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Endowment fund solution to Dal's \$8.3 million deficit?

by Bruce Galloway

"Are students really concerned about Dalhousie's deficit? Why hasn't the student union put more pressure on the administration about the present financial problem?" These questions were posed by a frustrated Robbie Shaw, Vice-president of Finance, in the midst of a panel discussion on Dalhousie's financial problem last Friday in the Student Union Building.

Shaw was referring to the meager turnout of students in the Green Room.

The discussion, sponsored by the Student Union, entitled "The University in Financial Crisis - Finding Solutions" featured four speakers: John Logan, Student Union President, Professor William Jones, chairperson of the Senate Financial Planning Committee, Professor Chris Axworthy, President of the Dalhousie Faculty Association (DFA), and Shaw.

Dalhousie is facing a potential deficit of \$8.3 million this year if past trends continue. The deficit has been increasing by the millions, the last few years, with high interest rates playing havoc with Dalhousie's payments of outstanding debts.

Discussing how Dalhousie should pull itself out of this downward spiral, the greatest divergence of opinion was, not unexpectedly, between Shaw and Axworthy.

Axworthy said Dalhousie should use part of its substantial endowment fund (approximately \$65 million) to erase the deficit. This action should come before the administration cuts any academic programs or eliminates any staff and faculty positions.

The administration is currently encouraging faculties not to replace open faculty positions in order to meet their budgets. (a move that has ired the DFA)

Liquidating endowments is legally impossible, countered Shaw. In the near future the university will be selling some property and restructuring the endowment fund to ensure a better rate of return. This, however, will not erase the total deficit and therefore the university must cut operating costs. Just where the cuts will occur and over what length of time is still under consideration. One area that the administration will be examining is ancillary services. Operations such as the Arts Centre and the Dalplex add considerably to the operating deficit, Shaw said.

Shaw agreed with Axworthy that underfunded capital projects were a serious factor in Dalhousie's deficit. However, the primary cause lay with expenditures rising faster than the university's income. Shaw cited salary increases as an example.

Both Logan and Jones said the deficit had to be tackled using a series of measures including, greater government funding, an alumni fund drive, cutting costs, and increased tuition. Logan explained that the primary concern of the Student Union was to ensure that a disproportionate part of the deficit was not shifted onto the student body.

To what extent should faculty be made to bear the burden of the deficit? Axworthy defended salary increases which have in recent years increased at a higher rate than government funding.

"Faculty should not be faced with continuous cuts in their standard of living," said Axworthy. "The problem faced by the university is not one of expense but rather is a revenue problem."

In the question period, student Peter Rans asked Shaw

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Panelists were sometimes agreed, sometimes not, on the solutions to Dalhousie's growing deficit. They spoke to a sparse number of students in the Green Room last Friday.

Childerhose/Dal Photo

The feds propose major changes in training programs

by Greg Hamara,

In a move that has been anticipated for months by the provincial education and manpower officials, the federal government last week officially announced a major overhaul of its employment training programs as a means of fulfilling a list of national job priorities.

The changes, announced by federal employment minister Lloyd Axworthy, would see Ottawa assume a greater role in determining how federal funds are spent in the training of skilled labour. According to the minister, over two million skilled jobs will become available by the end of the decade; yet 40,000 of these positions will go unfulfilled because of a shortage of properly trained workers.

Despite efforts by the federal government throughout the post World War II period to create, and later, upgrade its job training programs, Canada has found itself in the position of encouraging skilled European workers to immigrate in order to fill employment gaps created by a lack of trained Canadian workers.

Though details of the federal proposals were to have been unveiled at a Vancouver meeting of provincial manpower min-

isters earlier this week, major changes announced by the minister include:

- categorizing occupations considered to be in national demand, and shifting federal training funds into those areas;

switching curriculae to mirror national economic objectives

Areas of employment projected to be in high demand nationally throughout the eighties include the computer science, aerospace and petroleum industries. Axworthy said consultations with the provinces and business will determine what other sectors of the economy are to be highlighted for intensive job training.

The federal minister's proposals also include scuttling the Adult Occupational Training program under which 250,000 people are receiving job retraining. The program was established in 1967. Ottawa currently spends over \$850 million in the area of job training.

Though detailed reaction from Nova Scotia manpower and education officials attending the Vancouver meeting was unavailable at presstime, it is anticipated the province's education department will take a hard line against what they perceive to be federal encroachment into the post-secondary field. As recent as last week Axworthy warned that provincial job training programs that do not fit in with the federal government's national economic goals may be squeezed out of future federal funding.



Axworthy

- reducing federal training monies from industrial sectors where there is a surplus of workers;
- greater financial incentives to private corporations willing to participate in federal job training schemes;
- the establishment of a fund to assist technical institutions in

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