



Summary of President Rhonda Lenton's Remarks to Senate

January 23, 2025

Good afternoon, Senators. Bonjour. Boozhoo. I am delighted to be here with all of you at the first Senate of the year. I would like to focus my remarks today on providing some brief updates.

As you know, the sector continues to be impacted by the federal cap on international students — exacerbated in Ontario by the lowest grant revenue per student in the country and declining tuition fees in real dollars.

There is targeted advocacy happening through Universities Canada with Minister Miller regarding the international cap, but the government remains firm on its position for 2025-2026 and has even extended the cap to include graduate students and in-country visa students.

Combined with the lower flow-through enrolment, there is considerable work to be done to assess a viable international enrolment plan and incorporate it into our broader strategic enrolment strategy.

There is a significant amount of uncertainty at the federal level for the moment, but we continue to advocate for the sector including through our federal pre-budget submission, which presents the following recommendations:

- Investing in sustainable and capital infrastructure through expanded funding – for instance, through the SIF program – and revising eligibility criteria so that universities can apply to green infrastructure projects;
- Creating a unified strategy for international education and a modernized immigration system that improves data integrity and data sharing;
- Setting baseline funding for research security, and improving the harmonization and reciprocity of research security policies in Canada and abroad by creating a dedicated Horizon Europe secretariat;
- Expanding financial support for research commercialization programs and increasing investments in student work placements; and
- Creating a pan-Canadian knowledge mobilization program with funding in the amount of \$75M scaled up over five years for the pan-Canadian knowledge mobilization program.

Similarly, at a provincial level, we have been advocating both through the Council of Ontario Universities (COU) and individually for York. The recommendations in our provincial pre-budget submission are aligned with the COU and include:

- Fully implementing the Blue-Ribbon Panel recommendations to increase base funding for universities;
- Increasing the domestic enrolment corridor in areas with high labour market demand;
- Enhancing investments in deferred maintenance funding to include existing student housing infrastructure; and
- Increasing funding for research and innovation and ensuring that federal research funding opportunities are matched with provincial investments.

I am optimistic that we will see an increase in grant revenue at the provincial level. The question remains as to whether they will focus additional funds on targeted growth.

The impact of these policy decisions, as we know, has been a decline in enrolment which creates a gap between our revenue and expenditures. And, like other universities, we are obliged to address that gap. At York, we have the additional issue of significant decline in first and second choice applications in some areas.

I want to remind us, however, that York is well-positioned to respond with opportunities that most Ontario universities do not have. These opportunities are embedded in our YorkU Forward Action Plan. The three streams of that Action Plan — Program Enhancement and Sustainability, Enrolment Recovery and Administrative Projects — focus on what is within our ability to change while we continue to advocate for the longer-term sustainability of the sector and prioritize what is most urgent and impactful.

Unfortunately, I do not have the time to provide updates on each of the projects; instead, I will give you a general overview. I encourage you to stay informed by visiting the website and getting directly engaged. The website — www.yorku.ca/forward — is regularly updated and is accessible to anyone with a York Passport login.

The immediate goal we have is to balance the budget, but to do so in a way that: 1) prioritizes opportunities for growth and enrolment recovery, and 2) creates opportunities for advancing our academic plans in ways that anticipate future directions in higher education and maintain York's momentum as a leading institution in Canada and beyond.

Broadly speaking, appointed leads and working groups have been consulting on the projects in the Action Plan to: 1) hone in on the best opportunities for York with specific recommendations based on community consultations and what they have heard; 2) identify the appropriate processes for implementation; 3) determine the relevant approvals needed; and 4) articulate expected outcomes and milestones.

The aim is to have draft recommendations coming forward this term with the potential for further rounds of consultation as identified in the processes for implementation. Projects are at different stages with some already in progress, others are expected to come forward this spring, while still others may involve collegial governance processes with a longer timeline extending into 2025-2026. The collegial Forum on Retention has already identified actionable strategies to help us in the short term through efforts at the program level. Presumably, recommendations flowing from the YorkU Forward Action Plan will inform and be incorporated as relevant into the next University Academic Plan (UAP).

The immediate concern is taking an evidence-based and community-informed approach to enrolment recovery, as it has an outsized impact on our budget and on advancing our vision and priorities.

Enrolment recovery necessitates that we focus on program innovation which builds on our strengths while responding to new demands. This includes enhancing the student learning experience through increased curricular innovation, flexibility, entrepreneurship, Work-Integrated Learning (WIL) and co-op opportunities, streamlined degree requirements, and more, as well as elevating our reputation.

The Action Plan is laser-focused on the following questions: What will international enrolment look like for the next 5 – 10 years? How can we optimize our International Strategic Enrolment Management? What does it mean for our overall Strategic Enrolment Management plan? What steps can we take now that incorporate what we hear from our students through surveys of applicants and non-applicants? How can we fully leverage the unique opportunity we have at the Markham Campus by expanding program offerings and developing new programs aligned with emerging new areas in ways that provide a vehicle for growing domestic enrolment over and above our corridor? What opportunities are emerging from the restructuring at Glendon? What can we do to expand credential

options for students, enhance flexibility, and support the development of more WIL, co-op opportunities and other forms of curricular innovation? Finally, how can we seize the opportunity we have to finally realize our plans for a unique medical school built on an understanding of the social and economic determinants of health that opens yet more avenues for interdisciplinary and cross-disciplinary programs, research, and innovation?

Other projects are supporting these efforts by examining whether we have the optimal organizational structure to support our goals, identifying administrative efficiencies, and advancing strategies for alternative sources of revenue.

In regards to *Project 5: Supporting Program Innovation*, I would note that we have 19 new pieces of curriculum at various stages of development. These include:

- nine professional master's programs;
- two undergraduate programs
- three undergraduate certificates;
- two graduate diplomas;
- one master of science (MSc); and
- one doctoral (PhD) program.

In the meantime, we recognize that it is imperative for us to help mitigate the immediate impact of declining revenue, especially for the Faculties and shared services that contribute directly to student recruitment, retention and satisfaction.

With this in mind, a number of budget decisions have been made for this year and the following year, which will be reassessed for the outer years of the rolling budget (2026-2028).

2024-2025 Budget

Decision 1: We will allocate a greater share of the University Fund (UF) to York's Faculties to support operating budgets that are in deficit. This effectively reverses their 8% contribution in full, and, in some cases, goes beyond that to provide a net allocation from the UF.

2025-2026 Fiscal Year

Decision 2: In order to reduce the cost of shared services to the Faculties, we will ensure no more than 30% of institutional revenues are going to central administrative units, which leaves a full 70% with the Faculties. To meet this expectation, shared services will need to continue reducing their expenditures over the next three years, with a 10% reduction in 2025-26.

Decision 3: We will once again reimburse the entire 8% UF contribution made by the Faculties, up to the amount needed for them to balance their budget. Faculties who are still unable to balance even with a zero contribution and who are implementing Provost-approved Sustainability Plans may receive an additional allocation, as recommended by the Provost to the UF Council and approved by the President.

These decisions will reduce the UF while still retaining sufficient balances to meet established guidelines for contingency and strategy, which is approximately 10% of operating revenues.

And importantly, they will afford more time for the Faculties to grow enrolment and align revenue with expenditures, reducing left-over negative carry-forwards as budgets are balanced.

In closing, I want to emphasize that despite the external challenges, a clear path has been carved out to close the gap of approximately \$90m (assuming no worsening of enrolment) that has emerged between our revenue and expenditures over the next three years. Ideally, this would be achieved by continuing to advance our vision; recover enrolment; enhance our programs, research

and creative activities; and ultimately strengthen our reputation as an impactful post-secondary institution that is serving the needs of our students and the communities who depend on us.

Thank you all for being here today and for giving me the opportunity to provide you with these updates.

Merci. Miigwech.