

# CAN'T TAKE A HIKE: A Student Response to the Budget Advisory Committee



DALHOUSIE STUDENT UNION

**In March 2015**, the provincial government announced that universities would be allowed a one-time opportunity to increase tuition fees without limits. Dalhousie took advantage of this reset and raised fees for students in Engineering, Agriculture and Pharmacy. Under the terms of the 2015-2019 Memorandum of Understanding between the Nova Scotia government and university presidents, some Dalhousie students will see their fees increase by more than 10% a year until the agreement expires.

Dalhousie students couldn't afford the hikes implemented in 2015, and we can't afford a hike now. Raising tuition fees and cutting departmental spending threatens the people who do the central work of the university: those who spend their days teaching and learning. How can Dalhousie claim to be a beacon of research and education when our students are juggling several part-time jobs to make ends meet rather than focusing on their

studies, and our academic departments are asked to cut their budgets as a matter of course?

This response to the Budget Advisory Committee report calls for a more accessible and transparent budgeting process, more affordable tuition fees, and a series of strategic investments to promote access and equity on our campus. We echo the concerns of Dal students and students across the province in calling for a change in priorities that acknowledges the contributions students and faculty make to our institutions and communities, rather than asking them to shoulder these costs.

Students recognize the broader issue of government underfunding in Nova Scotia and are sympathetic to the reality of funding cuts from the province. We want to work with all university stakeholders – staff, faculty, senior administration – to build a system of free, public, post-secondary education. In order to do that, students are also calling on

the Dalhousie University President and Board of Governors to join with students in our call to reduce tuition fees through increasing government funding.

As per the Budget Advisory Committee's request in their discussion paper this response will make recommendations on the following questions:

- Are there other alternatives to increase revenues or decrease expenditures beside those contained in this report?
- Are there particular areas that should be considered for strategic investment given strategic priorities and the necessary budget reductions?
- Are there suggestions of other ways to balance the budget?

# SUMMARY OF RECOMMENDATIONS

## ACCOUNTABILITY AND TRANSPARENCY

### RECOMMENDATION #1:

- Initiate an external review of the Budget Advisory Committee structure and process to assess the efficacy of the current approach.

### RECOMMENDATION #2:

- Make the student representatives on the Budget Advisory Committee accountable to students by having the Dalhousie Student Union Vice President (Finance and Operations) sit ex officio on the committee. Empower the DSU Council to appoint two additional student representatives to the council, including one graduate student.

### RECOMMENDATION #3

- Release the Budget Advisory Committee discussion paper in the fall to ensure full consultation can occur and that there are opportunities to amend the budget.
- Add an additional Budget Advisory Committee report in the fall that provides a mid-year update on the current fiscal year's budget, with year to dates on revenue and expenditure.

### RECOMMENDATION #4

- Separate the costs associated with non-essential services, including fundraising, external relations, and senior administration from front-line student services in the Budget Advisory Committee report.

## STRATEGIC INVESTMENTS FOR A MORE EQUITABLE CAMPUS

### RECOMMENDATION #5

- Hire at least one new counsellor dedicated to solely to providing support to students who have experienced sexual violence and provide mandatory training on survivor-centred, trauma-informed for all current Dalhousie Counselling Services staff.
- Provide funding to continue the Sexual Assault and Harassment Phone Line as a project managed by the Dalhousie Student Union.
- Provide mandatory training for all staff in residence, student services, and administration in survivor-centred sexual assault support.

### RECOMMENDATION #6

- Implement the recommendations of the Committee on Aboriginal and Black/African Canadian Student Access and Retention to:
  - ◆ Create an Aboriginal Student Advising Centre and Advisor;
  - ◆ Create two new coordinators for access for Aboriginal and Black/African Canadian students; and
  - ◆ Establish a Minor in Black Studies.

- Create a dedicate part of the strategic initiatives fund for programs and initiatives focused on racialized, Black, and indigenous communities including public lectures and events, funding for closed spaces for students, staff and faculty from racialized and indigenous communities, and other projects that aim to forefront perspectives from these traditionally marginalized communities.

## BALANCING THE BUDGET

### RECOMMENDATION #7:

- Invest \$10.6 million into the operating budget from additional reserve funds in order to freeze tuition fees and maintain faculty budgets in 2017-18.
- End the practice of automatically investing surplus funds into the capital budget.
- Make it policy that future surpluses go first to freezing or reducing tuition fees the following year and improved funding for academic program before being considered for capital costs.

### RECOMMENDATION #8

- Invest \$5.3 million to freeze tuition fees for the 2017-18 year for all students, including students in Agriculture, Engineering and Pharmacy, and international students.
- Invest \$94,000 to freeze the facility fee fees for the 2017-18 year for all students, including professional and international students.

### RECOMMENDATION #9

- Invest \$7.1 million in order to maintain current levels of funding for academic programs and student services.
- Separate funds spent employing students from funds spent on student assistance in budget breakdown in next year's BAC report.
- Investigate potential cost saving measures amongst senior administration including putting a cap on administrator salaries and reducing funding for external relations, international expansion, fundraising, and alumni relations.

## ADDRESSING GOVERNMENT UNDERFUNDING

### RECOMMENDATION #10

- Join students from Dalhousie and other Nova Scotia universities in publicly calling on the provincial and federal governments to reduce tuition fees and outline a plan to fully fund a universal system of post-secondary education

# ACCOUNTABILITY AND TRANSPARENCY

**Each year**, the Budget Advisory Committee releases a discussion paper to solicit feedback from the university community. The committee includes individuals from various constituencies, including students.

In the years to come, the DSU believes the process of advising on the budget should be subject to an external examination. If the Budget Advisory Committee is tasked with “finding efficiencies”, their search should not be limited to academic departments. Non-essential elements of the institution (functions outside of teaching, learning, research and student support) should be examined critically through the BAC process.

Unfortunately, student committee members are not chosen democratically through the Dalhousie Student Union. This creates a number of challenges, both in terms of logistics and accountability. Under the current model, the selection of student Budget Advisory Committee members is not part of the responsibilities of the DSU council. The position is not widely advertised because our council has no authority to assign a true representative to

the committee. Once the BAC selects the student representatives, these committee members have no duty to consult with other students about their priorities and concerns.

As the Budget Advisory Committee discussion paper states, the “BAC members do not serve as representatives of particular interests but are chosen for their knowledge and individual expertise.”<sup>1</sup> However, if student representation is to be meaningful, student committee members should be able to draw on the student experience more generally as evidence in BAC discussions.

The Dalhousie Student Union Council includes representatives from all of the University faculties, as well as representatives reflecting the interests of marginalized communities including international students, Aboriginal students, and women

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students. Unless DSU Council is empowered to appoint student committee members democratically, the student representatives on the BAC can provide only a limited view of students’ interests.

While students were pleased that the DSU was given the opportunity to nominate individuals to the Budget Advisory Committee, a nomination alone cannot ensure that the discussion of the Committee is informed in a way that values the breadth and

depth of student experiences at Dalhousie.

In addition to having students on the BAC who are accountable to the student body, there must also be a clearer commitment to broad consultation with the Dalhousie community and adequate time to undertake budget amendments as required through consultations.

The current timeline of the release of the BAC discussion paper between late January and early March does not provide enough time for this kind of consultation

**RECOMMENDATION #3:**

- Release the Budget Advisory Committee discussion paper in the fall to ensure full consultation can occur and that there are opportunities to amend the budget.
- Add an additional Budget Advisory Committee report in the fall that provides a mid-year update on the current fiscal year's budget, with year to dates on revenue and expenditure.

process. This year, the timing of this process put Dalhousie out of step with other universities with regard to informing and discussing potential tuition fee increases. Students at CBU, King's, NSCAD, and SMU were all aware of proposed increases well before Dalhousie students were, despite repeated requests from student representatives regarding these issues.

Moving the release of the discussion paper to the fall would provide additional time to consult students across programs, faculties, and identities.

In addition to more time for consultation, the University should provide more detailed information to students and the public on expenditures. In line with the university's mission, the teaching and research elements of

**RECOMMENDATION #4:**

- Separate the costs associated with non-essential services, including fundraising, external relations, and senior administration from front-line student services in the Budget Advisory Committee report.

the university should be the priority. This, combined with necessary student services must be the core priorities of the institution. Students and the Dalhousie community deserve to know that this is at the centre of the University's budget.

The model provided in the Budget Advisory Committee Report does not mimic the format of the final version of the budget, leaving out important specifics that students and the public might be interested in. Students may be interested to know that, in 2015-16, the budget of the President's Office was \$4.2 million or that Advancement spent more than \$6 million.<sup>2</sup>

As has been discussed by the Dalhousie Faculty Association, another concern with the current budgeting process is that the Budget Advisory Committee bases its current report on the previous year's report, rather than on the actuals for that year. As the DFA has pointed out, this process can create structural, underfunding of particular departments.<sup>3</sup>

Similarly, a miscalculation of enrolment increases can result in a variance between the budgeted revenue from tuition fees and the actual. In 2017-18, the BAC discussion paper recommend-

ed a three per cent increase in tuition fees and shows that the University anticipated to take in \$158,900,000 in tuition fee revenue.<sup>4</sup> The BAC report arrives at this number based on the 2015-16 budgeted amount, which was \$152,100,000, not on the actual amount of revenue from tuition fees.<sup>5</sup> The actual amount in tuition fee revenue for 2015-16 was \$159,875,000, a variance of about \$975,000.<sup>6</sup> In the 2017-18 BAC recommendations, the three per cent fee increase was intended to increase revenue by \$5.3 million.

Budget variances are normal. Budgets are estimates, and no one can expect the Budget Advisory Committee or the Board of Governors to see into the future. However, with two thirds of the year over by the time the BAC report is released, there should be some level of planning being done based on actual numbers, not simply the previous year's budget. When it comes to tuition fees, not doing so paired with conservative enrolment estimates and tuition fees of the maximum allowable amount have resulted in tuition fee revenue being higher than anticipated year over year. This calls into



question whether these increases are necessary for a balanced budget or the university is simply increasing tuition fees at the maximum allowable rate to ensure additional revenue is available.

To be able to better monitor

these budget variances, the Budget Advisory Committee should produce a report with the year-to-dates on the current fiscal year.

# STRATEGIC INVESTMENT FOR A MORE EQUITABLE CAMPUS

Over the past year, the Dalhousie Student Union has been proud to work on a number of initiatives that focus on challenging oppression and promoting equity within our university. We are proud of our efforts on projects such as the Sexual Assault and Harassment Phone Line and the DSU-initiated proposal to increase student representation on Senate, including the introduction of equity-based representation. This historic initiative will make the Dalhousie Senate the first University Senate in Canada to have dedicated representation for Indigenous students, Black students, students with disabilities, students from the LGBTQ community, and women students. In line with this work, the Dalhousie Student Union recommends strategic investments

that focus on building a more equitable campus.

## CHALLENGING RAPE CULTURE

From September 2015 to November 2016, the Dalhousie Student Union's Sexual Assault and Harassment Phone Line has provided concrete support and information to students impacted by sexualized or gender-based violence or harassment. This initiative, which started as a six-week pilot project of the student union and was able to continue through to the end of the academic year with support from the President's office, gave the DSU the opportunity to provide over 100 students with training regarding on- and off-campus supports for

students who have experienced sexualized or gender-based violence. This has equipped dozens of students across different faculties, departments, communities, and identities with tools to respond to sexualized violence, not only when they volunteer on the phone line, but when they encounter disclosures of sexualized violence in any part of their lives.

The university should build on this successful collaboration by improving survivor-centred supports, continuing to support the phone line service under the direction of the student union, and training other Dalhousie community members in survivor-centred support to reduce secondary trauma for those who disclose experiences of sexualized or gender-based violence.

### RECOMMENDATION #5:

- Hire at least one new counsellor dedicated to solely to providing support to students who have experienced sexual violence and provide survivor-centred, trauma-informed training for all current Dalhousie Counselling Services staff.
- Provide funding to continue the Sexual Assault and Harassment Phone Line as a project managed by the Dalhousie Student Union.
- Provide mandatory training for all staff in residence, student services, and administration in survivor-centred sexual assault support.



# CHALLENGING RACISM AND COLONIALISM

**The issue of racism** on campuses across North America and the ongoing impacts of colonialism in all facets of society in Canada are both issues that have shown that they need attention. This is especially true at the institutional level.

It is important to note that the impact of increasing tuition fees is not felt equally by all students. In the report from the Committee on Aboriginal and Black/African Canadian Student Access and Retention on financial support, the Committee notes that “in 2011 34 per cent of African Nova Scotians lived in low-income families as opposed to 16 per cent for Nova Scotia as a whole.”<sup>7</sup> Because of this over-representation of African Nova Scotians in low-income households, increases in tuition fees have a disproportionate negative impact African Nova Scotian communities. Similarly, with regards to funding for First Nations, Inuit, and Metis students, the decisions of universities to increase tuition fees combined with the two per cent cap on funding for the Post-Second-

ary Student Support Program has eroded the availability of this funding for Aboriginal students. Tuition fee increases also erode any and all internal and external funding for students from these traditionally marginalized communities and, similarly, departmental cut backs can limit growing important academic programs in areas that focus on marginalized perspectives in various disciplines.

Students, faculty, and staff have been at the forefront of projects that challenge racism and white privilege on campus, and that bring students from marginalized communities together to support one another. Whether it is taking students to Africville to learn about the historic displacement of African Nova Scotians or Wab Kinew’s recent keynote presentation at Dal Lead, activities are often undertaken with very funding that is cobbled together from various sources. Dedicating a portion of the strategic initiatives funding for projects and initiatives that aim to challenge racism and promote support for people of colour and indigenous people on campus, would provide a regular stream of funds for student- and faculty-led initiatives.

## RECOMMENDATION #6:

- Implement the recommendations of the Committee on Aboriginal and Black/African Canadian Student Access and Retention to:
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**The Budget Advisory Committee report** states plainly that one of the assumptions of the report is that the budget must be balanced. The recommendations below suggest maintaining a balanced budget, largely through the use of accumulated surplus funds.

As of March 31, 2016, the university had \$100 million in cash and cash equivalents.<sup>8</sup> In 2015-16, Dalhousie posted a \$20.5 million surplus.<sup>9</sup> In that same year, the Budget Advisory Committee recommended increases to tuition fees that amounted to \$5.3 million and recommended budget cuts to faculties and units by \$5.3 million.

Given these recommendations, if the university froze tuition fees and maintained faculty and unit budgets, it would have still posted a surplus. This calls into question, again, whether or not fee increases are necessary for the sustainability of the university or simply a cash grab from students because the government permits it.

The Budget Advisory Committee is recommending a series of tuition fee increases for 2017-18:

- three per cent increase for all students for 2017-18;
- additional five per cent annual increases in

Engineering and Pharmacy for the next two years; and

- 5.8 +3 per cent annual increases in Agriculture for the next two years.

While the university has yet to see what the surplus will be for the 2016-17 fiscal year, given the current cash reserves, it is reasonable to expect that the University has the necessary funds to avoid the negative impacts that would result from 1.9 per cent program cuts and tuition fee increases as high as 28 per cent.

Repeatedly, students have been told they must pay more, while programs and departments face budget cuts. Each year, Dalhousie has increased tuition fees by the maximum allowable amount for programs that are capped through the Memorandum of Understanding, and at higher levels for programs that

remain unregulated.

Rarely, if ever, does the university present options with regards to tuition fees. Would the Dalhousie community prefer for reserve funds to be used for this purpose? This question is never asked. Consistently, the university has continued acquiring debt in order to construct new buildings and facilities with little discussion or consultations with students, staff, and faculty. The resultant budgeted expenses for debt servicing are not widely discussed, despite taking up a large portion of the university's budget as time goes on.

This year, despite repeated attempts to be let in on discussions regarding tuition fee increases outside of the three per cent fee cap, students were shut out. While our peers across the province were being given infor-

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mation about their University fee proposals, Dalhousie students were left in the dark. Again, students were shut out of budget processes and discussions that impact them the most and now are expected to raise their concerns at an inconvenient time with midterms, student union elections, and other key happenings on campus. The Board of Governors will discuss these increases in April when most students are in the thick of exams or already off to summer employment and will be hard pressed to engage with the Board of Governors directly.

The reserve funds allocated above would allow for tuition fees to be frozen across all programs for all students and stop program cuts.

While students are being told that there are hard times and that students must share equally in the burden, there are elements of the university that could be investigated for substantial fiscal restraint.

For example, former president Tom Traves remained had the highest salary at the university again 2015-16, despite no longer being employed.<sup>10</sup> Over the past several years, there has been a national conversation on the lavish contracts for senior administrators at universities. When university students are working several jobs to stay afloat during their studies and in many cases relying on food banks to make ends meet, contracts such as these cannot be considered fiscally responsible.

There are other non-essential elements of the institution that are rarely examined critically. These elements (including Advancement and international expansion sought through Recruitment or the President's office) are not necessarily appropriate in the face of more difficult financial times.

Rather than advertising itself, the University must prioritize the academic mission of the institution and focus on safe-

guarding academic programs and frontline support services from cuts. If the university aims to increase enrolment, it should start by paying attention to the quality of the institutions research and educational offerings.

#### RECOMMENDATION #9:

- Invest \$7.1 million in order to maintain current levels of funding for academic programs and student services.
- Investigate potential cost saving measures amongst senior administration including putting a cap on administrator salaries and reducing funding for external relations, international expansion, fundraising, and alumni relations.

#### RECOMMENDATION #8:

- Invest \$5.3 million to freeze tuition fees for the 2017-18 year for all students, including students in Agriculture, Engineering and Pharmacy, and international students.
- Invest \$94,000 to freeze the facility fee fees for the 2017-18 year for all students, including professional and international students.

# ADDRESSING GOVERNMENT UNDERFUNDING

**The source** of the financial issues faced by Dalhousie and all universities in Nova Scotia is government underfunding. Over the past several decades, governments have divested from colleges and universities, allowing fee increases to make up the difference. The decision to offload the cost of post-secondary education onto individual students and their families is inequitable, and it is one that institutions of higher learning should be vocal in opposing. High tuition fees force low-income students to borrow in order to pay up-front; as a result, these students pay more for their education than their counterparts who do not need to repay loans with interest. This backwards approach to funding post-secondary education deters many students from even applying, robbing our communities of their potential.

Universities have responded to this reality by increasing student financial assistance for some students and advocating for more generous student financial assistance programs at the provincial and federal level. However, domestic and international case studies alike show

that a high-fee, high-aid model for delivering post-secondary education is not only inequitable, but also inefficient. We already have a mechanism for ensuring that those who can pay more do pay more, and those who cannot pay only pay a little or none at all: it's called income tax. It is inefficient to replicate the income tax system at an institution-by-institution level by charging high fees and managing a large, often ineffective, and complex financial aid system.

The Dalhousie University President and Board of Governors should join students in their call for a universal system of public post-secondary education. In such a system, everyone would pay what they could afford through our progressive taxation system and all students, regardless of their income could benefit from our public colleges and universities.

## RECOMMENDATION #10:

→ Join students in publicly calling on the provincial and federal governments to reduce tuition fees and outline a plan to fully fund a universal system of post-secondary education.



**Budgets are about priorities.** This response describes students' priorities: creating more open, accessible, affordable, and equitable campuses.

By following the recommendations put forward in this re-

sponse, Dalhousie would be leading by example through concrete measures to make university more accessible and affordable. By joining students in our fight for a universal system of post-secondary education, Dalhousie

could help to usher in a new era for post-secondary education in Nova Scotia and Canada.

1. *Operating Budget Plan for 2017-18 (Report LIV; Preliminary)*, Budget Advisory Committee (February, 2017), p. 1.
2. *Annual Financial Report*, Dalhousie University (June, 2016), p. 13.
3. *Review of Dalhousie University Finances*, Dalhousie Faculty Association (2013), p. 19.
4. *Operating Budget Plan for 2017-18 (Report LIV)*, Budget Advisory Committee (February, 2017), p. 1.
5. *Ibid.*, p. 1.
6. *Annual Financial Report*, Dalhousie University (June, 2016), p. 24.
7. *A Report from the Committee on Aboriginal and Black/African Canadian Student Access and Retention: A Focus on Financial Support*, Dalhousie University (October, 2015), p. 32.
8. *Annual Financial Report*, Dalhousie University (June, 2016), p. 26.
9. *Ibid.* p. 26.
10. *Statement of Compensation for the Public Sector Compensation Disclosure Act of Dalhousie University Year ended March 31, 2016*, Dalhousie University (2015).

DALHOUSIE STUDENT UNION

6136 University Avenue

P.O. Box 15000

Halifax, NS, B3H 4R2

TELEPHONE (902) 494-1106

EMAIL [dsu.policy@dal.ca](mailto:dsu.policy@dal.ca)

WEB [dsu.ca](http://dsu.ca)