MOUNT ALLISON UNIVERSITY
SPEIAL MEETING OF THE UNIVERSITY SENATE

March 2, 2026, 4:00 pm
Windsor Grand Room & Microsoft Teams (hybrid format)

Present: F. Antonelli, L. Beck, A. Beverley, Y. Bourgeois, C. Brett (Secretary), G. Brooks, P. Brown, B. Clayton, E. Doukas, S. Fanning, D. Fleming, A. Francis, C. Forstall, M. Grant, D. Hamilton, M. Hamilton, M. Hashemi, A. Horwood, R. Inglis, R. Isnor (Vice-Chair), B. Jewett, K. Johnston, L. Keliher, H. Lane, M. LaPointe, C. MacDougall, T. MacNeil, D. Mawhinney, V. Meli, K. Morse, R. Moser, W. Paluch, C. Pringle-Carver, T. Reiffenstein, N. Robinson, J. Ropson, R. Rubin, S. Ruckenstein, R. Schellenberg, V. St. Pierre, I. Sutherland (Chair), D. Thomas, M. Vicaire

Regrets: F. Black, L. Schwartz

Guests: R. Allen, C. Cash, S. DeWolfe, E. Drake, J. Dryden, B. Hani, J. Kurek, M. Levesque, E. Millar, J. Mullen, L. Pearse, C. Pomare, L. Ricker, C. Tardif

01.03.02 Territorial Acknowledgement

I. Sutherland read the official territorial acknowledgment written by Elders and the Indigenous Advisory Circle as follows:

> We would like to acknowledge that we are located within the territory of Mi'kma'ki, the unceded, ancestral territory of the Mi'kmaq. Our relationship and our privilege to live on this territory was agreed upon in the Peace and Friendship Treaties of 1752. Because of this treaty relationship it is to be acknowledged that we are all Treaty people and have a responsibility to respect this territory.

02.03.02 Agenda

In the absence of a formal agenda, the President informed Senate that the sole purpose of the meeting was to discuss recent events in the process leading up to the provincial budget. Senators consented to the plan for the meeting.

03.03.02 Discussion of the Process Leading up to the New Brunswick Provincial Budget

Background

I. Sutherland began by updating Senate on discussions taking place in advance of the March 17 provincial budget. He noted that the province is on course for a deficit of approximately 10% of its budget, more than twice original forecasts. Cost pressures in health care and other areas, along with revenue shortfalls caused by global economic events are the likely causes of this increased deficit. In response to this fiscal situation, the Premier of New Brunswick has asked all departments to look for ways to reduce annual expenditures by 10%. For the Department of

Postsecondary Education, Training, and Labour (PETL), this amounts to approximately $50 million per year. The President acknowledged that a list of potential options for provincial expenditure reduction have been reported in the media, including merger of St. Thomas University with the University of New Brunswick, closure of campuses of multi-campus institutions, an across-the-board 10% cut in provincial grants to all public postsecondary institutions, and the elimination of the provincial grant to Mount Allison in favour of setting up a trust to help Mount Allison become an independent institution. I. Sutherland noted that the Premier has stated on social media that there are no plans to close STU or privatize Mt A. The Chair also noted that no provincial budgetary decisions have been communicated to the university or to any colleague institutions.

Sequence of Events

The President then informed Senate of the sequence of events leading up to the media reports on how the postsecondary sector may fare in the provincial budget. He noted that leaders from the public postsecondary institutions met with the Deputy Minister for PETL on February 12. At this meeting, the institutions were made aware of the provincial financial situation, and the Deputy Minister verbally presented the list of ideas. A follow-up meeting took place on February 18, at which the list of options was presented in writing. Postsecondary institutions gave feedback on the proposals, citing potential negative impacts on program offerings, employment, and student access. Institutions noted that many of the ideas are unworkable in this year's budget cycle and that they may not deliver long-term savings. The President described the February 18 meeting as collaborative and constructive, noting a willingness of postsecondary institutions to work with the provincial government.

Since February 18, the list of option has appeared in local media, prompting criticism by faculty and student unions, sectoral leaders, and some politicians. The President characterized the reaction as generally positive toward Mount Allison and the postsecondary sector. Public officials have re-iterated that the list of options is for discussion and that decisions have yet to be made. The President has asked for official clarification on the status of the proposals but has yet to receive a reply from the Premier or from the Minister.

Mount Allison's Response

The President noted that the university continues to engage with the provincial government. The university is highlighting its status as a celebrated public institution in New Brunswick. It is also emphasizing the value of the university to New Brunswick, as a contributor to the economy, cultural life, and rural and regional sustainability while delivering strong student outcomes.

Potential Financial Impacts on the University

The university ran deficit of $1.2 million last year. Our operating costs, approximately 76% of which are salaries, tend to rise at approximately 3% per year. In the absence of any revenue increase, a 3% increase in costs would ad approximately $1.8 million to the deficit. Each 1% change in the provincial operating grant amounts to approximately $250 thousand. Thus, in the absence of countervailing measures, 5% and 10% reductions in the provincial operating grant would add $1.25 million and $2.5 million, respectively to the university's shortfall. The total impact of cost pressures and a 10% reduction in the grant would be approximately $4.3 million.

Final Remarks by the President

I. Sutherland emphasized that postsecondary institutions in New Brunswick are collaborating with each other and with the provincial government as the province grapples with its budget. He noted that governments understand the need for universities and want universities to help with the general challenges face by the province and the country.

The President noted that Vice Presidents R. Inglis, R. Isnor, and C. Pringle-Carver also attended the February 18 meeting. He then opened the floor for questions.

Questions and Discussion

V. St. Pierre thanked I. Sutherland for providing the context. She informed Senate that she had stated in a meeting of Arts Heads that this discussion is very last-minute and that it would not affect this year's university budget. She did note that if cuts are announced, we will need to collaborate on solutions. I. Sutherland noted that the provincial government realizes that this discussion is happening that in the university's (and their own) budgeting cycle.

M. Hamilton asked why the provincial government was seemingly surprised by its current fiscal situation. I. Sutherland responded that he did not know when the provincial government realized its situation. He noted that expenditures were higher than expected and revenues lower. R. Inglis added that there were signs of fiscal trouble in late 2025 and that it is important to investigate whether the deficit is due to systematic changes or one-off events.

M. Levesque asked what the university would do in the event of a significant in decrease in provincial funding. I. Sutherland answered that the university's response would be determined collaboratively and guided by the Strategic Plan. He noted that approximately 76% of the university's costs are salaries, and that there is little room for adjustments this year. R. Inglis added that we have very little excess to cut, without changing how things are done or what we do. The university will need to look at ways to generate revenue other than through tuition. He also added that the university will not know its exact position until March 17.

M. Levesque then asked if the university expects the provincial government to mandate a tuition freeze. I. Sutherland responded that the leaders of the sector advised the government that a cut in grants combined with a tuition freeze would leave institutions in a difficult situation. W. Paluch then asked if a funding cut would lead to tuition increases. I. Sutherland responded that the university would like to minimize the impact on tuition, but that no decisions have been made. He noted that recent tuition increases have been in line with increases in university expenses. R. Inglis added that the university's budget is nearly complete, and that the President has not asked for large changes for this fiscal year. T. Reiffenstein added that tuition freezes tend to be unfair to future generations, who would likely experience abnormally high increases in tuition when the freezes are lifted.

M. Hashemi asked what plans the university has for advocacy on the provincial budget. M. Paluch noted that student unions across the province are working on joint advocacy, while MASU is organizing a postcard campaign. I. Sutherland noted that the Alumni Association has sent messages to alumni and that the university continues to work with other institutions to get its messages to provincial decision makers. He is also aware of the petitions circulating on social media. The President also noted that the university gave a formal response during the pre-budget consultations. C. Pomare added that MAFA and FNBFA are coordination actions.

D. Hamilton asked whether the current uncertainty is affecting student recruitment. I. Sutherland answered that recruiters have been advised to reach out if needed. He also noted that there is little national media coverage of the situation. V. St. Pierre and M. Levesque noted that financial situations are difficult for universities in other provinces, so that our relative position may not be harmed. R. Isnor noted that applications from many provinces are up from last year, and that applications from New Brunswick are significantly higher. He cautioned that international applications are down, however.

V. Meli asked why Mount Allison was singled out for possible independence, wondering if there is a sense that the university does not add as much value to the province as other institutions. I. Sutherland noted that Mount Allison and St. Thomas were the only universities for which drastic options were presented. He noted that government officials often cite that Mount Allison has a significantly lower percentage of within-province students than do other New Brunswick institutions. The university responds to this claim by pointing out our national reputation, regional economic impact, and that many of out-of-province students stay in or return to province after graduation. The President also noted a perception that some of our programs are perceived as not being a direct route to specific jobs. R. Inglis added that out-of-province students provide a net inflow of money into New Brunswick, categorizing these as a form of export. V. Meli added that comparisons of the percentage of within-province students across universities may be misleading due to differences among institutions in program offerings.

C. Cash asked for clarification on the Premier's social media post denying plans to close STU or privatize Mt A. I. Sutherland stated that the statement was made by the Premier as a reply to a comment to the New Funswick account on Instagram. The comment was discovered by staff in our Marketing and Communications Office.

M. Hasemi asked whether cuts in grants would affect implementation of the Strategic Plan. I. Sutherland answered that the plan will help guide any adjustments that are necessary. Grant cuts would likely speed up implementation of efficiencies and slow down any costly initiatives. R. Inglis noted that work continues on finalizing this year's budget. Response to the provincial budget will occur after March 17. R. Inglis also took time to thank C. Milner for preparing background material used in consultations with provincial officials.

Y. Bourgeois noted that waning government support for universities is an issue elsewhere, having come up in discussions he had with colleagues from France. He identified a need to make the case for universities, more broadly.

I. Sutherland noted that there is a need for predictable funding, especially in times of austerity.

J. Kurek noted that discussions of financial pressures can sap moral on campus. He asked if the President had suggestions on how to counter this possibility. I. Sutherland noted the importance of telling everyone, including ourselves, the stories of what we do exceptionally well. He also said that Mt. A. tends to come together when facing challenges.

Finally, the President offered to update the community as information becomes available. He is not expecting any decisions to be announced before March 17.

04.03.02 Adjournment

The meeting adjourned at 5:07 pm.

Respectfully submitted,

Craig Brett
Secretary