

**Report to the Meeting of Provincial Associations
Ottawa, November 25, 2011**

Association of Nova Scotia Teachers

The post-secondary education sector in Nova Scotia currently faces a number of major challenges. Of these, the most pressing is undoubtedly the situation at the Nova Scotia College of Art and Design, where a government appointed consultant is in the process of preparing a report whose recommendations might very well include program closures or even outright merger with another institution. In effect, the very future of NSCAD University is at present in the balance.

Yet acute as they are, NSCAD's problems are symptomatic of a broader malaise affecting the post-secondary system in the province as a whole. With the lowest per-student government funding in Canada, Nova Scotia's universities have faced a perennial struggle to compete with better funded jurisdictions to hire qualified full-time faculty, while federal initiatives such as the Canada Research Chairs program have further widened the gap in resources between have and have-not provinces.

With the election of an NDP government in 2009, there seemed to be grounds for cautious optimism that at least some of these problems might be addressed — particularly given that the previous Tory government had belatedly recognized them to the extent of making a substantial reinvestment in the system during the closing years of its mandate. Indeed, when the Dexter government announced early last year that it was launching a campaign to promote Nova Scotia as “Canada's University Capital”, many took this as a sign that the future was definitely brighter than it had been in years.

Unfortunately, all the policy decisions taken by the Dexter government subsequent to the launch of the campaign (or which nothing has been heard since) have pointed in precisely the opposite direction. The appointment of a right-wing former Bank of Montreal economist, Tim O'Neill, to prepare a report on the province's university system was scarcely what might have been expected from a newly elected NDP government — and the report, when it was finally made public in the fall of 2010, proved even worse than even the gloomiest among us had anticipated.

What rapidly became clear, in the aftermath of the report (which was prepared in close collaboration with the Premier's Office), was that it was essentially little more than a cynical exercise in managing public expectations. In the face of the

Report's recommendations that there should be no limit placed on increases on student fees, the Dexter government's decision to allow them to rise by "only" 3% a year could be represented as a reasonable compromise. Likewise, the Report's dire predictions of massive decreases in enrolment (not borne out by actual experience) could be used to justify slashing PSE funding by 4%.

Nor does the future look any more hopeful. Negotiations are currently under way over a new, three year memorandum of understanding on university funding — although the term "negotiations" seems something of a misnomer, given that the government has already announced that it will involve further reductions in funding to the sector.

That being so, it seems clear that the crisis currently facing NSCAD may well be repeated on other campuses as the provisions of the MOU take effect. In NSCAD's case the problems are especially acute due to a number of factors. While the university system as a whole has been underfunded for decades, NSCAD has suffered additional problems as a result of a funding formula that has never fully recognized the true cost of providing a studio based education. While per-student funding in Nova Scotia is weighted supposedly to reflect the differential cost involved in various programs (science versus arts, for example), the per student funding provided to NSCAD is actually less than that provided to the music program at Dalhousie — where any informed assessment would indicate that it should be equal at the very least.

To make matters even worse, these long term problems have been further exacerbated by disastrous decisions taken by a previous administration, and authorized by a previous Board of Governors, which committed itself to the construction of a new campus on the Halifax waterfront, while omitting to raise the funds required to actually pay for it. As a consequence, the combined costs of paying for the operating costs of a second campus, while servicing the costs of a debt of over \$19 million have resulted in substantial ongoing annual operating deficits which, in the absence of government intervention, are only likely to increase.

In response to this crisis, the only clear message so far communicated by the government-appointed consultant is that no solutions are being contemplated that involve the commitment of additional funds. Given that none of the alternatives proposed in the O'Neill Report, such as mergers (where there is no evidence that they actually save money), or program closures (which may reduce costs, but also reduce revenue) seem likely to provide a solution either, it is hard to know what the future may hold in store.

What the situation at NSCAD also flags, however, is the fact that at the same time as it seeks to force through potentially disastrous funding cuts, the Dexter government has consistently failed to address the one area where cost savings might actually be achieved — namely that of administrative expenditures that are not directed towards instruction, research, or improving access to post-secondary education.

In this regard, the government's response has as at any rate been consistent. Universities are independent institutions, and as such are responsible for running their own affairs. Yet while there is certainly a case to be made for this argument, they are at the same time in receipt of large amounts of public money, and it would seem not unreasonable that they should be accountable for how they spend it.

For example, in the case of NSCAD, when the province committed itself to providing one third of the funding required for the construction of the Harbourfront campus, one might have assumed that it would at least have taken the precaution to ensure that funding to provide the other two thirds was in place before giving the project the go-ahead. Had that elementary safeguard been in effect, then the present situation would never have arisen.

Yet while the situation at NSCAD is an especially egregious example of the extent of administrative financial irresponsibility where safeguards against it are not provided, it is by no means an anomaly. ANSUT is currently sponsoring a research project to determine the expenditures by Nova Scotia's universities on the salary, benefits, and bonuses paid to senior administration over the past ten years — and while the complete data will not be available until early December, the preliminary results are to say the least, alarming.

At Mount Saint Vincent University, for example, where the 4% cut in government funding (with the promise of more along the way) was used as a rationale for persuading faculty to moderate their salary demands to the extent of accepting a two year settlement amounting to just over 5%, it would appear that financial constraints had no such influence on the compensation provided to senior administrators. Over the past year alone, in fact, the 13 most senior administrators (the "Lucky Thirteen" as they are known) received salary increases averaging 6.2% — and, on top of that, bonuses amounting to an average of an additional 5.52% of salary. During bargaining, the Employer's Chief Negotiator (who was the Vice-President, Administration) responded to union proposals of annual increases of 3% by describing them as "dreaming in technicolour"; judging by the raises he has been awarded subsequent to the settlement, one can only conclude that his aspirations were more comparable to IMAX.

Quite how that level of administrative greed can be justified at a time when government cutbacks, in combination with the effect of inflation, are decimating the funding available for the core functions of instruction and research is quite simply inconceivable. Yet while it seems highly unlikely that Mount Saint Vincent's is an isolated example, the government is apparently unprepared to do anything to address this local example of precisely the gross inequities identified by the OCCUPY movement.