

of these sciences in themselves, and not on account of any unfulfilled agreement with regard to them. In short, when we contrast the provision which has been made for University departments in buildings and equipment, with the very modest programme which was satisfactory to all concerned when originally drawn up, it must be admitted that no ground for complaint exists, and that the Agreement has been interpreted in a spirit of liberality which was not dreamt of at the time. A confirmation of this I see further in the Gymnasium Building, provided at a cost of over \$30,000, and in the Library Building at a cost of upwards of \$100,000, although neither was even mentioned in the Agreement.

More than contract provision has already been made, as I have shown for the University departments, and now new expansion must be provided for. The inevitable consequence of your theory of a first claim on the endowment for University purposes and of a refusal to increase any revenue fees but those of University College is to throw upon University College the whole burden of expense for future expansion. This is the position you take, and you say that it is justified by the Agreement and the Act. You appear to ignore the fact, which must be well-known to you, that the federation negotiations looked to no such source for future expansion. University College was guaranteed as a State College for all time to come, and it was supposed that the additional funds which it was anticipated would be required for carrying out the scheme would be furnished by the Government. The question of further State aid for the University was under discussion just before the federation negotiations, having been advocated by Vice-Chancellor Mulock in his Convocation address of 1883. The estimate of increased income necessary for the carrying out of federation made in 1884 as I understand by Professor Loudon, and publicly announced, was \$40,000 a year. You yourself subsequently stated \$150,000 as your estimate of the annual income which would be immediately available under federation, making it clear that you also anticipated a considerable addition to the resources of the University. The Senate also in accepting the scheme coupled with their acceptance the assertion of the necessity of increased Government aid, and it was generally understood that additional funds would be provided by Government from some source. These expectations have not been realized, and, as you know, that is the reason why fees have already been increased more than once, and not at all because any such increase of fees was projected in the Federation Act. Merely nominal fees in University College were thought of. You hold the contrary, but in point of fact how are you more justified in saying that it was intended that University College should be supported wholly by its fees than that the University of Toronto should be wholly supported by its fees? The clause of the Act referring to this point is exactly parallel for both institutions, as you will see by referring to sections 58, 2 and 78. The complete parallelism of University College and Victoria College on which you insist has no foundation as far as the Act is concerned (see sections 38, 2, 3, 4), and is not supported by anything in the Agreement. The parallelism contemplated by the Act refers only to teaching and attendance on lectures, and not at all to finances. The admission of this fictitious parallelism would bring us again face to face with the question I have already raised, viz., whether by federation the State abandoned its duty to provide for the adequate teaching of all subjects, College as well as University.

Let us now turn to another phase of the question, viz., to the direct contribution which as you allege is made to the University by Victoria College. In your last letter you say: "And while we would have saved ourselves \$20,000 a year, besides large outlay for buildings by putting our Arts students into University College as others do, this would have involved additional expense there of at least \$10,000 a year, i.e., if they were to get anything like proper attention. Our College is a direct contribution to the resources of the University to at least that extent."