

This reduction of nearly \$1,000 in our resources—and we know not how soon we may suffer an equal loss—coming upon the Diocese at a time of long continued financial depression, when the heavy dull sky of the commercial horizon shows, as yet, no indication of the silver lining said to belong to every cloud—will put a severe strain upon the earnestness of churchmen, if we are to keep up our missionary operations on the present footing.

In connection with this reduction, the Lord Bishop, at the request of the Board, issued the following circular:—

QUEBEC, Nov. 10, 1877.

MY DEAR SIR,

By desire of the Diocesan Board I write to ask you to make as soon as possible, the following communication to the Clergy of your Deanery.

The Society for the propagation of the Gospel has reduced its grant to this Diocese by.....	\$ 1,000
The estimated receipts of the Board for 1878, are	21,077
The Liabilities of the Board are.....	23,069
But should there be as many missions vacant as during the last three years, there will be a deficit of.....	1200

To meet this there must be either
Firstly. Increase of money, or,
Secondly. Reduction of men.

1.—Increase of money.—

The sources of the Board's income are

- (1.) S. P. G. Grant.
- (2.) Clergy Trust Fund, (portion of surplus)
- (3.) Mission Fund of Church Society.
- (4.) Grants from General Fund.
- (5.) Assessments of Missions.

Of these 1 and 2 are fixed sums; 3 is put at as high a figure in the estimates as there is a probability of its reaching; 4 is unable to meet the ordinary demands upon it, insomuch that grants for building Churches, &c., usually remain long unpaid because of the chronic weakness of the fund.