

Submission to the Commission on Post-Secondary Education in New Brunswick

University of New Brunswick Graduate Student Association
Local 67 Canadian Federation of Students

April 30, 2007

Introduction

The Graduate Student Association (GSA) at the University of New Brunswick represents 1300 full and part-time graduate students at UNB. We are Local 67 of the Canadian Federation of Students which represents over 500,000 students across all provinces in Canada. The members of the GSA are also members of the National Graduate Caucus of the Canadian Federation of Students which represents 60,000 graduate students across Canada.

A strong graduate-level post-secondary education system benefits New Brunswick in many ways. Graduate students make important contributions to local based research and development in the province and publications of arising from graduate student research help to increase the profile of New Brunswick universities, which can influence the number and quality of students universities are able to attract and the amount of funding that universities are able to acquire. Since most graduate students in New Brunswick come from out of province, graduate studies programs help counteract the brain drain that is occurring in the province. If employment opportunities are available, graduate students are also likely to remain in the province after graduation because they are often at a life stage where they are more likely to seek long-term employment than students who have just completed their undergraduate degree, and the easiest and most-logical first place to look for employment is typically close to home.

Research

As stated in the March discussion paper by the Commission on Post-Secondary Education in New Brunswick, research and development plays an important role in increasing productivity and competitiveness in a knowledge-based economy, but New Brunswick currently ranks last among Canadian provinces in research funding per faculty member. Graduate students in New Brunswick, under faculty supervision, are responsible for the large majority of the academic research that is conducted in this province, so any plans to enhance the ability of the New Brunswick post-secondary education system to increase the productivity and competitiveness of the province needs to include a strategy for encouraging graduate student research within New Brunswick.

Public-private partnerships in university research provide university researchers with valuable research funding and give private corporations the opportunity for quality research at a fraction of the real cost. While at first glance public-private funding models appear to be a win-win situation, these partnerships can come at a cost to society if not properly managed. As research institutions (in their struggle to find adequate research funding in light of reduced government transfers) become more reliant on private sector money, private corporations can begin to influence both the direction and the reported results of research.

Public-private research funding models can influence the direction of research because universities and private corporations have different research goals. The goal of universities is to conduct research that contributes to the common good, while the ultimate goal of private corporations is profit. Allowing the college system to play a research role in the province would

shift the goals of research in the same direction, since college institutions are intended to provide training for industry.

Researchers that are at least partially funded from private sources are often under pressure to present their results in a way that does not negatively criticize their private funding source. Researchers who are unwilling to tailor their work to the needs of private sponsors risk becoming the targets of academic censorship or even, reprisals and public smear campaigns. Graduate students are particularly vulnerable when trying to uphold research integrity because they lack the protection of mechanisms like collective agreements.

Public-private research partnerships are valuable because they contribute to economic development and give graduate students the opportunity to work on real industry problems, which is an important career development tool. It is however, extremely important to have safeguards to ensure that public-private research partnerships have no negative influences on the direction or results of research in the province.

Income-Contingent Loan Repayment Schemes

Under Income-Contingent Loan Repayment Schemes (ICLRs), borrowers would repay their loans as a percentage of their incomes upon completion of their studies. Graduates with lower levels of income would repay their loans over a longer period of time, while those in high-paying jobs could repay their loans more quickly and pay less interest. Those who could afford to pay their tuition fees upfront would avoid high interest rate payments after graduation and end up paying less for post-secondary education.

In Australia, students who can afford to pay their tuition fees in full at the beginning of every academic year receive a 25% discount.

ICLRs disproportionately hurt women because it would take them, on average, considerably longer to pay back their interest-bearing loans. Repayment difficulties would be more pronounced because women still earn less than men on average and many leave the workforce due to pregnancy and child rearing.

New Zealand in 1993 and the UK in 1998 introduced ICLR because of increases in tuition. Accessibility and affordability have been undermined in both countries.

The UK has seen a 10% decrease in university applicants from lower income students because of the introduction of higher tuition and ICLR (see: <http://www.nusonline.co.uk>).

New Zealand now has only 1 in 10 students that are debt free and will amount to a debt of \$ 20 billion and has been recognised as a "major source of risk" to the Nation Government (New Zealand Auditor General). It has also been suggested by Ian Pool, a leading demographer in New Zealand that student debt loads and lengthy repayment schemes may be a factor in declining birth rates, increased emigration, and low rates of home ownership ("The Demography of the Student Loan", Summit, Auckland, July 23, 2002).

There is a long history of popular opposition to Income-Contingent Repayment schemes and other moves by governments to individualise the costs of post-secondary education since the principle was first suggested by the government in 1969.

Tuition Fees and Differential Fees for International Students

Differential fees for international students were only introduced in the late 1970s as a way to offset decreased funding to PSE institutions. This was accompanied by decreases in the number of grants that international students could apply for.

Low and middle income students, particularly from developing countries, face tremendous obstacles because pay rates are usually lower in other countries. This is choking off all but the wealthiest international students and limiting the number of poorer students lucky enough to get the few scholarships. This was compounded until recently; by the inability of international students to work while they are here in New Brunswick studying.

The move to allow international students work is a step in the right direction; however more could be done to increase access to long-term employment and immigration opportunities for international students. The Federal Government's own research shows that by 2011 immigration will account for all new labour force growth that Canada experiences.

High tuition fees work against the professed goal of building an educated, prosperous, and innovative New Brunswick that can compete on a world scale.

Tax Credits

Tax Credit programs are not needs based since everyone qualifies for them. Therefore, the government will be directing money to help those that do not necessarily need financial support.

If we examine the federal system of tax credits we see that the gap between the tax credit and the actual cost of education grows every year. If the amount the government is paying for tax credits was moved to front end reductions in tuition then PSE would be more accessible to low income earners. If the cost of education in up-front fees stays then Tax Credits do nothing for access to PSE because families and students have to find the money to pay for tuition.

Tax credits only help those that were successful in getting decent employment from their degree. If you do not make enough to pay taxes then you do not get the benefit and therefore Tax Credits tend to be a gift to those that have gained the ability to pay for their education. The lower your pay, the lower the tax 'relief'.

Using PSE funding policy, especially tax credits is an indirect, inefficient, and complex way of dealing with migration using PSE funding policy. Out migration has more to do with the structure of the economy than training. If an engineer graduates from a New Brunswick university they are not going to stick around because of a tax credit if there are job opportunities somewhere else.

However, if we increase education levels in the province it will lead to increased potential in economic activity such as demand for cultural activities and high-end niche market services which will be attractive to businesses. The focus for mitigating out-migration should focus on providing an educated population and a skilled work force to attract investment.

Access to Employment

It is important for the New Brunswick government to provide the opportunity for businesses that are here to connect with students in post-secondary education. Some projects that have been successful are the federal Summer Career Placement Program. A similar program could be implemented as an initiative of the province.

Also, work experience while studying through co-op placements in the third and fourth year of study allow students to connect with employers in the region. This also allows the student to see that there are employment opportunities here and allows employers direct access to potential employees trained in New Brunswick.

Where does the money come from?

The investment in the public post-secondary education system must come from the government. That is to say, it must be funded through a progressive tax system. This type of system allows those who have benefited from a public post-secondary education system to pay back into that system but does not hinder the economic development of those that did not prosper directly through employment from their degree.

We see it as matter of spending priorities. If there is a priority for funding PSE in this province and building and maintaining an educated and skilled workforce then the money can be found. Research completed for the Canadian Federation of Students shows that funding post-secondary education is consistently one of the top three funding priorities for the people of Canada, including New Brunswick.

Costing out grants, scholarships, and a reduction in tuition fees/tuition fee freeze shows that it would amount to a rather small expenditure compared with much of the other spending the province carries out. All other Atlantic provinces have made post-secondary education a priority and have acted to reduce or freeze tuition fees. New Brunswick must follow suit if it is going to maintain a viable and productive post-secondary education system.

Drop-out rate / time to completion

In the March 2007 discussion paper, the drop-out rate of University students was mentioned. For Graduate Students drop-out rates aren't the issue as those that do drop-out usually do after much self-reflection; rather time to completion is an issue both here at UNB and across Canada. While most master degrees are indicated to be two years and most PhD programs 4 years, many students are taking much longer than that to finish. Stats Canada has found that the average PhD takes between 5 and 7 years depending on the subject. Therefore, Highly Qualified Persons (HQP) are taking longer to enter the work force, and when they do, they start with more debt than if they had finished in the recommended time. There is also a drain on university resources after students pass their allotted time as they pay less tuition, but it is during the finishing stages that they require the most time from faculty and staff. Often funding from the school is cut off after the allotted time and therefore students must take extra jobs in order to pay rent, food and tuition. Having to work these extra jobs also increases time to completion. Also students loose motivation during this time. The reasons for this long time to completion are numerous and vary from student to student, but some of the common reasons are funding, lack of direction and expectations about the project, and not having something to move on to. What can the government do to help? Add incentives to finish on time, eg. full tuition back, or a finishing bonus. Host job fairs to let graduate students become aware of what positions are available to HQP.

Quality of education and research

There are ways that New Brunswick can both enhance the quality of graduate student education and research and augment the benefits that graduate students provide to the province. Increased promotion of opportunities for graduate study within the province would result in more prospective graduate students being attracted to New Brunswick. Numerous small campuses decrease the graduate student/faculty ratio, allowing each graduate student to receive more attention from their supervisor, which can increase the quality of research and the quality of

education provided by the program because graduate students have to compete less for teaching and research assistantship opportunities. Providing financial incentives for research with direct local applications would help to ensure that New Brunswick gains the maximum benefits from research that is conducted in the province. Government facilitated opportunities to showcase research done by graduate students in New Brunswick would increase collaboration among researchers within the province and attract new graduate students and research funding opportunities. Increased cooperation with colleges could provide graduate students with opportunities to gain skills that compliment their area of expertise. Having more shared administration among different institutions would increase potential for collaboration with other colleges and universities for research and training.