

**Principal's Written Report**  
Queen's University Senate  
17<sup>th</sup> 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.

**Provincial Budget**

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.

**Signs of investment in and commitment to the PSE sector**

- **Tuition grant:** this grant was retained, as a key commitment to students and in recognition of the value of having a postsecondary education.
- **Level of investment:** 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.
- **Growth:** 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.

**Signs of interventionism**

- **Pension plans:** 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.
- **Executive compensation:** 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).
- **"Productivity and innovation":** 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.
- **International students:** beginning in 2013, the government will reduce our

base operating grant for non-PhD students, and expect us to make up the difference through tuition.

### **Federal budget**

The federal budget was delivered by Finance Minister Jim Flaherty on Thursday, 29 March. The federal government supports universities largely through research funding (operating, infrastructure, people support, and indirect costs).

- **University Research:** the federal government continued its track record of investing in university research, through the granting councils and through a \$500 million, 5-year commitment to CFI for research infrastructure.
- Through VP (Research) Steven Liss, we are watching carefully how changes to the structure and mandate of the National Research Council will roll out and how partnerships with NRC and industry will be affected.

| Principal Daniel Woolf: Schedule Highlights<br>March 27, 2012 - April 17, 2012 |          |  |  |
|--|----------|--|--|
| Month  | Day      | Location   | Activity   |
| March  | 27       | Kingston   | Senate   |
|  |          |  | Aboriginal Council Reception   |
|  |          |  | Queen's Jazz Ensemble  |
|  | 28       | Toronto  | <i>Association of Universities and Colleges of Canada (AUCC)</i> Teleconference  |
|  |          |  | Deputy Minister Kevin Costante, Government Services  |
|  |          |  | <i>Council of Ontario Universities (COU)</i> Executive Heads   |
|  | 29       | Toronto  | Deputy Minister Lori Sterling, Cabinet Office; Deputy Minister George Ross, Northern Development and Mines; Deputy Minister David O'Toole, Natural Resources |
|  |          |  | Dr. David Goldbloom, Senior Medical Adviser, Centre for Addiction and Mental Health  |
| Kingston   |          | <i>Ministry of Training, Colleges and Universities (MTCU)</i> Teleconference |  |
| 30   | Kingston | AUCC Teleconference  |  |
|  |          | COU Teleconference: Institutional Issues Working Group                       |  |
| April  | 2        | Kingston   | Interview with the Kingston Whig Standard  |
|  |          |  | Kingston Cambridge and Oxford Society Dinner   |
|  |          |  | Reception for the Austrian Ambassador to Canada  |
|  |          |  | Teleconference with City of Kingston Mayor Mark Gerretsen  |
|  |          |  | Coffee with outgoing Loran Scholars  |
|  | 3        | Kingston   | Alumni, Prospective Donors and Friends   |
|  |          |  | Roundtable with City Councillors   |
|  | 4        | Kingston   | Suzanne Corbeil, Executive Director of U-15 (Canadian Research Intensive Universities Group)   |
|  |          |  | Imagine Kingston   |
|  | 5        | Kingston   | Alumni, Prospective Donors and Friends   |
|  |          |  | AMS Mental Health Awareness Event  |
|  | 9        | Kingston   | The Historica-Dominion Institute Board of Directors Meeting  |
|  | 10       | Kingston   | Outgoing AMS Executive   |
| Faculty/Staff/Student Advisory Committee                                       |          |  |  |
| 12   | Toronto  | Outgoing SGPS Executive  |  |
|  |          | New Chairman of the Board, Barbara Palk                                      |  |
| 13   | Kingston | Alumni, Prospective Donors and Friends                                       |  |
|  |          | Queen's University Planning Committee  |  |
| 14   | Kingston | Royal Society of Canada Eastern Ontario Chapter 2012 Annual Seminar          |  |
| 16   | Kingston | Lunch with a group of Queen's staff  |  |
| 17   | Kingston | Dean, Student Affairs  |  |
|  |          | Senate Meeting   |  |