

the necessary arrangements. Ten copies of the medals have been struck, and have been received. A copy has been forwarded in the name of the Council to the widow of the late Professor.

*Endowments.*—The lease of the Small Run 79c, Burwood, has been transferred from Potter to Urquhart. Late in the year the lease of the run known as the Museum Reserve or Lamb Hill terminated, and it became necessary to offer the lease at auction. No bid was received at the auction at the upset price, and tenders were called for. The highest rent tendered for the 11,000 acres and the improvements was £400, which was accepted, entailing a loss of £150 on the last yearly rental.

*Castle Street Block.*—No further buildings have been erected on the block, although two sections were applied for and granted on the Castle Street frontage. An advantageous arrangement has been made with the Dunedin Drainage Board, by which the Board will lease three sections near the Leith Street Bridge and the triangular space behind the Castle Street sections. These sections, now very unsightly, will be reclaimed and used by the Board as storage grounds for material. The Board also undertake to keep the wall in repair, subject to certain conditions set forth in the agreement. The Council obtained from Messrs. Rawson and Rodgers, the Engineers to the Harbour Board and City Council respectively, a report on the condition of the retaining-wall, and were advised to protect the base of the wall with stone buttresses held together with strong wire netting.

*Finance.*—Last year the Council set out in their report the financial position of the University, and announced a deficiency of £1,214 on the current account and an annual deficiency of £150 between ordinary income and ordinary expenditure. The position was brought before Parliament, and it was intimated by the Colonial Treasurer that a subsidy would be given on subscriptions raised for the purpose of wiping out the deficiency on current account. The *Evening Star* newspaper promptly started a subscription-list, and in a few days raised the sum required to get the subsidy promised. Ultimately the *Evening Star* Company handed over the sum of £819 5s., upon which the Government paid a subsidy of £1,650. The *Otago Daily Times* donated a sum of £100 towards a fund for the further endowment of the University, and initiated a further subscription-list to clear off the existing debt of £16,000 incurred in past years for buildings. The fund at the 30th March, 1903, stood at £2,064 7s. 6d.

A public meeting of citizens was held at the Town Hall, and committees were appointed to report on the best means of raising a large fund for the benefit of the University. Several meetings were subsequently held to consider various schemes, and finally the following statement was drawn up and submitted to a meeting of citizens held in the Victoria Hall :—

*Statement for the Meeting of Citizens to be held in the Victoria Hall, 22nd August, 1902.*

Since the foundation of the University by the Provincial Council in 1869 a large number of students have graduated in the Faculties of Arts, Medicine, and Law. The number now on the roll as graduates of the University of New Zealand who are entitled to vote at elections of members of the Senate is 320. This number does not include those who have taken various classes without proceeding to a degree. The average yearly attendance has been over 230 for some years. The School of Mines has also had a number of students, more than sixty of whom have taken diplomas and certificates. In the Medical Faculty fifty-six students have qualified in New Zealand, ninety more hold British qualifications, and there are now 105 medical practitioners in this country who have received their medical education either completely or partially at the school, and are now in practice throughout New Zealand from Auckland to the Bluff.

The University is supported by revenue derived from the rental of endowments, from a part of the fees paid by the students, from a liberal contribution from the Presbyterian Church Board of Property, and from a grant made by the Government to the expenses of the School of Mines. These amounts come to about £9,250. The expenditure consists of salaries, £7,550; interest on loan of £16,000, £720; the annual cost of the four practical laboratories and the working-expenses of the School of Mines, £560; repairs, water, fuel and light, library, insurance, and general expenditure, £650: total, £9,480—showing a deficiency of about £200 a year.

Committees of the Council have made special inquiries into the finances and into the present condition of the Faculty of Arts, and also the Faculty of Medicine. They recognise that there are many directions in which the work of the University should be extended if funds will permit. In the Faculty of Arts the lecturers on modern languages are not well paid. The library requires to be brought up to date. The Faculty of Law has been abolished altogether, solely owing to the lack of funds. The Medical School requires strengthening by the addition of a Chair of Physiology, with the necessary laboratories, and the extension of the pathological department; and salaries should be provided for the two medical lecturers who are now unpaid. A sum is also wanted for the proper care of the large and valuable pile of buildings under the control of the Council, as the Council have been unable to spend anything on this important matter for some years. It is estimated that an addition of £1,500 to the annual income will enable the Council to add the Chair of Physiology, increase the teaching of pathology, and provide salaries for the lecturers at present unpaid. They will also be able to improve the condition of the laboratories and the library, and to make better provision for the teaching of modern languages. If the Government will then make the annual grant to the Mining School £720, instead of £500 as at present, the work can be carried on in a more satisfactory manner, and possibly the classes in law reinstituted.

The lecturers attached to the Medical School have remained loyal to the University, notwithstanding that the salaries of most of them have been reduced on two occasions, and they have cheerfully given their services at salaries wholly inadequate; while Dr. Lindo Ferguson and Dr. Truby King have not received any salary at all, though they have held lectureships for many years.

A short appeal prepared by a committee is submitted.