

how far the Canadian Civil Service Superannuation System, with such modification as the difference of age involves, on entrance, might serve as a basis.

It is possible that the plan of reserving a portion of the salary, and creating thereout a fund for each professor, bearing interest meantime, and payable, principal and interest, on retirement, might be more suitable. In view of the recent increase in the salaries, the present time seems especially suitable for the settlement of this question. Meantime the charge for retiring allowances must be placed at \$4,866.66.

There will be an increased charge for heating, and incidental expenses connected with the new Examination Hall, of about \$400. And it is proper to allow for such special expenditures as occur in most years, an average sum of at least \$1,000.

This brings the estimated expenditure up to \$69,314, as against an estimated revenue of \$71,692.50, leaving an estimated balance of only \$2,378.50.

These figures make it clear that the available margin is very narrow, and that even for the most indispensable improvements it may be necessary to propose a resort to the only remaining resource—an increase in the scale of fees.

The plan of improvement to be suggested is therefore limited as far as possible, and is confined to those points which seem most urgent and of most obvious importance, and to those methods of action which involve least addition to the expenditure.

The existing staff is as follows: *Professors*—Classics, Mathematics and Natural Philosophy, History and English Literature, Logic, Metaphysics and Ethics, Chemistry, Mineralogy and Geology, Natural History, Agriculture. *Lecturers on*—French, German, Italian, Oriental Languages. *Tutors in*—Classics, Mathematics.

It is proposed to establish in addition two lectureships—one in Political Economy and one in Constitutional Law and Principles of Jurisprudence; the salary of each lecturer being \$800 a year; and to appoint a Demonstrator of Physics at a salary of \$1,200 a year.

It is proposed, further, to inaugurate a system of fellowships, whereby graduates of approved merit and possessing special qualifications for teaching may, for a limited period, furnish most valuable assistance in the work of tuition, while they are at the same time engaged in pursuing some special line of study.

These fellowships should be held upon the condition of giving instruction under the control of the professor in the branch in which the fellowship is awarded, and should be granted by the Faculty with due regard to the merit of those available, and their fitness for the discharge of the functions for which the fellowships are created. It is proposed that each fellowship should be tenable for three years at a salary of \$500 a year. It is necessary that the number of these fellowships, and the departments in which they should be granted, should be settled with reference to the smallness of the available funds, and the urgent need for increased teaching power in certain departments, subject to such modifications and additions as changed circumstances and experience in the working of the new system may suggest. For the present, it is proposed that there shall be eight fellowships, allotted to the various departments as follows: two in Classics, one in Mathematics, one in Physics, two in Modern Languages with History, two in Natural Sciences. The annual charges involved in these proposals would be, for

Fellowships.....	\$4,000
Lecturers	1,600
Demonstrator of Physics.....	1,200
	<u>\$6,800</u>

From this sum, however, is to be taken \$700 already charged for the temporary appointment of a Demonstrator of Physics for the current year; so that the additional expenditure to be provided for under the above heads is \$6,100. The estimated available surplus, already stated at \$2,378.50, being taken from this, there would remain a deficiency of \$3,721.50.

To meet this deficiency, pending the possible improvement of the net income from the other sources referred to, it would seem that the only immediately available means for making the requisite additions to the teaching staff is an increase of the fees of the two institutions. As this can only be effected by the joint action of the two governing bodies, it is recommended that the Senate invite the co-operation of the Council of University College for the purpose of meeting the deficiency in question.

All which is respectfully submitted.

(Signed), WILLIAM MULOCK,
Toronto, Jan. 11th, 1882. Vice-Chancellor.

STATEMENT "A."

Showing Capital and Estimated Income for Year 1881-82 (June 30.)

SOURCE.	CAPITAL.	INCOME.
Debentures.....	\$792,656 00	\$46,155 00
Mortgages.....	182,953 00	12,509 00
Sales of land, balances unpaid.....	49,523 00	2,971 00
Park rents.....		5,630 00
Other rents.....		600 00
Bank Stock.....		28 00
Total		<u>\$67,898 00</u>
Income as above.....		<u>\$67,898 00</u>
Bank account overdrawn, \$26,610 10; interest 6 per cent...		2,197 00
		<u>\$65,696 00</u>
University fees.....		8,269 50
University College fees.....		8,927 00
		<u>\$72,292 50</u>

STATEMENT "B."

Estimate for the year 1881-1882.

Bursar's office	\$ 2,600
Law costs.....	200
General incidents.....	200
Salaries and wages (including pensions, \$4,866 66).....	42,094
Scholarships.....	4,855
Examiners	2,750
Prizes and medals, University	850
" " College.....	400
Printing and Stationery—	
University.....	2,200
" College.....	500
Advertising—	
University	100
" College	50
Fuel	1,500
Museums—	
Natural History	880
Geological	100
Ethnological.....	100
Library.....	2,650
Water and gas.....	400
Building and grounds.....	3,000
Incidentals—	
University	150
College	150
Physical Laboratory	500
Chemical materials.....	100
Telephones	115
Rent—President's house.....	800
Insurance.....	1,700
	<u>\$67,914</u>

N.B.—The item of \$1,700 for insurance is not an annual charge, as that secures insurance for three years.

Of the changes suggested here, two have been accomplished; a number of fellowships have been established, and a Demonstrator of Physics has been appointed. The introduction of these new features in our teaching-staff was rendered possible by an increase in the scale of fees, a move certainly not free from objections, and opposed to the first principles upon which the University was founded. But the other pressing wants referred to still remain unsatisfied, and are becoming more pressing year by year. The additional Professorships indicated are now more and more called for. An Examination Hall, an extension of Residence, increased Lecture Room, additional expenditure on the Library, Museum and Laboratories, are surely needs which demand attention. That they are genuine needs, is beyond a doubt. The report shows that their consideration, upon the basis at present available, is out of the question; and they are submitted "only with a view to the consideration by the Government of the question whether they would propose such an increase of funds as will enable a complete re-organization to be effected." We think that for that consideration this Report contains much of the necessary material.