

Government Assistance.

Inspired by the munificence of Sir W. W. Hughes and Sir Thomas Elder, the Legislature emulated their example, and in passing the Act of Incorporation endowed the University with 50,000 acres of country lands, valued at £1 an acre, and a site of not quite 5 acres on North terrace, for a University building. While the Act was before the House the late Chancellor, Sir Samuel Way, made a strenuous effort to obtain the land from the North terrace frontage, down to the river, but without success. It is interesting to know, after so many years, that a large portion of the area for which Sir Samuel Way pleaded has been granted for University purposes. The Act also provided for an annual subsidy of 5 per cent. on the £40,000 given by Sir W. W. Hughes and Sir Thomas Elder, and, on such other moneys as may from time to time be given to and invested by the said body corporate upon trusts for the purposes of the University. It was provided, however, that no such grant should exceed £10,000 in any one year. This limit has been extended by recent legislation.

The endowment by country lands was made with the purpose of affording the University a source of revenue from rents. Some years ago, however, the lands were repurchased by the Government; for the sum of £40,000 for closer settlement purposes. The action of the University council in parting with these lands was adversely criticised in the House of Assembly; but, as a matter of fact, it was a sound financial transaction on the part of the council. The proper administration of so large an area was a difficult matter for the council; the University was compelled to pay the ordinary land tax and the progressive tax on all land above the value of £5,000, and the net income from rents was only from £800 to £1,000 a year. Bonds bearing interest at 4½ per cent. were accepted in lieu of cash for the lands, so that the income was practically doubled, while there were no costs of administration and collection, and no land tax to pay.

The provision for the payment of an annual subsidy of 5 per cent. on all permanent endowments was a farseeing and wise piece of legislation, and no doubt had the effect of influencing our wealthy colonists to give or bequeath handsome sums of money for specific purposes, as they had the assurance that such endowments would remain for all time.

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