The Chancellor of the University of Otago to His Excellency the Governor.

I have the honour herewith, in compliance with the provisions of the University of Otago Ordinance, 1869, to submit a report of the proceedings of the University of Otago for the year ending 31st March, 1914.

The Council and Teaching Staff.

It is with extreme regret that I have to announce the death of Professor J. H. Scott, Professor of Anatomy in the University since 1908. Both as a professor and as a councillor Dr. Scott was regarded with the greatest respect, and his loss is keenly felt by his former colleagues. To fill Dr. Scott's place on the Council the Professorial Board has appointed Professor Benham. Another change in the personnel of the Council has been occasioned by the retirement of Professor Shand. Professor Shand was one of the three original professors of the University, having been appointed in 1870, whilst he has held a seat on the Council since the year 1895. During his forty-three years of service as a professor Dr. Shand has exerted an incalculable influence for good upon his students, who always regarded him not only as a clear exponent of his subject, but also as a model of gentlemanly conduct. As a member of the Council he took the keenest interest in the University's affairs, and for many years acted as honorary treasurer. The vacancy caused by Dr. Shand's resignation from the Council has been filled by the appointment of Professor Malcolm. A further change on the Council has been occasioned by the resignation of Mr. W. Macalister, whose place has been filled by the appointment of Mr. T. MacGibbon. On the staff another familiar figure has disappeared in the person of Dr. Salmond, who had been Professor of Mental Science since 1886. During the years that he occupied this chair Professor Salmond endeared himself to the hearts of all his students, and universal regret was expressed when failing health compelled him to ask relief from his duties. To fill the vacant Chair of Physics the Council has appointed Dr. Robert Jack, late of Queen's University, Belfast, whilst Dr. Frank W. Dunlop has been appointed to the Chair of Mental Science.

Students' Building.

It is with much pleasure that I am able to report that, thanks to the liberality of the Dunedin citizens and to the generosity of the Government, the Council has been able to provide the students with suitable accommodation. The building comprises common rooms, locker-rooms, lavatories, a kitchen, and a large assembly hall. In view of the great services rendered by the Hon. J. Allen as a member of the Council, and as Vice-Chancellor and Chancellor of the University, it was felt that no more appropriate name for this hall could be found than the "Allen Hall." It may be considered that the students are now well provided for so far as the social side of their life is concerned.

Medical School.

The past year has been a very important one so far as the Medical School is concerned, and the Council desires to express its indebtedness to the Government for the additional specialization grant of £1,500 which it has been decided to vote in support of the upkeep of this school. Thanks to this grant, the Council will be able to make improvements in the teaching of bacteriology and pathology, to establish lectureships on the diseases of children and on the ear, nose, and throat, and to appoint assistants to the Professors of Physiology, Anatomy, and Chemistry. A further cause for gratification so far as the Medical School is concerned is the fact that additional accommodation is now to be provided for the teaching of anatomy, chemistry, and physiology. This has been rendered possible by a Government grant of £10,100, for which grant the Council desires to express its warmest thanks. The Council has ever felt that it must do its utmost to make the teaching of medicine as efficient as possible, and with this in view it is proposed still further to extend the school by making ample provision for the teaching of bacteriology, pathology, and public health. A building for this purpose is estimated to cost £15,000, and it is trusted that the Dunedin citizens will be willing to raise this amount by voluntary contributions provided a substantial subsidy may be obtained from the Government. A site for this building has already been acquired in King Street. The proximity of this site to the Dunedin Hospital renders it very convenient, but since it comprises only a quarter of an acre it is scarcely of sufficient size for the requisite buildings. It is trusted, therefore, that the Government will enable the Council to purchase the adjacent section of land, which at present belongs to the Hospital Board.

Veterinary School.

During the past year the Council has submitted for the Government's approval a site which it considers would be suitable for purposes of a Veterinary School. At the present time the Council is awaiting notification of the Government's intentions.

Finance.

The Council is deeply appreciative of the financial assistance the Government has granted in aid of the Medical School. The general finance of the University is, however, far from satisfactory, and certain professors and lecturers are paid much lower salaries than are commensurate with their attainments and with the excellent work which they are doing. The Council sincerely trusts that during the ensuing year the Government may strengthen the financial position of the University as a whole. The Council would also respectfully remind Your Excellency that a debenture debt of £8,000 is still owing by the University. Interest is now being paid on this at the rate of $5\frac{1}{2}$ per cent., and the payment is a heavy drain on the University's resources. If the Government could pay off this debt the Council's position would be considerably strengthened.

ANDREW CAMERON, Chancellor,