

This assertion I have referred to President Loudon, who has favoured me with the following answer :—

"A partial experiment bearing on this question was made in the session of 1896-97 when a number of the classes in French in Victoria College were incorporated with those in University College in consequence of the illness of Professor Petch. The joint classes were handled without inconvenience by the staff of University College consisting of Professor Squair, Mr. Cameron, and M. de Champ. Professor Squair informs me now that, assuming the numbers of students to be the same as last year, the classes could be thus combined permanently on securing M. de Champ's services for a few hours extra per week at an additional cost of say \$150 per annum, and that the efficiency of the instruction would be fully up to the present standard. From Professor vanderSmitten I learn that a similar arrangement would be feasible in German, and from Professor Alexander that the classes in English could be combined at a slight additional expense (say \$150) for the work of reading and correcting essays. In the departments of Greek, Hebrew, Ancient History, and Ethics, the professors state that the present classes, in both University College and Victoria College could be handled together without any extra cost. The only department in which an additional instructor would be required is that of Latin. Placing this instructor's salary at \$1,000, and the cost of the additional instruction referred to in French, German, and English, at \$500, I estimate that, on the basis of present numbers in both Colleges, University College could provide instruction, fully up to the present standard, for the students of Victoria College at an additional outlay of \$1,500. Those who are familiar with academic affairs will readily understand that, when a staff has been already provided to meet the requirements of an extensive curriculum, a small increase in the numbers of students will make little difference in the cost or in the ability of the professors to overtake the work of teaching. The situation is in fact parallel to the equipment of departments in the University subjects where there has never been a question of duplicating the staff on account of a trifling increase in the size of the classes."

It would thus appear from President Loudon's figures that the whole instruction which you state costs you \$20,000 a year could be done by University College for \$1,500, thus indicating an unnecessary annual expenditure on your part of \$18,500.

In connection with this same question you also say in your letter of May 31st, that "if you think our presence under federation embarrassing to the finances of the University it would have been far more so if we came in on the same terms as our Anglican and Presbyterian neighbors."

Supposing that Victoria College had entered federation in the way here suggested, and assuming that the Arts Students who now attend Victoria should attend University College instead, it is clear that under existing circumstances University College, instead of being embarrassed by the fact, would be a gainer to the extent of more than \$5,500 annually. This appears from the following calculation, taken in connection with the estimate given above as to the increased expenditure of \$1,500, which would be required in University College :—

Registration fees of Victoria students (say) 200 at \$36	\$7,200
Less cost of additional instruction required in University College	1,500

Gain to University College annually

\$5,700

I now come to the practical question of what is to be done with regard to the proposition still before the Senate of raising some \$4,000 by an increase of University fees.