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**CONSUP**  
COUNCIL OF NOVA SCOTIA UNIVERSITY PRESIDENTS

# **Universities and a Strong, Prosperous Nova Scotia**

**Presentation To:**

**The Honourable Marilyn More, Minister,  
Nova Scotia Department of Education,  
Labour and Workforce Development**

**November 2010**

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## Introduction

Over the past 16 months, the Government of Nova Scotia (the Government) has clearly established a focus on “creating good jobs, growing the economy and making life better for Nova Scotians.” From a public policy perspective, the emphasis on a “smarter”, “knowledge-based”, “sustainable” economy (and healthy communities) are ambitious (and integrated) with environmental, economic and sustainability goals.

The Government has firmly established five core priorities. This paper will show that three of these core goals – *jobs and the economy, jobs and learning and sustainable health* – are inextricably linked to the performance of Nova Scotia’s university system. Indeed, this paper will demonstrate that the goals of Nova Scotia’s universities are already closely aligned with those of the Government.

The penultimate purpose of this document is to outline the linkages between universities, their outputs and the Government’s priorities. The government-university partnership is already a strong one, as Premier Dexter noted on Sept. 17: “*Nova Scotia’s universities are one of this province’s best assets...and significant contributors to the province’s economic, social and cultural development.*”

The ultimate purpose of this paper is to recommend a way forward for strengthening this partnership. CONSUP firmly believes that universities, communities and the private sector must work co-operatively with Government to ensure that Nova Scotia’s university system is of the highest quality and internationally competitive. The way forward must be entrenched in a new Memorandum of Understanding (MOU) between our universities and the Government.

We hope, then, that this document serves as a positive prelude to the negotiation of another successful MOU. The MOU in turn should establish common ground, common values and common goals with regard to the supporting role that universities will continue to play, as the Government implements policies aimed at fostering sustainable economic growth and community well-being in Nova Scotia.

In taking this approach, Nova Scotia’s university leaders understand the Government’s fiscal challenge and the absolute need to get ‘Back to Balance’. CONSUP recognizes, that is, that the Government’s emphasis on long-term, sustainable growth is rightly coupled with a pressing policy priority – that of managing the province’s finances (debt) in a sustainable manner that supports growth. The urgency of this fiscal challenge has been underlined in advice to government provided by several sources: the Nova Scotia Economic Advisory Panel; the general public through the Back to Balance consultation process; the Premier’s Council on the Economy; *The Way Ahead for Nova Scotia*, prepared by a leading Canadian political scientist, Dr. Donald Savoie; and, most recently, the *Report on the University System in Nova Scotia* by economist Dr. Tim O’Neill.

At the same time, this process of broad consultation has also emphasized the vital importance of aggressively and smartly pursuing an economic growth strategy to create sustainable employment, and to build the provincial tax base that is essential to future prosperity. This past spring, the Council of Nova Scotia University Presidents (CONSUP) produced a document, *Partnership for Prosperity* ([www.atlanticuniversities.ca/CONSUP](http://www.atlanticuniversities.ca/CONSUP) [see Reports]) that provided an overview of how universities contribute to helping the Government achieve its core priorities.

### **The O’Neill Report (the Report)**

Like the report prepared by the Nova Scotia Economic Advisory Panel (*Addressing Nova Scotia’s Fiscal Challenge*) and the Savoie report (*The Way Ahead for Nova Scotia: Invest more, Innovate More, Trade More, Learn More*), Dr. O’Neill’s *Report on the University System in Nova Scotia* provides the Government with thoughtful analysis to guide future policy development and decision-making.

The Government noted in its response to the Report that Dr. O’Neill’s recommendations broadly focused on improvements to student financial assistance to make university education more accessible for low income students; improving quality by performance measurement and regular reporting, and increasing co-operation among universities to achieve system efficiencies that maximize savings and improve quality of services for students.

**While CONSUP is open to an ongoing dialogue on the best means to address Dr. O’Neill’s recommendations, it also wants to stress that Nova Scotia’s universities are both aware of the key issues identified in the Report, and are already acting to address them:**

#### ***Student Financial Assistance and Accessibility***

Since the initiation of the first MOU in 2004, CONSUP has been on record with Government as strongly supporting a provincial student financial assistance system that focuses on those in need. University leaders dedicate considerable time, energy and resources to attracting financial support from other sources to improve opportunities for qualified students to access a university education. That support comes in the form of scholarships, fellowships, bursaries and on-campus employment.

In 2010-2011, Nova Scotia’s universities will distribute more than **\$38,000,000** in student financial aid from their own endowments and operating budgets.

#### ***Performance Measurement and Regular Reporting***

As noted in the Report, ‘*universities are accountable to three primary groups: taxpayers, students (and their parents), and the boards of governors and senates responsible for overseeing university operations.*’

Universities have worked hard to develop ways and means to ensure operational transparency and accountability for results and information. In addition, member universities of the Association of Atlantic Universities (AAU) have recently completed their first-ever collaboration on publishing a common set of performance measures or standards.

The **Atlantic Common University Data Set (ACUDS)** is an initiative intended to provide an online tool for students, parents and the public that complements the extensive information which universities already make available through other published surveys as well as institutional web sites.

This new online tool allows users to access and compare data that is based on common definitions and is displayed in a similar format. While the majority of the data refers to the most recent academic or fiscal year, information about student tuition and fees is provided for the current academic year. Information about admissions, enrolment, library collections, student life and experience, faculty and class sizes, as well as revenues, expenses and research are all included. Institutional researchers across the region's universities are committed to work together to ensure that the measures and definitions in ACUDS reflect the needs and interests of users.

The AAU hosts links to ACUDS data for all participating universities on its website at [www.atlanticuniversities.ca/ACUDS](http://www.atlanticuniversities.ca/ACUDS)

CONSUP is also committed to engaging with Nova Scotia's Department of Education's Higher Education Branch to determine desired outcomes and explore other models of institutional reporting (i.e. Ontario Ministry of Training, Colleges and Universities Key Performance Indicators).

### *System Efficiencies and Cost Savings*

Institutional collaboration and cooperation to achieve efficiencies, effectiveness and cost savings is not a new concept among Nova Scotia's universities.

In fact, **Interuniversity Services Inc. (ISI)** [www.interuniversity.ns.ca] has existed since 1984 and is nationally recognized as a model of cooperation in post-secondary education.

ISI membership includes all publicly funded universities in Atlantic Canada plus the Nova Scotia Community College and Holland College in PEI. **ISI represents the most comprehensive and inclusive mix of post-secondary institutions in all of Canada.**

Over the past 25 years, ISI has evolved beyond group purchasing to facilitate cost savings opportunities and cooperation in the areas of employee benefits programs, technical services for electron microscopes, enterprise risk management, educational programs, library cooperation and campus sustainability.

**Membership in ISI saves Nova Scotia's universities approximately \$6 million annually.**

Nova Scotia's eleven-degree granting universities are also members of **EduNova** ([www.edunova.ca](http://www.edunova.ca)). EduNova's mandate is to work with its members to raise the profile of Nova Scotia's education and training programs abroad. EduNova's focus is on international recruitment activities and the identification of international project opportunities.

### *Potential New, System Efficiencies and Cost Savings Initiatives*

While much has been and continues to be achieved by the Nova Scotia's universities membership in ISI, considering and exploring other potential system efficiencies and cost savings initiatives is a **top priority for CONSUP**.

Over the past six months, CONSUP's Vice-presidents of Finance, in conjunction with ISI, have reviewed and assessed initiatives in the areas of: human resources, finance, facilities and information technology.

Two such initiatives that appear to offer significant opportunities are **pension plan administration and a shared data centre**. ISI is in the process of preparing a Request for Proposal to identify a consultant and determine the costs to complete a detailed feasibility study on pension plan administration.

CONSUP believes that the shared data centre may be a flagship opportunity of equal interest to the public sector. It is CONSUP's understanding that an Expenditures Management Initiative (EMI) is underway within Government and we propose a partnership approach to consider a feasibility study of this potential opportunity.

### *Infrastructure*

*“Despite the significant level of infrastructure funding in recent years, there remain the unresolved problems of accumulated deferred maintenance (estimated to still be well over \$400 million) and the lack of an ongoing infrastructure renewal fund sufficient to underwrite the estimated annual requirement of \$48 million...it will be important for the government to consider increasing its funding for university infrastructure to ensure that the individual institutions remain attractive places for students to attend and for faculty and staff to work.”*

**Dr. Tim O'Neill, Summary of the Report on the University System in Nova Scotia  
Infrastructure  
September 2010**

As ably noted by Dr. O'Neill, government's provision of capital funding to address long-standing accumulated deferred maintenance at Nova Scotia's universities must be considered an important element of future funding arrangements.

CONSUP recommends that both The Business Case for Infrastructure Investment in Colleges and Universities in Atlantic Canada (Costello Fitt Limited) prepared for the Council of Atlantic Ministers of Education and Training (CAMET), December, 2007, and that the ‘VFA’ – the common, standardized database (manages accumulated deferred maintenance information and events) system now in-place among Nova Scotia’s universities – should be updated in 2011.

In 2009, Nova Scotia’s universities received \$48,241,840 in infrastructure funding from the federal government’s Knowledge Infrastructure Program (KIP). That allocation was matched by the Nova Scotia Government’s provision of \$17 million capital funding and \$31,411,618 in the form of a low interest loan from Nova Scotia’s Strategic Opportunities Fund Inc. (SOFI).

The SOFI funding was invaluable in enabling Nova Scotia’s universities to take advantage of the federal government’s KIP funding initiative.

Providing **continued access to SOFI** would enable Nova Scotia’s universities to creatively apply that funding for **energy conservation and ‘green’ technology retrofits to campus facilities**.

## Universities and the Province’s Economic Growth Strategy

*“The work from different sources and perspectives all point essentially in the same direction: **Invest more, innovate more, trade more and learn more**”.*

**Donald J. Savoie, *The Way Ahead for Nova Scotia*  
July 2010**

First and foremost, it is important to recognize that Nova Scotia’s universities have a major economic impact across the province. Universities are economic anchors and engines regionally, provincially and in their local communities.

Nova Scotia’s universities are a highly significant industry sector that provides thousands of stable, high quality jobs across the province.

This economic impact is best illustrated by the following tables from the AAU’s report, “*The Economic Impact of Universities in the Atlantic Provinces: The Current View 2006-2008*” ([www.atlanticuniversities.ca/economic](http://www.atlanticuniversities.ca/economic)).

**Table 1**  
**Nova Scotia universities relative**  
**employment impact**

University and economic area		Employment		University
		University	Economy	as % of economy
<b>DAL</b> <b>SMU</b> <b>MSVU</b> <b>NSCAD</b> <b>AST</b> <b>UKC</b>	Halifax Regional Municipality	6,033	199,510	3.0%
<b>ACA</b>	Wolfville	554	1,635	33.9%
<b>StFX</b>	Antigonish	706	2,010	35.1%
<b>CBU</b>	Sydney area <sup>1</sup>	332	23,732	1.4%
<b>NSAC</b>	Truro	299	5,280	5.7%
<b>USteA</b>	Clare	158	3,865	4.1%

<sup>1</sup> Sydney area includes NW Sydney, SE Sydney, Sydney Mines, Sydney River, N Sydney, New Waterford, Glace Bay and Membertou.

Data Source: Province of Nova Scotia, Community Counts

**Table 2**  
**Employment levels – universities vs. other**  
**sectors in Nova Scotia**

	Nova Scotia
<b>Universities</b>	<b>8,079</b>
<b>Manufacturing</b>	37,228
<b>Wholesale trade</b>	17,410
<b>Finance &amp; insurance</b>	14,968
<b>Federal government</b>	12,870
<b>Provincial government</b>	9,314

**Table 3**  
**Nova Scotia universities summary of direct**  
**spending and employment**  
*(expenditures are in \$ millions except employment)*

Nova Scotia	
<b>University expenditures</b>	
Operations	\$835
Capital	\$52
<b>Total</b>	<b>\$887</b>
<b>Student off-campus expenditures</b>	
Accommodation	\$83
Food	\$79
Other	\$67
<b>Total</b>	<b>\$228</b>
<b>University employment</b>	
Full-time	6,386
Part-time	3,386
<b>Total</b>	<b>9,772</b>

**Table 4**  
**Economic impact of Nova Scotia's**  
**universities**  
*(all values in \$ millions except employment)*

Nova Scotia	
<b>Gross domestic product</b>	
Direct	\$707
Indirect	\$139
Induced	\$330
<b>Total</b>	<b>\$1,177</b>
<b>Employment (FTE)</b>	
Direct	11,578
Indirect	2,883
Induced	4,057
<b>Total</b>	<b>18,518</b>
<b>Income</b>	
Direct	\$523
Indirect	\$67
Induced	\$273
<b>Total</b>	<b>\$863</b>
<b>Tax Revenue</b>	
Direct	\$78
Indirect	\$18
Induced	\$124
<b>Total</b>	<b>\$220</b>

Source: AAU's Economic Impact Report: *The Current View 2006-2008*



## *‘Creating good jobs and growing the economy’*

*“A consensus is emerging among economic actors on the way ahead in economic development in Nova Scotia. The consensus looks largely to innovation, to increased productivity, to human resources, to value added, and to research and development to shape the province’s economic development agenda.”*

**Donald J. Savoie, *The Way Ahead for Nova Scotia*  
July 2010**

Since forming Government, Premier Dexter has made clear that *“Nova Scotia’s universities are one of this province’s best assets.”*

CONSUP strongly believes that there are strong linkages between a high quality, nationally competitive province-wide university system and opportunities to more effectively address the major challenges facing Nova Scotia’s future.

A healthy and growing Nova Scotia economy will spur population growth and retention of young people; it will generate the immigration of highly qualified personnel to the province; it will stimulate the growth of top priority industry sectors and a more robust R&D environment.

In short, the Government and CONSUP are travelling down the same road in recognition of the fact that a strategic economic growth strategy is absolutely essential to Nova Scotia’s future prosperity.

That is why CONSUP responded quickly to Premier Dexter’s creation of the Premier’s Council on the Economy. Dr. Sean Riley, President, St. Francis Xavier University, is CONSUP’s representative on that body.

During CONSUP’s June 9<sup>th</sup> meeting with the Government Caucus, Premier Dexter challenged our university leaders to help Government:

- get more growth from the Province’s 20 year low economic performance
- better leverage the large cohort of our highly educated population to produce growth
- organize and leverage our university assets to contribute to Government-led economic development

Our universities eagerly welcome this opportunity to become more engaged and energized in response to the Premier’s challenge and contribute to the Government’s economic growth strategy.

*‘A better-educated, skilled, and experienced labour force, together with a dynamic private sector, will improve a region’s productivity.’*

**Donald J. Savoie, *The Way Ahead for Nova Scotia*  
July 2010**

The objectives of our approach are designed to help create the secure jobs Nova Scotia's economy needs and ensure more young people stay and build a life in the province.

Our approach relates directly to our outputs: educated graduates ready for work and a robust research and development agenda to help business grow and prosper.

We are committed to a **BIAS FOR ACTION** to effectively tackle the economic development challenges and opportunities facing the province. CONSUP wholeheartedly supports the Government's *jobsHere* strategic plan and its focus on "innovation, competitiveness and learning."

We propose two 'new' ideas in which either our Presidents or senior institutional 'experts' are directly engaged and applied against Nova Scotia's **Economic Growth Sector Priorities:**

- Aerospace
- 'Clean' or 'green' technologies
- Energy (transmission and alternative energy sources)
- Bio synthetic materials
- Financial services
- Ocean resources

## **CONSUP's Ideas**

### **1. Sector Outreach**

- a) **'Leadership Teams'**: Create university leadership teams of 'experts' with competence in private sector development specific to the identified economic growth sectors. These teams will be led at the Presidents or Vice-Presidents level.

#### **Example**

Nova Scotia Business Inc. (NSBI) contemplates creation of a financial services sector alliance comprised of senior industry and special interest representatives to focus on the growth of the sector. This presents an excellent opportunity for our universities to become actively engaged with an economic growth sector important to the province's future.

- b) **'Sector Forums'**: In conjunction with the Office of Economic and Rural Development (ERD), organize forums between our university Industry Liaison Officers (ILOs) and Technology Transfer Officers (TTOs), leaders of companies (particularly SMEs) from each of the identified growth sectors and local Regional Development Agencies (RDAs).

The purpose of these sessions is to open the channel of communications between the university research community and businesses within the growth sectors. It will provide an opportunity to learn about what those companies need and to create greater awareness among business and industry leaders of the R&D going on in our universities that might potentially apply to their growth strategies. It will also deepen the connections between our universities and local RDAs.

- c) **Nova Scotia Business (Early Stage)**: Strengthen and further activate the working relationship between universities (eg. Business Schools) and Innovacorp to promote greater cooperation between universities and the private sector.

## **2. Team Nova Scotia – International Sales Activities**

- a) **Response Team**: In coordination with the Premier’s Office, ERD and NSBI, CONSUP will ensure that university leaders (Presidents/Vice-presidents) are part of every overseas mission. We need to become fully-integrated into the sales effort at the front end (strategy) and part of the on-the-ground execution team.
- b) **Supplementary Sales – International markets**: In coordination with the appropriate government departments and agencies, CONSUP will seek opportunities for university Presidents, during their institutional travels, to become directly involved in the engagement of Nova Scotia’s overseas business/industry targets. Our Presidents will become active, engaged ‘ambassadors’ for Nova Scotia around the world.

## **Better Health Outcomes for Nova Scotians**

Nova Scotia’s universities annually graduate thousands of students who have been educated and trained to enter the health professions as doctors, dentists, nurses, nutritionists, physiotherapists, audiologists, occupational, health and safety therapists, social workers, counselors, fitness and recreation specialists.

Dalhousie University, Atlantic Canada’s leading graduate school for health professions, annually attracts nearly \$80 million in health studies research funding.

It has been well-documented that university graduates volunteer more; engage more frequently in political and social activities; pay higher taxes, allowing governments to provide more public and social services; rely less on government benefits such as social welfare and services; live healthier lives; place less strain on health care; and influence the educational, health and social values of their children.

Universities are extremely well-positioned to have a profound impact on the health of the general population. And, that is why CONSUP has struck a **Better Health Outcomes** working group. The group is comprised of representatives from the university sector (faculty and staff); the Alliance of Nova Scotia Student Associations; the Nova Scotia Health Research Foundation and Dr. Robert Strang, Nova Scotia’s Chief Public Health Officer, representing **our partner, the Nova Scotia Department of Health Promotion and Protection (HPP)**.

CONSUP's Better Health Outcomes working group is led by the following **Agreed Upon Principles**. In partnership with HPP, CONSUP will:

- focus primarily on **healthy food choices and active lifestyles**;
- adopt a **common set of agreements around institutional commitments** to healthy food choices and active, healthy lifestyles;
- take a **phased approach**, focusing initially and primarily on students and secondarily on faculty and staff;
- identify one or two '**low hanging fruit**' initiatives requiring short-term execution with long-term effects;
- energizing and sustaining **student involvement and engagement** is paramount and,
- making program recommendations that are **research-based and research-driven**, such that proposed initiatives in-support of better health outcomes for the university aged cohort are fact based and measurable.

### **Literacy Action Plan**

*“Better literacy skills confer benefits on individuals by enhancing employment and earnings and thus helping to reduce inequity in the labour force. Improved literacy also strengthens the ability of firms to adopt new technologies, contributing to enhanced productivity.”*

**Elizabeth Beale, Atlantic Provinces Economic Council  
Addressing Nova Scotia's Fiscal Challenge, Building Human Capital  
November 2009**

The Association of Atlantic Universities (AAU), which includes CONSUP members, has led the **formation of a regional coalition** in-support of the Council of Atlantic Ministers of Education and Training (CAMET) Regional Literacy Action Plan (2009). Dr. William Barker, President, University of King's College, serves as the 'AAU's champion' for this important social development initiative.

Members of the coalition include: the Atlantic Provinces Economic Council (APEC); the Atlantic Provinces Community College Consortium (APCCC) and the Atlantic Provinces Chambers of Commerce (APCC).

## Memorandum of Understanding (the MOU)

*“The core objective of the current MOU was to bring student tuition fees in line with national averages and to hold them stable. This policy objective will be reached in the final year of the MOU. Given a changing environment for PSE in Nova Scotia, what should be the goal of the next agreement?”*

**Dr. Tim O’Neill, Report on the University System in Nova Scotia  
Executive Summary, New Challenges  
September 2010**

**CONSUP firmly believes that the next MOU must be about continued investment in an accessible, high quality, internationally competitive provincial university system, directly linked to Nova Scotia’s economic growth and social development.**

The MOU, first struck in 2004, has proven to be a national model for strategic partnership, collaboration and cooperation between Government and the university sector.

At its most fundamental level, the MOU’s principle agreement around funding and fees has provided students and their families, universities and Government with stability, enabling effective short-and-long term planning.

The fundamental driver of previous MOUs has been the establishment of a **Chart of Accounts**. The Chart of Accounts has and continues to provide both Government and universities with a mutually agreed upon, deep understanding of base-budget and multi-year expenditure drivers for the total system and for each institution.

The Chart of Accounts process, effectively led by the Higher Education Branch of the Nova Scotia Department of Education, has evolved into a highly efficient process that features a high degree of collaboration and cooperation between all parties.

**In short, its value to the development of the MOU should not be under estimated.**

Like Government, universities are now in the process of preparing their budgets for the next fiscal year.

For that reason, CONSUP urges Government to initiate the MOU negotiation process at the earliest opportunity. Accelerating the MOU negotiation process will help allay any anxiety around Government funding, tuition fees and student assistance, big policy issues that are on the minds of all key stakeholders in the province’s university system.

While Government funding and student tuition fees are at the heart of the MOU, there are other important aspects related to the MOU and to the university-government partnership that may be more effectively addressed in other fora. These include but are not limited to:

- strategic economic growth opportunities
- social development programs
- research and development
- accessibility for under-represented communities
- system efficiencies and cost savings opportunities
- system accountability and reporting initiatives
- population and immigration
- campus energy conservation and green technology

**CONSUP is truly committed to an effective partnership with the Government to help it achieve its core priorities and public policy objectives.**

We look forward to continuing and enhancing our current high level of collaboration and cooperation with Government and its agencies to build a better future for Nova Scotians.



## MEMBER INSTITUTIONS

Acadia University  
[www.acadiau.ca](http://www.acadiau.ca)

Atlantic School of Theology  
[www.astheology.ns.ca](http://www.astheology.ns.ca)

Cape Breton University  
[www.cbu.ca](http://www.cbu.ca)

Dalhousie University  
[www.dal.ca](http://www.dal.ca)

University of King's College  
[www.ukings.ca](http://www.ukings.ca)

Mount Saint Vincent University  
[www.msvu.ca](http://www.msvu.ca)

Nova Scotia Agricultural College  
[nsac.ca](http://nsac.ca)

NSCAD University  
[www.nscad.ca](http://www.nscad.ca)

Université Sainte-Anne  
[www.usainteanne.ca](http://www.usainteanne.ca)

St. Francis Xavier University  
[www.stfx.ca](http://www.stfx.ca)

Saint Mary's University  
[www.smu.ca](http://www.smu.ca)