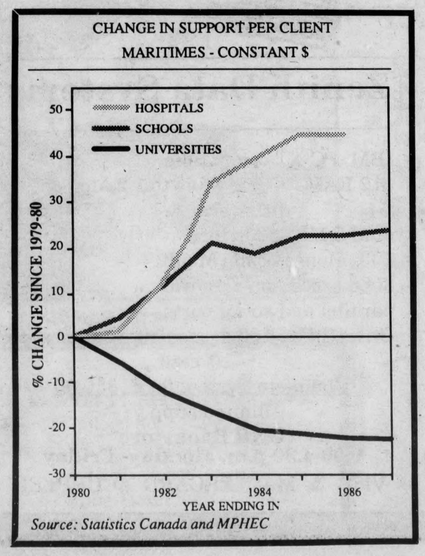
Where Has All The Money Gone ?

Story by: Christopher Jeffries

Universities can now look back on the sixties and early seventies as a kind of golden age: enrolment was growing at a healthy rate, new facilities were being built and old ones expanded, and the government seemed to be providing post-secondary institutions with adequate funding. Concurrently, faculties began offering new programs and courses. There seemed no limit to what our universities could achieve. Today the situation is starkly different. Our universities are facing a crisis, the effects of which may have significant impact on the way we compete on a commercial basis with the rest of the world.

According to Mr. A. W. Johnson's 1985 report to the Secretary of State entitled, "Giving Greater Point and Purpose to the Federal Financing of Post-Secondary Education and Research in Canada" enrolments at universities have increased by 27% between 1977-78 and 1984-85. However, government support for core operation has increased in real terms by only 2.5%. This represents a decline from 1.35% to 1.24% of Canada's Gross National Product.

The situation in the Maritime provinces echoes the findings of Johnson's report. While enrolment has increased by nearly 30% at post secondary institutions in the region, operating assistance has increased less than the Consumer Price Index and the slightly higher Atlantic Universities, Non-Salary Price Index. In real terms, this has meant that institutional grants have declined by approximately 25% per student.



Source: Statistics Canada and MPHEC

In brief, the funding of post-secondary education is becoming less of a priority than it once was.

In this decade, increases in university grants have not only been consistently lower than changes in provincial government expenditure, but have also declined by 20% in real terms. Interestingly, real assistance to hospitals and schools has increased by approximately 20% and 40% respectively.

In brief, the funding of post-secondary education is becoming less of a priority than it once was. Exacerbating the problem, the federal government has shown itself increasingly reluctant to increase transfer payments. In fact, in 1985, the government announced that by 1990 it hoped to trim these payments by $2 billion.

The results of the funding crunch are obvious: higher tuition, crowded classrooms, inadequate monies for research and attempts by institutions to raise money through active and aggressive fundraising. Ironically, as financial support has decreased, university education is being recognized as an asset to our national community. The Canadian Manufacturers Association (CMA), in it's 1987 report, "Keeping Canada Competitive: The Importance of Post-Secondary Education," states that in order to deal with the changes brought about by the shift from a resource to an information based economy, Canadian manufacturers require "post-secondary institutions, particularly our universities, to play a stronger role in keeping Canada competitive." The CMA report goes even farther in stressing the importance of a university education. It maintains that there is a link between the economic success of a region and the quality of its universities.

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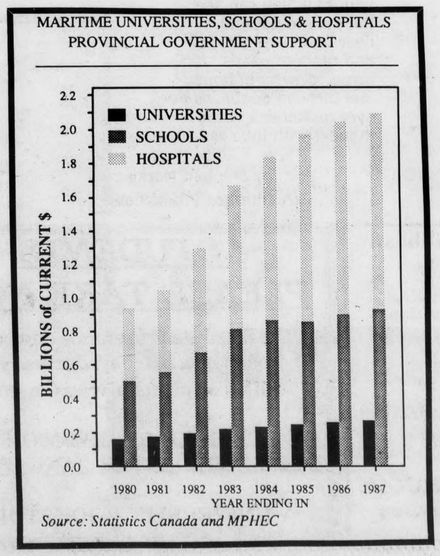
At the same time, the report recognizes that the training of individuals in the so-called "practical disciplines," is not our only priority:

Canada's competitiveness and growth require not only scientists and engineers but also individuals skilled in the humanities and social sciences and in a variety of technical and non-technical areas. Studies of leaders in various fields show that those who bring a breadth of knowledge to their jobs make the greatest contribution.

John Polanyi, the University of Toronto professor who recently won a Nobel Prize for Chemistry, has not only stated that, because of lack of opportunities available to researchers in Canada, he would not advise young scientists looking for successful careers to remain in this country, but also that "if we neglect our universities we are neglecting thought". In his eyes, this is something that "surely we can't allow ourselves to do."

Despite all the "gloom and doom", there has been some recent attempt to look closely at the problems facing universities. This fall, the federal and provincial governments jointly sponsored a national consultation on PSE; the conclusions of which will be presented to the Secretary of State and the Council of Ministers of Education in February. Regionally, students, faculty members and university administrators have attempted to impress upon government and the public the urgency of the situation.

Layout by: Heather McNaught



Source: Statistics Canada and MPHEC

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New Brunswick Students' Alliance
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