ARE CANADIAN UNIVERSITIES SUSTAINABLE IN THE YEARS AHEAD?

PAUL AXELROD Paul Axelrod is a professor in the Faculty of Education at York University and co-editor of *Making Policy in Turbulent Times: Prospects and Challenges for Higher Education* (Montreal and Kingston: McGill-Queen's University Press, 2013).

ABSTRACT

Canadian higher education has expanded tremendously in the context of shifting and unpredictable economic winds, which have affected institutional resources, relations with governments, and internal management strategies. The key challenge currently facing Canada's publicly-funded post-secondary institutions is to meet enrolment and programming pressures with inadequate resources. They are called upon as well to demonstrate their relevance, operate more efficiently, teach more effectively, and improve their rankings at home and abroad.

Higher education began in Canada well before the country itself was founded. By the time of Confederation in 1867, there were 17 degree granting institutions, four of which were non-denominational (Dalhousie, McGill, New Brunswick and the University of Toronto), and 13 of which were controlled and regulated by Protestant or Catholic church authorities. The institutions were small, averaging 100 students, who were drawn from a select constituency – males whose fathers were professionals, businessmen or prosperous farmers, though only a minority of even their children attended. Those who did, typically, aspired to become clergymen, lawyers, grammar school teachers, or doctors.

Over the course of the next century, higher education, like Canada itself, changed in dramatic ways. By 1971, there were 50 degree granting institutions which enrolled 316,000 full-time students, some 38% of whom were female. Most universities now drew the bulk of their funding from government, and were themselves governed by lay, not religious, bodies. Attending university had become a normal part of the life cycle experience of middle-class youth, whose numbers had grown significantly during the post-World War II population and economic boom. With its wide array of foundational and professional academic programs, the university facilitated social mobility, helped raise the country's standard of living, spawned new research in the arts and sciences, and played a prominent role in the nation's cultural life.[1]

It hadn't all been smooth sailing over the course of the century. Universities almost never seemed to have sufficient funding, and were damaged, though not devastated, by the Depression of the 1930s. They were affected as well by the pressures of the two

world wars – summoned by the state to produce "relevant" war-related work, while witnessing declining enrolments and student casualties overseas. Even in relatively good economic times – the mid- to late-1960s – universities were the target of withering criticism by many of their own students for being paternalistic, academically staid, insufficiently accessible to the poor, and too driven by the forces of the marketplace.[2]

From the 1970s to the present Canadian higher education has expanded tremendously in the context of shifting and unpredictable economic winds, which have affected institutional resources, relations with governments, and internal management strategies.

In 2010, close to 1.2 million students were enrolled full-time in university degree programs, of whom 755,000 were undergraduate and 143,400 were graduate students. Part-time students added another 275,800 enrolments nation-wide. Women now constituted the majority of full-time students – 56% – though they remained under-represented in engineering, mathematics, science, architecture and doctoral studies.[3] While Canadian participation rates in higher education have remained among the highest in the world, not all groups are equally represented. The 2006 census showed that 7.7% of Aboriginals had university degrees compared with 23.4% of non-Aboriginals, and that from 2001 to 2006, the rate of participation for non-Aboriginals had grown more quickly. (Comparable statistics for 2011 are not available because the new "voluntary" National Household Survey employed a different survey methodology than that used in the traditional census.) As has been the case historically, middle and upper class students are more likely to attend university than those from lower socio-economic classes, although new research has found that parents' educational attainment, not just family income, is an important predictor of student educational achievement.[4]

In an era of greater globalization, marked, particularly, by the rise of the South Asian and Chinese economies, Canadian higher education has become somewhat more internationalized. The number of international students more than tripled between 1995 and 2010. In the latter year, international students constituted 8% of the full-time undergraduate, 18% of the master's, and 23% of the doctoral student populations.[5] Typically, international students paid far higher fees than domestic students, and were valued increasingly by Canadian universities for their revenue producing potential.

Economic volatility – even in the two decades before the massive fiscal "meltdown" of 2008 – has imposed severe financial pressure on Canadian universities. Constrained by accelerating deficits and a diminishing tolerance for tax increases, government funding has not kept pace with the growing demand for university education. Between 1979 and 2009, the proportion of university operating revenues supported by public funds declined from 84% to 58%, while tuition-based revenues rose from 12% to 35%. In 1990-91, students paid an average annual tuition of $1,464 compared to $6,348 in 2012-13. Campaigns by student organizations have drawn increasing attention to the issue of student debt, although there is much disagreement over actual debt levels. Student groups (and the media) claim that the average debt at graduation is some $27,000, while federal government statistics show that graduating students borrowing from the Canada Student Loans Plan in 2010-11 owed an average of $16,634.[6]

Whatever the actual figure, the burden of debt should be viewed in the context of labour market opportunities. Students are more inclined to incur debt if they are optimistic about their post-university employment prospects. Overall, they have fared relatively well, even in turbulent economic times. From 1990-2010, university graduates filled some 4.4 million jobs, double the number 20 years earlier. By contrast, the number of jobs filled by those with a high school diploma (or less) fell by 1.2 million. As the Association of Universities and Colleges (AUCC) found, university graduates were especially dominant in the fields of business and finance; art, culture and recreation; health; engineering and applied sciences; social and legal professions; teaching; and increasingly, management occupations.[7]

Notwithstanding this positive picture, stories of underemployed graduates – "baristas with B.A's" – regularly make the headlines. University spokespersons invariably dispute this narrative, stressing the proven long-term value of a university education. But many degree holders have been affected by some disconcerting changes in the economy. As a recent study of employment conditions in the Greater Toronto Area revealed, university graduates have not been sheltered from the spread of "precarious employment" – part-time work with low wages and no benefits.[8] Universities and colleges themselves are part of this phenomenon, depending more and more on the employment of "sessional" or "casual" faculty to teach large numbers of undergraduate courses. These instructors normally lack tenure, or any

equivalent form of job security, and are paid at levels far below those of full-time faculty, nor are they integrated into the university's research culture. An Ontario survey found that between 2005 and 2007, the hiring of part-time faculty (which includes graduate students) significantly "outstripped" that of full-time faculty, and part-timers accounted for more than 50% of total undergraduate teaching in some universities.[9]

Research income has become one of the key "metrics" by which a university's reputation and status are forged and sustained. Owing largely to its perceived role in the burgeoning "knowledge economy," the Canadian university sector received an exceptional infusion of federal funding in the late 1990s. The Liberal government established the Canada Foundation for Innovation, the Canada Research Chairs Program, and the Canadian Institutes of Health Research, which spawned several billion dollars worth of university-based inquiry, most notably in the fields of science, technology, health, and industrial innovation.[10] Since 2006, the Conservative government under Stephen Harper has retained these initiatives, and, in 2010 augmented them with the introduction of the Canada Excellence in Chairs Program. Nineteen prestigious research appointments, virtually all in the fields of science and technology (and, controversially, all held by males), were allocated to 13 universities. While largely lauded for this investment in science, the Harper government has, paradoxically unsettled the Canadian academic community with its withdrawal of support for a number of other scientific and environmental programs, and for, allegedly, "silencing" government employed researchers.[11] In order to enhance their influence and resources, a self-declared "elite" group of Canadian universities – now called the U-15 – continues to lobby for the lion's share of the country's research funding, a campaign that has proven divisive within the university community.[12]

Since 1977, support for research in the arts has been provided through the federally-funded Social Sciences and Humanities Research Council (SSHRC), but proportionately at a lower level than that directed to the fields of science, technology, and health. To enhance its profile and influence, SSHRC undertook a "transformation" exercise in 2004, designed to convert itself from a "Granting Council to a Knowledge Council," and to highlight the social and economic contributions of both foundational (curiosity-based) and applied scholarly research. Academics working in the humanities and social sciences in Canada and elsewhere worry about the erosion of liberal education in favour of commercially-driven, market-oriented academic programs in both research and teaching that seem to threaten the traditional mission of university education, fears reinforced by the universities' pervasive "branding" exercises and fundraising campaigns.[13] Private donations from alumni and corporate philanthropists have supported a significant number of building programs, academic initiatives, and research projects in recent years, although controversy has arisen in a number of widely profiled cases around the terms and conditions of the donations. Donors who insist on direct involvement in the administration of funds, or who seek to impose constraints on researchers receiving them, are, potentially, at odds with the scholarly protocols of academic freedom. The task of negotiating and managing the relations that universities have with external "partners" has grown in importance in recent years.[14]

Provincial governments are, without question, the universities' most important "partners." Notwithstanding the institutions' growing dependence on tuition fees and private donations, Canada's post-secondary systems remain reliant primarily on provincial government funding. Constitutionally responsible for the oversight of education (the federal government's role has largely been limited to the areas of research, student assistance, and Aboriginal schooling), the provinces regulate the operation and funding of universities and colleges. Unlike other state-supported institutions, universities have enjoyed and fought to sustain a significant degree of autonomy from their government benefactors, a condition considered essential for the endurance of free intellectual inquiry. While still largely uninvolved in the day-to-day life of universities, governments are more engaged indirectly in shaping the institutions' policies and directions. Determined to produce visibly tangible outcomes for their "investment" in higher education, and challenged by onerous fiscal pressures, provincial governments now employ a variety of regulatory instruments which, increasingly, drive post-secondary educational agendas. Accountability protocols, quality assurance requirements, performance indicators, college-university collaboration arrangements, employment-oriented program initiatives, and other targeted-funding envelopes have diminished the independence of universities. Severe funding cuts, such as those recently experienced in the province of Alberta, have further eroded the institutions' self-sufficiency and

independence.[15] Markedly higher tuition fees are unlikely to provide the required resources; as the widespread student protests in Quebec in 2012 portended, such policies would be difficult to implement. To manage their resources in volatile economic times, universities are undertaking "prioritization" strategies, which is likely to lead to the closing of "under-performing" academic programs.[16]

History demonstrates that the demand for higher education endures in both prosperous and anemic economic times. Highly educated students in all fields thrive in periods of economic growth and seek to enhance their educational credentials under more competitive market conditions. The key challenge currently facing Canada's publicly-funded post-secondary institutions is to meet enrolment and programming pressures with inadequate resources. They are called upon as well to demonstrate their relevance, operate more efficiently, teach more effectively, and improve their rankings at home and abroad. They are required, in short, to do more with less, a daunting task that may well be unsustainable in the years ahead.

NOTES

1 For a rich overview of the history of higher education, see A.B. McKillop, Matters of Mind: *The University in Ontario, 1791-1951* (Toronto: University of Toronto Press, 1994).

2 See Lara Campbell, Dominque Clément and Greg Kealey, *eds.*, *Debating Dissent: Canada in the 1960s* (Toronto: University of Toronto Press, 2012).

3 The Expert Panel on Women in University Research, *Strengthening Canada's Research Capacity: The Gender Dimension* (Ottawa: The Council of Canadian Academies, 2012).

4 Ross Finnie, Stephen Childs and Richard Mueller, "Family Environment, Family Habits, and Children's Cultural Experiences: Is There a Link to Participation in Post-Secondary Education?" in Ross Finnie *et al.*, *eds.*, *Pursuing Higher Education in Canada: Economic, Social and Policy Dimensions* (Montreal and Kingston: McGill-Queen's University Press, 2010): 243-267.

5 AUCC, *Trends in Higher Education, Vol. 1 Enrolments* (Ottawa: AUCC, 2011): 15.

6 Mary Teresa Bitti, "Student Debt Bankrupting a Generation," *National Post*, June 10, 2011; "Employment and Social Development Canada," *Canada Student Loans Program: Statistical Review, 2010-2011* (Ottawa: Government of Canada, 2012), http://www.hrsdc.gc.ca/eng/jobs/student/reports/statistics/cslp_2011.shtml.

7 AUCC, *Trends in Higher Education, Vol. 1 Enrolments:* 32-33.

8 Wayne Lewchuck *et al.*, *It's More than Poverty: Employment Precarity and Household Well-being* (Toronto: United Way, 2013).

9 Ian Clark, Greg Moran, Michael L. Skolnik and David Trick, *Academic Transformation: The Forces Reshaping Higher Education in Ontario* (Montreal and Kingston: McGill-Queen's University Press, 2009), 102-103. Not all Ontario universities participated in the survey.

10 Paul Axelrod, Roopa Desai Trilokekar, Theresa Shanahan, Richard Wellen, "People, Processes, and Policy-Making in Canadian Post-secondary Education, 1990-2000," *Higher Education Policy* 24(2) (June 2011): 143-166.

11 Chris Turner, *The War on Science: Muzzled Scientists and Willful Blindness in Stephen Harper's Canada* (Vancouver: Greystone Books, 2013).

12 Peggy Berkowitz, "U-15 Begins to Formalize Its Organization," *University Affairs*, May 30, 2012; Deborah C. Poff, "What's Wrong with the U15?" *Brandon Sun*, July 6, 2013.

13 Paul Axelrod, *Values in Conflict: Universities, the Marketplace, and the Trials of Liberal Education* (Montreal and Kingston: McGill-Queen's University Press, 2002).

14 Theresa Tedesco, "The Uneasy Ties between Canada's Universities and Wealthy Business Magnates," *Financial Post*, March 9, 2012.

15 Sheila Pratt, "The University of Alberta Plans to Cut Another $56 Million from Its Budget," *Edmonton Journal*, August 23, 2013.

16 See for example, "University of Guelph Releases 'Prioritization' Results to Staff, Students," *Guelph Mercury*, Oct. 3, 2013.