

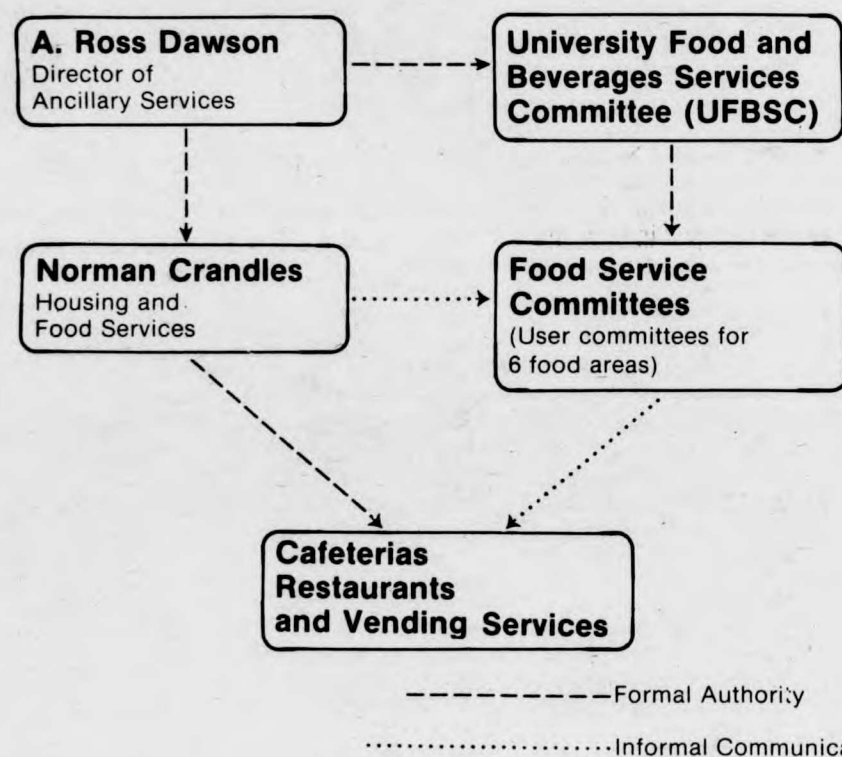
# Food services:

Why you eat what you eat at the price you pay.

- Can students run York's cafeterias?
- Should our food services be provided by private cafeterias or an "in house" operation?
- Are pubs healthy alternatives to the cafeterias or unfair competition?
- Were you aware that Rill Foods wants to build a dome over Central Square's patio, while McDonald's Hamburgers sought to erect its "golden arch" there?

For the benefit of their often frustrated patrons, *Excalibur's* Graham Thompson and Natalie Cajic went to the people who own, operate, and regulate York's cafeterias and pubs to see if we could begin to unravel some of the confusion surrounding York's food services.

## FOOD SERVICES ADMINISTRATION



Since 1975, when York got rid of the campus catering monopoly policy, the University has operated under the "multi-catering system" which divided the University into six distinct food areas that private caterers bid for. When caterers are awarded their contracts, they are regulated by a two-tiered committee structure under the direction of Housing and Food Services Director Norman Crandles.

The caterers in each food area are monitored by a user committee, who bring concerns about retail prices, hours of operation, and general cafeteria service directly to the caterers. Membership on the user committees is open to anyone in the York community, although the chairman is usually a student. The six user committees oversee the catering operations in Atkinson, Central Square, Osgoode, Glendon, Complex One (the Winters and Founders cafeterias) and Complex Two (the Stong cafeteria).

These user committees belong to a larger group called the University Food and Beverage Service Committee (UFBC), which also has representatives from other student, faculty, and staff groups. The UFBC has met four times this academic year to discuss overall food policies, dining plans, annual price increases, budgets, general vending, and the tendering of catering contracts.

However even at this point we encounter problems. As Crandles notes, "some committees are not as active as others." Gail Rabinovitch of the Complex Two user committee, Sonny Francois of

Atkinson's and CYSF representative Martin Zarnett have only attended one meeting each. Thus York campus food ombudsman Eli Gershkovitch says that some colleges "are not getting the representation that they deserve," but that it is "incumbent upon themselves (college students)," to rectify the attendance problem.

Crandles says he "gauges" the food service by the activity of the user committee, "in each food area, and that if there are "no complaints we assume there is no problem or absolute apathy."

The cafeteria contract in each food area is awarded to the caterer that offers York the best package deal in the eyes of Housing and Food Services and Ancillary Services, headed by A. Ross Dawson. Prime factors in the awarding of contracts are the percentage of gross revenues offered by the caterer to the University, proposed renovations to cafeterias (such as Glendon's new servatory), the length of the contract sought by the caterer, and any other perks thrown in by the caterer that might lighten the financial load for York. An example of such a contract sweetener is Rill's recent assumption of the responsibility for replacing missing and broken dishes and cutlery. The University's bill for replacing these items was \$70,000 in 1982, says Crandles.

The caterers do not pay a fixed rent as other businesses do, but pay York a percentage of their gross revenues. Housing and Food Services is in turn billed by the Department of Physical Plant for the use of University space and utilities.

For everyone who studies, lives and works at York the quality of our food services is a naggingly persistent concern.

"The food is lousy, it's overpriced, the peak time line-ups are too long and there is often no place to sit," says Professor Eagle, chairman of the Faculty of Arts Department of Psychology in regard to Central Square's cafeteria.

Gulnar Manji, a residence student at Stong College says she and her friends are so sick of "Rill's Swill" (in reference to the food at Warren Rill's cafeteria in Stong College) that they have sold their scrip and opted to buy their own food which they store and cook in their residence commons room.

Sympathetic to the concerns of residence students, from whom most complaints come, Norman Crandles, director of Food and Housing Services says, "I wouldn't want to eat anywhere three times a day for three months. You couldn't eat at the Royal York for eight months and still come out with a smile on your kisser."

Michael Adam, chairman of the Complex One User Committee says this is a "poor way of dismissing genuine complaints." If what Crandles says were true "we would all be sick of eating at home," says Adam.

Warren Rill operates York's residence cafeterias in Complexes One and Two, and at Glendon. Because of the "prestige value" of having such a large contract as York, Rill has gone on to win contracts at the Royal Ontario Museum, Commonwealth Stadium in Edmonton, and Toronto Island.

"Financially nothing would happen" to Rill Foods if he lost the York contracts, says Rill. But, since he received his first contract here, Rill feels a special allegiance to York. "You never want to leave home," says Rill. "I put up with a lot of things here that I wouldn't anywhere else," he says. For example, he continues to pay for the replacement of dishes and cutlery even though he maintains he can't afford to. Engelbert Salvetti, owner of Elite Foods (which operates the Central Square cafeteria) finds it hard to believe that Rill is not making money. He wondered what Rill would be doing at York if he was not.

Crandles was disturbed when *Excalibur* informed him that it was discussing the food services with the owners of York's caterers. Maintaining that "they are my employees," he asked why *Excalibur* was discussing the issues with the caterers "without my permission."

Crandles confirmed that Rill is not making much profit at York. Yet he emphasizes that Rill receives over \$1.5 million from York every year and that this huge cash flow helps Rill's operations considerably.

Since Central Square is the "financial plum" of York's cafeterias, according to Crandles, Rill has expressed persistent interest in obtaining a contract there. Rill says he would love "to have Central Square if (Crandles) would take back Complex One and Two," where Rill operates the less profitable residence cafeterias.

During the tendering for the contract at Central Square in 1980, Rill submitted a bid that included a proposed dome to be built over Central Square. But for this and other improvements, Rill wanted an unreasonably long 20-year contract, according to Crandles.

McDonald's also submitted a bid, but lost out partly because they wanted to erect a golden arch over Central Square.

As for student complaints, Rill says "some are reasonable and some are nitpicky." Because of the cultural diversity of the student body Rill finds it hard to satisfy everyone's tastes "to make it like they get at home."

Rill says he tries to improve the service in many ways such as his decision to provide plate covers next year to keep students' food warm while waiting in the cashier's lineup.

Rill won the Glendon contract in 1983 and has constructed a new servatory there. Crandles said that after years of student dissatisfaction with the previous caterer, Beaver Foods, he and a tendering committee were glad to award Rill the contract. Complaints are already pouring in about Rill's operation, says Crandles. "Beaver is already remembered lovingly," he says. But they are stuck with Rill says Crandles. "Rill is the boogey man now. They wanted him, they got him."

The University charges each caterer for the privilege of being located on the campus. This charge does not take the form of a uniform monthly rent, but rather is a percentage of a caterer's gross income. The gross percentage charged to each caterer varies considerably. Elite Foods, for example, is charged almost double what Rill Foods is charged.

Elite made well over \$100,000 for the University last year. This helped to defray the University's loss from Rill's operations which was slightly higher than Elite's profits.

Thus the question arises as to whether the residence students' food is subsidized by non-residence students. Crandles prefers to be more diplomatic and says, "the undergraduate feeding program is subsidized by the rest of the feeding program."

Crandles is wary about the use of the word "subsidies" because of a similar problem he faces in York's housing services. Housing and Food Services profit on graduate housing while losing money on undergraduate residences. Controversy arose when the *Toronto Star* reported that undergraduate residences were being subsidized by profits from the graduate residences.

York campus food Ombudsman, Eli Gershkovitch denies that residence students are being subsidized "absolutely and totally." He says that any losses incurred by the residence cafeterias for the University are a result of "administrative waste. It is the maintenance and upkeep of the cafeterias that are subsidized, not prices." By this Gershkovitch means that the University charges exorbitant fees for the maintenance and upkeep of the cafeterias by York staff.

Crandles says he was hired in 1972 to deal with the perennial deficits, which, by 1980, totaled \$1,560,000. "The deficits were directly attributable to the residences (cafeterias)," said Crandles.

The food services turned the corner in the 1980-81 school year when they made a profit of \$90,000. "Now that we are in the black we will not go in the red again," says Crandles. For this year, Crandles forecasts a "modest surplus."

Crandles attributes the financial turnaround in food services to the multi-caterer system that replaced the monopoly that existed before. Until 1975, all cafeterias on campus were run by a single caterer—VS Services.

Osgoode Legal and Literary Society (OLLS) purchased the franchise to run what was once just a vending machine outlet. Neither OLLS nor Crandles seem to know where the initial money came from; nevertheless Osgoode is now starting to reap the benefits from its risk venture.

William Day, manager of Osgoode Cafeteria, has really "turned the place around" says David Goldman, Treasurer of the OLLS. Student council hires Day to manage the cafeteria, and Day, in turn, controls everything from hiring to price increases. However, it is the student council who ultimately monitors retail pricing.

At any rate, "food costs at Osgoode Cafeteria are lower than Central Square" claims Day. For example "we try to run one vegetarian meal per day as a way to keep costs down."

Although Goldman says student council does not place profit-making as a priority, the cafeteria has made a profit of approximately \$10,000, which council uses to subsidize clubs, and organizations in financial need.

Could Osgoode Cafeteria serve as a model for other campus cafeterias? Not according to Eli Gershkovitch. Gershkovitch says that Osgoode is smaller and less complex than a residence cafeteria. Its success does not indicate that students could handle the larger residence cafeterias. Also, the larger cafeterias need a "continuity" which is absent in student council governments in order to continue to operate such a residence service, says Gershkovitch.

Michael Adam disagrees. He thinks students "can be trusted" to run a residence cafeteria.

Crandles says that although he is proud of the job OLLS has done with Osgoode's cafeteria, he doesn't believe that students possess the skills to run a residence cafeteria.

"Rill is the boogey man now. They wanted him, they got him."  
—Norman Crandles

Crandles describes the food under VS as being "so bad." He explains that under the old food system, Housing and Food Services succumbed to political pressure to keep prices stationary even though labor and materials costs were rising rapidly for the caterers.

"There was only one answer to that," said Crandles. "You got less of a sandwich." Thus food quality diminished.

Crandles says that if we want to maintain food quality we can have "deficits that pile up, or higher prices." To cover any deficits, Crandles says the University has to use money that could be better used for strictly educational purposes. Because of the scarcity of University funds the maintenance of a financially self-sufficient food system has become a high university priority says Crandles.

Referring to Crandles' praise of OLLS's Osgoode operation but reluctance to consider student-run cafeterias, Adams says "he (Crandles) wants to have his cake and eat it too."

OLLS has had its contract for the Osgoode cafeteria extended for two more years, beginning this May.

Still another choice is to provide students with a meal plan. But with such a system students are restricted to using one dining hall, meal hours are strictly limited, and if you miss a meal you forfeit your money, says Gershkovitch.

One other option would have students cooking their own meals, as they do in the Graduate residences. But because they were not equipped with kitchens when they were constructed, cooking in the undergraduate residences would pose an unacceptable fire hazard, says Crandles.

Their preference for York's scrip system is one issue that Crandles and Gershkovitch do agree on.

Crandles says that universities that have eliminated the scrip system and allowed the students to use cash have suffered a 33 percent loss in catering revenues.

With scrip you receive only what you want, when you want it. If you skip a meal you do not lose your money, and you can dine at any cafeteria or restaurant on campus, argues Crandles.

Gershkovitch parts company with Crandles when he argues that residence students should receive discounts on scrip because they are "bulk buyers" of cafeteria food.

Next year the price for scrip will rise 7.1 percent when the mandatory purchase for residence students goes from \$1,050 to \$1,125.

Adam also prefers the concept of a unitary catering system because "profits would stay at York," and it would allow the University to "lower prices."

Another alternative to the multi-caterer system is a student-run operation, which is exactly how Osgoode Cafeteria is managed. About three years ago,



retaliated against. When asked to be specific, they said perhaps liquor orders might be lost or delayed by Crandles.

Crandles laughed when asked if pub managers had anything to fear from him, and claimed such a belief was "hysterical" and an "absurdity." Crandles said that if they are "afraid to be identified they are probably ashamed of what they are saying."

Operation of York's pubs follows a very different procedure from the cafeterias. Each college has a student council which operates the pub and sends council executives to sit on a pub management board. Besides student council executives, a representative from the Master of the college (usually a professor) and the manager of the college pub are on the board. They discuss policy in regard to any renovations, salary and price increases. The Liquor License Board of Ontario (LLBO) holder for all college pubs is Crandles. He "oversees us all" explains Patty Gosse, manager of the Cock and Bull in Founders College. Crandles is legally responsible to see that pubs operate under all LLBO and York regulations.

According to Crandles, he was made the sole license holder for all York pubs because the LLBO did not want to deal with all the paperwork that would be created if they had to handle each pub individually. The LLBO simplified matters for themselves by only dealing with Crandles.

Thus, Housing and Food Services buys liquor in bulk and distributes it to York's pubs at a 20 percent levy on cost. Crandles says this covers the cost of doing the paperwork and bookkeeping, employing a campus distributor (called a "beer humper"), and a portion of his and his secretary's salaries.

With over \$1.1-million in annual liquor sales at York, the University made a \$200,000 profit which Crandles says is plowed back into Food Service revenues to cover losses in other areas, such as residence cafeteria operations.

A second fee is assessed on pub operations. Three percent of gross revenues is dished out to Housing and Food Services every fiscal year.

Last year at the Cock and Bull, the combined charges totalled \$26,000, according to pub manager Patty Gosse.

The three percent fee is a "participation tax" according to Crandles, who says the pubs were unfair competition to the caterers. Because they don't pay rent for space, heat, light, energy, and water, Crandles says they can drastically undercut the cafeterias

without the three percent fee.

Crandles says that such free services were in fact a subsidy to pubs and that "the money used to prop them up could be used elsewhere," such as in educational services.

In an era of ever-shrinking revenues for universities, the University cannot justify subsidizing food services when educational services, says Crandles, are in desperate need of cash. Thus it was decided that food services must pay for themselves.

Some pubs claimed that the three percent levy was harsh; when it was first introduced some predicted it would break them financially.

Crandles says this is false. He points out that six York pubs grossed more money than three of the caterers. One pub that grossed \$155,000 pocketed \$44,000 profit after the 3 percent levy, while another that grossed \$290,000 lost \$8,000 says Crandles. In total, the pubs gross \$2-million annually, as opposed to the \$5-million grossed by the cafeterias.

Thus Crandles says pubs should look to their own management practices before criticizing him for levying the three percent charge.

Crandles points out that some pubs deliberately employ more people to distribute the profits to students, while others, such as Calumet's Ainger, take a much lower profit. The Ainger puts 80 percent of its income into food while other pubs have food costs ranging from 45 percent to 70 percent. The cafeterias can only afford a 45 to 50 percent food cost says Crandles.

Paul Leonard, manager of Winters College's Absinthe Pub, says that if the three percent levy were increased, students can and will pay extra—and Crandles knows it. "There's just too many Camaros in the parking lot," he says.

