

enactment. A careful examination of the University Building has convinced the Commissioners that the expenditure has been upon a scale disproportionate to its uses and requirements, as well as inexpedient, when the necessity for public aid to sustain the higher educational interests of the country is considered. Comfort and utility have, it is feared, been less studied than appearance and decoration; and even now, when the number of students is far smaller than in this growing country may reasonably be expected to assemble within its walls, complaints are made that the accommodation afforded to University College is greatly limited.

It is obviously too late to offer further objections to this expenditure, and the Commissioners merely point to the facts as showing that they afforded some ground for dissatisfaction on the part of those other institutions for Academical Education, whose claims to a share of the surplus income funds are provided for by clause 81 of the Act. The sum of nearly \$55,000, taken from the Endowment, is also invested, as already stated, in the building occupied by the Branch Lunatic Asylum. [No. 50 App.]

The total amount realized from the sales of lands is \$1,129,178, and according to the intentions of the Act, this should have been invested as the Permanent Fund or Capital of the University, and would have produced an annual revenue of \$65,750. This will be seen from return (App. No. 49) which is a "Statement of Capital invested, and amount expended on account of the University of Toronto, up to 31st December, 1861," and from return (No. 50 App.) giving subjects of expenditure and modes of investment. On looking, however, at investments productive of revenue, the Commissioners find that out of the above amount derived from the sales of Endowment lands, the following five items form the chief sources of income:—

1. Building rented to Medical School, value.....	\$ 7,020
2. Bank Stock	1,440
3. Mortgages.....	66,874
4. Debentures	354,047
5. From investments in property.....	41,001
	\$469,882

Presuming that from the above five sources an income of \$28,188 is derived, it will be seen that the annual income of the University has been reduced to the extent of \$39,562 per annum.

INCOME AND EXPENDITURE.

The General Income Fund is derived from "the fees received for tuition, examination, degrees, certificates of honor, or otherwise, in the said University of Toronto, or in University College, or such part thereof as may be payable into the General Fund "thereof, the rents, issues, profits, interest on lands sold," &c., &c. (See cap. 62, sec. 75, Con. Stat.)

Tuition fees have never formed any part of the Income Fund,—matriculants in University College being exempted from payment of fees for tuition, and those charged to non-matriculants being assigned as perquisites to the several Professors or Tutors, in addition to their stated salaries. The reasons assigned for the course pursued by the Council of the College, will be found in the answer of the President of University College to Questions 99 and 100.

The following concise Statement of Income and Expenditure in each year, since 1853, is taken from the Bursar's Returns Nos. 7 and 9.