

Moosehead Cuts Scholarship

By CINDY VENEMA

Moosehead Breweries has discontinued its donation to UPEI's scholarship fund. Since 1971, they have been contributing 10 entrance scholarships to top students. However, as of next year Moosehead will not be contributing to the UPEI scholarship fund.

Moosehead has said that their reason for not continuing this financial contribution has been due to financial constraints. They deny that their reasoning may be based on other factors. UPEI Varsity Athletics are sponsored by Labatts, Moosehead's major competitor. As well, the Panther Lounge only serves Labatt products on tap. Draft beer is popular with university students, and therefore is a major product at the Student Union Pub.

When asked if Moosehead pulled its scholar-

ship because of poor representation on campus, Moosehead's Director of Public Relations, Deanna Gallo-way, denied this suggestion, explaining, "Our corporate donations budget has been reduced for the Atlantic region," they are therefore "Reevaluating this donation, taking a break, and donating in other areas".

The total of Moosehead's contributions has been in excess of \$330,000. According to Sonya Banks, Director of Public Relations, a significant portion of the donation has been in the support of scholarships, but they have also helped in Capital campaigns, such as the renovation of Main.

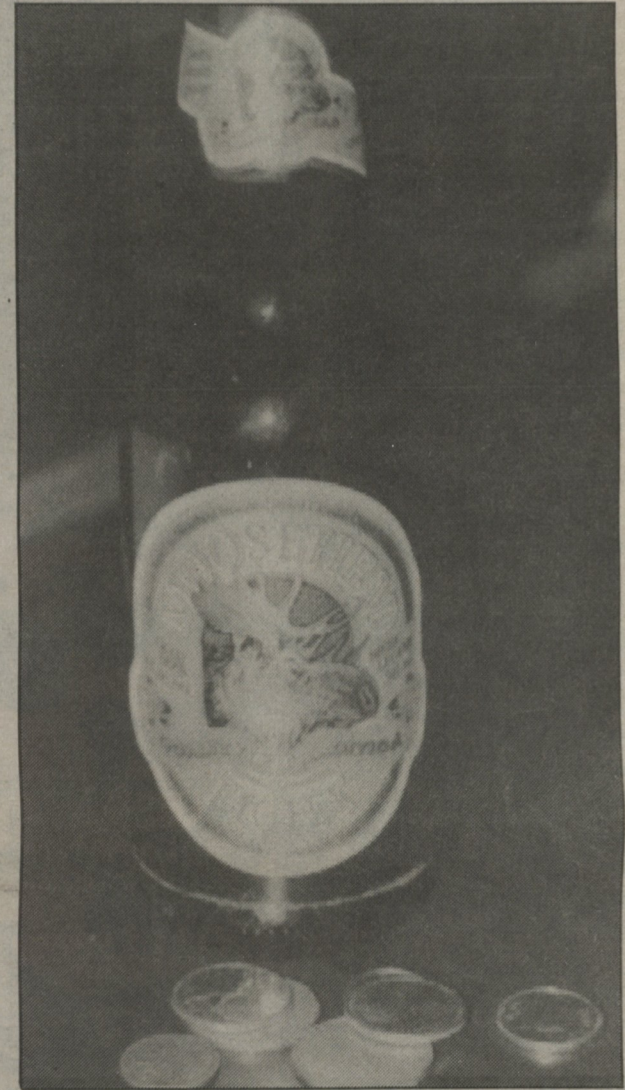
Moosehead already decided to reduce its funding at the beginning of this academic year, when they cut their funding from \$14,000 to \$7,000. Next year, however, they are completely cutting their scholarship donation.

Banks was unsure as to Moosehead's reasoning for discontinuing their funding, stating that the way Moosehead explained the situation to her, "was that they were reviewing their donations policy and they were interested in redirecting their donations to areas that would bring them greater profile amongst their customers".

Moosehead is looking at giving the money to other organizations on PEI, such as the Confederation Centre. They feel that the \$330,000 UPEI has received is a huge amount of money and therefore other organizations should be given the opportunity to benefit from their donations.

UPEI's public relations has not given up hope, however. They are hoping, according to Banks, "that Moosehead will be giving this money to other areas on campus", such as other Capital Campaigns. But that does not change the fact that 10 stu-

dents or even 5 students will not be receiving scholarships for their academic careers at UPEI.



Hey brother, Can you spare 1.8 million?

By KENT DRISCOLL

In a presentation to the UPEI Student Union Council, UPEI's Vice President Finance, Neil Henry, discussed the effect that a projected cut in provincial revenues will have on the university budget. For students, this means tuition will go up. When asked about the nature of these cuts, Henry said, "Bottom line, if there are going to be cuts it will have to come out of salaries and tuition".

Henry believes that

funding for UPEI will decrease anywhere between 8% and 10%, and Henry added, "it will probably be 10%". If tuition rates remain the same, that would leave a budget deficit of \$1,487,185 in an 8% scenario, or a massive \$1,800,357 in the 10% projection. With only limited steps available to cut staffing and salaries, due to union contracts, the bulk of this deficit is certain to land in the laps of students.

If tuition was to be the sole factor in dealing with this shortfall, the result would be

devastating for UPEI students. Using Henry's own worst case scenario figures, if the 1.8 million dollar deficit was to be solely shouldered by students, that would be \$720 dollars per student, or a tuition hike of 20%.

Henry believes that many of these costs can be dealt with by not raising tuition. In his words, "There is nothing that is not being looked at". A few areas that were discussed by the Student Councilors in attendance were the athletic department and the

health centre, and while Henry said that cutting these programs was not the goal of the Budget Committee, "everything is being looked at".

Henry cited many examples of where these budget cuts could come from. Due to the early retirement policy, a number of higher paid tenured professors are being replaced by lower paid new faculty.

As well, money has been made available to the university due to extra money in the university pension plan. Because of the upswing in recent

years of the stock market, the pension plan has grown larger than federal laws will allow, and some of that money is now revenue for the university. However, this one time only windfall will simply offset the cost of recruiting new faculty.

One area that the Budget Committee has not included in their estimates is professorial salaries. The Faculty Association is currently in binding arbitration with the university, and if the professors win their

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