

news from **Cuasa**

Volume 14, No. 2

Editor: Jon Alexander

October, 1983

THIS IS A COPY OF THE AD WHICH YOUR ASSOCIATION
CO-SPONSORED IN THE OTTAWA CITIZEN - SATURDAY, OCTOBER 8.

OCT. 2-8 IS NATIONAL UNIVERSITIES WEEK

DOES THE ONTARIO PROVINCIAL GOVERNMENT HAVE YOUR CHILD'S FUTURE IN MIND?

After a decade of inadequate funding of universities the Ontario Provincial Government is, in the guise of "restraint" and "fiscal responsibility", threatening to:

- further limit access for qualified students
- irreparably damage the quality of higher education

Fiscal restraint is one thing, strangulation is quite another.

University funding per capita has fallen 27 per cent behind inflation during the last ten years. Ontario now spends less of its provincial wealth on universities than *any* other province.

Ontario now stands tenth and last among Canadian provinces in grants per student, tenth and last in grants per \$1,000 of personal income (according to the Provincial Government's own statistics).

The results can be seen everywhere:

- overcrowded classrooms
- inadequate library and lab facilities
- fewer course options
- admission restrictions in many programmes.

Contrary to government predictions, demand for places at universities is higher than ever and will continue to grow as Ontario phases out Grade 13.

You, the citizens, know the value of higher education for your own and your family's future. The Provincial Government's present funding policies will sell out your children's future.

At a time when Ontario should be expanding University resources and extending educational opportunities for its citizens, the Government is turning its back on the future. The same government which once promised every qualified student an opportunity for a university education is now threatening to welch on this promise.

IF YOU BELIEVE THAT A PLACE AT UNIVERSITY SHOULD BE THE RIGHT OF EVERY QUALIFIED STUDENT THEN:

**WRITE OR PHONE YOUR PROVINCIAL MEMBER OF PARLIAMENT AT QUEEN'S PARK,
TORONTO, M7A 1A2 (TELEPHONE 1-416-965-4028) OR DR. BETTE STEPHENSON,
THE PROVINCIAL MINISTER OF COLLEGES AND UNIVERSITIES.**

The campaign to maintain access to university education is supported by the Ontario Confederation of University Faculty Associations. This message is sponsored jointly by the Carleton University Academic Staff Association and L'Association des Professeurs de l'Université d'Ottawa/The Association of Professors of the University of Ottawa.



The widening gap

The public policy question hanging over the 15 universities of Ontario in the fall of 1983 could hardly be clearer: are we to continue to have broad access to university education in this province or is access now going to be more limited than it has been in recent years?

The accessibility question has been lurking in the background for some time, well defined in the minds of university administrators but largely ignored by the public. It has been waiting for either a change in government policy or for the situation in the universities to deteriorate to the point at which we say, "Enough is enough; we cannot go on accepting ever-increasing numbers of students while the per-student grant and tuition fee income spirals downwards year after year." In 1983, the universities of Ontario, since there has been no change in Government policy, have said, "We have reached the boundary beyond which we will not go."

It is true that admissions policies vary widely from university to university and from part to part within each institution. It is true also that there are still some undergraduate degree programs not filled to capacity, particularly on northern Ontario campuses. At this point we do not know with any precision how many potential undergraduates with at least the minimum admission requirements have tried to gain access to an Ontario university and failed to do so. What we do know is that most of the universities have decided that of the three possible variables — the government's accessibility policy, the government's practice of chronic underfunding, and the universities' concern for quality — the first two have been so relentlessly in effect for so long that the third, high-quality academic work, is massively in jeopardy and must be buttressed now. The means being used is to refuse to take ever-increasing numbers of students.

In three ways this necessary (and, in my view, at least two years overdue) means of protecting academic quality is disturbingly crude. First, there is the widening discrepancy between government and public expectation, on the one hand, and the universities' abilities to meet that expectation, on the other. The universities do make it clear each year to the schools before the applications period begins what the likely academic admission cutoff levels will be for each first year program area; often a range is stated. There is no doubt that the cutoff levels have been rising steadily in many areas. Apparently this year significant numbers of "qualified" students have not received places. Nonetheless, the older expectation is still widespread, that accessibility, as defined first by Premier Robarts more than 20 years ago, should still be continued.

Simply stated, the policy of the Ontario government on accessibility to university is a promise that a place in some program at some Ontario university is to be available for every academically qualified Ontario student who wishes to pursue university

studies. The universities have interpreted "qualified" to mean the achievement of 60 percent on six Ontario grade 13 credits, or equivalent, for those students going directly to university from secondary school, and have established minimum admission requirements on this basis. For this reason, in February 1982 the Council of Ontario Universities recommended to the ministry that students admitted to an Ontario university with an average of less than 60 percent on six grade 13 credits be ineligible for inclusion in the enrolment count for formula grant purposes during their first year. At the same time, each university retains the right to establish higher admission requirements for certain programs and to limit program enrolment. The higher levels now increasingly required in many programs and the widespread limitations on enrolment are dictated by our obligation to preserve quality in the face of diminished resources of faculty, staff and physical facilities. The gap between the public policy (articulated as recently as February 1982 by the premier) and the universities' ability to comply with it is widening.

The second way in which changed admission requirements are a crude, albeit necessary, response to inadequate financial support is that many of the school grades we are working with are very imprecise measures of academic preparedness for higher education. Variability of grading practices from school to school and from year to year have become major problems for university admissions offices. Grade inflation appears to be widespread. (These problems also exist between and within universities.) As long as the universities were funded sufficiently well that there were places for all those meeting the minimum admission requirement, the problem did not seem acute to the public. It has been a major problem for years, however, for those selecting competitive scholarship winners and for those allocating places in limited enrolment programs. There can be little doubt that inequities are widespread and that they arise mainly from the absence of any consistent, province-wide measure of academic achievement at the point of school leaving.

The third way in which these changing admissions practices are crude is, of course, in their effects on the young people who rightly or wrongly thought that a grade 13 average in the 60 to 69 percent range would suffice. What are they to do in a society bedevilled by long-term high unemployment problems and by rapidly changing definitions of work? One answer, too easily given, is that they can enrol in a college of applied arts and technology. No doubt this is a reasonable next step for some but it is a fundamentally different step from the one into university and it leads to a different type of education and employment expectations. Also, the colleges, like the universities, are hard-pressed for resources and not ready for major ex-

pansions of enrolment. If, as the minister has suggested, accessibility is to be redefined to mean access to somewhere in the whole post-secondary sector, then this needs to be thought through, debated publicly and accepted or rejected as public policy.

The universities of Ontario have been warning the provincial government and the public for several years that their problems of meeting increased expectations with diminishing resources were acute. The Ontario Council on University Affairs regularly has sounded the same warnings and given usable but largely unused advice. Finally, in 1980 after a decade of financial restraint, we got the ear of the premier and the minister to the extent that the minister put to work the Committee on the Future Role of Universities in Ontario. It reported over two years ago, concluding then that the situation had reached the point at which in order to reconcile the publicly endorsed objectives (including wide accessibility) for Ontario universities with the level of public funding being provided, it was necessary either to increase the funding substantially or to modify those objectives and scale down the system. The committee strongly rejected the option of trying to maintain the present objectives with inadequate levels of funding; they described this as "muddling through" and warned that it would ensure the end of quality universities in Ontario. The executive heads of the Ontario universities endorsed the main conclusions of that committee's report.

It is now the 1983-84 academic year. More students than ever before want a university education. The faculty, staff and physical resources of our universities are strained to a dangerous extent in attempts to cope with our research and teaching responsibilities. There are many signs that we have broad public support. But still our government delays. Instead of addressing the policy questions — accessibility, possible greater differentiation of the system, possible real increases in tuition fees — we have had two years of attempts to regulate a very unstable situation: the deficits legislation, the visa student differential fees policy, the income and prices restraint bill, and the prolonged discussion of formula revision. It is not surprising that there are many disappointed and angry

...continued page 6

CAUT has been receiving many inquiries from faculty about being re-assessed on their income tax. The situation relates to faculty members who are in business and, who after claiming their business deductions, are left with a business loss. Under the federal income tax law, a business loss may be deducted from other income such as the regular salary from the university.

Revenue Canada is arguing in most cases that the faculty member is not in business; therefore, no business losses are allowable, hence the re-assessments.

The heart of the dispute revolves around what is or is not a business. Under the income tax law, a business is supposed to have "a reasonable expectation of profit". This is to prevent people writing off expenses from a hobby. However, a phrase like "reasonable expectation of profit" is open to a wide interpretation.

It appears to be the case that a directive was sent out from the Ottawa office of National Revenue to tighten up or take a tougher stand on this expectation of profit. Some of the faculty members who have been re-assessed have been told by the local officials that there is no room to compromise since this policy has come from the National Office.

It may be the case that National Revenue will start to compromise if people begin to take the re-assessments to the appeal stages. But this appears to be a decision that will have to be made at the highest levels of the department.

CAUT is monitoring a number of cases and the Board has given the authority to the Administration Committee to consider supporting a strong case through the appeal procedures. It must be remembered that what Revenue Canada is doing is based only on their interpretation of the law, it does not mean that their interpretation is correct or that their interpretation will be upheld in appeal.

To give you some idea of the problems in this area, this issue includes an article by Arthur Drache which first appeared in the Financial Post.

New professions can be frustrating at tax time

By Arthur Drache

IF YOU BELONG to a profession which lacks a long track record, you could be denied certain tax deductions available to members of more established occupations.

And it won't make any difference if you're recognized as among the best in your profession — as fine-art photographer Roger Schip found out in a recent tax case.

Schip, for many years photography teacher at Ryerson Polytechnical Institute in Toronto, also carried on business from 1974 as a fine-art photographer — an artist who uses photography as a medium.

Incurred losses

During 1977-78, he incurred losses in his business, which he tried to deduct against his teaching income. But Revenue Canada refused to allow the deductions, claiming Schip has "no reasonable expectation of profit" from photography.

Revenue took the position that Schip was essentially no different from a hobby photographer. And, in such a case, none of the costs associated with photography would be deductible.

Schip's evidence was impressive. His status as a photographer was recognized through grants he received from the Ontario Arts Council and Canada Council. The Canada Council grant was under its Aids to Artists program — designed for professional artists, the council's brochure said.

Schip's works had been published in the context that he was an artist. Various witnesses testified to the growth of photography as an art form, and to the fact that a number of Canadian galleries were specializing in this area. Evidence showed Canada was behind the U.S. in recognizing photography as an art form, but recognition was growing and prices increasing.

Between 1975 and 1982, Schip's own work had more than tripled in value in commercial galleries which carried it.

An apparently sympathetic Guy Tremblay, the Tax Review Board member, agreed that Schip was a "professional," and had carried on his business as a photographer since 1975. But, he said, the evidence did not show anyone could turn a profit as a fine-art photographer in Canada — although if anyone could, it might well be Schip.

Tremblay's conclusion was that if Schip did in fact make a profit in the future, he could deduct the prior year's losses against the profits when they were recognized.

But as a question of tax law, this seems a doubtful proposition. If there is reasonable expectation of profit, the taxpayer should be allowed a deduction in the year the expense is incurred, even if a loss results.

If there is no reasonable expectation of profit, the taxpayer should not be allowed to deduct his expenses, and no loss can result. And if no loss can result, how can the "loss" be carried forward?

Tremblay might have done better to follow the example of the Tax Review Board chairman, Lucien Cardin, in deciding the case of Luella Booth a few years ago (*The Post*, Aug. 25, 1979). Booth was a poetess and author who sustained losses in each year from 1975-78. She, too, received Canada Council money, worked at other things to make a living, and was said to have a fine future.

Deductions

Cardin, in allowing her business-loss deductions, decided that four years was too short a period to decide that she did not have a reasonable expectation of making a profit from her artistic and poetic endeavors.

The test of "reasonable expectation of profit" crops up all the time in Canada, most often relating to farming, but also in activities as diverse as writing poetry and racing automobiles. In each case, the judge or Tax Review Board member must decide whether at some stage in the future, the individual will make a profit at a particular endeavor. The results seem to reflect the judiciary's inherent difficulties in crystal-ball gazing.

Some more acceptable test should be developed by the draftsmen of the Income Tax Act.

Contributing Editor ARTHUR DRACHE is an Ottawa lawyer who writes for *The Post* on tax topics.

CUASA 1983/84 SCHOLARLY ACHIEVEMENT AWARDS

The following are the CUASA recipients of the 1983/84
Scholarly Achievement Awards:

Faculty of Arts

<u>Art History</u>	C.M. Brown R.J. Mesley	<u>French</u>	B. Burke O. Condemine P. Van Rutten
<u>C.A.L.S.</u>	L. Young		
<u>Classics</u>	D.G. Beer T.R. Robinson	<u>History</u>	L. Black D.G. Bowen J.W. Strong
<u>English</u>	D.A. Beecher M.J. Edwards R.L. MacDougall L.A. Mann R.D. Mathews	<u>Journalism</u>	P. Johansen T.J. Scanlon
<u>Italian</u>	G. Panico	<u>Linguistics</u>	W. Cowan
<u>Religion</u>	L.M. Read	<u>Music</u>	A.M. Gillmor
		<u>Philosophy</u>	J.C.S. Wernham
		<u>Russian</u>	B.W. Jones

Faculty of Social Sciences

<u>Economics</u>	J. Bernstein R. Brecher E. Choudhri E.G. West	<u>Geography</u>	D. Anderson M. Smith
<u>Poli Sci</u>	L. Freeman J. Pammett D. Rowat V. Subramaniam H. vonRiekhoff G. Williams	<u>Law</u>	M.H. Ogilvie
		<u>Psychology</u>	H. Anisman H.B. Ferguson P. Fried N. Spanos J. Tombaugh
<u>Socio/Anthro</u>	F. Andrews J. Chevalier S. Richer F. Vallee D. Whyte	<u>Public Admin</u>	R. Mahon
		<u>Social Work</u>	M. Brake

Faculty of Science

<u>Biology</u>	M.B. Fenton K. Storey	<u>Geology</u>	K. Bell G.Y. Chao G. Ranalli
<u>Chemistry</u>	B.R. Hollebone P. Kruus D.C. Wigfield	<u>Math & Stats</u>	W. Cunningham M. Rahman K.S. Williams
<u>Physics</u>	R. Carnegie M.K. Sundaresan		

School of Computer Science

J. Oommen

Faculty of Engineering

<u>Architecture</u>	C.T. Aasen S.G. Haider	<u>Civil</u>	J. Adjeleian
<u>Ind Design</u>	J.R. Giard	<u>Electronics</u>	A.R. Boothroyd
<u>Sys & Comp</u>	D.C. Coll R.H.M. Hafez	<u>Mech & Aero</u>	J.A. Goldak J.T. Rogers

CUASA SCHOLARSHIP

The 1983 CUASA Scholarship of \$1,100 has been awarded to Robert Scammell of Ottawa. Mr. Scammell has held a scholarship each year since entering Carleton and is now in his final year in the Science program. We received a note of thanks from Mr. Scammell which states, "I am honoured and wish to thank the Association for the scholarship. For myself the award is a great help in meeting the financial requirements to survive the school year."

continued from page 2

students, would-be students, staff members, professors and administrators, and it is not surprising that a growing number of the public are becoming concerned. It is probably not fortuitous that eight of the 15 Ontario universities are experiencing changes of executive heads over a two-year period.

In slightly over a decade the share of the Ontario budget devoted to universities has declined by 23 percent, from 6.6 percent in 1972-73 to 5.1 percent in 1983-84, a loss of \$326 million in current dollars. Ontario spends much less on university education per student than any other province, about 25 percent or \$1,500 less than the average for the rest of Canada. We in the universities are painfully aware of the pervasive negative impact of these government decisions. We are deeply concerned about our capacity to continue to conduct the scholarship and research that our society has a right to expect of us. We are equally concerned about our ability to educate the men and women of all ages who want access to our programs as a way to knowledge, understanding and a more effective life among their fellows. We have pruned our budgets for years and we have vigorously sought other sources of funds but we must have greater help from both the provincial and federal governments if an increasingly impossible situation in the universities of Ontario is to be rectified.

Alvin Lee is president of McMaster University and chairman of the Council of Ontario Universities.

FURNISHED HOUSE FOR RENT - JANUARY 1, 1984

Townhouse for rent, fully furnished and equipped. 3 bedrooms, study, living room with fireplace, piano, washer, dryer, dishwasher, large yard. Five minute walk to Carleton U., close to elementary schools, bus lines, shopping, park, river and canal. Available January 1/84 through June, July or August/84. No pets. Rent \$750.00 per month.

Contact Professor D. Whyte - 230-5223



GUIDE TO SABBATICANTS

All copies are currently out on loan and, in spite of our asking members to return them as quickly as possible, we are having difficulty in retrieving these documents.

Please spare a thought for your colleagues who would like to see the GUIDE and return it to CUASA - 447 St. Pat's.

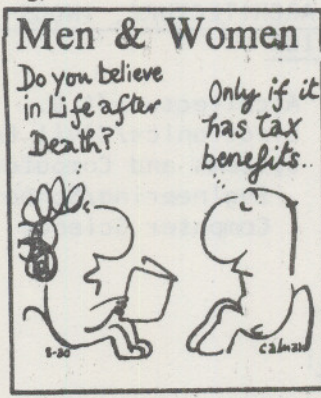
TUESDAY & WEDNESDAY 10:00 - 4:00
Rm. 447 St. Pat's

Robert M. Jones
INSURANCE BROKER

Phone 231 4310
1 800 267 7996

TOLEDO, ONTARIO K0E 1Y0

Hagar the Horrible



Hagar the Horrible



B.C.

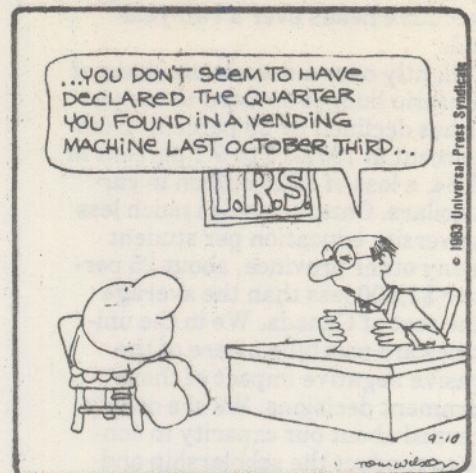


PROF. M. FRUMHARTZ
SOCIOLOGY & ANTHROPOLOGY

STEERING COMMITTEE:

J.G. NEUSPIEL	President (Law)
S. JACKSON	Past President and Treasurer (Library)
C.S. JONES	President-Elect (Linguistics)
D. CRAY	Salary Chair (Business)
N. JENSEN	Grievance Chair (Law)
E. SWIMMER	Secretary and OCUFA Director (Public Administration)
J. ALEXANDER	Chair, Public Relations Committee (Political Science)
J. CALLAHAN	Research Chairman (Business)

Ziggy



CUASA COUNCIL MEMBERS

ARTS:

F. ATIENZA	Spanish/Italian
L. BLACK	History
B. GILLINGHAM	Music/Art History
M. GLASS	Philosophy
A.W. HALSALL	French
R.L. JACKSON	Spanish/Italian
P.J. KING	History
M. LANGER	Film Studies/English
L.T.R. McDONALD	Film Studies/English
G. MILNIKOV	Russian
E. OPPENHEIMER	German/Comparative Literature
M. ROSENBERG	Geography
E. SAUNDERS	Journalism
P. VAN RUTTEN	French
A. GUALTIERI	Religion/Canadian Studies

SOCIAL SCIENCE:

J. ALEXANDER	Political Science/Int. Affairs
M. BRAKE	School of Social Work
D. CRAY	School of Business
R.F. NEILL	Economics
D. OLSEN	Sociology/Anthropology
D. ROWAT	Political Science/Int. Affairs
V. VALENTINE	Sociology/Anthropology

INSTRUCTORS:

D. MENAGH	Instructors (non-Arts) (Physics)
-----------	-------------------------------------

LIBRARY:

B. FARRELL	Library
A. HALL	"

SCIENCE:

K. EDWARDS	Physics
B.M. PUTTASWAMIAH	Mathematics & Statistics
P.M. LAUGHTON	Chemistry

ENGINEERING, ARCHITECTURE, INDUSTRIAL DESIGN

F. CARTER	Architecture/I.D.
R.G. HARRISON	Electronics/Civil Eng.
R.L. MORRIS	Systems and Computer Engineering/School of Computer Science

SALARY ADJUSTMENT COMMITTEE:

Geza Kardos	(Mechanical & Aeronautical Engineering)
Les Copley	(Physics)
Tony Wand	(Philosophy)

PENSION COMMITTEE:

John Callahan	(Business)
John Myles	(Sociology & Anthropology)

SENATE ACADEMIC PLANNING COMMITTEE:

P. Rosen	(Political Science)
----------	---------------------

MID-CAREER OPTIONS RESOURCE PERSON:

Stan Jones	(Linguistics)
------------	---------------

STATUS OF WOMEN:

B. McFarlane	(Sociology & Anthropology Representative)
E. Saunders	(Journalism - Alternate Representative)

GRIEVANCE SUB-COMMITTEE OF JCAA:

B. Rutland	(English)
G. Swimmer	(Public Administration)