

PLAY IT AGAIN, SAM (It Appears That They May Finally Be Listening...)

**Brief of the Federation of New Brunswick
Faculty Associations**

Presented to

The Maritime Provinces Higher Education Commission

**Antigonish, Nova Scotia
Monday, June 8, 1998**

FOREWORD

The Federation deliberately has chosen an unusual title for each of the majority of the formal briefs which it has submitted to the Commission during the past several years. None of those titles has been intended solely to be eye-catching, though it must be admitted that the arresting of the reader's attention has been one of the desirable outcomes of their use. Rather, they invariably have been germane to some major element of the brief, or have been employed to encapsulate its essence in a few, hopefully memorable, words.

The title of this present brief attempts, therefore, both to pay homage, and at the same time to draw attention, to "**At The Doorstep Of The 21st Century**", the *tour-de-force* work of M. Samuel ("**Sam**") LeBreton, a Senior Economist with Human Resources Development (Canada) - N.B. Branch. For almost two years, the Federation has left few stones unturned in disseminating the rich results of "Sam's" meticulous and carefully documented research into the harmonious relationship between the need of government to stimulate the economy through increased individual participation in the workforce, and the proven ability of the post-secondary education sector to satisfy that need. This brief seeks to encourage the members of the Commission, if they have not already done so, to familiarize themselves with those findings; to acquaint them with the similar findings of other, more recent research; and to encourage them to use their unique position as the advisors of governments to urge the latter to take these findings into account when determining meaningful funding allocations for the universities.

In the light of major cutbacks in government funding experienced throughout the 1990's by universities in other provinces, those in New Brunswick have, relatively speaking, fared well. Consequently, measuring with this comparative yardstick, the Federation has little reason to complain.

Yet the fact remains that the universities in New Brunswick now are facing more serious financial challenges than ever before. To make ends meet in the short term they have been obliged to raise tuition fees, both rapidly and to unprecedented levels. Given that shifting demographics have, without doubt, played a role in the recent overall decline in university enrollments in New Brunswick, nevertheless anecdotal evidence - which is all, regrettably, that is available - strongly suggests that potentially successful students on the lower end of the socio-economic scale, who would be obliged to finance their university education primarily through student loans and who are pessimistic about the opportunities for employment once they have graduated, are choosing not to take the risk of burdening themselves with a high debt load which they may have difficulty in repaying, and are not pursuing a university education at all.

One of the many other manifestations of this funding shortage has been that, in order to make ends meet in the long term, the universities also have been forced to implement "early retirement packages" to persuade some of the more highly-paid senior faculty members to vacate their positions to make way for their younger, less experienced, and less well-paid counterparts. An unfortunate corollary to this, because not all the vacancies so created are filled, has been that maintaining the quality of teaching and research has become, as well, one of the biggest challenges of all.

During the last several years, it has been obvious that the New Brunswick government - among others, it must be said - has required a satisfactory answer to the question (whether

expressed or implied) “How many jobs will it create?” before committing scarce financial resources to undertakings it perceives to be “discretionary”. [The term “discretionary” is an artificial one, coined by the Federation to differentiate these expenditures from those which, it appears, are perceived by government to be - again, to coin an artificial term - “mandatory”: Health Care, for example.] We cannot blame them for this. One of the primary responsibilities of any democratically-constituted government is to exercise fiscal prudence with the tax dollars of the electorate. High levels of unemployment create low tax revenues; what tax revenues are available after “mandatory” allocations have been made, then, obviously must be directed at stimulating employment-growth and, hence, the economy as a whole.

Approximately eighteen months ago, having recognized that, by fortunate happenstance, the “product” of the universities is, and for decades has been, meeting these - legitimate - temporal needs of government, the university community and other interested parties embarked on a public awareness campaign to encourage more widespread recognition of this positive relationship. At its core was a videotape of the informational half-hour Fundy Communications television programme “**At The Doorstep Of The 21st Century**”, together with supporting textual materials. This “information package” subsequently was distributed to high school Guidance Counsellors, Home and School Associations, and District Parent Advisory Committees throughout New Brunswick; was made generally accessible on a dedicated Internet Website *

* [in English at www.caut.ca/English/FNBFA/1.htm

in French at www.caut.ca/francais/FAPPUNB/1.htm];

and was ultimately presented formally to Hon. Roland MacIntyre, New Brunswick Minister of Advanced Education and Labour, on February 4, 1998.

Throughout 1997, “**At The Doorstep Of The 21st Century**” also was presented “live” to a variety of audiences. One such presentation was made at the conference “**Preparing**

for

the Third Millennium: Vision, Action and Strategies for Change in Higher Education” sponsored by the Maritime Provinces Higher Education Commission in Halifax, N.S. on November 13 and 14, 1997. Its author and presenter, M. Samuel LeBreton, a Senior Economist with Human Resources Development (Canada) - New Brunswick Branch, also had authored a full-text, spine-bound reference document of the same name from which the contents of the “information package” had been drawn. At that time, owing to printing holdups, an insufficient number of copies of that document was available for general distribution. A copy of the full-text document now is appended to this brief. [See attachment.]

As “**At The Doorstep Of The 21st Century**” showed, the overall unemployment rate among university graduates available for participation in the workforce had risen from 3.2% in 1976 to only 4.3% in 1996. Most economists agree that in a modern, developed economy a 3% unemployment rate is widely accepted - owing to job transitions, sickness and maternity leaves, and the like - to be “full” employment. As a result, the **effective** unemployment rate among university graduates in 1996 stood at a mere 1.3%.

More recently, an article entitled “**Job Market Positive for Most Generation X Graduates**”, which appeared in the Winter-Spring 1998 edition (Vol. 4, No. 1) of the Human Resources Development Canada publication **Applied Research Bulletin**, also confirmed that:

- In 1992, despite the recession, “around three-quarters” of postsecondary graduates who had graduated in 1990 had found full-time work; and that by 1995 “about half” of the graduates who were unemployed in 1992 had found jobs.

- In 1995, “about four out of five” college and university graduates who had graduated in 1990 were employed full-time, with less than ten percent of them working in jobs unrelated to their education.
- In 1992, university graduates who graduated in 1990 had an 11% unemployment rate, which fell in 1995 to only 6%; the corresponding figures for 1990 Trade and Vocational graduates were, respectively, 20% and 13%; and for 1990 College graduates were, respectively, 10% and 7%.
- **“Those with higher levels of education had more success in the labour market”.** [Emphasis added.]

According to other recent surveys [**One year- and Three year Surveys of 1996 Community College Graduates and a Survey of 1996 University Graduates** (prepared for the Maritime Provinces Higher Education Commission, respectively, by Kelly Rogers-Sturgeon and by Baseline Market Research)] in 1997 the average weekly salary of a Community College graduate employed full-time one year after graduation was \$428.00, and was \$478.00 three years after graduation; while in 1997 the average weekly salary of a 1996 university graduate who was employed full-time was \$559.00. Therefore, in 1997 the average university graduate with full-time employment earned 30% more than the average Community College graduate when both had been in the workforce for only one year, and 17% more than a Community College graduate who had been in the workforce three times as long.

It never has been, it is not, and it never will be the role of the universities to prepare individuals for the labour market. The universities will forever defend the position that their raison d'être is the creation and sharing of knowledge for its own sake, and the preparation, without regard for temporal considerations, of the individual

for informed and rational participation in society. University faculty will, furthermore, always unswervingly support them in that defence.

However, all the statistical data available from diverse sources demonstrate beyond doubt that preparation for the labour force is, as well, a beneficial - and seemingly automatic - side effect of the discharge of the universities' true mandate.

Consequently, the reluctance of our provincial government to invest more heavily in our universities is completely unfathomable, because a larger percentage of university graduates - **including recent graduates** - is employed full-time, in fields related to corresponding areas of study, and at higher rates of pay, than is any other demographic group in society.

It can be said without fear of contradiction that there is general agreement, **in government circles as well as elsewhere**, that the success of New Brunswick in the future lies in the development of an information-based economy. To survive in the Third Millennium, New Brunswickers must rely considerably less on being the "hewers of wood and the drawers of water" they have been in the past, and increasingly upon the export - or the attraction of the location within its borders - of knowledge-intensive economic enterprises.

Consequently, the Federation urges the Commission to attempt to persuade government, in the most forceful possible way, of the inescapable logic of the following cycle:

- Higher levels of investment in the universities, be this through direct funding to the institutions themselves, through improved student aid, or through both, cannot fail to increase the number of university graduates.

- University graduation leads to a significantly-higher-than-average likelihood of employment, at significantly-higher-than-average levels of earnings.
- Higher levels of individual earnings produce higher tax revenues, both from income taxes and from indirect taxes on the resulting increase in the discretionary consumption of larger disposable incomes.
- The increased tax revenues so realized will provide additional funds for re-investment in the province's economy.
- Among the additional funds available for re-investment will be funds for further - and, hopefully, increasing - support of the universities; which, predictably, will reinforce and perpetuate the cycle described herein.

The Federation thanks the Commission for having graciously invited it to submit this brief, and trusts that it will form the foundation for a productive dialogue with the Commission in the coming months.

Respectfully submitted by:

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June 8, 1998