UGFA's Fact Check of the Deans and the Message from "Central"

Context: "Program Health" reports have been produced by Institutional Research & Planning for each College and shared with each Dean's Office. In Joint Committee, where the Faculty Association team meets with the Provost and her team, we were told that each Dean will survey the situation in their College to decide what, if any, actions are necessary. They have defined two types of thresholds: for each of total enrolments and applications,

- fewer than 40 undergraduate students
- fewer than 10 graduate students applications
- 15% or greater decrease since 3 years ago
- 15% or greater decrease since 5 years ago

and

- decrease in both fall enrolment and applications since all of 1, 3, and 5 years ago.

At Joint Committee, the Administration

- defended the above metrics as having been used in the past,
- said there will be program pauses and program closures.

At this meeting, we noted that while "program health" has in the past been assessed in terms of certain metrics that the Administration chose, at least the assessment occurred over a period of normality. Instead, they are now making measurements over a period that includes a once-in-a-lifetime disruption to everything: university operations, health (including mental health), financial systems, and so on. It is an incredibly opportunistic way to use the recent crisis.

Currently: Several members have forwarded notes that have come to their Department from their Dean. Despite the Administration's statement that each Dean will act independently, their messages have a common script from the Central/Senior Administration. And sadly, these statements warrant some fact checking.

Item 1: Tuition.

From the desk of	
Sara Mann Dean, Lang School	"You will recall that the provincial government cut domestic tuition by 10% in 2019 (which took us back to 2016 tuition amounts) and has continued to be frozen since 2019, despite significant inflation."
Samantha Brennan Dean, College of Arts	"Domestic student tuition was cut by 10% in 2019, equivalent to 2016 levels, and has remained frozen ever since."

Fact check: Yes, the government has constrained the tuition amount paid by each individual domestic student, but they did not cut the University's tuition revenue stream by 10%. That stream includes higher tuition amounts for some programs and tuition from (appropriately recruited and admitted) international students. As a result, the tuition revenue in recent years tells a different story (The table presents tuition revenue for the fiscal year ENDING on April 30 of the stated year.):

	2016	2017	2018	2019	2020	2021	2022
Tuition Revenue	$199M	$215M	$223M	$233M	$221M	$225M	$221M
As a percentage of Total Revenues	25.9%	26.2%	27.0%	26.9%	26.7%	27.8%	26.2%

For historical clarity, from 2011-2015, Tuition Revenue formed between 20% and 23% of Total Revenues, and from 2006-2010, it typically formed 17% of Total Revenues.

The Deans' statements, and their attempt to generate fear, in no way reflects what appears to be a high level of stability in this revenue stream (and we have made no additional observations related to pandemic impact).

Assessment: Highly misleading.

Item 2: Transfer Grant from MTCU.

From the desk of	
Sara Mann Dean, Lang School	"In addition, the per-student domestic grant has been frozen for 7 years. Even if, eventually, it is unfrozen, the increase in funding will likely just cover annual inflation."
Samantha Brennan Dean, College of Arts	"In addition, the per-student domestic grants per institution have been capped for more than 7 years now and will remain capped. There is no relief in sight."

Fact check: Yes, the government has introduced ways to control the transfer grant, and we do not yet know the impact of the performance-based metrics for which they have delayed implementation. But the total transfer grant has grown on a yearly basis back to 2016:

	2016	2017	2018	2019	2020	2021	2022
MTCU Transfer Grant	$197M	$201M	$204M	$204M	$205M	$207M	$223M
As a percentage of Total Revenues	25.7%	24.6%	24.8%	23.6%	24.8%	25.5%	25.2%

For clarity, travelling back in time from 2016 to 2007, the percentage share of Total Revenues formed by the Transfer Grant steadily increased a small bit at a time, reaching 28.4% in 2007.

Again, the Deans' statements in no way reflects what appears to be an incredible level of stability in this revenue stream (and, again, we have made no additional observations related to pandemic impact).

If one includes the OMAFRA funding, the percentage of Total Revenues of the combined government funding is between 33% and 34% between 2016 and 2022.

Assessment: Highly misleading.

Item 3: Structural Deficit.

From the desk of	
Sara Mann Dean, Lang School	"We need to do things differently to deal with an approximately $20 million structural deficit. While small changes and savings do help, transformational change is needed."
Samantha Brennan Dean, College of Arts	"The university's structural deficit is serious and not sustainable. […]given the scale of the structural deficit[…]"

Fact check: We have to look at the surplus/deficit, which equals Total Revenues minus Total Expenses:

	2016	2017	2018	2019	2020	2021	2022
Surplus (positive) / Deficit (negative)	$60M	$90M	$62M	$46M	-$8M	-$16M	-$33M

For clarity, travelling back in time, the next three years also had very large surpluses, the next year (2012) had a large deficit (a result of a change in accounting principles that saw future actuarial costs reported as current expenses), two more surpluses, and then four deficits (mostly -$10M) from 2010 back to 2006. When the 2012 deficit appeared, the Administration seized the opportunity to launch the "Program Prioritization Process," a campus-wide review of all programs and activities of the University to identify the "weak." The UGFA fought very hard against the PPP, and not one outcome of that process was implemented. The report showed, ridiculously, that the University should perhaps focus on parking at the Arboretum to maximize revenue. It seems fair to identify the "Program Health" reports as localized PPPs.

In this case, the Administration is taking the window of three abnormal years that were heavily impacted by the pandemic to claim that they have identified something "structural" amidst that mess, ignoring the great stability of the academic revenue streams. The deficits actually result from struggles in other revenue streams, like investments and other University activities, that will correct/recover naturally.

Assessment: Highly misleading, if not plainly false.

Item 4: International Enrolments.

From the desk of	
Sara Mann Dean, Lang School	"U of G has the lowest percentage of International Students in Ontario. We are behind other Institutions and there is a strong impetus to bring in more International students at both the undergraduate and graduate levels. Other Institutions have made this a priority and are not in the same deficit situation as we are."
Samantha Brennan Dean, College of Arts	"The biggest possibility for substantive revenue generation in the current situation is international tuition. Our international student numbers are among the lowest in the province and the University has been making a focused effort to grow in this area. However, our international applications numbers for Fall 2023 have not grown substantially in terms of year-over year performance."

Fact check: All Ontario universities supply common data to the Council of Ontario Finances Officers (COFO) of COU. The COFO data are publicly accessible, and the dataset can be browsed at the institutional level through CUDO, the Common University Dataset Ontario. We cannot say whether the information is accurate, and, indeed, when the UGFA has cited this data on occasion as part of a disagreement with the Administration, now-President Charlotte Yates responded that "those numbers are wrong; they are just what we give the government." In any case, if we look at the undergraduate numbers through CUDO at our historical comparators (the "Bovey Six"), we find the following results for the percentage of full-time equivalent students who are international:

	2016	2017	2018	2019	2020	2021
Guelph	3.35%	3.88%	4.08%	4.58%	4.92%	5.24%
McMaster	7.56%	9.36%	10.79%	13.15%	14.57%	15.59%
Queen's	5.07%	6.82%	8.43%	11.50%	10.88%	10.71%
Toronto	20.18%	22.50%	24.33%	26.50%	28.55%	30.11%
Western	9.41%	9.85%	11.26%	11.48%	11.27%	10.54%
Wilfrid Laurier	5.12%	5.62%	6.10%	6.79%	6.55%	6.27%

Beyond our usual comparators, it is perhaps worth mentioning that the others under 10% are Brock at 9.15%, Laurentian at 5.49%, Nipissing at 1.31%, OnTechU at 7.92%, and Windsor at 6.67%. Additionally, it should be clear that Toronto has the highest percentage.

It is probably quite unfair to compare these percentages without taking into account other factors. One would expect that universities in or very near a large city, like Toronto or Ottawa, would have an easier time attracting international students, while the rural universities would have a tough time. Waterloo at 18.99% surely got there through co-op and other unique strategies. The provincial average is 13.65%, but discarding the tiny places (affiliated campuses) and those in a metropolitan centre brings the average closer to 10-11%. It probably also merits saying that growing the international enrolment percentage also increases risk exposure: in the past, trade disagreements led to a withdrawal of international students from the country involved (e.g. Saudi Arabia); and, of course, student visa issues during the pandemic also caused financial trouble. It also increases the need for certain services, like ESL, so is not expense neutral.

Looking at the above table, Queen's doubled their international student percentage from 2016 to 2021. So did McMaster. TMU did better than doubling, going from 3.9% to 10%. Queen's is interesting because unlike the other two, one cannot say that it is located near a metropolitan centre. Guelph did not make similar strides.

When one Dean writes that "other institutions have made this a priority," and another Dean writes that "the [Administration] has been making a focused effort to grow in this area," and the results are that we have seen marginal growth at best, are they saying that our Senior Administration has failed? That seems a fair assessment. Perhaps they were just enjoying the $41M to $90M yearly surpluses.

Assessment: True. Yes, we agree that the Senior Administration has failed.

Summary: Stitching Things Together.

It is both insulting and irresponsible that the Senior Administration's "solution" to the question of international enrolments is to

• describe our current situation as a "structural deficit" (false);	FALSE
• threaten to cancel courses, pause programs, and close programs (plainly unwarranted); and	PLAINLY UNWARRANTED
• suggest that they will sell the reputation and values of the University, established by the work of UGFA members, other employee groups, and students to an Australian corporation, disregarding all of the horrible aspects of that relationship (that more administrations have walked away from than signed up for) because they want the money (devoid of moral compass).	DEVOID OF MORAL COMPASS

The reality is that the current deficits are driven by the investment roller coaster of the past three years.

While it is always healthy to review program offerings and consider new opportunities and directions, there is absolutely no reason for any fear-mongering, threats of program closures, and a Chicken Little routine.

If the current Senior Administration has failed to recruit international students through proper ethical and sustainable means, and it is felt that such recruitment is desired or even necessary, then let these "leaders" bow their heads, apologize, and resign in failure. There are many rumors that Senior Administration departures/resignations at Laurier were in part based on their failure to recruit international students. Instead of showing similar integrity, our "leaders" want to squeeze employees and students and to exploit international students and sessional instructors even further.

During the pandemic years 2019-2021, the salary mass of the Senior Administration (as defined by Auditor General in her final review of Laurentian University, with Assistant/Associate subordinates added) grew by 10%.

The emperor has no clothes.