

# CAUT Submission to the Standing Committee on Industry, Science and Technology.

## Canadian Response to the COVID-19 Pandemic

June 2020

## Introduction

The Canadian Association of University Teachers (CAUT) represents 72,000 academic staff working at over 120 universities and colleges across the country. A strong and vital post-secondary education sector is an essential foundation for innovation and science in Canada. It creates knowledge needed to meet challenges and trains the talent to make Canada a competitive leader. The importance of our post-secondary education sector has been more evident than ever through the COVID-19 crisis, as it rapidly responded to ensure the continuity of education for over 2 million students and accelerated pandemic-related research.

## Impact of COVID-19 on the sector

### Reduced research output

The federal government has stepped up in supporting COVID-19 research; however, research in other vital areas is stalled. The research councils have acknowledged the challenges faced by grant recipients, extending timeframes and encouraging student retention. Additionally, the federal government acknowledged gaps and found solutions to assist clinical health researchers through the provision of \$450 million in wage and operational subsidies.

However, despite this assistance, there have been unavoidable setbacks to research. The intense focus on emergency remote teaching and learning, the physical closure of labs, and public health measures that limit physical contact have led to a sharp decline in research activities. A survey of our members demonstrated that 26% have been unable to do any research at all and another 41% had to reduce their research productivity after public health measures were put in place.

### Students re-considering

The pandemic has also had significant impacts on students, affecting their learning environment and the affordability of education. A recent survey of new and returning college and university students showed that up to a third were reconsidering their plans for school in the fall. Worried about both the experience of remote learning as well as the costs, students may choose to defer their plans of education – or be faced with taking on more debt to finance their education. Seventy per cent of

students highlighted that their plans for summer employment were disrupted by COVID-19. Many students were aware of emergency federal supports but were still worried about their ability to pay for school in the fall.

### Threats to quality and affordability

Lastly, the pandemic has had significant impacts on post-secondary institutions, reducing revenues and increasing expenses. Some universities and colleges have laid off staff, reduced course options, increased class sizes and raised tuition. With the increased dependency on international student fees because of the long decline in public funding for post-secondary education, the pandemic has hit some institutions particularly hard. There are serious concerns about what reduced enrollment, particularly from international students, will mean for institutions, and for local and regional economies.

### Summary of recommendations:

- Provide emergency support for institutions and the post-secondary workforce by including institutions in the Canada Emergency Wage Subsidy Program and by allowing for supplemental benefits to the Canada Emergency Response Benefit.
- Expand investment in science and research capacity.
- Fix the funding model for post-secondary education to ensure better support for students and researchers.

### Recommendation: Include universities & colleges in the Canada Emergency Wage Subsidy Program

The Canada Emergency Wage Subsidy (CEWS) allows employers to retain their employees, supporting workers and their families to pay the bills. It is also a way to assist normal operations to restart as efficiently as possible as public health measures lift. As research labs, universities, and colleges lose their research staff, restarting research will be challenging and in some cases, impossible.

Currently, public universities and colleges are ineligible for the CEWS, even though modifications have been made to the program to allow for private education institutions. Universities and colleges are autonomous

institutions from government, and while publicly funded, year after year we have seen the proportion of government funding decrease. Now, universities receive less than fifty per cent of their revenue from public sources.

Inclusion in the wage subsidy program would assist universities and colleges in retaining their employees, reducing job insecurity, and continuing the vital operations of ensuring quality education and research.

### **Recommendation: Allow supplemental employer payments with the Canada Emergency Response Benefit**

In regards to the Canada Emergency Response Benefit (CERB), the change made to the program to allow for \$1000 per month of income has been helpful, however it is still limiting for employees and employers - including some who have previously negotiated EI Supplemental Unemployment Benefits. Employers have highlighted their desire to offer supplemental payment for laid off staff to retain a connection to these employees. There are benefits for employers, workers, and the economy to allow for supplemental payments with the CERB. We strongly encourage the government to permit top-ups to the CERB, because it comes with significant benefits to Canadians and adds no additional government costs.

### **Recommendation: Increase investment in science & research capacity**

Accelerating research and science activity following the pandemic is an important opportunity for Canada's economy and wellbeing. Financial support from the tri-agencies has permitted some research teams to pay their staff and extend the timelines of their research. However, the impact on research from the pandemic is significant.

As the country moves forward, investing in science and research must be part of the recovery plan. As well as contributing the knowledge to get through current and future crises, increased basic research funding will also provide much needed employment for students.

Despite a historic increase in 2018, Canada is only providing 54% of the level recommended by the Advisory Panel on Federal Support for Fundamental Science to stay competitive on the international stage.

### **Recommendation: Increase federal support to the provinces for post-secondary education, with agreements on shared priorities to improve affordability, accessibility & quality**

The pandemic and other macroeconomic conditions have displaced many workers, and in these times of high levels of unemployment, more Canadians than ever could benefit from training and retraining. Unfortunately, COVID-19 has imposed significant financial barriers on current and would-be students. Although the federal government has expanded student loans and grants, the grants remain lower than the average tuition. Costs will remain a barrier for many students – especially now that COVID-19 has disrupted their income and forced some institutions to increase tuition fees.

Any financial support for students must be complimented with a commitment to long-term, stable and predictable core operating funding for post-secondary education. With stable funding to address affordability and quality, post-secondary institutions will be able to: (a) expand research capacity; (b) reduce costs for students; and (c) expand education and training options.

Without a coordinated approach to student and sector support, we will fail to achieve positive outcomes. For example, in some cases, federal increases to student aid have been met with increased tuition fees, ultimately resulting in a limited impact on the affordability of post-secondary education. Stable core funding is needed to ensure the affordability and quality of post-secondary education, which underpins Canada's prosperity.

The last federal top-up for core-operating costs for post-secondary education was in 2007. Provincial governments do not have the same fiscal maneuvering room as the federal government, and some have already indicated reduced funding for post-secondary education in future years.

Post-secondary education is key to Canada's recovery but it needs federal leadership to ensure a stable path forward.