

"It is to be observed, however, that the revenue of the University has at no time been more than barely sufficient for its maintenance, and that the most rigid economy has been necessary in order to enable the staff and appliances required for its actual work to be supported. It has hence arisen, that through the demands for improvement in educational facilities, along with the necessity within a few years past to make certain large capital payments connected with the estate and its burdens, the Governors have found that a deficit which has appeared in the published accounts of the two past years, but which they had hoped would have been effaced by new sources of income, threatens, owing to the recent and heavy fall in the rate of interest receivable on all investments, to increase to such an amount that it has become a serious question whether they will be justified in impairing the capital by the continuance of educational work on its present scale." • • •

"After much anxious deliberation, and weighing carefully the resources of the University, and the loss of usefulness and prestige certain to result from any diminution of the staff of instructors or their salaries, the Governors have resolved to retrench all expenditures that can be diminished without serious loss of efficiency, though by so doing they cannot avoid somewhat lessening the attractiveness of the University to students, but to postpone for one year any more serious retrenchments, in the hope that as heretofore the friends of education may come to their aid."

"They feel that they are the more justified in this course by the fact that the demand for the higher education and for extension rather than diminution of the facilities offered, was never so great as at present, and that any recession from the position occupied by McGill University, could not fail to place it at a disadvantage in relation to other institutions, and to have an effect detrimental to the interests of this city, and of the Protestant population of the Province."

The statement above quoted was accompanied with full information respecting the income and expenditure of the University, and with suggestions as to the special directions in which the most effectual relief could be afforded.

In response to this appeal endowments were given in 1881-2-3 to the amount of \$33,500, and annual subscriptions extending over from two to five years to the amount of about \$3,500 per annum. Subsequently to this, the William Scott Chair of Engineering was founded by the late Miss Barbara Scott, with a capital of \$30,000; the Hiram Mills Chair of Classics, by the late Major Hiram Mills, with a capital of \$43,000; the David J. Greenshields Chair of Chemistry and Mineralogy, by the late David J. Greenshields, Esq., with a capital of \$40,000; and the Gale Chair, in the Faculty of Law, by the late Mrs. Andrew Stuart (*née* Agnes Logan Gale), with a capital of \$25,000. The sum of \$25,000 was also given by Mr. W. C. McDonald in endowment of his scholarships. In the Faculty of Medicine the Lean Choil endowment of \$50,000 was given by the