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Funding of Universities 1983-84 and Beyond

President H. Ian Macdonald delivered the following Report to the Senate of York University on February 24, 1983. Iong and hard for a change in it. The years 1974-75 to 1976-77, when York had lower enrolments, continue to count for more than 50

During the past week, the announcement of 1983-84 funding for universities has generated a variety of commentary. Unfortunately, not all of the comments have been accurate or free of selfinterest. I believe it is important for not only the members of this University, but for the general public to be aware of the circumstances of the present grant and also to be familiar with the current status of discussions about changes in formula funding for the future. Members of Senate will recall that I reported at some length on that subject last Autumn.

The basic increase in grants to the Ontario universities system is to be a "maximum" of 7.5 percent over the 1982-83 level. In addition, the Minister has announced a one-time -only grant of \$12,000,000 to the system for use specifically in purchasing undergraduate teaching equipment and library books or equipment. York's share of this fund should be approximately \$900,000. We are, at this time, uncertain of the meaning of "maximum" with respect to the 7.5 percent funding level increase. Presumably, there is an implication that funding could be reduced ad hoc during the forthcoming year. When the meaning is made clear, we shall have to take appropriate account of it in our budgeting.

Because of the formula grant credits which York has earned from its recent large enrolment growth, we anticipate that the formula funding grant to York will increase by 12.3 percent in 1983-84. However, since the increase in student fees is limited to 5 percent, the potential real increase in our income is of the order of 10.5 percent. Incidentally, the second stage of the fee increase for undergraduate visa students has been implemented, with the formula fee being \$3,780 for Group A and \$6,160 for Group B visa students. York undergraduates (nonyears 1974-75 to 1976-77, when York had lower enrolments, continue to count for more than 50 per cent of our income. As a result an unusually large proportion of our student population is categorized as "growth", and paid for with discounted grants. Simply put, if funding was based on current activities, York would be receiving more than an additional \$15,000,000 in formula grants.

Secondly, there is an implication that York University has committed some kind of sin by pursuing a policy of accessibility, thereby increasing our enrolment considerably over the past three years. This argument conveniently ignores our increasing attractiveness to students and our willingness to meet the needs of the public. Our expansion over the past three years has been in response to the number of applicants knocking on our doors. In my opinion, it is particularly unfortunate to suggest that the denial of accessibility is the price to be paid for high academic quality. It is under-funding, not student numbers, that is the threat to academic quality, and I have never believed that battle should be fought at the expense of our students. In taking these numbers, we have not lowered our admission standards; indeed, the increase in the percentage of applicants selecting York University as their first choice has far outstripped the system average. I believe that future historians will point to the remarkable contribution and effort of the faculty and staff of this University in accommodating and teaching such a large number of students. I am extremely proud of the contribution which this University has made, particularly to the large number of students who come to this University and are the first members of their family to benefit from higher education.

Moreover, our present situation is scarcely the result of accident or opportunism, as has been suggested. Throughout the 1970s, I persistently argued that university enrolment would increase rather than decrease, and that we in York University would be called upon to accommodate increasing numbers of students. My reasons for predicting what has, in fact, materialized was based on our location in this large metropolitan area, the tendency for more parttime students to enter university both by day and by night, the increasing awareness of the public of the attractiveness and the quality of York University, and the general decline in economic conditions at large. York's role in maintaining accessibility to University education in response to this increase, and at marginal additional cost, should win us the thanks of the people of the province and our sister universities alike. Obviously, institutions mature and develop at different rates and at different times. It is understandable that one university would conclude that it had reached its capacity and not wish to grow further. As a matter of fact, for pedogogical and physical capacity reasons, we are close to that point in York University. However, would anyone seriously suggest that we should have aborted our development plans, in a university not yet twentyfive years old, because another institution had reached its limits of

growth? Moreover, we have made no unusual or inappropriate effort to secure more students. Indeed, our advertising budget compared with many universities is minuscule. No, in my view, on the basis of exposure to high schools and conversations with hundreds of students, students are coming here because this is where they want to be.

It was in expectation of those increased numbers that I recommended to our Board of Governors acceptance of the principle of deficit financing, in anticipation of that deficit being redeemed by the grant income earned by increased enrolment. Our current practices have been designed to adhere to that plan.

There are those universities who decided that they would take fewer students. Such a decision is entirely within their jurisdiction, but the argument should not be turned around by suggesting that those universities that have continued to attract a large number of new entrants are thereby beggaring the universities who have decided to shrink or hold firm. Indeed, I would suggest that universities have far more bargaining power with the Minister when student numbers are increasing.

In the debates that have taken place for the last year, we have argued that the formula has always been unfair to York University and, by the accident of choosing a base which was a period of low enrolment for York University, we have been penalized throughout, we have been battling to ensure that we receive even the grants for the students we have taken, and we have argued for a formula that would recognize the development potential of this University in the future. During the past year, prolonged discussions have taken place with the Chairman of OCUA resulting in proposals which he is submitting to the Minister today for a new funding formula for 1984-85 and beyond.

Despite the support of OCUA for a new formula, it is reported that the University of Toronto has now asked OCUA to suspend the formula by which the total government grant is allocated to universities according to Basic Income Units derived from the number of students enrolled; rather they suggest that the funds for next year should be distributed among the universities on an equal percentage basis. As a consequence York University would not receive the money to which it will be entitled for the flow-through of the large enrolment of the past three years into the 2nd, 3rd, and 4th years. In other words, a new retroactive principal would be introduced in defiance both of the provincial policy of accessibility and the publicly announced plan of this University and others. The final irony is that even with the 12.3 percent increase in York's formula grants, we will be receiving a reduction of 2.6 percent in our income per student taught. As a result, York has been provided less money per student in 1983-84 than in 1982-83, and less than some universities whose percentage increase in grant is nonetheless less than ours. Members of Senate will appreciate, then, why it is important to dig deeply beneath the surface of the data. We have done a lot more work for the little more money that we have been allocated, whereas our critics are enjoying an increase in per student revenue.

I have indicated in my previous reports to Senate and to the Board of Governors that I am certain that our position is appreciated and understood by the Premier, by the Minister of Colleges and Universities, within OCUA, and within the university community in general. As a result, I remain confident that our efforts will be rewarded, and the justice of our case acknowledged; certainly, we should not be deterred by our critics.

I have brought this information to the attention of Senate in order that Senators may be appropriately informed of current discussions, and have the background to understand material they may see in the public press and the publications of other universities. It is essential that every member of the York Community understand our situation, and be in a position to explain the reality of our policies and objectives.

York Faculty wins Seventh Invitational Inter-University Hockey Tournament



Members of York University's Faculty Hockey team include, from left to right, back row: Bob Bain, Paul Stager, Eric Willis, Bruce Cappon, Ian Macdonald, Ron Okada, and Dave Chambers; front row, Chris Holmes, Michael Creal, Gord Albright, Mal Ransom, and Clarry Lay. Steve Fleming, Bob Hedley, Stu Proudfoot, and Craig Campbell, not pictured here, are also members of the team.

On Thursday and Friday, February 17 and 18, six teams of faculty members provided an entertaining two days of tournament hockey in the York Ice Palace. For the past six years, York, Trent, McMaster, and Queen's have held a one-day tournament during the Reading Week. Although Queen's won the trophy in the first year. 1977, for the past five years, the laurels were held alternately by Trent and York, with Trent taking the trophy three times and York twice. This year, Waterloo and McGill joined the four originals in an expanded tournament, for a twoday period. On the first day, the teams were divided into two groups of three, with each team playing the other teams once. In one division, McGill University won both games, with York finishing second in its division as a result of splitting its two games. In the other division, Waterloo captured its two round robin outings with Trent also splitting a pair, and coming second. That set the stage for a truly exciting semi-final round on Friday, in which York defeated Waterloo 4-2, while Trent upset McGill 6-4 in the semi-final rounds. Once again, the stage was set for the traditional York-Trent rivalry in the final game. After dropping the opening match in the round robin on the Thursday by a score of 5-2 to McGill, York performed with added strength and effective play in each successive game as well as getting its scoring guns in operation. In the McGill

game, Craig Campbell provided both York goals, while against McMaster, Gord Albright recorded his first of two shut-outs. A pair of early goals by Ian Macdonald was followed by a pair of goals each by Bob Bain and Bruce Cappon and singles by Craig Campbell and Ron Okada. In the semi-final game, Waterloo took an early lead and, notwithstanding tremendous pressure, York had difficulty getting on the score sheet until Bob Bain deflected in a high shot from the slot. York's persistence paid off in the period when Stu Proudfoot, Mal Ransom, and Paul Stager found the target leading to the 4-2 win. The final game was a defensive masterpiece for York University with Gord Albright recording his second shut-out. Early in the game, Ian Macdonald completed a threeway passing play with line mates Bob Bain and Chris Holmes, backhanding a high shot past the glove side of former Peterborough Petes goalkeeper, Gary Aitken. Deterioration and hard work resulted in goals by Michael Creal, Bob Bain, and Craig Campbell to complete the scoring. All York players including defensemen Bob Hedley, Steve Fleming, and Eric Willis along with Clarry Lay on the forward line produced a great team effort for York. Plans are already underway to maintain the tradition next year, with York and Trent now winners of the trophy three times each.

grandfathered) are almost all in Group A, with the exception of students in Music. For graduates, the second increase for visa students has not been implemented, but rather increased by only the standard 5 percent.

On the surface then, the grant this year looks highly favourable to York University. However, any such conclusion would fail to recognize the present activity level of this University. It is important to recognize that the larger proportionate grant to York University should not be interpreted as a windfall to this institution. Rather, it is a payment, at radically discounted rates, for the job we are doing in teaching a large student population. Unfortunately, this payment, inadequate as we find it, has been criticized by others as reflecting an opportunistic attitude in York University and an improper decision to grow at the expense of others.

Not only are these comments unfair and inappropriate, but they are inaccurate and in total disregard of the context of the affairs of this University. First of all, the suggestion that we are benefitting unduly ignores the fact that the present formula has been highly detrimental to this University for a number of years. We have argued 10 Exectibur March 3, 1983