



MEMO

From the office of the...

Vice-President Finance & CFO

TO: Student Representative Assembly
FROM: Ryan MacDonald, Vice President (Finance)
SUBJECT: Exclusive Club Card Referendum - MSU Stance
DATE: October 10th, 2016

Student Representative Assembly,

As you are aware, this upcoming by-election/referenda period will have far more questions for students to answer than they are regularly used to. One of these referendums which was brought through student petition was for the “Exclusive Club Card” program, a student discount card with 30+ local retailers in the Hamilton community.

I am writing this memo to put forward a motion for the SRA and the MSU to formally take a negative stance on the referendum and use its considerable financial and communications resources to promote the referendum in an attempt to showcase to students why they should vote no.

WHY?

First of all it is important to note the way by which this came to referendum. Student employees of the Exclusive Club Card brand deliberately mislead students, specifically first year students in residence with respect to the value of this card, advertising “thousands of dollars” in discounts for a “small price of only \$5”. The intention of student referendums is to create fees in which students can decide if the merits of the benefit outweigh the potential price, **this referendum is a clear example of a corporation intentionally misleading students for their financial benefit.** Referendums we’ve put forward previously include methods of transit or student services delivered at McMaster. Frankly, the exclusive club card has no place as a student ancillary fee and as a watchdog of student fees, I would hope that this assembly agrees it is important to make these points clear.

To be absolutely clear: this referendum is not only immoral from an ethical standpoint as the creators of the ECC stand to benefit financially of over \$100,000 in student fees, **it is also a discount card which provides terrible**

value to students. The ECC currently offers 31 discounts in Hamilton ranging from 10% off Budget Rent-A-Car to \$5 off regular haircuts at Mike's Barber on main street. Without a doubt, the MSU can produce a card of similar or significantly better value to students in Hamilton at **NO ADDITIONAL COST TO STUDENTS.** In fact if it is the will of this assembly, the SRA could choose to formally task the board of directors or take it upon themselves to create a discount card by the end of this year to completely eliminate any merit that this card could provide to an individual student.

HOW?

Historically, the MSU has not endorsed or taken a negative stance on any referendum involving student fees. This precedent is normally set because we believe it is important that students decide for themselves what they are going to pay for. The challenge with this referendum and why I believe it is crucial that we take a negative stance is that in most circumstances fee changes are driven by the SRA. In this case it is driven by non-students who have coerced 3% of the student population through financial incentives or misleading to sign a petition. It is our responsibility to articulate to the student body what the SRA believes the right position to take is.

By voting in favour of the motion presented, we will be dedicating financial and communications resources, through the form of staff time, video production and graphic/print materials to negatively articulate why the the SRA thinks that this is not good value for students at that it is their recommendation that the student population at McMaster votes no. As with constitutional amendments, the SRA most endorse a position of which will be articulated on the ballot sent to students, in this particular circumstance there is no reason why a different precedent should be set.

The motion presented will be as follows:

Moved by MacDonald, seconded by Monaco-Barnes that the SRA take a negative stance on the Exclusive Club Card referendum and use the full capacity of the MSU's financial and communications resources to recommend to students that they should vote no in the upcoming referendum.

This motion allows for flexibility in a well designed communications campaign articulating all of our upcoming referenda on Vice-Presidents at large, SoBI and the Marmor. However, in respect to the ECC a clear disclaimer will be articulated that the SRA formally voted to recommend that students vote no on this referendum.

THEN WHAT?

It is clear to me that there are significant challenges in terms of our process for referenda where 3% of the student population can be misled and co-opted into signing a petition which brings forward a fee that is a clear mis-use of student dollars. The purpose of student petition referenda is so that students at large have a voice when they become disenchanted and not heard by their elected leaders. This must remain intact. However, if we are in a position where there is a potential to abuse upwards of \$100,000 worth of student fees, something must be changed.

Therefore I am putting forward a second motion formally tasking the Bylaws & Procedures committee to investigate our procedures for referenda initiation, specifically with respect to student fees and report back to the SRA by November 27, 2016 with options for constitutional referenda. The motion will be presented as follows:

Moved by MacDonald, seconded by Nardarajah that the SRA formally task Bylaws and Procedures committee to investigate MSU procedure for initiating referenda, recommend changes to eliminate opportunities for abuse within our current structure and report back to this assembly before November 27th, 2016 with options for constitutional or bylaw amendments.

It is important that we constantly take a look at our procedures so that we are both accurately representing student voices, giving them opportunity to share their concerns and be heard while simultaneously acting as watchdogs for responsible spending of student money.

I am more than happy to answer any questions you may have about this important topic. Hope you all have an enjoyable reading week while reading this memo.

Sincerely,



Ryan MacDonald

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