

A FAIR
AND BALANCED
UNIVERSITY
FUNDING PLAN

TO GIVE
QUÉBEC
THE MEANS
TO FULFIL
ITS AMBITIONS

An Overview of the Proposed Funding Plan for Education

Current Funding Sources

1. Provincial government
2. Students
3. Individual donations and corporate funding
4. Other university revenues
 - Research
 - Professional development programs
 - Other services (parking, food)
5. Federal government
(Their share will decrease and the planned amount is not yet guaranteed)

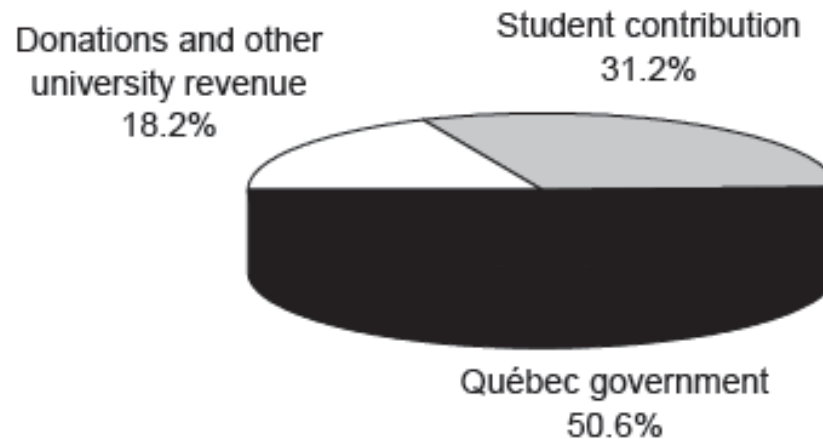


“New” Money for Funding: the 850 M\$

1. Provincial government (430 M\$)
 - 206 M\$ indexation + variation in the number of “clients” (Maintaining the current level of funding)
 - 224 M\$ including private sponsorship matching grant
2. Students (265 M\$ net):
 - Tuition hikes: (332 M\$-116M\$ reinvested in loans and bursaries=216 M\$)
 - Increased number of Canadian and international students (49 M\$)
3. Individual donations and corporate funding (54 M\$ = 50% increase by 2016-2017)
4. Other university revenues (101 M\$ = 2.7% increase/year until 2016-2017)



Total additional university revenue – \$850 million in 2016-2017 (per cent)

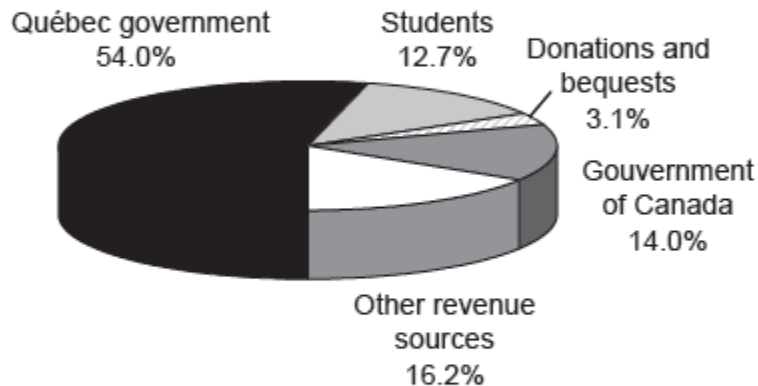


Source: Calculations performed by the Ministère de l'Éducation, du Loisir et du Sport using data from Statistics Canada and the Canadian Association of University Business Officers (CAUBO).

Source: Finances Québec, 2011 (p. 17)

Public/Private Funding Balance

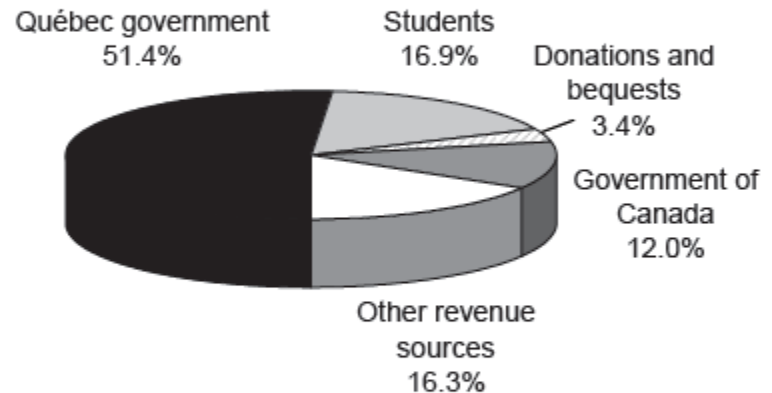
Total university revenue,¹
2008-2009
(per cent)



¹ Excluding endowment funds.

Source: Calculations performed by the Ministère de l'Éducation, du Loisir et du Sport using data from Statistics Canada and the Canadian Association of University Business Officers (CAUBO).

Total university revenue,¹
2016-2017
(per cent)



¹ Excluding endowment funds.

Source: Calculations performed by the Ministère de l'Éducation, du Loisir et du Sport using data from Statistics Canada and the Canadian Association of University Business Officers (CAUBO).

Source: Finances Québec, 2011 (p. 37)

Public/Private Funding Balance

TABLE 1 Distribution of Public, Private, and Individual Funding of Quebec Universities, 1988–2015 (in % of overall funding)

	Income from Public Sector	Income from the Private Sector	Income from Individuals
1988	87.0%	7.5%	5.4%
2003	67.8%	21.2%	11.0%
2009	65.8%	22.0%	12.2%
2015 (P)	63.4%	19.7%	16.9%
Variation	(23.6%)	12.2%	11.5%

SOURCES: VIERSTRAETE, Valérie, *Les frais de scolarité, l'aide financière et la fréquentation des établissements d'enseignement postsecondaire*, MELS, 2007; and *Information financière universités et collèges 2008–2009*, Association canadienne du personnel administratif universitaire, 2010,

Increased Student Contribution

- Tuition increase of 325\$/year until 2016-2017 for a total tuition increase of 1625\$/year
- Bursaries will be marked up to fully compensate for tuition increases
- Loans will be marked up to fully or partly compensate for tuition increases
- There is no mention in the Plan of the cost of increased interest payments on student loans by the provincial government
- Universities will need to increase the number of Canadian and international students in order to meet the Plan's objectives



Individual Donations and Corporate Funding

- Universities are expected to increase their private funding by 50% by 2016-2017
- The government will put in place a private sponsorship matching plan to create further incentives

Double incentive to increase private funding:

1. Decreases in the governments' share
2. The private sponsorship matching grant



The Private Sponsorship Matching Grant

- Component 1: increases in the current matching grant
 - Universities will receive for a given year a matching grant from the government of 0.25\$ for every dollar received from private donations on average over the last five known year
 - Maximum subsidy: 1 M\$ per institution per year
 - Total ceiling is increased from 10 to 40 M\$



The Private Sponsorship Matching Grant

- Component 2:
 - Universities are “invited” to set up funding campaigns to increase their private funding by 8% per year compared to their average in 2004-2009
 - Private donations within this 8% growth will be matched
 - Small universities (less than 15,000 students) ratio of 1: 1
 - Large universities (more than 15,000 students) ratio of 0.5 : 1



Other University Revenues

« Le gouvernement s'attend à ce que les universités obtiennent davantage de contrats privés de recherche, et qu'elles commercialisent dans de meilleures conditions les résultats de leurs recherches » (Finances Québec, 2011 p. 34).

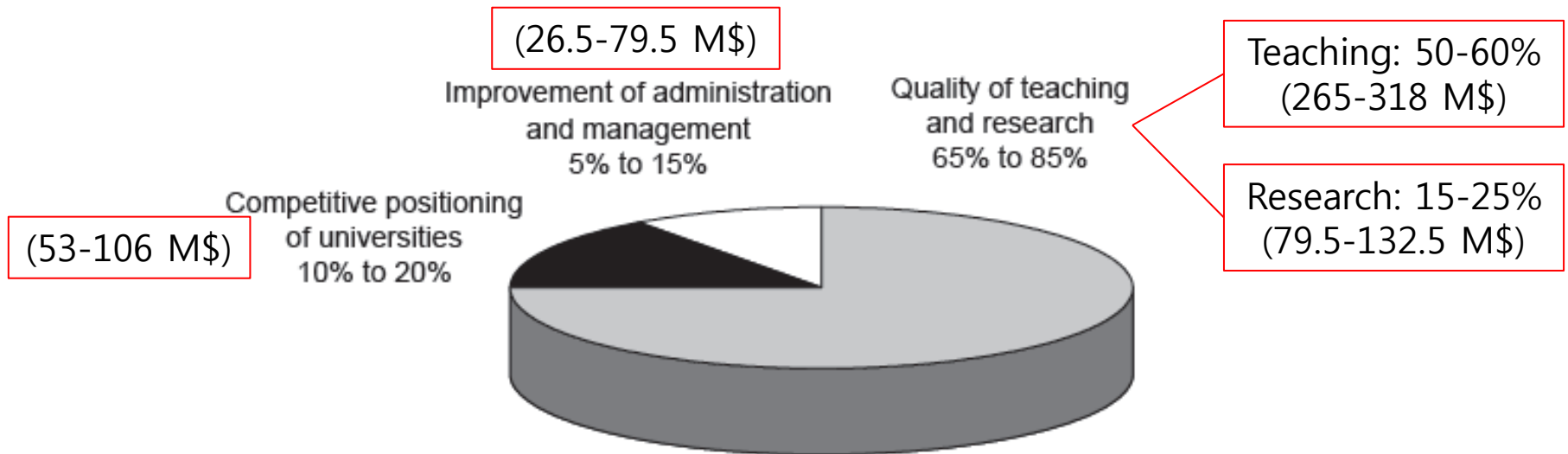
1. Universities are expected to obtain more private research contracts and better commercialize their research results

Other University Revenues

2. Universities are encouraged to expand their professional development programs specifically tailored to the needs of corporations:
 - “Universities have every interest in increasing services offered directly to businesses, as this would strengthen their ties to businesses and enable them to obtain additional resources” (Finances Québec, 2011, p. 35)

How the Money Will be Spent

Breakdown of the additional resources for universities (per cent)



Sources: Ministère de l'Éducation, du Loisir et du Sport and Ministère des Finances du Québec.

Source: Finances Québec, 2011 (p. 11)

Proposed Indicators (1)

Objective	Indicators
Quality of teaching and student services (50-60%: 265-318 M\$)	<ul style="list-style-type: none">• Rate of student support and supervision by regular professors• Student retention rate (perseverance rate)• Graduation rate• Number of additional positions dedicated to supporting emerging clientele
Quality of research (15-25%: 79.5-132.5 M\$)	<ul style="list-style-type: none">• Resources allocated to research infrastructure and complementary training infrastructure (information technologies, libraries, etc.)• Number and amount of grants and research contracts obtained from the private sector and federal research funds

Proposed Indicators (2)

Objective	Indicators
Competitive positioning (10-20%: 53-106 M\$)	<ul style="list-style-type: none">• Number of world-class professors or researchers hired• Number of foreign students• Number and scope of projects carried out in clusters of excellence in cooperation with national and international partners

Proposed Indicators (3)

Objective	Indicators
Administration and management (5-15%: 26.5-79.5 M\$)	<ul style="list-style-type: none">• Members of the board of directors who sit on committees of strategic importance in the management of the university• Results targets associated with maintaining balanced budgets and eliminating annual and accumulated deficits• Growth rate of total remuneration compared with the government's pay policy• Annual targets for revenue from donations collected during fund-raising campaigns

Summary

- Increased tuition will disproportionately affect women and marginalized groups
- Increased commercialization of research
 - Private research contracts
 - Increased private funding of universities
- Increased commodification of education
 - Students considered as “clients”
 - Universities are pillars of the “economy of knowledge”
 - Need to target Canadian and international students through marketing tactics in order to generate higher profits
 - Significant portion allocated to “competitive positioning”

Potential Impacts

- On research:
 - Agenda
 - Direction of current research
 - Intellectual property issues of research outcomes
 - Etc.
- On social dynamics
 - Student-teacher relations
 - Supervisor-graduate student relations
 - Class dynamics due to a decrease in student diversity (economic background)
 - Etc.
- On teaching:
 - Teaching curriculum
 - Course content
 - Class sizes
 - Etc.



Food for Thought

To what extent does this threaten the role of academia in providing broader-based, life-long learning and critical reflection?



GEOGRADS
Geography Planning & Environment
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Reference: Please Go Read for Yourself!

English version:

Finances Québec, 2011. A Fair and Balanced University Funding Plan: To Give Québec the Means to Fulfil its Ambitions. Gouvernement du Québec, 64 p.

<http://www.budget.finances.gouv.qc.ca/Budget/2011-2012/en/documents/Educationen.pdf>

French version:

- Finances Québec, 2011. Un plan de financement des universités équitable et équilibré: pour donner au Québec les moyens de ses ambitions. Gouvernement du Québec, 64 p.

<http://www.budget.finances.gouv.qc.ca/Budget/2011-2012/fr/documents/Education.pdf>



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