

June 27, 1988

J. Stefan Dupré. *Post-Secondary Operating Grants in Alberta*. Alberta Advanced Education, 1987, 175 pp. Reviewed by Benjamin Levin, Executive Director, Manitoba Universities Grants Commission

In attempting to assess the equity of operating funding to post-secondary institutions in Alberta, Stefan Dupré took on an impossible task. He has, nonetheless, completed it with great skill. The rest of this review will, after explaining what Dupré did, try to justify these two statements.

Stefan Dupré, who has a distinguished record in university funding matters, was assigned by the Alberta Minister of Advanced Education the task of assessing the government funding of Alberta's colleges and universities, determining whether that funding was equitable, and proposing changes which might be required. Dupré received submissions from the various institutions, held a series of public hearings, and completed his report, which was published, in the fall of 1987.

Dupré found that funding provisions were generally equitable, with a few specific exceptions, where he proposed supplementary funding. He also recommended further study of the provision of post-secondary education in northern Alberta, and some changes to improve understanding and promote ongoing review of the funding mechanism.

Central to the report is Dupré's definition of equity as existing "when those in similar situations are treated similarly and those in different situations are treated in a manner that is commensurate with their differences" (p.3). This condition, he found, was generally present in Alberta's granting system.

There are several reasons for considering the study of funding equity as an impossible task. The most fundamental of these rests in the fact that any judgment about equity must be precisely that – a judgment based on a particular view of situations, as embodied in Dupré's definition. Because the determination of equity is a matter of judgment, paradoxically no particular judgment about it can ever be conclusive. An alternate point of view on the issues can always be advanced.

This is not to say that everything is relative and that one judgment is as good as another. Of course some judgments, such as Dupré's, are better – more informed, more thoughtful, better argued, and with more empirical support – than others. But it is clearly the case that, while empirical data can contribute to a debate, matters of equity cannot be established empirically.

This point can best be illustrated by what happens to funding formulas for post-secondary education, such as exist in a number of provinces. A given institution will argue that any particular formula may undervalue specific aspects of its work. A research university believes that research receives insufficient weight. A small institution argues that it lacks economies of scale. A northern institution focuses on the additional costs of northern education. And so on. An agreement on equity is unattainable because there is no agreement on whether the institutions are in similar circumstances in the first place.

Moreover, universities constantly make decisions which affect their financing under a formula system. For example, the decision to reduce enrolments in a professional or graduate program may be made partly because of a perception that the funding formula undervalues these enrolments, yet may also lead to a reduction in formula entitlement. There is therefore an iterative relationship between funding formula and university budgetary decisions.

Dupré acknowledges this point in his insightful (although brief) discussion of funding formulas.

“If ‘university autonomy’ means what the words convey, different institutions, notwithstanding prevailing [formula] weights, can be expected to devote more resources and hence sustain higher costs in certain programs than in others...To expect program weights to determine a university’s program outlays is to deny the reason for having a formula in the first place, namely as the means whereby autonomous institutional spending decisions can be respected within a grant distribution framework that is broadly sensitive to cost parameters” (p. 53).

There would seem to be a paradox here between the institution’s desire to have a formula which reflects its costs, and its desire to be able to manage its own resources without thereby jeopardizing its revenues.

If a formula can never be accurate, then, and if institutions will never be happy with the equity of their funding, what can be done?

Dupré has provided one answer, which is sensitive both intellectually and politically. On the intellectual side, he has constructed a strong defence of the Alberta funding parameters, with skillful use of data as well as argument. On the political side, he has had the advantage of being an outsider, with no vested interest in the result of his work, whose recommendations are therefore (not to speak of his credibility and experience) difficult to attack. The report reinforces this element of individualism in its first person voice and personable writing style.

Just as significantly, Dupré’s recommendations are aimed at soothing feelings and mending fences without creating major problems. While the system as a whole is fair, some institutions should get some more money. Such a recommendation is likely to make the institutions (whether they have been recommended for additional funds or not) feel that they have had a sympathetic hearing, and that things can continue for a few more years.

These comments are not meant to be snide. If, as has been argued here, no formula can ever be defended completely on its own empirical merits, the alternative must be negotiation of issues and disputes as they arise. This is just what Dupré has, very skillfully, done. Ironically, his defence of formulas is also a perfect illustration both of their limits and of the ways of dealing with those limits.