—accessibility, finances, and accountability—as they pertain to UNB Saint John in particular. Issues such as collaboration and differentiation, as well as efficiency and the relative merits and needs of individual programs and institutions have been discussed extensively in the dozens of other briefs submitted. This brief is limited to observations on (1) the importance of a liberal arts and general science university education, specifically the need to ensure and maintain accessibility to such an education, and (2) the need for institutional accountability and (3) equitable financing for liberal arts and science programs within New Brunswick.

### **ACCESSIBILITY**

Recognition of the benefits of a liberal arts and general science education were among the motivating factors for the creation of a university within the city of Saint John, and that objective was realized through a process of review and revitalization not unlike that now underway. In 1962 the *Report of the Royal Commission on Higher Education in New Brunswick [Deutsch Report]* suggested the creation of a university where none existed. The *Deutsch Report* pointed out that “the lack of opportunities for higher education within the boundaries of Metropolitan Saint John, an area including one of every six New Brunswick residents, must be considered a most remarkable paradox for a Province characterized generally by the operation of universities and colleges in centres of scant population.”<sup>1</sup> It was further observed that the aspirations which other Canadian students developed naturally, as a result of living in university towns, were absent among Saint John students because they were not familiar with the university as an institution. The Commissioners were correct. From its modest beginnings in 1964 to this day, when considerable effort is put into international and national recruitment of students, more than 75% (of the approximately 2800 enumerated in the 2004 Registrar’s Report) students still come from the local area.<sup>2</sup>

UNB Saint John has since played a pivotal role in nurturing a culture that values education—and not just for gains to be made in the marketplace or in the workforce—and we would argue that the answer to the question posed by the PSE Commission, namely “why do so many students study for liberal arts degrees?” attests to our successes rather than failures. Although the question implies that students are consumers or customers who should be considering other options out of an array of post-secondary products that can be bought and sold, and although this model might be appropriate for certain applied programs within community colleges or private profit-based post secondary institutions specifically targeted at job training, it is not appropriate for understanding or evaluating the role of a liberal education more generally. This question reflects how education, which for some two hundred years has been viewed as a public trust, has been commodified according to a business agenda.

A liberal education is valued because learning about other times, other peoples, and other places—whether those places be geo-political or located in unfamiliar spaces such as laboratories—enriches the human experience and is of inestimable value to our culture and society. Students and educators (professors) examine ideas and concepts, as well as empirical information. When we ask why students continue to pursue a liberal education we must recognize that they are responding to a desire to know and to understand. Such a desire is part of the human condition and the disciplines that respond to this desire, are not, and can never be reducible to the utility value of education. Admittedly, someone has to pay for these interactions, but students are not customers and the intellectual activity that takes place at a university is not a product—any more than the student-teacher relationship within the secondary education system is an economic exchange of products between consumers and producers. Moreover, a liberal education is not the prerogative of the affluent and the privileged. For more than half a century, universities have been open institutions that welcome men and women from all walks of life, including “mature” students who are admitted without high school matriculation.

Oftentimes the costs of post secondary education and the rhetoric emanating from university administrations suggest exclusivity, but the mission statements suggest otherwise. For example, the University of New Brunswick states that it strives, among other things, “to serve New Brunswick, the Atlantic Region and the Nation through the provision of broadly educated graduates... [and] to serve as a source of information and expertise to help society understand and deal with the major issues and opportunities of our time.”<sup>3</sup> Discussions of centres of excellence, transformational experiences, and research agendas obscure the fact that, by definition, all universities engage in scholarship and research, promote the “search for knowledge,” offer liberal arts/sciences programs having “breadth and depth” and do so because qualified faculty conduct themselves according to standards of “intellectual honesty, fairness and integrity,” in an environment where they are responsible for

academic programs, policies and procedures.<sup>4</sup> Recent discussions in the media have suggested that some institutions offer access and some offer excellence: we have an either/or situation—either we have a quality education or we have a university education that is accessible to all New Brunswick citizens. But according to AUCC criteria this debate is specious. Access and excellence are inseparable. There may be areas of specialization associated with particular institutions, but a liberal education is at the heart of the modern university.

As part of the University of New Brunswick, the Saint John campus has provided access to post secondary education in arts, science, and business to more than 6000 men and women of this community for over forty years.<sup>5</sup> It is clear that the Commissioners had it right in 1962: proximity and access are inextricably linked. Some students are able to attend university because they do not have to relocate—an important factor in Saint John where average family income is lower than the Canadian norm.<sup>6</sup> As the largest Anglophone community in the province, and as one of the least affluent in the province and in the country, post secondary educational opportunities, especially the opportunity to undertake liberal studies, must be available. Additionally, they must be made available in proportion to the requirements of the population it serves.

There is a common stereotype of Saint John as a “blue-collar” town, but the reality is somewhat different. Of the some 60,000 men and women employed in Saint John more than 57% are employed in sales and service (28.6%), and business, finance, administration and management (28.6%), while only 21.8% work in industry, including manufacturing. The remainder of the workforce (21%) serves the public through employment in education, health, culture, religion, and government.<sup>7</sup> While Saint John is something of an anomaly in the Maritimes where cities such as Halifax and Moncton have an even smaller industrial sector, it has much in common with other similar sized Canadian cities—none of which are overwhelmingly industrial. Canadian cities have become service centres, and insofar as it is possible to predict the future, it is unlikely that industry will re-emerge as the most important employer. It is simply incorrect to describe Saint John as a blue collar town. Even worse, the idea that people who live in a blue collar town should be “trained” to assume their role as blue collar workers has much in common with once commonplace notions that women who dared work outside the home were best suited to women’s work in teaching or nursing. Thus when determining a course of action in regards to the proportion of seats needed at the university level, in the college/technical training system, or in the trades/apprenticeship stream, it is important that decisions are based on the premise that post secondary education (like primary and secondary education) is a public trust, and that decisions reflect the occupational composition of the local community and the broader socio-economic trends both at home and beyond.<sup>8</sup>

## **RECOMMENDATION 1**

**Assuming standards for university status are maintained, and assuming that post secondary educational institutions welcome students from New Brunswick and beyond, we recommend that access to post secondary education in Saint John reflect the needs of the students, the community, and the province.**

## **FINANCING POST SECONDARY EDUCATION**

Thousands of students have benefited from baccalaureate programs at UNB Saint John despite financial adversity, but the history of underfunding in the post secondary sector predates the creation of this institution. In 1962 it was observed that provincial funding of post secondary education was entirely inadequate, and more than forty years later the same comment has been made by every university president in New Brunswick despite the fact that in 1962 the New Brunswick government was in a position to equalize post secondary education funding. In 1962 the compensatory system of federal equalization payments that provided funds so as to ensure funding met expected provincial revenues, was changed to a system that ensured provincial funding met a minimum national average level.<sup>9</sup> And assuredly adjustments have been made. The Association of Universities and Colleges of Canada has pointed out that between 1967 and 1977, as well as between 1977 and 1995, “federal transfers clearly contributed to the growth of institutional capacity in university systems.”<sup>10</sup> Moreover, during the 1970s the federal and provincial governments realized efficiencies by cutting funding for international students and allowing universities to charge differential fees to such students. Within a few years every province permitted differential fees, including New Brunswick.<sup>11</sup> Nonetheless, the disparities identified in the *Deutsch Report* are still with us, as demonstrated by the CAUBO (Canadian Association of University Business Officers) graph depicting student fees as a source of university operating revenues on the PSE website, and it might be instructive to examine other models for funding post secondary education. For example, the same decades in Ireland saw an investment in education—at all levels—that allowed most institutions to waive fees and led to increased participation in the post secondary sector.<sup>12</sup>

Perhaps more important in terms of financing programs at UNB Saint John, however, are the disparities found within the provincial post secondary system. The *Deutsch Commission* pointed out that the provincial funding formula for post secondary education was discriminatory, favouring UNB over other post secondary universities.<sup>13</sup> Today, the funding formula applied to public post secondary institutions still privileges UNB. However, what is not readily apparent by looking at the metrics<sup>14</sup> is that the monies received by UNB are subsequently distributed internally according to a funding formula that privileges UNB Fredericton over UNB Saint John. According to the *Betts-MacDonald*

*Report*, the Operating Revenues for the Fredericton and Saint John campuses differ markedly. The two campuses have separate budgets for everything from faculty and staff salaries to utilities and administrative costs, and although both campuses belong to UNB, there is no transferability of faculty, for example, from one campus to another. In fact, transferability along any of the budget lines is non-existent. Thus, as demonstrated by the Betts-MacDonald model showing that the Fredericton campus derives 33% of its operating budget from tuition, 7% from other sources, and 60% from the province, it is clear that UNB-F is financially advantaged over UNB Saint John which receives 53% from tuition, 6% from other sources, and 41% of its budget from the province.<sup>15</sup> Put differently, the *Betts-MacDonald Report* shows that once provincial monies are granted UNB as a whole, the internal allocation of the provincial grant is such that UNB Saint John receives \$4,276 per FTE whereas UNB Fredericton receives \$7,638 per FTE.<sup>16</sup> While Betts-MacDonald argue that the distribution of funds is secondary to the problem of inadequate funding levels, institutions such as UNB Saint John whose funding is among the lowest in the province, could argue the reverse. Additionally, given the budgetary autonomy of the Saint John campus within UNB, it would be preferable to allocate the UNB Saint John portion of the provincial grant separately from the portion allocated UNB Fredericton.

## **RECOMMENDATION 2**

**That those responsible for “the development of policies for the approval and allocation of funding to public universities,” namely the New Brunswick/MPHEC Finance Working Group as directed by the New Brunswick Department of Education,<sup>17</sup> be instructed to develop a funding policy for UNB Saint John specifically, and UNB generally, aiming for a more equitable distribution of funding that reflects the institutional growth and development that has taken place on the Saint John campus since 1964.**

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## **ACCOUNTABILITY**

Accountability takes many forms. In *A State of the Field Review of Post-Secondary Education* published by the Educational Policy Institute, it is pointed out that Canadian institutions are well behind those in Europe and the United States in attending to the main areas of the “new accountability regime.”<sup>18</sup> The *Field Review* identifies three areas of university accountability because “Governments want to know if public money is being spent effectively, the public wants to know if universities are engaging in research that serves the public

interest, and students and their parents want to know which university is going to give them the best value for their time and tuition dollar.”<sup>19</sup> Universities go a long way towards addressing these concerns when they ensure transparency in financial matters, and New Brunswick universities should do no less than their counterparts elsewhere in Canada. For example, the University of British Columbia publishes audited statements that outline assets, revenues, the financial position of the university as a whole, and a detailed “statement of operations,” providing information on dollars received (revenues = government grants, student fees, investment income and so on) and dollars spent (expenses = salaries, benefits, scholarships, travel, utilities and so on).<sup>20</sup> No such information is available in New Brunswick.

Thus

### **RECOMMENDATION 3**

**That as public institutions, New Brunswick universities should appear before the appropriate legislative committee—either the crown corporations or public accounts committee—to provide detailed information with respect to expenditures of public funds.**

Respectfully submitted

30 April 2007

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## Notes

1. John J. Deutsch, *Report of the Royal Commission on Higher Education in New Brunswick*, June 1962. p.36. [hereafter referred to as *Deutsch Commission*] Available: <http://www.canadianeducationalpolicystudies.ca/1962NewBrunswick.html> Accessed: 16 April 2007 <http://www.canadian>
2. For example see enrollment data from the UNB Saint John Registrar's Office for 2004 and 2006. In 2004 the student body consisted of 72% from New Brunswick, 23% from points beyond Canada, and 5% from the other provinces and territories of Canada. In 2006 the enrollment data demonstrates similar points of origin for the student body: 76.9% from New Brunswick, 18.7% from points beyond Canada, and 4.3% from the other provinces and territories of Canada. See the Report from the Registrar's Office, 20 October 2004 and 16 October 2006. Available: <http://www.unb.ca/secretariat/Senate/documents/EnrolmentReporttoSenate10-2004FULL.pdf> and <http://unb.ca/secretariat/Senate/documents/RegistrarsReporttoSenateOct06.pdf> Accessed: 20 April 2007.
3. University of New Brunswick Mission Statement. UNB Undergraduate Calendar.
4. See membership eligibility. AUCC [Association of Universities and Colleges of Canada] Available: [http://www.aucc.ca/about\\_us/membership/criteria\\_e.html](http://www.aucc.ca/about_us/membership/criteria_e.html). Accessed: 28 April 2007.
5. The distribution of UNB Saint John students is as follows: 39% Arts; 30% Business; 29% Science, Applied Science and Engineering; 2% other. See Report from the Registrar's Office, UNB Saint John, 16 October 2006. Available: <http://unb.ca/secretariat/Senate/documents/RegistrarsReporttoSenateOct06.pdf> Accessed: 20 April 2007.
6. The median family income, all families, in Saint John (Census Metropolitan Area) for the last five years is on average \$3300 less than the median family income for all Canadians. See Statistics Canada. CANSIM table. Last modified: 2006-07-27. Available: <http://www40.statcan.ca/l01/cstl01/famil107a.htm?sdi=median%20family%20income>. Accessed: 29 April 2007.
7. See Statistics Canada. Saint John Community Profiles. 2001.
8. According to Statistics Canada data for 2006, the population of Saint John (Census Metropolitan Area) is 122,389. The population of Moncton (Census Metropolitan Area) is 126,424, of which 18,565 reside in Dieppe, a Francophone community served by Université de Moncton. The population of Fredericton (census agglomeration) is 85,688 and the population of Sackville is 5,411. At this point, Saint John represents approximately 17% of the provincial population, and the student population of UNB Saint John is approximately 13% of provincial university enrollments. See Statistics Canada 2007. Saint John, Moncton, Dieppe, Fredericton, N.B. (tables) 2006

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Community Profiles. 2006 Census. Statistics Canada Catalogue No. 92-XWE. Ottawa, Released 13 March 2007. Available: <http://www12.statcan.ca/english/census06/data/profiles/community/Index.cfm?> Accessed: 22 April 2007.

9. See history of equalization payments in *The Effectiveness of and Possible Improvements to the Present Equalization Policy*. Standing Senate Committee on National Finance. Chair, Hon. Lowell Murray, Deputy Chair, Hon. Anne C. Cools. March 2002. Available: <http://www.parl.gc.ca/37/1/parlbus/commbus/senate/com-E/FINA-E/rep-e/rep14mar02-e.pdf> Accessed: 17 April 2007.

10. *Transfer Payments for Postsecondary Education*. Association of Universities and Colleges of Canada, Rev.02-06. Available: [http://www.aucc.ca/\\_pdf/english/reports/2006/transfer\\_payments\\_02\\_23\\_e.pdf](http://www.aucc.ca/_pdf/english/reports/2006/transfer_payments_02_23_e.pdf) Accessed: 17 April 2007.

11. Canadian Federation of Students, *Differential Tuition Fees for International Students*, Fall 2005. Available: <http://www.cfs-fcee.ca/html/english/research/factsheets/Factsheet-2004-InternationalFees.pdf> Accessed: 17 April 2007.

12. "The Celtic Tiger: Unleashing Keys to Economic Revival," *New Brunswick Telegraph Journal*, 3 June 2005.

13. *Deutsch Commission*, p.5, 7.

14. See graph on PSE Commission website: Student Fees as a Source of University Revenue. Source: CAUBO. Available: <http://www.idconcept.net>.

15. See Betts-MacDonald Report and University of New Brunswick, Saint John Campus, Revenue Composition and 5-Year Forecast [2007-08 Budget Planning presentation by the Assistant VP (Financial and Administrative Services) to Senate]. Available: <http://www.unbsj.ca/finadmin/documents/2007-08OutlookForecastNov15-06.pdf> Accessed: 16 April 2007.

16. Betts-MacDonald Report, pp.12-13.

17. See Terms of Reference, New Brunswick/MPHEC Finance Working Group. MPHEC, Maritime Provinces Higher Education Commission. Available: <http://www.mphec.ca/english/working.html>. Accessed: 24 April 2007.

18. Alex Usher and Andrew Potter, *A State of the Field Review of Post-Secondary Education*. Prepared by the Educational Policy Institute. Toronto; Virginia Beach; Melbourne: Canadian Council on Learning, October 2006.

19. Usher and Potter, *Field Review of Post-Secondary Education*, p.14.

20. See Audit Committee Report for the three months ended Jun 30, 2006. First Quarter Fiscal 2006-2007, University of British Columbia. Available:

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<http://www.finance.ubc.ca/financial-reporting/documents/UBCFIRSTQUARTERFISCAL2006-07.pdf>. Accessed: 20 April 2007.