

# Protecting Public Post-Secondary Education and Research – Federal Opportunities for Leadership

## Submission to the Pre-Budget Consultations in Advance of the 2023 Budget

October 2022

### Recommendation 1

Protect the mission of public post-secondary education by amending the *Companies' Creditors Arrangement Act* and the *Bankruptcy and Insolvency Act* to exclude public post-secondary education institutions.

### Recommendation 2

Create a national post-secondary education transfer that is separate from the Canada Social Transfer to increase transparency and accountability of education funding and ensure a strong and viable public post-secondary education system.

### Recommendation 3

Increase funding for basic science by \$1 billion over 5 years for the granting councils, with \$185 million per year ongoing. An additional \$26 million investment is recommended to increase equity and diversity in research over the next five years.

### Recommendation 4

Make post-secondary education more affordable and support students by permanently doubling the value of the Canada Student Grant, moving to a 50:50 funding model for grants and loans, and investing \$185 million in 2023 and \$55 million ongoing to increase the value and number of graduate scholarship and fellowship awards.

### Recommendation 5

Exercise federal leadership to create a national framework for open education resources (OER) and a copyright law reform package to expand users' rights and fair dealing in the interest of educators, students and all Canadians.

### Recommendation 6

Provide funding of \$20 million over 5 years, with \$4.3 million per year ongoing for a Federal Secretariat on Post-Secondary Education, Research and Training. The Secretariat will build capacity within the government and engage stakeholders to provide policy analysis in

support of an affordable, accessible, and high-quality post-secondary system.

### Introduction

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

Universities, colleges, and polytechnics are essential to the preservation, dissemination, and advancement of knowledge for the benefit of all. Education and research will help Canadians face present and future challenges, whether the climate emergency, public health crisis, or shifting labour needs.

#### 1. Exclude public post-secondary institutions from the *Companies' Creditors Arrangement Act* (CCAA)

The CCAA is designed as a remedy for large commercial creditors, and not for public and publicly funded institutions such as universities and colleges. In February 2021, however, Laurentian University was the first publicly funded university in Canada to seek and receive creditor protection under the CCAA. As a result, the university saw close to two hundred jobs lost, 70 programs cut (many of which were French language programs), and turmoil for a community and Northern region that relied heavily on this institution. A misuse of federal legislation allowed a mismanaged university to usurp standard collegial processes that have been used for decades, and the consequences to students, workers, and the entire community were deep and far-reaching and set a dangerous precedent. We urge the federal government to make simple legislative amendments to the *Companies' Creditors Arrangement Act* and the *Bankruptcy and Insolvency Act* to exclude publicly funded post-secondary institutions.

## 2. Create a national post-secondary education transfer

Through the Canada Social Transfer (CST), the federal government provides lump sum funding each year to the provinces to support the core operating functions of universities and colleges. However, this money flows into provincial general revenue with no accountability as to how much of that money goes to post-secondary institutions. In addition, the CST escalator of 3% per year does not meet inflation and enrolment growth. This has contributed to an ongoing erosion of public funding of post-secondary institutions in Canada. In most provinces, the share of operating revenues universities receive from governments has fallen below 50%. Declining public funding, in real terms, creates a negative ripple effect across the post-secondary education system, leading to higher student fees and debt, increased precarious employment, program cuts, and a reduction in Canada's ability to generate research and innovation. With more funds coming from private sources, our once public education system is fast approaching a turning point.

CAUT recommends that the government create a dedicated transfer to the provinces and territories for post-secondary education, that includes transparency and accountability mechanisms. The government should commit an additional \$3 billion to the new transfer.

## 3. Reinvest in basic science and expand equity in research

CAUT and other groups representing researchers in Canada have long called for increased funding for basic science. Basic research is vital for scientific advancement that leads to innovation. Quick-to-market applications of science are appealing in the short-term, but fundamental world-changing science and innovation is rarely predictable and emerges from longer-term and fundamental discoveries driven by scientific curiosity. Increases to basic research funding in

Budget 2018 were significant but did not reach the need identified by the 2017 Advisory Panel on Federal Support for Fundamental Science.

We urge the federal government to meet the Panel's recommended funding targets and to immediately increase funding to the granting councils by \$1 billion over 5 years with \$185 million per year ongoing.

Additionally, CAUT recommends an investment of \$26 million to increase equity and diversity in research over the next five years. The funding would include \$10 million in Equity, Diversity and Inclusion Institutional Capacity Building grants, \$5 million to renew the Dimensions program, and \$5 million to repeat the Survey of Post-secondary Faculty and Researchers to capture the significant impact the research community has experienced over the last few years of the pandemic. Lastly, this funding would commit \$6 million to the expansion of the University and College Academic Staff System (UCASS) Survey to capture equity data as well as data from colleges to help fill information gaps that currently limit our understanding of equity, diversity, and inclusion in the academic workforce.

## 4. Improve affordability for students

This past year saw record increases in the cost of living for all Canadians. For students who are on limited budgets, this means they have fallen into an even more precarious financial situation. Students have been facing an affordability crisis for years - particularly as a result of rising tuition fees - but the dramatic increases in inflation this year have exacerbated the problem. As the United States federal government makes significant steps forward in student debt relief, Canadian students remain burdened by debt, and as tuition fees rise, many must make the choice between more debt or forfeiting their opportunities for post-secondary education. For graduate students, the value of federally funded scholarship awards has been frozen since 2003. With drastic increases in cost of living, but no increases in the awards they receive for research, graduate students are left scrambling to pay their bills, often having to sacrifice

time and attention from their research. These low award values make it increasingly difficult for Canada to attract and retain young, talented researchers and innovators. CAUT recommends that the doubling of the Canada Student Grants introduced as an emergency measure during the pandemic should be made permanent. Federal support for students needs to be re-balanced. Currently, for every \$1 in grants that the federal government disburses, it loans \$2 that must be repaid. A more equitable disbursement in the short run would be for the government to move toward a 50:50 grants and loans model.

Additionally, CAUT recommends an increase in graduate scholarship and postdoctoral fellowship awards by \$185 million in 2023 and an additional \$55 million per year ongoing to increase the value and number of awards.

## 5. Reform copyright laws

CAUT members are both users of academic content and, along with international scholars, the creators of the vast majority of content used at universities and colleges. Given this, we have a balanced perspective on copyright and the creation/use of educational content.

CAUT recommends the government take the lead in developing a national framework to support open educational resources (OER) and to reform copyright law. Users' rights and fair dealing need to be expanded by, among other things: 1) removing the prohibition on the circumvention of technological protection measures (TPMs) for the purpose of fair dealing; 2) explicitly naming a text and data mining exception for fair dealing; and 3) making the list of allowable purposes illustrative with the addition of "such as" language as is used in American fair use legislation.

## 6. Create a federal post-secondary education secretariat

The federal government supports post-secondary education and research through several programs and policies across at least six different federal government departments. Post-secondary education and research are

of national importance, and a shared responsibility with the provinces and territories. Dialogue with the provinces, territories, and stakeholders is needed to outline and act on a vision to ensure post-secondary education thrives, and to assist in the transfer of federal funds. As there is no dedicated entity at the federal level to coordinate issues affecting post-secondary education, stakeholder communication and consultation is dispersed, disjointed, and often siloed.

CAUT recommends an investment of \$20 million over 5 years, starting in 2023-24, with \$4.3 million per year ongoing to establish and staff a Federal Secretariat on Post-Secondary Education, Research and Training. This centralized hub within the federal government will lead work on a national post-secondary education strategy, facilitate collaboration with the provinces and territories, Indigenous peoples and governments, and experts and stakeholders, as well as coordinate initiatives related to research and science, student assistance, innovation, and equity.

## Conclusion

Post-secondary education changes lives and Canada for the better. Through teaching, training, research and service to the community, Canada's universities and colleges are essential to creating a more democratic and just society, driving our economy, and preparing us for our future. Canadians need a strong commitment from their federal government to protect and preserve the public post-secondary education system upon which we all rely upon.