

S U fee increase referendum tomorrow

Students' Council, Monday, decided to hold an immediate referendum for an increase in Students' Union fees for next year. The referendum will be held tomorrow.

Students' Union fees are presently \$38.50 and are collected by the administration at the same time as your tuition fees. Any increase in the S U fees greater than 50 cents must be approved by a referendum. Friday is the last day such a referendum can take place if the changes are to be effective in September.

At the first meeting of the new Students' Council, President Gerry Riskin argued that the Students' Union would be forced to cut back services unless students agreed to an increase. His motion for the referendum was passed with little debate.

The referendum will probably contain choices of fee increases. The increase mentioned at Monday's meeting was \$7.50 but the new Executive has since

realized this to be the most that could be hoped for. The referendum will probably provide a choice among this figure and several others. The lowest will probably be about \$3.

Also on the referendum ballot will be a list of Students' Union priorities. Students will be asked to vote preferentially for the priorities and President Riskin has promised the results of this vote will be the largest consideration in any re-vamping of the budget.

Riskin said, at the meeting, that S U costs are constantly increasing and that, to maintain, the present level of services, an increase of approximately \$3 a year would be necessary. He thought the \$7.50 increase would cover the next three years.

Councillors did not seem concerned about the state of the Students' Union reserve funds although a discussion occurred among Jack Berzin of CKSR, Bob Beal of Gateway and the S U accountant, Larry Marsden,

over the use of the SUB expansion reserves.

Marsden explained that all the reserves are being utilized and that none were readily available for SUB expansion. The people from CKSR had been under the impression that SUB expansion money was available for them to use to obtain an FM license. Berzin said that one of the past S U executive members had told him and CKSR director, Dick McLeish, that a referendum would be necessary to free the money for this purpose. Marsden pointed out, however, that the money had been utilized by the previous student council.

Marsden later said he thought a fee increase was necessitated by the state of the reserves and by the increasing operating costs. "We can cut services and break even this year," he said, "but next year we will be faced with the same damn problem."

S U general meeting next Wednesday

A general meeting of the students' union has been called for noon on Wednesday, March 29.

At last Monday's meeting of students' council, Don Ryane of CKSR and Gateway Bob Beal presented to the incoming council a petition signed by over

3,000 students asked for a general meeting.

In a representation to council, Ryane said, "We have a petition of 3,586 signatures which states:

"Whereas: The Student's (sic) Council has passed a preliminary budget which severely cuts back students' services, such as Student Radio (CKSR), SUB Art Gallery, and Photodirectorate, and increases administrative costs and that the preliminary budget does not truly represent or reflect students' priorities;

"Therefore we the undersigned, hereby petition the Students' Council to call a general meeting of the Students' Union on or before March 31, 1972, for the purpose of discussing this preliminary budget. This general meeting is to be chaired by former Council speaker, Chris Soder."

"We suggest that before the meeting, this Students' Council advertise it extensively and endeavour to have classes cancelled for the meeting.

"Motions which will be presented will include;

"That the budget provisions for CKSR, Art Gallery, Photo Directorate and the Secretariat be rescinded.

"That CKSR receive an operating budget next year of approximately \$8,000,

"That the SUB Art Gallery receive a budget next year of approximately \$16,000,

"That Photo Directorate be maintained at the financial and organizational level of this past year,

"That the Secretariat proposal be rescinded.

"And that this Students' Union become voluntary."

President Gerry Riskin said that he would bring forward later at the meeting, a proposal for a referendum on a fee increase. He said that if this referendum passes, it would deal with most of the problems that were to be dealt with at the meeting. He asked whether the people calling the meeting could wait for the results of the referendum.

Beal replied that it would be dealing in bad faith with the people who had signed the petition not to insist that the meeting be called.

It was pointed out that by-laws require a meeting to be called if in excess of 1,000 students sign a petition calling for one.

Council passed a motion calling the meeting for noon next Wednesday, and requisitioned \$250 for advertising it.

SU reserves

depleted

because of HUB

The Students' Union is, indeed, in money trouble. The problem cannot simply be solved by shifting expenses from one budget category to another.

The Students' Union keeps large reserves on hand as do other large organizations. These reserves usually amount to about \$450,000. These reserves are, theoretically, always existent although they are often not in the form of working capital.

The reserves are used to provide capital to projects such as HUB, to provide for investment in capital equipment (equipment which is both outright and has a re-sale value), and when necessary, to provide operating capital during the summer. The first is in the form of loans which are paid back and so theoretically, no money is lost. The second is obviously an investment which depreciates. The third will be paid back into the reserves when fees are collected in the fall.

In spring 1969, the last referendum was held for an increase in fees. It was for a \$3 increase which was supposed to go to SUB Expansion reserve fund. That is, since 1970-71 academic year (when the extra \$3 was first collected) \$3 from every student was supposed to go into this reserve for expansion to the SUB.

It was made clear during the referendum, that some of this money would be used for capital equipment for CKSR to go FM.

The money from the fee increase was supposed to go to no purpose other than SUB expansion.

Some of this money was spent (on SUB expansion) -- \$26,000 for an architectural study two years ago and \$15,000 this year for expansion of the SUB elevator to the 8th floor so that the floor could be used for storage.

At the beginning of next year, there is, theoretically about \$107,500 in the SUB expansion reserve. However, that money is not readily available.

Because of the delay in starting HUB and the consequent cost increase, all the reserve funds will be severely depleted with loans to HUB which were not foreseen. There is no way the S U can avoid funding HUB further.

As well, this past Students' Council made an interest free loan to Day Care Commission amounting to \$57,650.

Therefore the SU has virtually no reserves left. The money for SUB expansion (and, by implication, CKSR-FM) is, theoretically, there but it cannot be utilized.

The situation with operating money is not as serious. However, due to inflation, costs have gone up and the S U is either going to have to get more money or cut back in some areas.

Editorial

Now we get to tell them what we want

Students will have an opportunity, in the referendum on Friday and the General Meeting next Wednesday, to tell our elected representatives exactly what we would like them to do, if in fact, we want them to do anything.

The Students' Council which has just taken office, is in the position of being able to respond directly to students' desires — that is, if enough of us vote in the referendum and attend the general meeting.

We have three alternatives in both the referendum and the general meeting. We can attempt to make this Union voluntary instead of compulsory. We can grant a fee increase and precisely define where that money is to go. Or we can oppose a fee increase and force Students' Council to re-align their priorities within the present monetary limitations.

The situation with the S U reserves is serious and is largely a result of mis-management and lack of foresight.

This past year's council should never have granted the Day Care Commission an interest-free loan if they should have loaned them as much as they did at all.

The situation with HUB is inexcusable. At least a further study on rising costs should have been done. This past year's council should not have approved of HUB without adequately examining the cost factor.

SUB expansion funds, approved by the last fee increase referendum, should have been used for just that. However, it is now impossible to use them for the purpose they were meant.

The situation with the operating expenses is simpler.

Council can maintain CKSR, Art Gallery, and Photo Directorate by cutting back other costs. For instance, the total money needed to keep these services operating is available by simply cutting the nebulous proposal for a Secretariat.

Council should be forced to rigorously cut back administrative expenses (salaries, office expense, etc.) in order to maintain these services.

The appeal for a voluntary union is compelling but not realistic. The present Students' Union provides us a base to organize around. It provides services in which we can become involved. If we could, through a voluntary union, force the Students' Union to provide the services we want, we should be able to force the present S U to do the same.

The past Students' Council was negligent in not asking the students for a fee increase. They should have foreseen the problems with the reserves.

A small increase is probably desirable to boost the reserve funds. However, we should force this Students' Council to definitely and realistically maintain our priorities. This can be done by granting as small a fee increase as possible and, therefore, forcing the Council to set rigid priorities.

But we can only tell our representatives what we want by voting in the referendum and by participating in the general meeting. The new council has the golden opportunity to act on our wishes and has shown some desire to do so but it can only act if we express ourselves.