

Queen's University Senate
17th April, 2012

In the short time since the last Senate meeting at the end of March, both the provincial and federal budgets have been released. I present below the highlights of both budgets as they affect the academic enterprise.

The provincial budget was delivered by Finance Minister Dwight Duncan on Tuesday, 27 March. We get just under 50% of our operating funds from the provincial government, flowing through the Ministry of Training, Colleges and Universities.

The budget sets out three years of funding decisions. It is important to note that while the provincial government signaled that it still strongly supports the role of post secondary education in driving the economy, it also indicated an inclination to steer financial decision making for universities to a greater extent than has been the case historically.

- this grant was retained, as a key commitment to students and in recognition of the value of having a postsecondary education.
- over three years, the percentage increase in investment in post secondary education (including colleges) is second only to health and long term care, and just above that in K 12 education.
- The government remains committed to funding the previously announced 60,000 new spaces for PSE (41,000 of which are allocated to universities), but acknowledges that it will take longer to reach that target. Graduate growth funding is more constrained than previously expected.

- the Government aims to pool the assets of smaller single employer pension plans (<\$1 billion in assets) under a larger plan to achieve better returns, and to move contributions toward equality between employee and employer.
- this will be frozen for an additional two years, but appears not to be as inclusive of all non unionized staff as the expired Bill 16 (2010).
- there will be cutbacks of \$28 million in 2013 14, rising to \$55.5 million in 2014 15. These have been called "policy levers" to induce efficiency targets in universities while maintaining levels of quality for students. Consultation will take place over the summer of 2012.
- beginning in 2013, the government will reduce our

base operating grant

