The Governor not having been advised, in accordance with the Act, to determine the site of the University, it was very difficult for the Council to devise such arrangements for the tenure of scholarships as should have enabled it to carry out, in the most advantageous manner, the objects contemplated; as it is very possible that had the site been fixed the Council would, after being informed of the state of the law, have ordered that these scholarships should only be tenable in the University. Practically, the omission to fix the site has prevented the Council from establishing scholarships at all.

I have, &c.,

HENRY JOHN TANCRED,

The Hon. the Colonial Secretary, Wellington.

Chancellor.

Enclosure 1 in No. 26.

University of New Zealand. REGULATIONS. Conditions of Affiliation.

1. That scholastic or collegiate institutions in the Colony be affiliated to the University of New Zealand on the following conditions:

I. That such institutions provide for the purposes of teaching and lecturing, lecture rooms, with

suitable apparatus and appliances.

II. That, at such periods of the year as may be determined upon by the Council, lectures be regularly given by the teachers and lecturers of these institutions.

III. That it be shown to the satisfaction of the Council that such institutions are competent to supply, through their teachers and lecturers, adequate instruction in at least three of the following branches of education, or in such other branches as may be determined upon by the Council, viz:-

1. Classics.

2. Mathematics and Natural Philosophy. Modern Languages other than English.
 Physical Science.

5. English Language and Literature.6. General History.

7. Mental and Moral Philosophy.

Enclosure 2 in No. 26.

University of New Zealand. REGULATIONS. Regulations for Scholarships.

1. That no candidate under sixteen years of age shall be admitted to the examination for a scholarship, and no successful candidate be entitled to hold a scholarship, unless he shall enter his name upon the books of some affiliated institution, and attend regularly the course of studies and lectures prescribed by that institution or the Council.

2. That all scholars shall be subject to the supervision and control of the authorities of the institutions at which they have entered in accordance with section 11 of "The New Zealand University Act, 1870."

Enclosure 3 in No. 26.

University of New Zealand. REGULATIONS.

Appropriation of Funds.

- 1. That one thousand pounds (£1,000) be appropritted for the establishment of twenty (20) scholarships, to be awarded for proficiency in one or more of the following subjects:-
 - 1. Classics.
 - 2. Mathematics.
 - 3. Physical Science.

4. Modern Languages other than English, History and English Literature.

2. There shall be one scholarship in each of the above-mentioned branches of study, of the value of £70, and that the remainder shall be of the value of £45 each; and that the tenure of each scholarship be for the term of the University course.

3. That in estimating comparative merits of candidates under examination, marked proficiency in any one branch of the examination, even if there should be marked deficiency in the remainder,

be rated higher than a superficial knowledge of a greater number of subjects.

4. That fifteen hundred pounds (£1,500) be appropriated for the establishment or subsidising in the affiliated institutions of such Professorships or Lectureships as may be determined upon hereafter.

5. That scholastic or collegiate institutions desiring affiliation to the University, and aid in the establishment of Professorships or Lectureships, be invited to send in applications to the Council, stating how far they are prepared to fulfil the conditions prescribed in section III.

6. That the balance of the £3,000 be appropriated to the payment of the incidental expenses of

the Council.