

(Reply to Remarks of the "Globe" and "Leader" on the Commissioners' Report as to Expenditures.)

The *Globe* and *Leader* both affirm that the Report of the Commissioners contains no proof of the extravagant expenditure complained of. The Petitioners had complained that a large portion of the capital of the endowment had been spent, at variance with law, for the erection of College buildings, and that much of the Income Fund had been lavishly expended. The *Leader*, as usual, deals in vague and general denials, and imputations of "monstrous vandalism." The *Globe* says—"We are happy to find that the Commissioners, imbued, as they undoubtedly were with the strongest desire to find fault, have been unable to point out a single case of either jobbery or culpable extravagance on the part of the authorities of the University."

Neither the Commissioners nor the Petitioners had any thing to say, nor any desire to say, any thing about "the authorities of the University." It was the expenditure complained of and investigated, without reference to those who directed it. The Commissioners state as follows in respect to the diversion of the endowment for the erection of buildings:

"Had the University Funds been always strictly applied to the purposes for which they were intended, namely, to create a permanent Endowment, the annual proceeds of which should be devoted to sustaining the cause of higher education in Upper Canada, the result would have been very different from that which we have now to consider. The chief diminution has arisen from the large expenditure on the new University and College Buildings, Museums, and Library, amounting to \$55,907 for Buildings, and \$65,569 expended on Library and Museums. [No. 50 App.]

"In the opinion of the Commissioners, the Act appears especially to provide that the Endowment should remain intact, and the only expenditure from the permanent fund appears to be authorized in clauses 78 and 84, where provision is made for "maintenance and ordinary repairs of the property assigned for the use of the said University, or College, and for such permanent improvements and additions to the buildings, as may be authorized by the Governor in Council." Even a liberal construction of the clauses referred to, as well as of the spirit and tenor of the Act, would seem to afford grounds for doubt as to whether so large an expenditure as has been permitted, was in accordance with Legislative enactment. A careful examination of the University Building has convinced the Commissioners that the expenditure has been upon a scale disproportionate to its uses and requirements, as well as inexpedient, when the necessity for public aid to sustain the higher educational interests of the country is considered. Comfort and utility have, it is feared, been less studied than appearance and decoration; and even now, when the number of students is far smaller than in this growing country may reasonably be expected to assemble within its walls, complaints are made that the accommodation afforded to University College is greatly limited.

"It is obviously too late to offer further objections to this expenditure, and the Commissioners merely point to the facts as showing that they afforded some ground

for dissatisfaction on the part of those other institutions for Academical Education, whose claims to a share of the surplus income funds are provided for by clause 81 of the Act. The sum of nearly \$55,000, taken from the Endowment, is also invested, as already stated, in the building occupied by the Branch Lunatic Asylum. [No. 50 App.]

"The total amount realized from the sales of lands is \$1,129,178, and according to the Intentions of the Act, this should have been invested as the Permanent Fund or Capital of the University, and would have produced an annual revenue of \$67,780. This will be seen from return (App. No. 49,) which is a "Statement of Capital invested and amount expended on account of the University of Toronto, up to the 31st December, 1841," and from return No. 50 App., giving subjects of expenditure and modes of investment. On looking, however, at investments productive of revenue, the Commissioners find that out of the above amount derived from the sales of Endowment lands, the following five items form the chief sources of income:

1. Building rented to Medical School	value	\$ 7,020
2. Bank Stock		1,440
3. Mortgages		66,374
4. Debentures		854,047
5. From investments in property		41,001

\$469,882

"Presuming that from the above five sources an income of \$28,188 is derived, it will be seen that the annual income of the University has been reduced to the extent of \$39,562 per annum."

Thus a vast building for great show, but with slender accommodations, has been erected, when the law only authorised repairs and improvements in the existing buildings; the capital of lands sold to the amount of twelve hundred and twenty-nine thousand dollars has been reduced to four hundred and sixty-nine thousand dollars; the Income fund has been reduced to the amount of thirty-nine thousand dollars a year; and yet we are told these facts prove no "culpable extravagance" in the expenditure of the University fund! We may appeal to any candid man of any party, whether these facts do not more than justify and establish all that the advocates of University Reform have complained of and alleged in regard to unlawful and extravagant expenditures of the University fund.

But these are only a part of the facts relative to extravagance. On the 16th page of the Commissioners Report, we have the following statement:

"As an instance of the want of proper adjustment of expenditure to the income actually collected, reference may be made to the first year in which a deficiency occurred, viz. 1859—when the excess amounted to the large sum of \$18,564.36. In this one year the following sums are charged to Income Fund.

Furniture for College residence	\$5,125 15
Grounds	6,256 20
Observer's residence	4,340 00
	\$15,721 35

"Of the expediency of spending so large a sum on the residence now occupied by only 19 Students, and also upon the grounds, at a time when the income fell short,