



Canadian Association of University Teachers
Association canadienne des professeures et professeurs d'université

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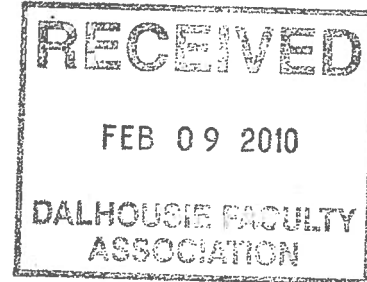
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MEMORANDUM 10:09

To: Local, Federated and Provincial Associations
From: David Robinson, Associate Executive Director
Re: Outsourcing of educational programs to private providers



In recent weeks, we have become aware of a number of new commercial deals being negotiated between public post-secondary institutions and private for-profit companies for outsourcing the recruitment and education of international students. These arrangements involve the private company establishing a presence on campus as an "international college" or "international study centre". The company normally provides the university or college with a share of its tuition revenues – fees charged students are well above the normal schedule for international students. In exchange, the private provider uses the logo and name of the university or college to market itself to international students, recruits students who normally would not qualify for admission, and provides them with English-language training and "foundational" or "pathways" programs in various disciplinary areas. Upon successful completion of these programs, a student is guaranteed transfer to the regular university or college undergraduate program.

We know of two companies that have been active in negotiating outsourcing deals with Canadian universities and colleges: Navitas and Study Group International. Australian-based Navitas already has deals with Simon Fraser University and the University of Manitoba, and is reported to be close to an agreement with Dalhousie University. A proposed partnership with McMaster University was rejected several years ago. Study Group International, owned by an Australian private equity firm that is a subsidiary of the US-based Castle Harlan, is looking to establish an international study centre at the University of Windsor. We suspect that other universities have been approached and are considering similar proposals.

These commercial deals pose a number of dangers to the integrity of our institutions and of our work. Our colleagues in the University and College Union in the United Kingdom have had far more experience with companies like Navitas and Study Group and have noted the following concerns:

- These companies outsource the work of your members. They employ staff outside of the relevant bargaining unit and with lower rates of pay, little or no benefits, and heavier workloads.
- There are ongoing concerns about the quality of outsourced programs. Companies like Navitas and Study Group rely on student fees for their profits and this creates an inbuilt incentive to recruit as aggressively as possible. Staff working in private pathways colleges in the UK have reported being pressured to ensure that students pass their programs even if they have not achieved the program requirements.
- Private providers claim the quality of their programs will be overseen by the partner university or college, but these oversight mechanisms have been weak and often involve asking your members to legitimate the loss of their own work.

- Private companies have developed their own language tests, raising concerns about students being able to pass into a regular academic program without having met the standard language skills.
- Mary Anne Ansell, chair of accreditation committee of the British Association of Lecturers in English for Academic Purposes underlined the concerns about private providers in concluding that “admissions criteria and the quality of courses being offered are severely compromised.”
- The programs allow wealthy international students who normally would not be eligible for admission into an undergraduate program to “jump the queue” by entering the university or college through the private pathway program.
- Despite assurances from the administration that private international programs are targeted to preparatory courses for international students only, in many cases these private partnerships experience mission creep that leads to further outsourcing. At one Study Group centre in the UK, the company has announced it will soon be offering pre-masters courses as well as the undergraduate preparation courses, in spite of the fact that pre-masters courses have already existed for many programmes.
- Universities and colleges may be attracted to these ventures based on the prospect of gaining new sources of revenue, but there is the risk of failure. Manchester College’s joint venture with a private provider posted a loss of £1.4 million before the college subsequently sold its stake in the enterprise.

Given the risks involved, I would strongly encourage you to investigate whether similar outsourcing arrangements have been or are being discussed at your institution. I would also urge you to consult your collective agreement to see what language you may have to protect against outsourcing the work of your members. You may wish to re-read the CAUT Bargaining Advisory on Outsourcing (available in the password protected area of our website) to see examples of good collective agreement language.

In cases where you know or suspect an outsourcing arrangement is being negotiated and where your collective agreement language may offer little or no protection, there are several things I would encourage you to consider:

- Develop a public campaign to challenge the outsourcing of your members’ academic work. In all cases we’ve encountered so far, administrations have sought to quietly get approval for these private programs. The more light you can shine on these deals, the more controversy and debate they generate. Inform your members and the broader community. Contact your local media. At one Canadian university, many departments, after being informed about the nature of the Navitas plan, voted to refuse to participate in any actions that helped implement the program.
- Work with student groups and other relevant campus unions and associations to organize opposition to the proposal -- pointing out the many serious problems with the proposed arrangement.
- If the private partnership requires approval of your senate or academic council, lobby actively for Senate to reject the proposal.
- Contact CAUT. We are ready to assist you in all your efforts.

Please do not hesitate to contact me if you have any questions.

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