

Montreal, 23rd November 1928.

MEMO RE McGill Union

Until 30th June 1919 the Management of the Union was in the hands of a Committee (not part of the Students' Council activities) composed of representatives of the University and elected student representatives. Under this regime it had been necessary for the University to contribute the sum of \$45,000. to meet deficits on running expenses. This represents a cost to the University of between \$3,000. and \$4,000. a year from the time the Union was built. On the 1st July 1919 the Students' Council took over the operation of the Union on the general understanding that the University was to pay for all major repairs, the students assuming all running expenses. For the first few years the Students' Council made a little money but this was soon more than absorbed by losses from 1924 to 1928 and the net result to the Students' Council after nine years is a loss of \$6,899.26. On the 1st July 1919 the Students' Council had a surplus of \$7,553.89. The Union losses would have practically wiped this out had it not been that the Council had a surplus from other sources. At the same time the members of the Council are seriously concerned about the gradual depletion of their surplus and they feel that unless some steps are taken it will only be a few years before the surplus is wiped out completely.

The burden is particularly heavy in the accounts for maintenance and repairs. During the last five years the expenditure on repairs to the Union generally and in the Cafeteria (including some alterations) has been about \$14,200. It does not appear that the Council can spend any less than this and keep things up even to the limited extent done in the past few years. It would seem that the Council could carry on ^{if} the University could see its way to contribute \$1,000. a year towards maintenance and up-keep.

Another factor in the situation is the change in the patronage^a of the students. As mentioned above a profit was made during the first few years and the Council was able to take care of all maintenance, repairs, and up-keep, but during those years the revenue of the Union was very much greater, both from the point of view of meals served as well as revenue from Tuck Shop, billiards, etc., eg. -

Revenue from billiards in 1921 was	\$3,735.00
For the year June 30th 1928 it dropped to	1,689.24
The revenue in the cafeteria in 1921 was over	25,000.00
In 1928 this had dropped to	18,000.00