
Briefing Note: Insolvency at Laurentian University

Context

Laurentian University received insolvency protection under the *Companies' Creditors Arrangement Act* (CCAA) on February 1. This is the first time a public university has declared and been granted insolvency protection by the court in Canada.

Laurentian is a public post-secondary institution with a tri-cultural mandate to support French, English, and Indigenous communities. This institution is an essential economic driver in the Sudbury community and serves as a beacon for Francophone excellence and Indigenous research and reconciliation. The impending restructuring and cuts will result in devastating impacts on students, workers, and community members.

This critical situation has been made possible by a steady erosion of public funding: underfunding of postsecondary education institutions continues to push universities toward compromising decisions. Now, the current situation threatens to greatly impact what makes this institution such a unique and important contributor to the community and to the excellence of Canadian research.

Laurentian's tri-cultural impact

Laurentian is a unique public institution with a tri-cultural mandate to support French, English, and Indigenous communities in Northern Ontario.

- Laurentian is the only bilingual university in Northern Ontario. Its 49 French-language programs and official bilingualism policy are vital for maintaining a strong, vibrant Francophone community in the region.
- In recent years Laurentian has made important strides towards providing Indigenous programming and courses that incorporate traditional teachings and Indigenous language. These programs are a crucial component of reconciliation.

A cultural and economic hub

Laurentian University is vital to the educational, economic, and cultural health of the Greater Sudbury area and Northern Ontario.

- 52% of students who attend Laurentian are the first in their families to pursue a postsecondary education.
- 65% of Laurentian alumni reside in Northern Ontario after graduation.
- Laurentian is a hub for arts and culture and increasing the awareness of the artistic and cultural contributions of Indigenous, Franco-Ontarian, and other Northern artists.

The role for the federal government

CAUT has welcomed this government's leadership in supporting world-leading research, as well as its commitment to enhancing the vitality of our official languages and advancing reconciliation through supporting Indigenous students and programs. Recent measures taken by the government in response to current challenges, including temporary debt relief for students and emergency support for the research community, also provide welcome investments to our sector.

These efforts however have not tackled key issues facing the sector. The impacts of COVID-19 have put in stark relief the broken funding model for post-secondary education. Public spending on post-secondary education in Canada has not kept pace with enrolment over the past several decades. With years of declining government funding in real terms, institutions are adjusting their budgets by cutting jobs, increasing student tuition fees, reducing programs, and in the case of Laurentian, declaring insolvency.

CAUT calls on this government to take immediate action to ensure Laurentian University remains a beacon of excellence in research, reconciliation and the vitality of official-language minority community institutions.

We urge the federal government to work with the province of Ontario to immediately fund Laurentian University and increase federal support for French-language and bilingual post-secondary education institutions.

Given the critically important role post-secondary institutions play in meeting Canada's current and future challenges,

We recommend the federal government develop a national strategy with the provinces and territories that provides adequate, stable federal funding to support quality post-secondary education.

We need a national plan for post-secondary education, which strengthens science and research, and improves accessibility, affordability, and quality no matter where you live in Canada. We need federal leadership to work with provinces and territories to strengthen Canada's knowledge infrastructure.

Who we are

The Canadian Association of University Teachers (CAUT) is the national voice of academic staff. CAUT represents more than 72,000 teachers, librarians, researchers, general staff and other academic professionals in 125 Canadian post-secondary institutions including universities, colleges and polytechnics. CAUT works in the public interest to improve the quality and accessibility of Canada's post-secondary education.

The Laurentian University Faculty Association (LUFA) is a member of CAUT. LUFA represents more than 600 full-time and part-time academic faculty combined at Laurentian University.