

justified in impairing the capital by the continuance of educational work on its present scale.

As to the present position of the University funds, it may be stated shortly, that while the assets stand at about \$600,000, of this sum about \$200,000 represents the amounts on the books (below the real values), at which stand the Buildings, Library, Specimens, Apparatus, and other items which do not yield revenue, and that about \$400,000 is the amount of revenue-producing investments. As to the revenue, it cannot at present be estimated at more than \$37,000, composed as follows:—about \$25,500 interest from investments, about \$5,000 from Government and other grants, while the remainder is receivable from annual subscriptions, fees, and other minor sources. This revenue would involve, on the recent scale of expenditure, a deficit for the coming year of over \$6,500.

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 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.

For these reasons they have decided to bring the claims of the University again under the notice of the public, and to ask, with a view of placing it in a secure position, and of enabling it to sustain its present usefulness, a further endowment of not less than \$150,000. Failing this, they will be obliged, however reluctantly, to enter on a course of severe retrenchment and of diminution of the courses of study offered by the University.

Before calling personally on the friends of education, they desire to place before them this statement, in the hope that it may prove effectual in securing the desired aid, and they would venture to suggest the following methods in which such aid may be most advantageously given.

1. By endowment of any Professorship at present existing and not endowed, to the extent of not less than \$2,000 per annum. Chairs so endowed will bear the names of the founders, or such other names as they may designate.
2. By contributions of sums to be invested for the general maintenance of the University. For each such donation of not less than \$1,000, the donor may obtain the perpetual presentation to a free tuition in the Faculty of Arts. For smaller donations, free tuitions for periods corresponding to the amounts, may be obtained, if desired. These free tuitions are now becoming valuable, as those already existing are in demand, and they are of special importance as aids to poor students, and to the students of the affiliated Theological Schools.
3. By the foundation of Library, Museum, or Apparatus Funds, for the maintenance and improvement of these essential appliances of the University; such funds to bear the names of the donors.
4. By annual subscriptions in aid of any of the operations of the University, for a term of years, or during the life of the donor.