

quartz-mining has almost entirely stopped, and a very serious falling-off in the revenue from licenses is the result.

*School of Mines.*—The University, and the School of Mines in particular, suffered a great loss in the early part of the year by the death of the Director, Professor G. H. Ulrich. On the receipt of the news of his death the Council passed the following resolution: "That the Council desires to express its deep regret at the death of Professor G. H. Ulrich, F.G.S., who has held the position of Director of the Otago School of Mines and the chair of Mineralogy and Mining since the year 1878. By his faithful devotion to his work and by his conspicuous ability the late professor raised the reputation of the School of Mines to the present high level, and the Council feel that the loss they have now sustained will be felt not only by his colleagues and the University generally, but by the colony and by all those interested in the development of the mineral resources of New Zealand, in which the late professor, as shown by his scientific papers and original work, took such a keen and lively interest."

Temporary arrangements for the carrying on of the work of the school had to be made. Mr. D. B. Waters acted as Director, and Messrs. Russell and Watt carried on the classes in mining and mineralogy, and discharged their duties in a very satisfactory manner. After careful consideration it was resolved to redistribute the teaching of the various subjects of the curriculum, and it was considered desirable to terminate the appointments of the lecturers on surveying, on applied mechanics, and on geology, and to have these subjects taught by a professor or lecturer who should give his whole time to his work. Subsequently it was decided that private practice in the vacation would be allowed to those appointed. The Council then advertised in England and the colonies for a professor of mining, who should be Director of the School of Mines, at a salary of £500 a year, and for a lecturer on geology and petrology at a salary of £300 a year. Each appointment was for a term of three years. A number of applications were received, and, after a careful examination of the qualifications of the applicants, Mr. James Park, F.G.S., was appointed Director and professor of mining and mine- and land-surveying, and Mr. Patrick Marshall, D.Sc., N.Z., lecturer on geology and petrology. Mr. Park brought with him from the Thames a large number of very useful examples of mining machinery, including a working shaft-cage and rockdrill, tools, &c.—a valuable addition to the teaching facilities already provided.

A report from the Acting-Director, Mr. D. B. Waters, on the work of the school for the year is appended. At the close of the session several diplomas and certificates were granted by the Council to successful students.

*Staff.*—In addition to the loss of Professor Ulrich by death, the new arrangements, as previously stated, have necessitated the retirement of the lecturer on land- and mine-surveying, Mr. Begg; the lecturer on applied mechanics, Mr. Cutten; and Dr. J. R. Don, the lecturer on geology, all of whom are entitled to the thanks of the Council for their faithful services. Later on in the year, at the close of the summer session, Dr. John Macdonald was compelled by ill-health to resign his position as lecturer on materia medica, which he has held for eighteen years. The Council much regret the loss of his teaching.

*Scholarships* have been awarded as follows: The Sir George Grey Scholarship of £50, offered by Parliament for a science subject; the Macandrew Scholarship on Political Economy; the Grey-Russell Scholarship; and the Women's Scholarship.

*Investments.*—Various fixed deposits, hitherto in the Bank of New Zealand, have been invested in the debentures of the Dunedin Stock Exchange Proprietary Company (Limited), and now earn 5 per cent. interest. The amount of the various trust funds thus invested is £4,500.

To assist the Hospital Trustees in the erection of a new *post-mortem* room at the Hospital the Council made a grant of £100, which was supplemented by a further £20 subscribed by those of the honorary medical staff who are lecturers at the University.

*Law.*—The Committee appointed to consider the question of the Law School have submitted several reports, and the Council have to thank the Council of the Law Society for voting a sum of £50, which would have been available towards the payment of further lecturers if the scheme proposed by the Committee could have been carried out.

*Finance.*—The position of the University in the matter of finance is very unsatisfactory. For some years the revenue derived from the various endowments of the University has been declining owing to the universal drop in the value of pastoral lands. In the case of one endowment (Barewood) the rental has declined from £2,970 by various drops to £900 per annum. For a few years this was supplemented by a certain amount of revenue from some mining claims on the property, but this has now come to an end. The annual revenue from the other endowments has also largely decreased, though not in so great a proportion; but it is not possible to say if present rents will be maintained on the expiry of the present leases. The only increase in revenue that can be looked for is from the letting of the Castle Street building sections, and this cannot be taken into account for some time to come. On the whole the revenue available for all purposes does not reach the estimate of the expenditure by about £500. Every endeavour has been made by the Council to curtail the expenditure, but for some years it has been found impossible to make any material reduction on the various items of ordinary expenditure.

The Council is fully aware that the whole of the University Buildings require painting, as this has not been done for more than ten years; the grounds require the expenditure of a small amount to keep them in better order. No funds can be found for any additions to the library, and a sum of £300 is required for the completion of the fittings of the library to provide proper accommodation for the Transactions and other serial literature. A recent report by a select committee on the Medical School shows that to make this important faculty of the University as complete and effective as it should be an expenditure would be required which is at the present time quite beyond the means of the Council.

During the current year the Council will have to seriously consider the financial position and