

Inflation at UNB: is there no end in sight?

The time was not too very long ago when the dollar bill could buy a considerable amount. For the most part that time was last year. Things have changed considerably since then.

If statistics and projections are to be believed, those days may have disappeared for good. The latest available Statistics Canada figures show inflation increased one percent from November of 1974 to December. Inflation is now running at the rate of 12.4 percent a year.

Food, that essential commodity, has jumped a whopping 17.1 percent since December of 1973. Housing and rent have gone up 10.2 percent, while clothing has gone up a mere 2.2 percent. Do you find it costs more to paint the town red these days? If should, alcohol and tobacco have gone up 11 percent in the last year.

If you have been sick lately you probably suffered a relapse when you got the bill for medicines. Costs for drugs have gone up 10.9 percent in the last year, and transportation has gone up 12.4 percent. The cost of



reading a book or getting an education has gone up 12.1 percent.

As a result of the spiraling trend, consumers are now spending with greater caution, said the federal agency. The Brunswickan talked to three stores on campus to determine how students were reacting to increased costs and decreased buying power. They had the following comments:

Little Records Ltd.

So far the store has been able to control price increases. People are now showing a greater selectivity in what they buy, buying known artists and taking less chances on unknowns.

Products are becoming harder to obtain as manufacturers produce more copies of the works of well known artists and those of lesser knowns are neglected.

Distributors demand cash for payment instead of 30 days for terms. Obtaining part-time help is no problem.

Sub Towne Ltd.

Some of the clothes sold in the store were sold at prices fixed by the manufacturer. The store tried to find similar goods at lower prices where possible. People have become more selective in their buying, buying only what they need.

The main problem was people came into the store and thought their prices were high. They go to other stores only to discover prices are higher, then they return and buy. There is no problem in obtaining part-time help.

The U.N.B. Bookstore Ltd.

The ability to control prices depends on why professors want a particular book. This year has had very little difference in the numbers of textbooks that students are buying. The main problem has been the slower delivery of textbooks and last minute price increases due to the cost of paper. There has been no problem in obtaining part time help.

By Rick Baston

Brunswickan Staff Writer

These are the general conditions on campus. However there are three other major areas which affect students on campus. These areas are Saga Food Services Ltd., the Student Representative Council, and the administration that runs the university.

Saga Foods has been on the university campus since the fall of 1971. Last year was the first year that they made a profit. The Brunswickan interviewed New Brunswick manager Dave Anderson about the effects of inflation.

Inflation has affected Saga in a number of ways Anderson said. One area has been the cost of sugar and sugar related products. In November of 1973 sugar was \$28.75 per one hundred pounds. In November of 1974 sugar cost Saga more than \$80 per hundred pounds, an increase of roughly 209 percent. Since November the price has declined but Saga still pays 83 percent more than this time last year.

One result of this has been the inability to obtain a guaranteed price for sugar and sugar related products. Companies such as Pepsi-Cola Ltd. and General Foods Ltd. have had to cancel out fixed price contracts and re-negotiate.

Other items have gone up considerably since the end of the spring term. Milk has increased 34.2 percent since April of last year. The cost of Tang products has increased by 69.5 percent since last April. Paper products have increased by 43 percent. Labour costs have also gone up.

Anderson said that despite inflation there have been no cutbacks in service. He said the number one priority of the company is to do the job properly, effectively and efficiently. He said cutbacks were possible only so far before the quality and the satisfaction received from the service declined.

There has been an effort to cut costs by monitoring wastage in order to assess the likes of the students and determine how quality can be improved. There was also an effort to ensure that the correct proportions were served and that cooks followed recipes exactly.

When asked how students could help to keep the costs down, Anderson suggested they take only what they need when going through the dining hall first time then come back for more.

Another way students could cut the costs would be to stop ripping things off. One example of this is china and silverware. These items have a habit of disappearing in great quantities around September and January when students move into apartments. This year the cost of replacements will reach \$14,000. This may increase since the exact cost won't be known until the shipper actually sends them.

Saga hasn't experienced any major problems this year with obtaining product. Some items have been temporarily out of stock but they have been obtained after two or three weeks delay. The company is giving its various suppliers a projected estimate of its needs

for the year in order to get around any temporary shortages.

The company's main problem in the up-and-coming food contract negotiations is inflation. Unlike some universities which hire a food company to provide management only, the university negotiates for a fixed price.

Inflation must be considered when the fixed price is agreed upon, but the company can't try to gain on losses from previous years because of the stiff competition in the food catering industry.

Anderson expressed a hope that inflation has peaked and will decline.

The Student Representative Council has managed to hold the line this year as far as inflation goes. However, the small budgetary surpluses from previous years have been eroded away. As a consequence of this it will be necessary to raise SRC fees from \$35 to \$45. The Brunswickan recently talked to SRC comptroller Chris Gilliss about the effects of inflation.

One very visible area where inflation has affected the student this year are the events on campus. There was an allowance in the budget of \$1,200 for losses in entertainment, but these were exhausted very early in the term.

As a result the increased cost of events has been passed onto the student with events now run on a breakeven basis.

One of the major problems with putting on an event, Gilliss explained, is the lack of a suitable place in which to hold it. SRC pubs are normally held in McConnell Hall. The fire marshal's office limited the number allowed in the hall to 450.

There is the obligation of hiring a number of campus police along with ten or eleven bartenders at minimum wage and three Saga Foods employees. These factors plus increased liquor prices have made it necessary to pass costs on to the student.

The price of live entertainment has gone up slightly. However, the SRC now has an agreement with booking agents where they obtain a group for a fixed rate then act as an agent for the other universities in the area. The SRC also possesses a comprehensive price list of entertainment acts so they can avoid being overcharged.

Other factors which account for the increased cost of events are a twenty five percent increase in the cost of rent The Playhouse. The cost of paper used for advertising has gone up as well.

Another major increase in SRC costs is the increase of salaries and the increase in the number of honoraria. In order to keep pace with spiraling inflation the salaries of the permanent staff have been increased.

The secretaries for The Brunswickan and the SRC office have received an increase of 10 percent. The salary for the SRC bookkeeper has gone up 12 percent.

Honoraria will go up at least two thousand dollars. The increase is due in large part to giving SRC councillors each an honorarium of \$100 a year.

There are also new honoraria of \$350 for the newly-created positions of SRC travel officer, \$150 for an SRC public relations officer and an honorarium for the entertainment chairman, which is still being negotiated.

The budget has gone up due to inflationary effects, additional services and various increases. These are a

- few items skimmed from the budget;
- cost of activity awards which are made out of gold and silver have gone up from \$400 to \$1200;
- the cost of the Brunswickan has gone up from \$1,200 to \$1,600 due to an increase in the cost of paper;
- Fall Festival was budgeted for a \$3,000 loss, but lost \$4,500;
- the cost of Carnival is up \$2,000 in order to make it a better event;
- there will be an allotment of \$2,000 made for Orientation in the future;
- there will be publication of a course evaluation booklet. This will cost \$1,500;
- there are also ten to twelve new clubs requesting funds.

The main concern of the university administration these days seems to be what the Maritime Higher Education Committee will do. Aside from this they seem to know very little about the effects of inflation on campus.

One aspect of the campus which inflation would affect is enrolment. The Brunswickan talked to registrar Brian Ingram about it.

Inflation hasn't appeared to affect enrolment this year, Ingram said. Enrolment is close to the projected figure. No great change is seen over the next five years and there may in fact be a slight increase in enrolment.

Ingram said it is hard to tell how inflation has affected enrolment. One must consider whether people are coming to university because they can't get a job, or whether they are coming to university in order to get a job.

Comptroller Mullins said inflation has affected the budget seriously. A study of the effects hasn't been done yet due to the complexity of such a study. There

has been belt tightening over years.

When a faculty member goes not automatically replaced

question must justify a replacement maintenance is carried out short-sighted not to.

The main concern in view whether or not tuition will be talked to Dr. John Anderson recently.

Anderson said he couldn't would go up. The answer to the new formula devised by Education Commission. At the

has no idea what the new formula which the commission will give. At the moment 80 percent the university come from remaining 20 percent is from

President Anderson said significant cutbacks so far cleaning. He expressed hope name of efficiency will not cut and the research of the university's budget. They are of the various departments' overall budget. These will help keep pace with inflation.

The university, aside from consumer price index is affected cost of scientific equipment. In the case of certain chemical percent increase.

The effect is not staggering problem at the moment is to be staff against the necessary university can function.

Student tuition, contrary to think, isn't a significant amount source of revenue. Student tuition 15.3 percent of revenue. This every year.

