

# Election 2016 UNSPUN



CCPA

CANADIAN CENTRE  
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MANITOBA OFFICE

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## Accessible and in the Public Interest? Manitoba's University System

Manitobans recognize that universities play a variety of important social roles, well beyond preparing people for successful careers. University research plays a foundational role in advancing our understanding of the world, helps develop solutions to critical social problems, and contributes from the ground up in innovating new processes, materials, and technologies. Universities teach students to address complex issues and think critically. They prepare people to be competent, effective, and informed citizens. Universities are places of free debate, in which ideas are tested, challenged, made to see if they stand under the burden of scrutiny. These contributions do not show up easily in a simple cost-benefit calculation. They are social, not individual returns to the investment made in universities. Yet university funding in Canada and Manitoba does not reflect these crucial roles.

Manitoba's universities are suffering from a long-term decline in public investment. If Manitobans want an excellent and accessible public university system, this decline needs to be reversed. Deep cuts in federal funding extend back to the late 1970s, but hit Manitoba hardest starting in 1989. As Jamie Brownlee (2015) summarizes, the

first major shift came as the federal government replaced the 50/50 funding model with Established Program Financing based on tax points and cash transfers. Through subsequent amendments to the formula, billions were cut from post-secondary education budgets. Overall, Tudiver (1999) estimated that in the decade following 1983-84, federal contributions to post-secondary education were cut by almost \$13.5 billion. This reduction in federal funds did not reflect a declining public sense of the value of the university. Rather, it was part of an explicit policy to bring Canadian universities more closely into association with the private sector, as elaborated, for example, in the 1981 Report of the Task Force on Labour Market Development. The logic was that with drastically reduced public funding, universities would be forced to turn to private sources—tuition, corporate funds, partnerships, and private donations—to make up the shortfall. The decline in public funding relative to private funding has not been reversed. In 1990, 80 percent of university operating revenues came from government (Berdahl 2015). By 2014, public funding's share had fallen to less than half of the total.

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In Manitoba specifically, we were hit with a decade-long decline and stagnation of provincial funding that ran uninterrupted from 1988 to 1998 (CAUT 2015). Many departments at my own university have a “hollow middle” in their seniority profile as a result, with a senior group of professors at one end, a more junior group hired after 1999 at the other, and nobody in between. Since the turn of the millennium, things have improved somewhat in Manitoba, but a close look reveals that investment in our universities remains weak.

If we look simply at raw dollars going to universities, it appears as though the government is investing more heavily. In Manitoba, provincial funding for universities rose in inflation-adjusted terms by 45.2 percent from 2000/01 to 2012/13—not bad, although well below the national figure of 55.1 percent. If the post-secondary environment had remained similar in 2012/13 compared to 2000/01, this revenue growth would represent a real investment in our universities. However, from 24,464 student full-time equivalents (FTEs) in 2000/01, university enrolment in Manitoba rose to 37,809 in 2012/13—an increase of 55 percent. Given that increase, which is on the whole a good-news story, our public investment looks considerably less rosy.

Across the province, operating budgets (money designated for the core teaching and research functions of the universities) per student FTE have dropped by 2 percent in inflation-adjusted terms from 2000/01 to 2012/13. This was compared to a nationwide increase of 14.9 percent—itsself nothing to crow about, representing a paltry investment of just 1.2 percent per year. University funding in the 2000’s has not kept up with demand for higher education.

The Manitoba Government has in recent years made some attempt to halt the decline and begin rebuilding. Increases to the provincial university grant have been modest but stable over the past several years, while governments in other provinces have been cutting their provincial grants. The government has pledged to continue this with an increase of 2.5 percent in the base grant for universities in the 2016 budget.

Also on the positive side, Manitoba maintained a commitment through the 2000’s to keeping university relatively affordable for students. Where inflation-adjusted tuition revenues rose 111.8 percent in Canada as a whole, Manitoba kept total tuition revenues almost perfectly flat in per-student, inflation-adjusted terms and has the third lowest tuition fees in the country. This is a crucially important effort, given the serious problems associated with rising student debt and the erosion of universality in access to post-secondary education that come with steep tuition increases.

Our next provincial government needs to build on the recent modest steps taken to re-invest in our universities—keeping them public, accessible, and as places of open inquiry, free from undue influence by narrow private interests. Our economy and the future of Manitoba’s youth require a world-class university system, and we have the talent here to build one. Rebuilding a federal commitment to university funding, and ensuring stable increases in the provincial grant are crucial to this endeavour.

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*References available upon request*

[UNSPUN is the 2016 provincial election commentary from the Canadian Centre for Policy Alternatives Manitoba](#)

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