

J. H. Leonard

MCGILL UNIVERSITY.

NEW ENDOWMENT FUND.

EXTENDED

*Report of Meeting of Citizens of Montreal,
held on 13th October, 1881.*

NOTE.—As this Report is much amplified from that which appeared in *The Gazette* of 14th inst., and as several important errors of figures and omissions therein are here corrected, it is hoped that all friends of the University, even those who have seen the original report, will take the trouble to read these pages, in order that the urgent need of the University may be fully understood.

The members of the Citizens' Committee are about to commence their visits to solicit subscriptions to the New Endowment Fund.

MONTREAL, 22nd October, 1881.

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(From Report in MONTREAL GAZETTE.)

McGILL UNIVERSITY.

THE FINANCIAL POSITION SET FORTH.

LARGE MEETING OF THE FRIENDS OF EDUCATION.—ADDITIONAL ENDOWMENT FUND TO BE RAISED.

A meeting of citizens was held on the 13th October, 1881, in the Mechanics' Hall, called by the Governors of the McGill University, for the purpose of taking into consideration the financial position of the University and of making provision, if possible, to increase the endowment. There was a very large and influential attendance. The Hon. Charles Dewey Day, Chancellor of the University, presided, and among those present were Principal Dawson, Sir Francis Hincks, Mr. Justice Torrance, Mr Justice Mackay, Messrs John Molson, J H R Molson, R A Ramsay (Hon. Treasurer), W C Baynes (Registrar), Charles Alexander, M H Gault, M P, Thos White, M P, Hugh McLennan, W Clendinneng, J J Arnton, W B Lambe, Henry Lyman, O S Wood, Andrew Robertson, J J Maclaren, W Drysdale, J R Dougall, C J Fleet, H H Lyman, David Morrice, H A Nelson, M P P. T M Taylor, J S MacLennan, J S Archibald, the Revs. Canon Norman, A B MacKay, J F Stevenson, Dr Clarke, T Gales, T Lafleur, G H Wells, J McCaul, R Lindsay, Dr G W Campbell, Professors Bovey, Moyse, McLeod and many others.

The CHANCELLOR, having called the meeting to order, said:—The object, gentlemen, of the meeting to-day is pretty fully explained in the statement which has been circulated, and of which, I presume, you have all received copies. I should have been glad to have added a few fitting words in explanation of the facts contained in the statement, and an expression of my own deep sense of the great importance of the interest which has called us together here, but the state of my health forbids me to say much.

It would be superfluous and impertinent to undertake before gentlemen of the intelligence of those constituting this meeting to insist upon the importance of higher education, and the necessity of supporting institutions for the purpose of promoting it. It is also superfluous for me to say that it is a necessary factor or element of the higher civilization, and that however successful we may be, and however prosperous in material wealth and progress, the considerations, which build up a community and impart to it wealth and culture, and a superior order of civilization must in a great degree depend upon the educated intelligence of its members. McGill University occupies, as you all know, a very conspicuous position. It has been the work almost entirely of our mercantile community. It was founded by a merchant. It has had a long succession of benefactors,—of merchants, who have contributed liberally to its means, and most of whom have one after another departed from among us, leaving their names a rich inheritance to their children by the benefactions they have bestowed upon our College and in the foundation and sustenance of the great cause of education. The institution has hitherto gone on with remarkable success. Its progress has been unbroken from a very small beginning. From virtual absence of any regular income it has attained to a very considerable one, which, until lately, has been sufficient for our wants. All this has been attained by twenty-five years of very earnest and sometimes very arduous and painful effort, and at last our fellow-citizens and we have had the satisfaction of seeing

in our midst a central institution of education inferior to none other in this Dominion. (Applause.) It has done a large and valuable work and carried it on, I think, with general satisfaction. But a crisis has arrived—the value of money has become materially changed. We find that our income for the past two or three years has been considerably cut down, and now there is a likelihood of its reduction to the extent of nearly 25 per cent. in consequence of the impossibility of finding investments of the same value as those we have before been able to obtain. This is a very grave crisis in the history of the University, and the question comes up whether we are to cut down the entire expenditure of the University, curtail the salaries of its officers and cease to make any progress in the work of education, remaining where we are and immovable. Whether we were to do this or whether we were to be supported by our fellow-citizens in the attempt to retain the university on its present footing of usefulness remained a question with us. It is said in physical life that stagnation is death, and everybody who has considered the position of educational institutions, here or elsewhere, must be convinced that they must always be progressive. You can never stop; you have to keep up with the requirements of the age; you have to keep abreast of other institutions of larger means, and the moment you acknowledge that you are unable to do this and curtail your means of usefulness, you lose prestige which can never be recovered. I consider it would be most unfortunate and serious to the last degree if we must tell our professors that we are obliged to cut them down, after having undertaken impliedly to pay them for life or during the time they perform their duties properly. Yet unless our revenues are raised, we must cut them down, stop all improvement, go on as well as we can from hand to mouth and lose the position we have hitherto held in comparison with other institutions of the kind. I do not believe the merchants of Montreal will consent to that. I do not believe that men who are keen, and shrewd, and persevering in the pursuit of wealth will say that they are willing now to withdraw from us the support that is necessary—to allow this institution to sink into an inferior condition. We, therefore, have appealed to them in full confidence that they will take up this matter, believing that what previous generations of merchants have established, and what successful men among us have

sustained, will not now be allowed to be, if not entirely ruined, at least very seriously impaired. I have been connected with the university for nearly 30 years. I have seen its ups and downs, and taken a sincere interest in its welfare and progress. I must confess that so far as I am concerned, I would rather see the doors of the institution closed than see it reduced to a secondary position, and be obliged to acknowledge that there was not among us enough of enterprise and liberality to sustain it in its present position. I cannot say more. I did not think I should have been able to have said so much, but with these few remarks, I would request Mr. Ramsay to read the statement which has been published in order that it may be fresh on our minds, and it will afford a basis for any observations or questions gentlemen present may desire to make or put. Mr. Ramsay will also be able to give the meeting more detailed information on many points of the financial questions.

MR. R. A. RAMSAY, the Honorary Treasurer of the University, having read the statement issued said:—I am directed, gentlemen, by the Board of Governors to present to you some details in addition to those given in the statement which I have just read. In the concluding paragraph you are promised fuller explanations, and the fulfilment of that duty falls upon me, for though the junior member of the Board of Governors, I have had thrown upon me the important and onerous duties of Treasurer of the Institution. Though what I have to say will not be a very interesting statement, seeing that it is composed to a large extent of figures, I think it is the kind of statement which a meeting, composed of citizens of Montreal and of its merchants, would desire to have. From our experience we find that men of business asked to aid an institution, desire to know the financial condition of that institution, and to satisfy themselves that its necessity is real.—As you were told in the circular the revenue producing capital of the University is close upon \$400,000, which is almost exclusively invested in mortgages in this city, and the annual revenue which we can calculate upon from those investments is a little less than was expected when that circular was written. I estimate the revenue from this source which we can calculate upon as \$25,182, and not more, and this is on the basis of the rates borne by the investments on the 30th June last, our annual balance day.—Last year the position of matters was this: the expenditure amounted to \$44,100

odd, and the money actually received was \$33,600, so that during the year the excess of expenditure over receipts amounted to \$10,500. Against that, however, there were arrears of interest which fell due during the year, but which were not received before June 30th, amounting to \$6,900, and when the whole of that is collected, and it is regarded as collectable, there will be an actual deficit of \$3,600.—I estimate the total revenue for the coming year at \$37,000, and this estimate is made up as follows:—Revenue from investments, on the basis already stated, \$25,000; Government grants, composed of sums received from the Dominion and Provincial Governments, and for the Observatory from the City Council, the Harbour Commissioners, \$5,550; fees from students, estimated upon the number of students attending last year, will amount to close upon \$4,000; subscriptions to the Faculty of Applied Science, \$1,700, but it is fair to state that some of these subscriptions, say, \$1,200, are about to expire, and we have not really a right to call upon the gentlemen to pay them, unless they feel willing to continue their subscriptions. From the College grounds we will receive \$200, and we will receive for subscriptions for Scholarships \$1,600. These sums, deducting the subscriptions to the Faculty of Applied Science which expire during the year, give us a total of \$37,000 as our estimated revenue. The expenditure for the current year I estimate at \$41,800, which is composed of the following items: Administration, which consists of the salaries of the Principal, Registrar and Clerk, office expenses, porters' salaries and such like expenses, \$5,200; salaries in faculty of law, \$1,900; faculty of arts, \$17,550; in science, \$5,550; examiners' fees for the university and for school certificates, \$1,080; library and museum (maintenance and purchase of books, specimens and apparatus, &c.) \$1,800; scholarships and medals, \$2,200; observatory, \$1,300; gymnasium, \$250; sundry items, consisting of water rates, gas, fuel, printing, insurance, repairs, stationery, etc, \$4,900; total, \$41,800. This would leave us during the coming year with a deficiency of somewhat over \$4,800. The amount mentioned in the circular as expected deficiency was \$6,500, but that was, as the circular itself states, the deficit estimated on the recent scale of expenditure, and before certain minor reductions were made at the July meeting of the Governors. These reductions will not during the current year effect a saving of more than

\$1,700, and they are allowed for in the estimate of expenditure just given. Consequently there will certainly be a deficiency during the current year of over \$4,800, and this is liable to be greatly increased when the continuance of the gradual reduction of our returns on investments, to which reference will be made, is considered.—This can only be roughly estimated, but will not be less than \$2,000 more. So that I see the certainty of a deficit of \$6,800 at the close of the current year, even with the reductions made. If those reductions had not been made it must have been \$8,500.

Now, gentlemen, many ask how the governors account for the present position of matters. In answer to such an inquiry I would say there are three causes from which the present position of matters arises. In the first place we have sustained a loss of revenue by the payment during the last two or three years of sums out of our capital; in the second place there is a loss from the fall in rates of interest; and in the third place by the lapse of certain annual subscriptions. The losses by the impairment of our capital consist of the payment of certain large sums of a permanent nature. In the first place there was an item of \$20,000 which we had to pay the Seminary of Montreal for the commutation of the College grounds. The amount was a reduced sum on compromise made a few years ago, but the Seminary allowed us till 1879 without interest, when it had to be paid. That at once, you will see, deprived us of a large revenue producing amount for we had had that \$20,000 invested and yielding us 7 or 8 per cent interest. We also paid the sum of \$6,000 to the city of Montreal as a composition for a large claim for taxes which it had upon the College grounds for a great number of years. The city has been taxing us at heavy rates, and we had contested its right on the ground that our institution was one of Royal foundation and exempt. At the same time the city was desirous of having deeds of the streets laid out upon the College property, McGill College Avenue, Mansfield street, etc. Finally in 1879 an arrangement was made of this long standing question by which the city accepted the sum of \$6,000, instead of the sum which they claimed, and it was, I think, \$26,000, and we gave them deeds of the streets, and they undertook their maintenance. Adding this sum to that paid to the Seminary, and some smaller ones of the same class, gives \$32,000 odd, which thus

ceased to be revenue producing capital. —Then during the four years ending July, 1881, the excess of expenditure over revenue amounted, allowing for arrears of interest outstanding, to \$10,300. As I stated in the beginning of my remarks, the amount of the nett deficiency in the year we have just finished was about \$3,600, and was of course the largest of the four alluded to. So that by reason of the items of which I have spoken—the amount paid to the Seminary, the amount paid to the city for taxes and other such like sums—and the excess of expenditure during the past four years, we have something like \$42,000 less capital, which would produce an income of about \$2,500 a year. Our loss, in the next place, arises from the fall in the rate of interest. It is unnecessary to say to a meeting so largely composed of the merchants of Montreal how serious this loss has been and how greatly the value of money has changed during the last three years. The figures in reference to McGill University, show the change which has taken place even within the last financial year. On the 31st July, 1880, we had \$110,500 invested at 8 per cent; on the 30th July, 1881, we had only \$59,500 invested at that rate. On the same date in 1880, we had \$214,000 invested at 7 per cent. This year we had \$143,000 only invested at that rate. In July, 1880, we had \$63,000 invested at 6 per cent. This year we had \$169,000 invested at that rate. This shows that there was a decrease within the recent financial year of \$51,000 in the 8 per cent. investments, and \$71,000 in the 7 per cent investment, while there has been an increase of the 6 per cents of \$106,000. Those investments which formerly yielded 7 and 8 per cent. had been invested at 6 per cent., or rather in most cases renewed at that rate. We stood out against making reductions as long as we could, but when we began to find our money flowing in upon us, and that investment was difficult, we saw that we would have to reduce our rates or leave our money lying in the banks at 3 per centum. Of course in cases in which the mortgages were not yet due, and the parties not entitled to repay the money, we have made no reductions, but you will see how serious has been the effect upon us of the change in the value of money. Within the past year we have sustained a loss of \$1,700 in interest in this way. The figures which I have mentioned refer to the state of matters on 30th

June last; this reduction has gone on since, and is still in progress.

Thus, gentlemen, we came to the conclusion when we met in July that we would have a deficiency of at least \$8,500, and this position led us to ask the question, how were we to meet this state of affairs. As the trustees of a public institution, it would have been our duty to have at once made our expenses agree with our income, and we carefully considered whether it was possible to do that. Schemes were laid before the Board of Governors, by which perhaps nearly the whole of that deficiency could have been made good by means of reductions, but they were of the most trenchant kind, and would have affected in a serious manner the efficiency of the University. After mature deliberation we only made those reductions which seemed unavoidable and which amounted in annual amount to \$3,000, but which during the present year will affect the accounts by about \$1,800 only. In regard to further reductions we made up our minds that we would not make them but appeal to the citizens of Montreal to help us over the present difficulty (applause). We did this because the reductions proposed were of a most severe and painful nature—the pro rata reduction of all the salaries, and the removal altogether of some from our list. The scheme was one which would have made both ends meet, but, when we considered the inconvenience to which it would put on our whole staff, we decided not to adopt it. Our professors are now underpaid, and I do not think there is one member of the Board who, if we had the means, would not increase the inadequate salaries which we have been compelled to offer. We have given our officers in the past all we could, but when we found our revenue so much impaired it became a question, not to be postponed, whether we must not at once reduce them. As the trustees of a public fund we were perhaps bound to reduce them when we found, after two or three years experience, that the annual deficiency was not temporary, but continued to augment, and was clearly permanent. But we determined to trust ourselves to the citizens of Montreal, believing that they would by increasing our endowment enable us to avoid this most serious contingency. We determined to call this meeting and appeal to the citizens of Montreal for aid. As the Chancellor has said, McGill owes its existence to the successful merchants and citizens of Montreal. They have

enabled it to do what it has done in the past, and the Governors appeal with confidence to the merchants and citizens of Montreal of today to replace the College in that state of efficiency which recent events have so seriously threatened. (Applause.)

Principal DAWSON, upon being invited to address the meeting, said :—I may add one or two educational points to what Mr. Ramsay has laid before the meeting on the financial aspect. In regard to the reductions of which he spoke as actually made, I may mention that they consist, in the first place, of the reduction of the salaries of two of the oldest members of our staff, to whom we were under very great obligations in the early days of McGill; then of the cutting off the possibility of adding any more books to the library or anything to our museum or apparatus; of the cutting off of prizes to students, and of examiners' fees; of the cutting off of many things, in short, which tend to make the College attractive to students, or which are in some respects matters of justice to the institution itself, and to those who are working for it. These are the parings by which this reduction of some \$1,700 has been effected, and it was evident that the expenses would not bear much further paring down. I would say, further, that the number of students attending the University last year was 442, and of this number, between 300 and 350 were young men coming to the city from various parts of the Province of Quebec, and from other portions of the Dominion for their education. They spend their money in Montreal, and they go away having connections and relations with Montreal which are undoubtedly of great benefit to the city. I believe the fact that McGill University has been sending out such a large number of professional men occupying important positions in every part of the Dominion constitutes an element of the city's success, and adds to the metropolitan character of Montreal. This ought not to be overlooked in connection with our college work. We have now three professional faculties and one academical faculty. The medical faculty is essentially self-supporting, the University only giving it a building. This faculty is a noble one and a great credit to Montreal, and the medical men who have been identified with it have made great sacrifices in order to sustain in this city the best medical school in the Dominion, without any expense to the city or the college. With regard to the law faculty, it is not a claimant here, and the University gives it very little

aid. Still it could do better work with more means. The little we are now giving it is proposed to be reduced by one third in the coming year. The faculty of applied science is young, but flourishing. In it are taught mechanical, civil and mining engineering and practical chemistry—all important branches, now that so many great works and factories are rising up in this Dominion. The faculty has now about 40 students, which I think for a young country like Canada is a great success. I hope we shall have an income of \$2,000 from fees in the faculty this year. In addition to our endowments and annual subscriptions, we should have before now received the legacy of the late Miss Scott, amounting to \$30,000, for the endowment of a chair of Civil Engineering. Unfortunately there is litigation in this matter which deprives us at present of any benefit, and may seriously diminish the legacy in the end. With this legacy the Faculty would probably be self-supporting, which it is not at present, but we could wish to have an additional chair endowed in this Faculty. The Faculty of Applied Science is one in which the merchants and citizens of Montreal should take a great interest, and I am of opinion it will grow to be as important as the Medical Faculty before the existing generation shall have passed away. The great expense of the University is in the Faculty of Arts. It is really this faculty that gives vitality to the whole. Without it the others could scarcely exist. I cannot see how the deficiency expected is to be met without crippling the efficiency of the faculty. At present the staff in the Academical Faculty is not as great as we would like it to be, nor as large in proportion as those in some of the other universities in this country. Its salaries and expenses have been cut down to the narrowest possible amounts. Under these circumstances, it would be impossible to reduce the expenses of this faculty without destroying its efficiency. For my own part, I see no other way than either cutting off some subjects actually being taught, or reducing the salaries by a certain percentage. I do not like to contemplate either of these contingencies, nor would I care to manage McGill and be obliged to resort to either means. I myself would have been willing to work without salary for a year or two, but that would not have been enough to meet the deficit. We are therefore driven to the necessity of falling back on our old friends, the merchants and manufacturers of Montreal, and asking them to do again what they did in the past. I

think that if we should succeed in obtaining the sum now spoken of in order to enable us to sustain our present work, we might fairly pledge ourselves not to require to make another appeal, but that we may trust for farther growth to the spontaneous liberality of friends of education. I believe that in the time to come the University will be a great and wealthy institution, and that what we have now to do is to sustain it until it rises to that position.

Mr RAMSAY—There was one portion of my remarks which I postponed until Dr. Dawson had spoken. Since the circular was issued we have been promised different sums of money from various gentlemen, most of whom have not actually named the exact sums they are prepared to give, but we have in two instances received letters promising particular sums. One is from Mr. Hague, of the Merchants' Bank, offering to give \$3,000 if fifty other persons will come forward and each subscribe a similar amount or make up in other ways \$150,000. Mrs. Jane Redpath has subscribed \$1,000, which, with such other sums as may be afterwards added thereto, is to be invested as the William Wood Redpath Memorial Fund, and the revenue applied to the maintenance of the library. Then there is a large subscription from our esteemed Principal, Dr. Dawson. When the proposed reduction of salaries was before the board, Dr. Dawson desired that rather than make some of the proposed reductions we should strike off the salary of \$1,000 which, as principal, he receives in addition to that of his Professorship. The Board of Governors, however, would not consider that action, but Dr. Dawson soon after put himself virtually in the same position by tendering a subscription "of \$1,000 to the Faculty of Applied Science for the current year, and so much longer as may be necessary." This was a noble thing in addition to the giving of his life to the University. But this is not the first occasion on which Dr. Dawson has given a subscription to the University. During several years he has given an annual subscription of \$300 to the Faculty of Advanced Science, and he gave in 1871 a sum of \$1,200 towards the funds of that Faculty. Then Dr. Dawson has been since ever he came here, a Professor in the Medical Faculty to lecture to its students in Zoology and Botany. For this his remuneration is, like that of all the Professors in that Faculty, his fees, which he is entitled to retain, but he has from the outset paid those fees to the University for expenditure in maintenance of

and additions to the museum. This has been virtually an annual subscription of at least \$250. These remarks I purposely postponed until Dr. Dawson had spoken, because I knew that with that modesty which has kept these gifts in great part hitherto unknown, he would have deprecated this mention of them here, but it is right that on an occasion like this the citizens of Montreal should know what Dr. Dawson has for years done and is now doing in his devotion to the University. He is a man of whom not only the University and Montreal, but Canada has reason to be proud. He has not only given us himself and his life's work, but has given lavishly of his means, and his devotion should and will incite us all to greater and enthusiastic efforts on behalf of our University, which he serves and aids so well. (Great applause.)

Mr. ANDREW ROBERTSON then moved the following resolution:—

"That in view of the explanations given by the Board of Governors as to the financial position of McGill University, and the extent and value of the educational work it is at present carrying on, together with the importance of continuing this work without diminution, it is desirable that a renewed effort be made by the citizens of Montreal to increase the endowment of the institution, and thereby to place it in an independent and permanent position."

He was sure it required no words of his to get a hearty support for this motion. They were proud of McGill University, and especially of Dr. Dawson, who presided over it. He knew that at one time Dr. Dawson had an opportunity of leaving them, but he would not. McGill University had advanced enormously since Dr. Dawson had taken the Principalship. In the course of his remarks, he expressed an opinion that the amount required would be promptly subscribed. There would be difficulty experienced in getting even the present rate of 6 per cent. and he thought that no more than 5 per cent. might in the future be the rate for mortgage investments. He suggested that they should ask for a quarter of a million at once, and they would get it, for the University was in every way worthy of liberal support.

Mr. M. H. GAULT, M.P. in seconding the resolution, said he felt certain that the sum asked for would be subscribed. He had always looked upon the University and its worthy Principal with the greatest pride, and for Dr. Dawson's sake alone he hoped there would be a large contribution to McGill College. He promised to contribute his share towards

the required amount. He felt perfectly satisfied the appeal to the generosity of the citizens of Montreal would not be made in vain.

Mr. H. McLENNAN asked if the deficiency in revenue alluded to was made good, would it simply keep the College in its working condition and without any progress over previous years.

Mr. RAMSAY replied that it would simply replace it in its late working condition.

Rev. Dr. STEVENSON asked if the \$150,000 would put it in a better position by giving a margin for progress.

Mr. RAMSAY replied that he was sorry it would not place it in any better position than it was three years ago, because to earn the deficiency of revenue over \$100,000 was needed, and to replace the capital impaired as already explained, over \$42,000 additional was required.

Mr. HUGH McLENNAN supported the Board of Governors on the present appeal. The reduction of the salary of the Professors would have simply been reducing them to starvation point. As one of the men concerned in the business of Montreal, he was interested in the success of the present movement. The merchants of Montreal had laid the foundations of the University, and would be glad of new opportunities to lay stone to stone. He was not satisfied that the College should be put only into a position to continue its existence. Vigorous life required progress, and those who were serving in it should share in the prosperity of the city. It would be a very unfortunate thing if Montreal should consent to a reduction of salaries, a course which must speedily lower the University to a respectable academy, its present prestige being sacrificed. There were many who boasted with how little education they had risen to their present positions of wealth. He was not aware that education beyond the rule of three contributed much to the acquisition of wealth, but it gave that which made wealth worth having. Montreal boasted of doing something toward the clothing of the people by her manufactories, and by her forwarding interests she assisted in feeding them. Should she not maintain the prouder boast of educating them also? Then Montreal would be the centre of education as she was of the commerce of Canada. He hoped, therefore, that the present movement would be successful, and that the merchants of Montreal would come to the rescue, as they had done in the past.

Mr. CHARLES ALEXANDER asked what the Alumni were doing. Many of the gentlemen who received education in the college

were enjoying good positions, and something he thought could be done by them.

The CHANCELLOR said that that would be a suggestion which might be taken up.

Mr. J. R. DOUGALL said that the alumni were, it was true, numerous, but were still young men. While they were willing they had not yet reached positions that enabled them to do all that they would. The institution itself was not a very old one, and when the alumni were gathered together he was himself one of the older ones. Something, he was certain, would be done in the future, but they had not yet had time to enable them to reach positions of wealth and fortune. The alumni had already done something of fair amount for a library fund and other matters were under consideration. They would do what they could, but much cannot yet be expected of them.

Rev. Dr. STEVENSON still thought they should ask for a sum which would make them literally independent in the future. They should not ask for less than \$250,000. He thought there would not be much more difficulty in raising this sum than the \$150,000.

Mr. DAVID MORRICE said they would fall short of the \$150,000 if they merely asked for that amount. He thought it would be a shame if in a city like Montreal they were not able to carry on the work of McGill University, and also to make provision for progress in time to come. He also asked by whom were the investments made?

Mr. RAMSAY replied that the investments of the institution were made by a Committee of the Board of Governors, consisting of Hon. James Ferrier, Sir Francis Hincks, Mr. J. H. R. Molson and himself. No investment was made without having first been submitted to and approved by three members at least of that Committee. It was not to be understood that in speaking of the changes within the year of investments yielding the various rates of interest, he meant that in all cases there was a new investment. The larger proportion of cases were ones where, having a mortgage with which they were satisfied, they had reduced the rate rather than have it repaid. The investments were nearly all on mortgages in Montreal, but they also held a small proportion of bonds.

Rev. CANON NORMAN said he was no way connected with McGill University, but from his great interest in education generally, and, especially, higher education, he might be permitted to say a few words. The time should never come when any educational institution like McGill University had

to say, "We can do so much, and no more." If this University were like the old institutions of England, its income would increase in value, but it was a young institution; they should bear that in mind. He thought they should aim at a very much higher figure, he should say \$250,000 at the least.

Chancellor DAY thought there had been a little misapprehension. This mention of the \$150,000 was not the idea of the Governors, as the limit of their needs. It was their minimum. He read from the circular to show that \$150,000 had been mentioned only to indicate what was necessary to enable the University to sustain its present usefulness, and to avoid actual retrenchment and retrogression. They did not wish in any degree to limit the subscriptions. He read several blank forms of subscriptions which it was proposed to make.

The resolution was carried unanimously and with enthusiasm.

After some further discussion Mr. THOMAS WHITE, M.P., offered the following resolution:—

"That a committee be appointed to co-operate with the Governors in securing this ob-

ject, consisting of the following gentlemen:— Messrs Andrew Robertson, convener, George Hague, C F Smithers, H McLennan, J J McLaren, M H Gault, M P, F W Henshaw, A F Gault, G A Drummond, J L Morris, Henry Lynnau, John Torrance, T J Claxton, C P Davidson, W W Ogilvie, N W Trenholme, E Holton, M P, W C McDonald, W B Lambe, D Macmaster, M P P, D Morrice, Thomas White, M. P., with power to add to their number."

He congratulated the Governors of the University on bringing this matter before the citizens at this time. They had been very prosperous in the last few years, and they should, not only as Canadians but on the ground of their common Protestantism, put ample means at the disposal of McGill University in order to enable it to carry on its work. There ought to be no difficulty in carrying out the proposition. They had already ample evidence of the growing liberality of the people of this city, and no doubt they would be ready to put on a thoroughly sound and efficient footing an institution which had such claims upon them in every way.

The motion was seconded by Mr. W. DRYSDALE, and carried unanimously.

The meeting then adjourned.

STATEMENT REFERRED TO IN THE FOREGOING REPORT.

On the re-organisation of McGill University under its Amended Charter, it became apparent that without increased revenues it could not hope to enter on a career of practical usefulness. Its income was insufficient to support the requisite number of Chairs, its aids from the Provincial Government were very small, and its real estate could not be rendered productive, except gradually. In 1856, therefore, an appeal was made to the Citizens of Montreal to sustain it by subscriptions and permanent endowments.

To this appeal a most hearty and liberal response was made, as is shown by the list of benefactions in the Calendar of the University, headed by the endowment of the Molson Chair of English Literature. In subsequent years this liberality was followed up by other benefactions, including, besides contributions to the general funds and to the Faculty of Applied Science, the endowment of the Peter Redpath, Logan and John Frothingham Chairs, the erection of the William Molson Hall and other buildings, the endowment of many Scholarships, Medals and Prizes.

By these aids and the careful administration of the estate of the founder, the assets of the University have been raised from a very small amount to over \$600,000, and its annual income from all sources to a sum of about \$39,000. It has thus been enabled, by limiting its expenditures to the more essential requirements of educational work, to attain a position second to that of no University in the Dominion, and to develop its means of instruction in the Faculty of Arts and the Professional Faculties, on a scale not previously attempted in this country, and with the most encouraging results in respect to its number of students and graduates and the educational benefits actually conferred. It has also been enabled to promote the establishment and further the success of Theological Colleges, which are of the utmost value to the leading Protestant denominations of this Province. It has obtained large donations of books, specimens and apparatus for the use of the public, and latterly, through the munificence of Mr. Peter Redpath, it has been enabled to associate with itself the great Museum which bears his name, and which will be to all time one of the most attractive and useful of the educational and economic institutions of the city.

It is to be observed, however, that the revenue of the University has at no time been more than barely sufficient for its maintenance, and that the most rigid economy has been necessary in order to enable the staff and appliances required for its actual work to be supported. It has hence arisen, that through the demands for improvement in educational facilities, along with the necessity within a few years past of making certain large capital payments connected with the estate and its burdens, the Governors have found that a deficit which has appeared in the published accounts of the two past years, but which they had hoped would have been effaced by new sources of income, threatens, owing to the recent and heavy fall in the rate of interest receivable on all investments, to increase to such an amount that it has become a serious question whether they will be

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.

While there are other objects to which the liberality of educational benefactors may be directed, the above are especially indicated as those which would give relief in the present financial exigency.

It is the earnest wish and intention of the Board of Governors to reserve the whole of the present College Grounds for educational purposes in connection with the University, provided that the amounts now to be subscribed should prove sufficient to enable it to take this course.

The names of all donors will be entered and maintained on the published list of Benefactors of the University.

The Governors would earnestly invite the attention of their fellow-citizens to this appeal, as relating to an object which they believe to be of paramount importance. They hope at an early date to take a public opportunity of giving more full explanations to the friends of the University, and in the mean time they will be glad to afford any further information which may be desired as to its present financial position, and as to the precise directions in which aid is most-urgently required.

On behalf of the Board of Governors,

CHARLES D. DAY, LL.D., D.C.L.,

Chancellor, and President of the Board of Governors.

July, 1881.

