

PUBLIC EXCLUSION, UNDER FUNDING AND THE INTENSIFICATION OF WORK: UNIVERSITIES AND THE EROSION OF DEMOCRACY IN ONTARIO

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After years of under funding in Ontario's post-secondary education sector, the public is growing anxious. A recent IPSOS-Reid poll commissioned by the Canadian Union of Public Employees and other members of the Ontario-based Post-secondary Education Coalition shows that 70 per cent of Ontario parents are concerned (43 per cent very concerned) that their children may not be able to attend university or college, even if they are qualified and wish to do so. For the vast majority (79%) of parents, cost is the over-riding factor as to why they are concerned. Two thirds (64%) of Ontario parents would rather the government increase provincial government funding for universities and colleges, even though this may result in a cancellation of planned tax cuts or reduced government spending in other areas. These findings came on the heels of an Ipsos-Reid poll showing that education ranks as the second most important issue on the public agenda, only 1% behind the health care issue (CUPE 2001a).

As public anxiety over access to education increases, public-sector workers are directly able to perceive the extent to which exclusion, rather than public-access, now characterizes post-secondary education in an era of privatization. This paper will address

some of the recent experiences of university workers who are members of the Canadian Union of Public Employees (CUPE). Here we identify three issues facing university workers: (i) the privatization of the university sector through government policy shifts; (ii) the employer-led reorganization of work; and (iii) university workers' campaigns to resist and transform these conditions. For public sector workers, decreasing access to social programs, under funding and the intensification of work are very clearly linked. Each is part of a privatization dynamic through which the restructured state brings public services more fully into the market and increasingly the direct control of a global capitalist class, eroding democratic rights as a consequence. Still, this dynamic is not uni-directional. Public sector workers and their community allies have been part of the history of state restructuring given their conscious acts of resistance, collective bargaining strategies, militancy and coalition-building.

THE HARRIS GOVERNMENT AND PSE: UNDER FUNDING AND PRIVATIZATION?

The expansion of market relations is not "natural", but has been driven by the global interests of the owners of capital

and facilitated by liberal governments in their restructuring of the state. In Canada, for example, the federal Liberals have cut over \$3 billion in federal transfers for post-secondary education. Because of chronic under funding, however, at least \$3.6 billion is needed to repair university infrastructure and physical plant across the country. The federal government has reduced public education funding in its deficit, tax and debt reduction frenzy. Moreover, this has been accompanied by an equally vigorous promotion of private funding and corporate investments in post-secondary education. The Canadian Federation of Students reports that tuition has increased 126 percent in the past decade. The average debt load for students has increased to \$25,000 and is increasing. Much could be said about the Liberal federal government's policy in these areas and in its promotion of liberal international trade and investment (Healy 2001). This paper, however, will focus on the post-secondary education (PSE), the provincial level of government and recent experiences in Ontario.

Since coming to power in 1995, the Conservative government in Ontario has embarked upon a radical restructuring of the province's educational system. Latterly, post-secondary education has been one of the key targets in the government's sights. Most dramatically, in the autumn of 2000, the government introduced legislation permitting the establishment of for-profit private universities in Ontario. Bill 132 permits corporations to apply to open private for-profit PSE institutions. At CUPE, we expect

private, for-profit universities to increase student fees dramatically and decrease accessibility. We also expect that this move will change the character of the post-secondary education system because of its potential to contribute to a "tiered" post-secondary educational system affecting both colleges and universities. Furthermore, once private institutions are part of the PSE system, it is likely that international trade and investment laws will open up a whole new area of conflict in which the Ontario government could be accused of "discriminating" against foreign corporations by virtue of its support for public post-secondary institutions.

The introduction of for-profit universities has not been the only move towards privatization, however. Slowly but surely, "public-private partnerships" have been introduced into the Provinces colleges and universities. For example, under the Ontario government's "R&D Challenge Fund", public research money is allocated to universities only after they have identified a private partner. As well, Research and Development firms are given tax cuts in exchange for associating with a university (Office of the Premier 1997). Perhaps more insidious is the Access to Opportunities Fund (ATOP). In 1998, the Ontario government began to promote private sector investments to create spaces for students in colleges and universities. The government gave \$150 million for a three-year program to create 17,000 new spaces for students in computer science and engineering. In July 1999, the program was expanded to a target of 23,000 students. The government committed \$228 million while the

private sector invested \$136 million. The funds are considered part of total operating grants (Government of Ontario 1999; 2001).

Early in 2000, we began to hear how Ontario would benefit from the "largest capital investment in Ontario's colleges and universities in more than 30 years" (Government of Ontario 2000, 11). Public and private "SuperBuild" funds have been allocated to renew our decaying infrastructure on campus. SuperBuild Corporation forecasts \$1 billion to be spent in PSE over five years, together with \$800 million in private investment. Recently, the Ontario government released a report of SuperBuild's first year. In Ontario, public-private partnerships and capital infrastructure projects are now directed by the Cabinet Committee on Privatization and SuperBuild. The SuperBuild public-private partnership is committed to establish 73,000 new student spaces with a \$1 billion investment by the government, and \$0.8 billion investment by private sector (Budget Paper E, p. 177). Given that the government is dramatically under counting the number of new students expected to enter the system, it is likely that new spaces will fall short by 15,000 (CUPE 2001b).

The most recent Ontario Budget indicates that the push towards privatization is continuing at full-speed. The Budget reports an expenditure of \$100 million in funding for deferred maintenance at Ontario's post-secondary institutions during the year 2000-01 (Budget Paper B, p. 43). This was a one-time expenditure not foreseen in last year's Budget. But this is simply not enough money. The Canadian

Association of University Business Officers reports it would cost \$1.06 billion to pay for deferred maintenance at Ontario universities alone. That's over \$4,200 per student and more than 10 times what the government delivered in 2000-01 (CAUBO 2000, 23). There is no new money in the 2001-02 Budget for deferred maintenance. The chronic problem of under funding of Ontario's Universities has not yet been resolved.

INVESTING IN STUDENTS: ADMINISTRATIVE RENEWAL OR THE RESTRUCTURING OF WORK?

In Ontario's Universities, privatization is taking shape through the introduction of for-profit universities, public-private partnerships, tied operating and capital funding, as well as through pressures introduced through under funding. That is not, however, the end of the story. The process of privatization is also changing the way in which work is done at the university.

On September 19, 2000 the Ontario Government formed the "Investing in Students Taskforce" (Government of Ontario 2000b). It called for proposals to "increase administrative effectiveness and efficiencies" by examining "best practices in administrative operations and related expenditures in Ontario and other jurisdictions" (Government of Ontario 2000c). In the university environment, 'administrative operations' can include student financial aid administration; facilities planning, maintenance and utilization; purchasing; human resources; information technology, including data collection and web-based services; retail operations and ancillary services;

registration processes and practices; counseling services; finance and reporting. (Government of Ontario 2000c). This list of activities affects all aspects of the university. It is not incidental. It is fundamental to university workers, because it is our work that is being restructured.

The Taskforce had a mandate to accept proposals fostering private-public partnerships, promote "fundamental change" in administration, establish ways to measure efficiency, save money, avoid costs and reduce red tape, including proposals proposing the disposition (selling) of assets. Through this taskforce, the government was looking for ways to privatize university services. Early in 2000, the employers' organization, Council of Ontario Universities, committed to conduct "annual evaluation of whether to keep or to contract-out ancillary operations" (COU 2000). Through the winter, the COU took the lead on co-ordinating university submissions to the Taskforce.

The Ontario Government released the Taskforce Report on March 20, 2001. Throughout the Report, the Taskforce recommends Universities adopt business practices in every aspect of university administration. One of the most troubling aspects of the Taskforce's recommendations was proposal to establish a "Transformation Incentive Fund" meant to ensure (among two other priorities), the 'effective use of existing physical facilities' and 'cost effective administration.' In other words, post-secondary institutions will comply with the industry-driven benchmarks, or be denied a portion of their funding for

operating costs. There will be no labour representatives on committee to determine benchmarks and indicators.

The "Incentive Fund" is similar to the coercive measures taken by the government in allocating operating costs on the basis of "performance". In the past two Ontario Budgets, the Conservative government has compelled universities and colleges to compete with one another for operating grants on the basis of market-driven criteria (e.g. student loan repayment rates; employment rates after graduation; graduation rates; ability to attract private investment partners; ability to attract private research money; efforts to contract-out services). In Budget year 2000-01, the government allocated some extra money for operating grant increases to Universities and Colleges based on their willingness and ability to accommodate enrolment increases. Last year, one third of universities got the largest amount of performance funding, the next third received less, and the bottom third received none at all, even though the difference between the "best" performer and the "worst" was only 10 percent (Blackwell 2001). The differences in community colleges was even smaller and the effect highly arbitrary.

These "performance indicators" are also known as "benchmarks" for the highly praised "new economy". Benchmarking is a process of standardization of the processes involved in the production of goods and services. International standards organizations were first visited upon private sector industrial workers through the introduction so called "total quality management" that many trade

unionists prefer to name “management-by-stress” (see Labor Notes 1994). They have since been introduced into front-line service sector jobs in both the public and private sectors. Benchmarks facilitate employer-led standardization in way we work, in order to increase productivity, reduce costs and increase the level of “value-added” in each phase of the production process. The trouble is, workers and managers have different experiences of the work that is being done. Benchmarking, under conditions of neo-liberal globalization and management-by-stress, encourages managers to find ways to contract-out, “flexibilize” the labour force and privatize. Benchmarking provides an apparent scientific, rational and objective standard that is not at all neutral. It has very specific effects on workers and contributes to the dramatic intensification and extension of the working day. Despite workers’ direct interests in these initiatives, the government report offers no recommendations that come from labour. As well, it is highly likely that Committee, which will be named to review benchmarking, will not include representatives from labour. In their discourse, the authors of *Portals and Pathways* acknowledge the university as a site of production, but not as a workplace.

Many problems arise for CUPE members who must work in these “leaned-out” university workplaces, among them the pressure for give-aways to employers, dangerous working conditions because of deferred maintenance, downward pressure on wages and working conditions because of the comparison with newly

privatized facilities on campus, and increased workload and stress because of the chronic reduction of resources to do the work that needs to be done. In order to deepen our strategies of resistance around this issue, the Ontario University Workers Coordinating Committee is beginning a survey of Ontario university workers and their experiences of workload.

The Ontario government’s report has the potential to justify the further casualization of the academic work force. For example, the Taskforce recommends E-Learning on a 24/7 basis. Will these tutorial and other services be delivered by contingent workers or unionized, decently paid workers with good working conditions? Where will they work? Will they ever see their co-workers? Will they be able to bargain collectively with their employer? Will they be home-workers? What will their conditions of work be? How many hours will they work? How will their wages be determined? The Taskforce further recommends different post-secondary institutions share services in order to achieve greater efficiencies. This sounds reasonable, but on what basis will this occur? Will rationalizing the use of resources mean contracting-out and further privatization?

Across the country, untenured, part-time contract faculty are responsible for an ever – increasing percentage of university teaching. Part-time faculty and teaching assistants are the university’s contingent workforce. Without a union they have little job security, few benefits and low wages. Yet their workloads increase as universities fail to replace retiring

permanent faculty. Sessional instructors are no longer considered 'professors-in-training'. They are flexible, highly productive and dispensable workers. Casualization is becoming more apparent in this sector. Statistics Canada reports that of all non-permanent job types, education and related services ranks first at 15.1 per cent. About 1.8 per cent of non-permanent workers are located in the retail trade sector. Health and welfare services rank third at 10.3 per cent and accommodation and food services is next at 8.6 per cent. If employers can make more workers 'casual', fewer workers will work a standard work week, receive full benefits, have seniority rights, be union members or have control over their workload. In a broader sense, casualization is a way for employers to gain flexibility for themselves while increasing insecurity for workers. As well, with casualization employers can increase productivity by speeding up work, standardizing procedures, downsizing, multi-skilling, reducing services to the public and under funding.

For these reasons, we conclude that the Investing in Students Taskforce was not concerned primarily on students. The Final Report often refers to the "needs of students", but in this instance, "students" is a synonym for "customers". When we actually consider students as "students", the top problem causing debate is the high level of student fees. The Taskforce's response, however, was to recommend credit counseling for students, rather than tuition freezes and rollbacks, or a grants program. Furthermore, in its most recent budget, brought down on

May 9th, 2001 the Conservative government congratulated itself because it had "raised" \$600 million to assist students over 10 years. At CUPE we ask why is the government "raising" money for student assistance when it is giving away billions of dollars in tax-cuts? The recent Ontario Budget documents reports that "Ontario's general rate of corporate income tax is being reduced from the highest among industrialized countries to a level below all U.S. states" (Budget Paper C, p. 82). Furthermore, corporations will be permitted tax-based incentives for research and development that undermine Federal Government taxation policies (Budget Paper C, p. 97).

This government's "accountability" agenda was introduced into Ontario's post-secondary system last year when it first made a portion of operating grants contingent on meeting certain performance standards. It was refined through the work of the "Investing in Students" taskforce. Now, we are seeing the legislative aspect of this agenda which will bring us the "Public Sector Accountability Act" and the insertion of the so-called "Accountability Office" within the Ministry of Finance. The objectionable aspect of this agenda is the presumption that the public sector ought to be disciplined while the private sector can go about providing educational services in an unregulated manner. What kind of accountability is there in a privatized system? What are the implications for our equity goals? What kind of quality are we to expect as our post-secondary educational system is undermined in favour of a completely commercialized institution like the University of Phoenix which is, at present, advertising

a "Summer Promo" in which you can save up to \$250 if you register for your on-line degree by May 31st. The ideological aspect of state restructuring ought not to be overlooked. In the Budget Papers, public sector organizations have been redefined as "Transfer Partners" (Budget Paper F, p. 187). This new term allows the government to present public sector and private sector organizations as equally entitled to public funding.

FIGHTBACK STRATEGIES:

As Canada's largest union, the Canadian Union of Public Employees represents approximately 45,300 university workers across Canada (CUPE 2000; 1999), and holds 136 collective agreements with employers in the university sector (CUPE 1999). CUPE members work in a diverse range of occupational classifications, including trades, parking, maintenance, custodial, library, bookstore, foodservice, marker-grader, tutor, laboratory workers, administrative positions, lecturer and contract faculty. As a result, CUPE members are affected directly by the restructuring of the state and post-secondary education. CUPE members are also active in contesting these processes.

At the national level, CUPE has consistently demanded that the federal government increase funding to the university sector. Recent national conventions have promoted policy calling for tuition freezes and decreases, while university sector anti-privatization campaigns are supported by both national and provincial union education, research, organizing and

communications resources. The university sector was profiled in the *2000 Annual Report on Privatization* and was used as a campaign tool across the country.

Most significantly, CUPE members in the university sector have engaged in successful fight back strategies through collective bargaining. In the summer of 2000, Local 3261 (part-time student workers at the University of Toronto Bookstore) were successful in preventing the employer from routing the Union and perpetuating their minimum wage policy. A first contract was achieved after a thirteen-week strike in which community allies offered crucial support for these young workers in their struggle. The University argued that it had no role to play in this conflict, but the Local was able to position their struggle in terms of the larger fight against privatization and corporate control in the University.

In Quebec, SCFP Local 2661 representing part-time lecturers at the Université du Québec à Trois-Rivières (UQTR) were victorious after months of struggle. First locked out in the summer of 2000, Local 2661 went through a failed mediation process in the fall. They went out on strike between November 8 and January 9. Local 2661 was successful in negotiating substantial wage increases as well as computers and benefits. Salary scales now replace flat rate contracts for sessional lecturers. They will now be hired annually, rather than on a per-course basis. By June 2002, members will earn \$46,079 to \$54,340 to teach seven 3-unit courses. Wages will increase to as much as \$60,066 by 2005, for 55 fulltime lecturers. This represents an increase of as much as 60 percent.

Last year, after an heroic eleven-week strike, members of CUPE 3903 at York University were successful in maintaining a clause protecting them from tuition increases. This victory has had an encouraging effect on the university sector paving the way for “tuition increase assistance” in other Ontario locals. Local 3903 won breakthrough equality language, including a transsexual transition leave and benefits for International Students Health Insurance. The Local also negotiated increases bringing up the floor for the lowest paid members. Unit 3’s first contract is a strong one that increases wages and benefits for graduate assistants and incorporates the tuition indexation clause in their agreement as well (see Kuhling, this issue).

On the eve of a strike at the end of January, CUPE Local 4600 members were successful in winning a new clause protecting university workers at Carleton University from 75% of every increase in tuition-fees. This is a significant victory, because it is a new clause in the collective agreement that goes a long way towards recognising teaching assistants, lecturers and contract faculty as workers entitled to bargain benefits other university workers are entitled to. In the context of labour relations in Harris’ Ontario, this is a breakthrough and it resulted from a strong strike mandate and the Local’s ability to mobilize the membership in preparation for the strike.

Respect, wages and job security were the issues for Local 3912 at Saint Mary’s University this year. Local 3912 members at SMU celebrated a strong

second contract with solid gains of workers rights, disability protection, course cancellation compensation, and substantial raises in stipends, among others.

CONCLUSION

Privatization, from a union’s perspective, is not an inevitable process. Nor is it the most efficient way to deliver services to the public. Neither does the private sector offer the highest quality services. In fact, according to our benchmarks, we have watched the quality of service decline as the private sector has increased its control over service provision (CUPE 2001c). CUPE members have been studying privatization and see the links between what goes on in our workplaces, at the bargaining table, in the community and across borders. Our struggles are influenced by years of under funding, government restructuring and global regulation but CUPE remains “on the front line” with our brothers and sisters working to transform and defend public education as well as labour rights in the university sector.

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