But it is evident there must be some substantial inducements offered, if the Colleges which have heretofore avoided affiliation are expected to become parties in this system. If they are to do a common work, they should have, to a certain extent at least, a common source of support.

These under existing circumstances are of a twofold character, viz: present aid, and future permanent endowment.

1st. *Present Aid.*—When the ample provision made for University College is considered, with the attractions of a well furnished Library and Museum, it is very evident that the other Colleges must suffer from a comparison of such necessary adjuncts.

Those institutions, therefore, which agree to affiliate, should, in the first place, be provided with means of such amount as will enable them to found a respectable Library and Museum, and for this purpose $20,000 to each, would be a very moderate sum. There have been expended upon the University Library and Museums upward of $65,000. Next a donation or grant to enable each of the affiliated Colleges to enlarge their premises, and to relieve them from embarrassments incurred by building, say a sum of $40,000 to each.

2ndly,—*Provision for a Permanent Endowment.*—Whatever may be the annual amount appropriated for endowment, it should be positive and reliable, otherwise embarrassments and difficulties will occur to cripple the operations of these institutions. Part of the endowment is of that fixed and reliable character, that the income therefrom may be looked upon as certain. The whole should be of this character, but this cannot be while there remains a considerable moiety of the annual income to be derived from the interet on lands sold, and another considerable moiety to arise from the interest upon lands to be sold.

The former will fluctuate annually more or less, until the whole of the principal is collected; the latter must be uncertain, both as to the time when it will be available, and as to the amount.

To remove this uncertainty and secure a large economy in the management, the Commissioners suggest that both these items of endowment should be transferred to the Government, and managed by the Crown Lands Department, the benefit of any excess over the estimated value to accrue to the Government, and that an equivalent for the present value be given in Government Debentures, the annual interest therefrom forming a certain portion of the University Income Fund.

This proposal, it is submitted, is not novel, as a somewhat similar course was pursued upon the settlement of the Clergy Reserve question. The lands composing the University Park would not be included in the proposed transfer.

Such a course would add but little to the expenses of the Crown Lands Department, while its results would be to render certain all the balance of the University Income Fund; and very largely to reduce the annual