already mentioned made an addition of \$6 to its fee, so that at present University College Arts students contribute to the common fund \$48, and Victoria College students \$12. There still remains to be raised about \$4,000 to earry out the understanding with the Government, for which Professor Baker's statute provides by imposing \$4 on all Arts students as an increase to the Examination fee. It is immaterial from my point of view whether it is allotted to examinations or library or both. The alternative which you propose is an increase of College fees, but you apparently forget that this would mean an additional increase per student not of \$4 but of \$8, or a contribution on the part of University College students of \$56 to the common fund whilst Victoria College students would contribute no more than formerly. Nor must it be forgotten in this connection that the instruction of students in several honor departments is in the higher years entirely provided by the University Faculty. The fees of University College students in such departments go into the common fund, and thus indirectly the instruction is paid for. But Victoria College enjoys in similar cases the peculiar privilege of receiving fees for instruction although it actually gives none, a privilege also permitted at the beginning to Knox, Wycliffe and St. Michael's, but not taken advantage of, and subsequently withdrawn by an amendment of the Act.

In view of all the circumstances—the sacrifices of endowment which have been made to carry out the Federation Agreement, the resulting financial straits, our recent understanding with the Government, the benefits which Victoria enjoys under federation, the smallness of the sum now contributed by Victoria students, and the insignificance of the proposed increase—I hope you will recognize the propriety of meeting us in the liberal spirit shown at the beginning of our negotiations.

I need scarcely remind you that should the Senate fail to carry this statute from which we expect an increase of about \$4,000, and should University College then decline to impose a further addition of \$8 per student to its fees, there is no hope of meeting the present deficit much less of providing for future expansion

I am, my dear Chancellor,

Yours faithfull.

B. E. WALKER.

CHANCELLOR BURWASH, Victoria University,

Toronto.