

## **PACT FOR THE COMPETITIVE FUNDING OF OUR UNIVERSITIES**

---

***This document is co-signed by:***

**Mr. Michel Audet**, former Finance Minister of Quebec; **Ms. Françoise Bertrand**, President and CEO of the Fédération des chambres de commerce du Québec; **Ms. Julie Bouchard**, former President of the Fédération étudiante collégiale du Québec (FECQ) and the Fédération des associations étudiantes du campus de l'Université de Montréal (FAÉCUM); **M<sup>e</sup> Lucien Bouchard**, former Premier of Quebec; **Mr. Marcel Boyer**, Professor Emeritus at Université de Montréal; **Mr. Youri Chassin**, former President of the Fédération étudiante de l'Université de Sherbrooke (FEUS), former Vice-President of University Affairs for the Quebec Federation of University Students (FEUQ), and former member of the Conseil permanent de la jeunesse; **Mr. Yves-Thomas Dorval**, President of the Quebec Employers' Council; **Mr. Joseph Facal**, former President of the Treasury Board; **Mr. Pierre Fortin**, Professor Emeritus at Université du Québec à Montréal; **Mr. Michel Gervais**, former Rector of Université Laval; **Ms. Monique Jérôme-Forget**, former Finance Minister of Quebec and former President of the Treasury Board; **Mr. Hugo Jollette**, former President of the Association générale étudiante de l'Université du Québec en Abitibi-Témiscamingue (AGEUQAT) and former Treasurer of the Quebec Federation of University Students (FEUQ); **Mr. Robert Lacroix**, former Rector of Université de Montréal; **Mr. Patrick Lebel**, former President of the Fédération des associations étudiantes du campus de l'Université de Montréal (FAÉCUM) and of the Conseil permanent de la jeunesse; **Mr. Michel Leblanc**, President and CEO of the Board of Trade of Metropolitan Montreal; and **Mr. Claude Montmarquette**, Professor Emeritus at Université de Montréal.

The world has undergone profound changes over the last century. Knowledge has played a pivotal role in this transformation. It is through knowledge that value and innovation can arise, that companies can stand out as nations do in an increasingly open global economy.

Faced with ever more intense international competition, our collective prosperity rests on our ability to use knowledge. And yet, if knowledge is the arena in which we must distinguish ourselves, do we have all we need in order to excel?

The answer to this question, unfortunately, is far from a resounding "yes," due to the chronic under-funding of our Quebec universities. In terms of operating budget, the gap between Quebec universities and those in the rest of Canada is some 500 million dollars per year.

Our ability to attract foreign students, the finest researchers, and the most renowned teachers is directly at issue. In addition, it is not simply the competitive position of our universities that is threatened but also and above all that of Quebec's economy and its society as a whole.

The situation is a dangerous one and requires an immediate response. It requires a collective acknowledgement of the challenges to be met, a spirit of openness in seeking solutions, and great courage to take action.

It is in this spirit that we are uniting our voices. We hope to demonstrate that the diversity of our perspectives and experience is not an obstacle to adopting a common approach. The situation demands that we collectively come to an agreement: the pact that we are proposing aims to meet this pressing need of Quebec society.

It is a pact that requires great effort, but one that is also true to the major collective values we hold with regard to higher education, namely:

- **Accessibility:** access to higher learning is our society's most powerful lever for social mobility. The level of individual wealth prior to receiving a diploma must in no way be an obstacle to further study.
- **Fairness:** higher education is an investment that returns a profit. This investment is both individual and collective. To be fair, we must ensure that the financing assumed by each party is proportional to the benefits for each.
- **Excellence:** Quebec's ambitions to stand out among the best must come from a commitment by all to the pursuit of excellence and success. Universities, teachers, students, and partners must agree to invest themselves in the changes that will make us better.
- **Effectiveness:** our establishments of higher education have a moral obligation to maximize the results of the individual and collective investments with which they have been provided.

#### **A PACT THAT LIVES UP TO OUR GOALS**

The pact we are proposing is made up of three parts:

- A strong government commitment to maintaining the current level of public funding in real terms. Over the last ten years, the government of Quebec has invested some 480 million dollars as a form of remediation. The state has made its contribution; students must now accept that the cap on tuition fees be lifted.
- Lifting the cap on tuition fees. As in the rest of North America, tuition fees should be based on the level and field of study to better reflect the cost of training and the expected return on the investment made in a university education. Working within relatively wide governmental safeguards, the establishment of tuition fees should be left up to each university.
- A re-examination of the situation every five years.

The revenue that Quebec universities will draw from this adjustment will eventually add up to some 565 million dollars. We recommend that the process of increasing the fees be spread over three years, and that it should start in 2012.

In addition, the pact itself will be a powerful means of transformation for our universities. Subject to more lively competition and to greater incentives, they will be impelled to better allocate the resources at their disposal, taking into account their particular strengths and their specific vocation.

They will have to submit themselves to constant comparisons with institutions around the world. Students will be more demanding with regard to the quality and significance of the teaching they receive. The universities will have no choice but to care even more about the quality and relevance of their programs.

### **A STRONG AND ABSOLUTE COMMITMENT TO MAINTAINING ACCESSIBILITY**

In Quebec, we have a tendency to relate accessibility to university education strictly to tuition fees. And yet, the problem of accessibility, for the most part, arises well before the student arrives at the doors of the university; tuition fees play a small role. However, this state of affairs does not exclude accompanying the removal of the tuition fee cap with a targeted program to encourage accessibility.

The pact includes measures that will strengthen existing accessibility support programs.

- Each university will have to dedicate 30% of its additional revenue resulting from the increase in tuition fees to encouraging access to the university through the help of substantial scholarships for worthy candidates from underprivileged backgrounds. This program will thereby add 170 million dollars to the 380 million dollars the government already dedicates to student aid each year.
- We propose the implementation of a system for paying off student loans that is proportional to the revenue earned by the eventual graduates. Such a system would greatly reduce the fears and repercussions resulting from fluctuations in the job market.
- Finally, the government will commit to setting aside the funds thus saved to encouraging scholastic success at all levels of study. These funds could notably be used to discourage dropping out, especially at the high school level, and to increase the number of candidates for higher education.

### **A PACT FOR OUR COMMON FUTURE**

Quebec's universities are hurting. The condition is not incurable, but it is chronic. This is why we are strongly encouraging all Quebecers to commit themselves to supporting our universities. We urge the entire political class and the government of Quebec to respond to our proposal in order to give our universities the financial health and incentives they need to carry out their fundamental mission for the future of our society.