

12 March 2012  
Jack Lightstone

## **PRESIDENT'S REPORT TO SENATE**

As I write this report, students, faculty and staff are all working in the home stretch of the winter semester. The fall-winter sessions are a marathon, not a sprint, and I am well aware of the efforts involved in bringing the winter semester to a successful conclusion.

This is a difficult report to write, in that so much in the environment outside Brock that impinges upon us is characterized by uncertainties. Senator Sivell has remarked to both Dr. Knuttila and myself that an institution can address the risks it faces, but uncertainties are far more difficult to address, and are, therefore, demoralizing. But perhaps we can transform some of these uncertainties into manageable risks.

How?

By naming and categorizing them, and assigning some probability to one eventuality happening as opposed to another. Permit me to try to begin such a process in this report.

### *Individual Institutional Mandate Agreements and differentiation*

We are uncertain about how the provincial government will address the now overwhelming forces calling for increased differentiation among Ontario's universities – such as Clarke et al., the Higher Education Quality Council of Ontario (HEQCO) and the Drummond Report. Specifically, we do not know how the government will define differentiation.

Clark et al., in two books now, propose that several universities be dedicated primarily to undergraduate teaching. The Premier has promised the establishment of three primarily-undergraduate-teaching satellite university campuses. Several of Ontario's colleges have promoted themselves as hosts for “teaching only” undergraduate degree education, no doubt looking at the paths followed by a number of Alberta and B.C. colleges. And at the same time, colleges in Ontario and across the country are successfully promoting themselves in Ottawa as centres for “applied research”.

The HEQCO's call for differentiation is more nuanced: most faculty in all universities should be involved in research and be supported in that effort, but the *institution*, building on that base, should define areas for focused development of potentially world-class institutes and centres as determined by their strengths and the realities and needs of their localities.

Drummond is less specific than either the HEQCO or Clarke et al., but places the matter within a financial context (as do Clarke et al.): Ontario cannot financially sustain the current model, and differentiation is part of the answer, together with far greater modulation of teaching loads for faculty, scheduling that allows four years of study to be completed in three, and more consolidation of back-end functions and services across the university sector (e.g. pension management).

Drummond advises greater emphasis on teaching, teaching quality, measurement of teaching outcomes, greater use of experiential learning and internships. The report enjoins institutions to focus on a delimited set of research strengths with the potential to be world-class. Drummond repeatedly advocates the use of negotiated institutional strategic mandate agreements (SMAs) as the mechanism for achieving differentiation and for attaining other strategic goals – whether they are the government’s or the institution’s – and he advocates that funding be so structured as to finance and reward the achievement of these goals.

What has been leaked of the Minister of Training, Colleges and Universities’ thoughts reveals a rather different approach. Minister Glen Murray recognizes that research and innovation need to be at the core of what Ontario universities do. This is in addition to teaching, but it must be firmly and systemically integrated into the economic and social worlds of the communities that we inhabit. In a similar vein, our students’ educations, whether at the undergraduate or graduate levels, should also be more directly connected to the worlds outside our walls. Consequently, he is a strong advocate of the student entrepreneur-innovator, of experiential and service learning, and of co-op education. He recognizes the financial considerations that inform Clarke et al., and Drummond – namely, that Ontario cannot afford to support the currently configured university system. However, his approach is to embrace radical innovation in program and course delivery via intense use of summer semesters, online and hybrid courses, experiential and service learning, and the creation of an open and online university in Ontario.

He also strongly advocates the extensive adoption of three-year degrees, as these will get graduates into the workforce more quickly and with less debt. This reduces costs for students, their families and the government. I may be putting words in his mouth, but he sees the adoption of the four-year degree over the three-year one as arbitrary for many undergraduate disciplines.

I must add that the Minister is incensed that undergraduate credits cannot be freely transferred across Ontario’s *universities* by transfer students, let alone from colleges to universities. The arguments that Physics 100 at one university not only is, but also should be, different from Physics 100 at another institution seem to him, and others, to be self-serving and an unjustifiable prevarication.

Part of differentiation is the program mix of an institution. Officials in the Ministry of Training, Colleges and Universities (MTCU) have been pondering how all this bears upon the approval, and funding of BIUs, of new programs, especially at the professional and graduate levels. They have been quietly modelling the distribution of existing professional and graduate programs by region. The notion behind this exercise is to highlight and avoid further duplication on the one hand, and to address lacuna on the other. There are intimations that in the near future, Ministerial approval will be required *before*, not after, the quality assessment of proposed new programs, essentially giving the MTCU veto power over new program development.

So we may feel that we are uncertain about Brock’s academic mission and the degree to which our current activities and future aspirations will be supported by public money. Will we be allowed to develop new graduate programs or expand our graduate enrolments? What role will research play at Brock? Will someone exterior to ourselves force us to rebalance the relative time and energy faculty devote to teaching and research, and to undergraduate and graduate education at Brock? How much government funding will flow our way, and more importantly for what activities?

For more than a year and a half, the negotiation of individual institutional strategic mandate agreements (SMAs) have been indentified as the mechanism by which so much of these matters will be resolved on an institution-by-institution basis. However, the list of matters potentially to be resolved by these SMAs gets longer and longer, and increasingly complex, and as a result the template for these agreements has yet to be determined by MTCU officials. Notwithstanding, the MTCU would like to begin negotiating SMAs with institutions late in the spring or during the summer, since these agreements seem to them a prerequisite to determining many of the questions that they must be prepared to answer, such as, which new programs will be approved for funding and who will get what allocation of funded graduate spaces.

As long as no one in government at the political and bureaucratic levels has entirely fixed “end points” on the various continua of solutions proposed by the protagonists in this public discussion, Brock has the makings of a strong and cogent position in the strategic directions that it has defined and to which the Board and Senate have given their assent. I will not rehearse those directions. They reside in documents well known to, and much discussed by, the Board and Senate. This, then, is our situation, and it is a relatively good one, providing there is not in development a highly stipulative and inflexible set of pre-determined “solutions” to all of the above forthcoming from government.

My hope and expectation is there will be a possible and permissible range of solutions that would be agreeable to government on various continua, as long as they cohere and together provide a cogent response to the issues at hand. I have confidence that the Minister, the Deputy Minister, and the Associate Deputy Ministers are reasonable people. All they expect is for us to be reasonable too.

### *Funding and the economic cycle*

With respect to funding and the economic cycle, it is hard to recognize anything other than the inherent uncertainty of the situation. Part of the matter derives from economic forces that are global in nature impacting the finances of our governments, especially the provincial government. Some of those forces are recent, such as the recession in the developed world, the credit crisis in the euro zone and other such phenomena. Others have been a long time coming for Ontario, such as the flight of traditional mass manufacturing from this province. The former is beyond Ontario’s control and the latter was ignored for far too long — for more than 20 years. Consequently, the former is a storm fraught with uncertainty and unpredictability. The latter will take decades to address, if there is the political and social will to do so; and it will take investment of both public and private capital, which are hard to come by in the current situation.

To boot, the anemic performance of markets coupled with forced low interest rates are playing havoc with universities’ pension plans, requiring increased special payments for insolvency (not our case) and going concern shortfalls (our case).

Ontario’s universities are caught in a series of propositions about how to finance us that at the moment creates nothing but dissonance:

- the Ontario government has no money to devote to additional operating expenses in the public and broader public sectors;

- the Ontario government is very reluctant to increase taxes;
- the Ontario government is very reluctant to see tuition fees increase annually beyond what has been the policy of recent years;
- the Ontario government is committed to maintaining the Ontario Tuition Grant, despite Drummond's recommendation to the contrary;
- the Ontario government is committed to increase enrolments in PSE by some 60,000 over the next 5 years, and it is the government's goal that within that period 70 per cent of Ontarians have a PSE education;
- the Ontario government is very reluctant to consider annual increases to our base grants to cover even part of our escalating costs – even though this is routine practice in the health and K-12-education sectors, even in this time of economic downturn;
- the Ontario government is unwilling to grant universities immunity from additional solvency or going concern payments, without substantial renegotiation of members' contributions (among other changes), although in many provinces immunity from solvency tests for universities is now commonplace;
- the Ontario government will not legislatively intervene to address any of the financial and sustainability issues faced by broader-public sector institutions.

Together, all of these propositions constitute a Gordian knot that the government is unwilling to cut. Let me be clear. There is nothing inherently irrational about any of these propositions taken each on their own, and in their own right. It is their interaction effects that are problematic.

What does this mean for us?

Again, we may look to the planning discussions we have been having. The additional revenue to be had is in enrolment growth. And since we have outstripped our capacity to grow within the current space in the fall and winter semesters, we have been discussing alternative modes of (a) delivery and (b) scheduling. The key is to do this in a way that is educationally responsible and compelling for our students.

Since there is a limitation to the additional revenue to be had – namely, it is linked to the universities' share of the 60,000 additional funded spaces – we are in a race of sorts, and the Minister has, in effect, sounded the starting pistol by advocating for just this type of pedagogical development and by holding out the spectre of a new online degree-granting institution that could suck up a goodly portion of those additional funded enrolments.

Yes, we live in a period of uncertainty. But we are not without ways and means a finding our way through these uncertainties – of transforming many of these uncertainties to risks, the risks that we not address these matters and effect the changes we adopt quickly enough.