

# UNB financial crisis can only be settled by HEC

By MYRNA RUEST

The financial problem currently facing UNB is a crisis that can only be resolved by the Higher Education Commission, according to Desmond Pacey, Acting President of the university.

Pacey was interviewed by the Brunswickan earlier this week.

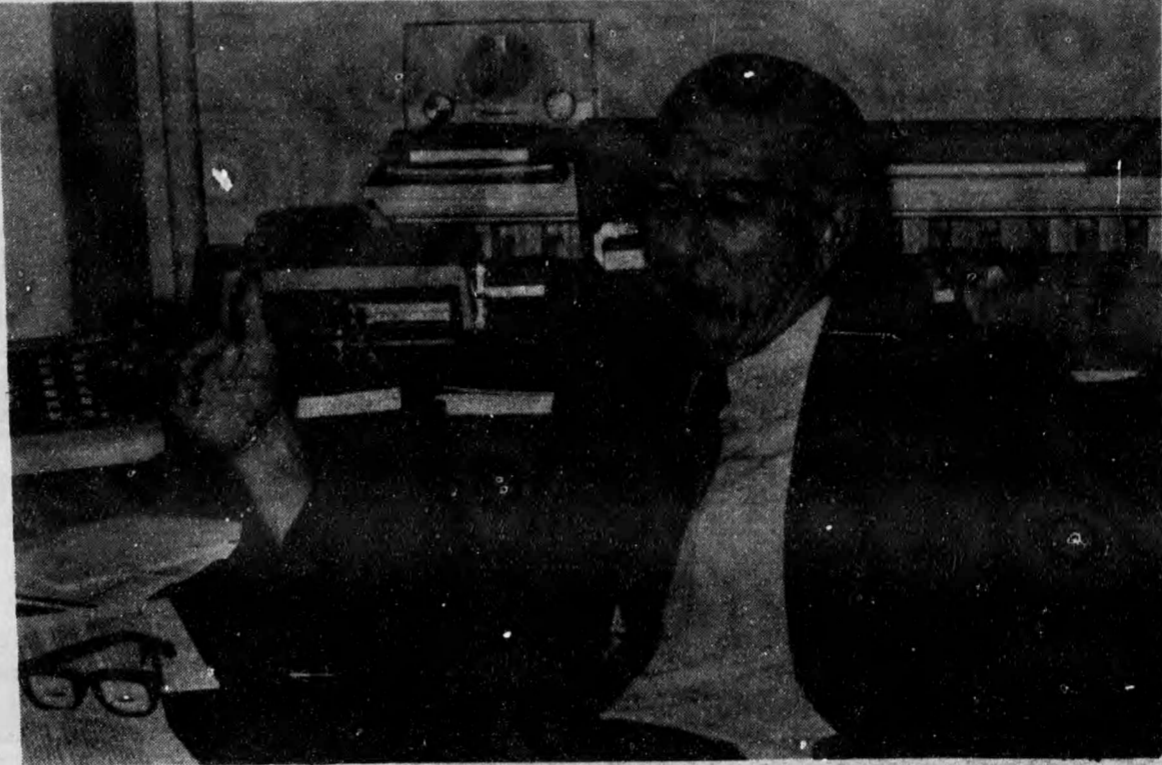
The problem was created by the new grant formula and its alternative presented by the Higher Education Commission in its report "Flexibility for the 70s". It was compounded by a significant lowering of enrolment at UNB this year. The enrolment for 1972-73 dropped by 300 compared with 1971-72, and was 500 below the estimated number on which the 1972-73 budget was based. Understandably this created a rather large deficit - as much as \$885,000.

The HEC gives grants to universities on the basis of the number of students and the faculty in which they enroll. UNB prepared a balanced budget on the basis of its estimate of student enrolment and the grant income it would generate.

The students, unfortunately, did not arrive in the expected number; hence the money anticipated for and from these students, in the form of grant support and fees, was not available to help pay the overall university costs. The University has two main sources of revenue - a grant from the HEC and student fees. It follows that if the HEC were to refuse to adjust its grant in the light of the shortfall of enrolment the university would have no alternative but to raise fees.

Pacey emphasized that this would be done only as a last resort, student fees at UNB being already relatively high in comparison with other Canadian universities, especially those in the west.

Further, summer employment for students in New Brunswick is harder to find and generally speaking less well paid, so that many students can not earn the



Acting President of UNB, Dr. Desmond Pacey says the only way the 1972-73 financial problems can be solved is through the Higher Education Commission. He says increases in fees is a drastic measure and will not be used unless there is no other course of action.

necessary funds to pay substantially higher fees.

An increase in fees would also encourage students to seek their university education outside the province; thus the problem, which resulted from a lowering in enrolment, would be accentuated. This, obviously, is not the solution for the financial crisis.

A second suggestion would be to cut down university costs. For example, some might suggest that fewer maintenance workers might be employed. This has not appeared to be a good idea as those employed are all necessary to keep the university running smoothly. All areas examined have been found to be functioning on a minimum complement already, since the budgets over the last few years have, of necessity, been at a very frugal level. Salaries and wages of all employees, academic and non-academic, must keep pace with those of comparable posts elsewhere. Pacey pointed out further that the student/faculty ratio at this university is already

higher than the national average (15:1 as compared to the national average of 13:1), and any reduction in the number of professors employed would have a very adverse effect upon the quality of education.

Therefore, an increased grant from the HEC seems to be the only answer to the dilemma and certain procedures are being carried out to obtain the aid of that body.

Three major steps were agreed upon by Pacey and the Board of Deans. These were that 1) Pacey "should prepare and issue a strong statement to the media; 2) the Senate Budget Committee should be convened as soon as possible and be asked for advice and assistance; and 3) the individual Faculty Budget Committees should be asked if they had any suggestions for alleviating the situation."

A press statement was then prepared by Pacey in collaboration with the two vice-presidents and was issued through the Information Office to the media. Part of

the statement read:

"It is clear that the present system of university financing, whereby universities are required to guess at their next year's enrolment and base their budgets upon this guess, is not adequate or suitable in a period of fluctuating enrolment. Such a system leaves the universities far too vulnerable to unpredictable changes in student numbers, keeps them in a state of constant financial anxiety, and is very destructive of student and faculty morale."

Pacey also wrote to Dr. Beverly Macaulay, the Vice-President (Administration) asking him to bring to the attention of Mr. Thompson, Acting Chairman of obtaining some fiscal transfers from the other Maritime Provinces with regards to regional programs offered. This would be specifically Forestry but also Law, Engineering and Nursing to some degree.

Furthermore, in a long letter to Mr. Thompson dated October

6, 1972, Pacey emphasized that UNB's budget could not withstand "significant cuts" and made an appeal for grants in respect of part-time students and for an increase of 15 percent per year in operating grants for 1972-73 and 1973-74. This letter concluded with the following statement:

"Failure to provide grant support at approximately the level indicated would seriously threaten the future of UNB on both the Fredericton and Saint John campuses."

Photo by Ken De Freitas

The reply to this from the HEC was that nothing could be done until all information with regards to numbers, residency and programme status of the current year enrolment was presented to the Commission. This information will be going to the Commission on December 1.

Meanwhile, in response to a request made to the Board of Governors by the Science Faculty Council, the Board appointed a five-man committee chaired by Pacey to prepare a detailed statement to the Higher Education Commission on the inadequacy of the formula presented in "Flexibility for the '70's."

This statement was approved by the Board of Governors at its meeting on October 24 and was then presented to the Commission together with a request that the Board and the Commission meet together to consider the Statement.

The Commission has agreed to hold such a joint meeting, but the date has not yet been set.

Pacey is hopeful that this meeting will result in some significant adjustment to the grant formula, and will thus obviate the necessity of an increase in student fees on a decrease in the quality of education being offered by this university.

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## SUB NAME THE COLUMN CONTEST

A new aspect to the SUB operations is its Weekly Agenda in the Brunswickan. The Agenda will list in a weekly notice all future happenings here at the SUB. The SUB Board of Directors at their November 29th meeting decided to have a naming contest. Give this weekly Agenda a name! The Board is offering a prize of \$10.00 to the winner. All contestants should send their suggestions to:

Harold Adams,  
Chairman-Program Committee  
SUB Board of Directors  
Office  
Room 33 SUB

## Yearbooks now available

The '71-'72 UNB Yearbook is now available in the SRC office. There are 1704 copies, each with 142 pages. Those who ordered yearbooks may pick them up at the SRC office, in the SUB, anytime during business hours.

The winning number of the STU Anthropology Society Raffle is 683. The winner may claim his/her prize at 810 Montgomery, Apt. 501.

The SRC asks those students picking up books to either have their receipt or student I.D. There are a number of extra copies but these will not go on sale until most of the pre-ordered copies have been picked up.

BRUNS Meeting  
Sunday  
Room 35  
7 p.m.