

# \$3.7 million Dal deficit last year

by Cathy McDonald

Dalhousie incurred a \$3.7 million dollar operating deficit at the end of the 1980-81 financial year, \$1.2 million more than what was anticipated. Cuts in Dalhousie's operating deficit, new treatment of funds and the sale of properties are proposed means of offsetting a projected \$5 million deficit for 1981-82, according to Dalhousie Vice-President Robbie Shaw.

12 to 20 percent tuition fee increases approved by the Board of Governors last April,

are indicative of the seriousness of Dalhousie's financial troubles. They are among the highest increases in the Maritimes.

Because of Dal's serious financial trouble, Shaw said "we have to see if we can afford to teach all the courses we offer every year." Cooperation with other universities in offering courses to facilitate this, is being explored.

Shaw said he was not free to comment on cuts in faculty budgets at this point."

Shaw attributed the deficit in part to high interest rates on Dalhousie's debt load, as well as higher salary costs and a less than efficient financial management system, in the August issue of the Presidential "Report".

The university's future "still looks pretty good" said Shaw, referring to Dal's considerable endowment funds. "So long as immediate short term action is taken to drastically reduce bank borrowings, the long term financial position of Dalhousie

will remain very strong", reads the report.

Other actions are being explored to alleviate the projected deficit. Dalplex and the Dalhousie Arts Centre will be the first to feel the effects of cuts. Shaw said these are examples of services of an "ancillary" nature which have the ability to generate revenue.

Endowments may temporarily be reinvested to yield 21% interest as opposed to the current 5%. Some endowments will be

sold along with some land and buildings.

It is hoped that these measures will reduce this year's deficit to \$3.5 million. Shaw summarizes in his report that "It is imperative that the university take further action to lower the deficit by reducing operating expenses."

Shaw said he was looking for reaction to these measures, and expects to see people "yelping all over the place."

# the Dalhousie Gazette

Volume 114

Number 1

September 10, 1981



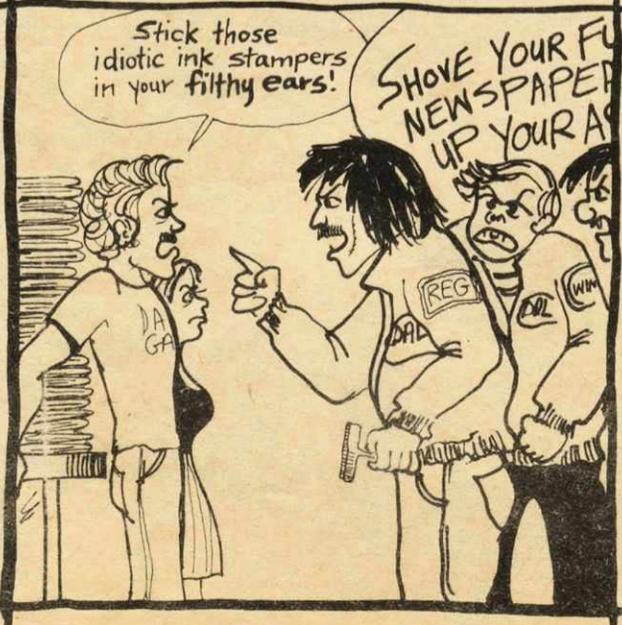
THE GAZETTE OFFERS ALL DALHOUSIE STUDENTS THE CHANCE TO LEARN IN A CREATIVE ENVIRONMENT, AS WELL AS THE OPPORTUNITY TO ENJOY A FUN ORGANIZATION.



THE GAZETTE ALLOWS STUDENTS TO DISPLAY THEIR OWN PARTICULAR TALENTS.



THE GAZETTE KEEPS OUR STUDENT POPULATION INFORMED OF CURRENT EVENTS WITHIN OUR CAMPUS AND OTHERS EVERYWHERE.



Elaine Frampton '81