

upon his complaints as to the record. This petition was dismissed on the 18th September, 1878.

Pending these legal proceedings, instances were not wanting of interest in the Institute, and the Board had reason to believe that if they could have been permitted to proceed with its establishment, even on a small scale, they would have received assistance from various quarters.

Among other gratifying marks of public interest in the Institution, His Honor Mr. Justice Mackay and Mrs. Mackay executed a donation to the Institute of twenty-eight valuable pictures, to be delivered to the Institute as soon as it should have provided a suitable gallery for their reception. These pictures are of high artistic character, having been selected by the donors for their own private collection, and they will form an admirable nucleus for the gallery contemplated by the Founder.

Notice of the intention of other gentlemen to contribute pictures, was informally conveyed to the Board, and if they had been able to place the properties upon the market, as they desired to do after the termination of the suit in the Privy Council, they believe that by this time the Institution would have been fulfilling to a considerable extent the benevolent and judicious intentions of its Founder.

But it is hardly necessary to mention that in 1875, the period of financial depression commenced, from which the country has since suffered so severely, and the value of real estate has continued steadily to depreciate since that time.

At the termination of the litigation in September, 1878, the properties of the Institute were practically unsaleable; and moreover, such value as they had was diminished, and the public deterred from offering for them, by the continuous and persistent efforts of Mr. John Fraser to prevent any step being taken, or any progress made, towards carrying out the designs of the Founder. And this object was furthered by numerous anonymous communications to the newspapers, of whose authorship the Governors have no direct evidence; and by incessant representations to the newspapers, and to individuals and corporations, made by Mr. Fraser, and over his signature. The tendency of all these communications was to endeavor to prejudice the public mind against the Board; to throw upon its members the responsibility for the depreciation of the value of its assets, and the delay in proceeding in furtherance of the objects of the Trust; and to press upon the notice of the public the idea, that their title to the properties was defective, and would ultimately be set aside.

The Board have not made any attempt to sell the property since the failure to sell the St. Sacrament Street stores in January, 1877; considering it injudicious, at a time of financial depression, from which it may be expected the country may shortly recover; to sacrifice the property for a small portion of its value; merely to hasten by a few years the commencement of its usefulness. And they have deemed it in the interest of the Institution, that they should retain these properties until there is such a reaction in the value of real estate in Montreal and its neighborhood, as will enable them to realize them at fair prices.

With regard to the other assets of the Estate, the actual value of

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