

would form the amount to be voted annually by the Legislature. It must be borne in mind that the financial needs of the University will grow greater from year to year both because of the increase of the population of Ontario and the growth of knowledge in the world at large. The items of Provincial revenue, therefore, from which that portion of the income furnished by the State is to come, must also be one which will grow greater from year to year in at least as large a ratio as that of the increase in population. For this purpose the revenue from Succession Duties has been suggested. It is true that this is a tax which has aroused much opposition and which may be subject to change in the future, but it has been selected because it is at present a tax which grows in some relation to the growth of the Province and therefore to the growth of the University requirements. The Provincial revenue from this source during the past six years has been as follows :—

1900.....	\$228,360
1901.....	376,661
1902.....	226,169
1903.....	386,948
1904.....	458,699
1905.....	684,143

or an average for the six years of \$395,163. As this particular source of revenue is supposed to be allocated under the Act to the discharge of certain Provincial expenditures, we have thought that the University income might be fixed by statute at a sum equal to a certain percentage of the revenue from Succession Duties. In order that this system might not introduce an element of inconvenient fluctuation, seeing that the revenue from Succession Duties varies considerably from year to year, we recommend that the percentage be calculated upon the average of three years' receipts. We believe that the income under this system or any other that may be selected, ought not to be less than \$275,000 at the inception."

Hon. gentlemen will observe that the recommendation of the University Commission is that the amount should not be less than \$275,000. At the present moment I have nothing to add with reference to that.

"In order to show that the figures suggested by this report are not only not extravagant but are in fact very moderate, we quote an extract from the report of the Board of Curators of the University of Missouri to the General Assembly of that State, made in January, 1902. This portion of the report was made for the purpose of inducing Missouri to help more liberally its State Univer-