

During the past year the Library has been increased by donations amounting to 244 volumes and the purchase of 911 volumes, of which 421 are French and 490 English. This large addition to the French section has been carefully selected and is fully warranted by the increasing interest of readers.

The work of cataloguing has gone forward steadily, and although not on the latest lines, is of practical benefit; when a sufficient increase in the general funds is reached, this work will be taken up on a system more in accordance with the wishes of the Governors and the requirements of the public.

The Governors will be glad to receive any donations of files of old newspapers or of separate issues, if of special interest, as the Library now possesses the beginning of a collection of English, French, Canadian and American newspapers extending from 1791 to 1876, which every year is becoming more and more valuable.

The revenues during the past year have not reached the moderate sum required for the maintenance of the Institute, and its usefulness is much hampered by this lack. This deficit has been partly met by handsome donations by some of the Governors, but will necessitate close and, in the interests of the reading public, undesirable economy during the coming year.

The loss of revenue has occurred through the decrease of the demand for and the consequent shrinkage in rental of business offices from the Fraser Buildings and the termination of the lease of the "Hospital" property. Improvements have now been made and a better return is hoped for in the coming year.

WILLIAM McLENNAN,

*President.*

MONTREAL, September 30th, 1898.