December 6, 1928.

My dear Mr. Minister:-

Although the Government has approved the grant to the School for Teachers at Macdonald College and your letter of April 5th notifies us through Mr. Mitchell that the money will be paid, I cannot help feeling as a result of our recent conversations that you featider we are asking for something to which we are not entitled.

There are two aspects of the matter which I should like to emphasize. First, the point has been made that the agreement of February 26th, 1907, precludes the University from asking further allowances from the Province.

I do not want to labour a question with which you are thoroughly familiar. It may very well be argued that since the agreement only calls for a school to be carried on "according to the present requirements of the Province", we are, strictly speaking, only bound to do now what was necessary in 1907.

I do not think we can get very far by entering upon a legal argument. In the Province of Quebec today, with its almost incalculable possibilities, it is incumbent upon us all to turn our minds to the future and propare for it as best we can, and I know that your own desire is that all parties should bear a fair share of the general burden.

On this basis it appears to me that the matter might be put somewhat as follows:-

1. Whatever may have happened in the past, the University now finds itself in the position of operating a Protestant Normal School and spending on this work about \$25,000. per annum more than could ever have been contemplated.

2. We are not justified in taking this amount from our capital and we have no income available to meet the need, indeed we are now incurring a yearly deficit.