

day; so that in the former institutions the students are at liberty to follow other occupations, and a large proportion of them actually do so. While this fact no doubt increases the number of students, its tendency is to bring down the standard of the work accomplished; as far as the holders of University scholarships are concerned, a recent decision of the Senate will render this impossible in future."

The modification of the standard of matriculation, which is now defined as that which may be reasonably expected from pupils who have satisfactorily completed a four-years secondary course, will also make it easier for the colleges to raise their standard of work. At the present time proposals in reference to the modification of the course for the ordinary degrees of Bachelor of Arts and Bachelor of Science are under consideration, having been referred to a Recess Committee of the Senate, with power to consult the Professorial Boards of the University colleges and to call a conference of those Boards for the purpose.

"In regard to the preparation of students for professions, the University and the several colleges have done valuable work, and through their means many of the lawyers, doctors, and teachers of the Dominion have received the greater part of their training. The affairs of the University are controlled by the Senate, which, under the New Zealand University Amendment Act, 1902, consists of twenty-four members or Fellows—four elected by the Governor in Council; eight by the governing bodies of the four affiliated institutions, two by each; four, one each, elected by the Professorial Boards; and eight, two each, elected by the four District Courts of Convocation, consisting of the graduates belonging to the several University districts. The revenue of the University is derived mainly from the statutory grant of £3,000 per annum, examination and diploma fees, and from interest upon sums invested—the savings of past years. By the decision of the Senate, half the amount of the statutory grant is allocated each year to the Scholarship Fund, and, as the income of that fund is never fully expended in any year, the result has been the building-up of a reserve, putting the scholarship scheme of the University on a sound basis."

The chief items of income and expenditure of the University of New Zealand for 1909 are shown below:—

<i>Income.</i>		1908.	1909.	<i>Expenditure.</i>		1908.	1909.
		£	£			£	£
Balances—							
General Account		3,230	3,852	Scholarships		1,970	1,915
Scholarship Account		21,729	22,186	Examinations		4,680	4,953
				Office salaries		1,054	1,035
		24,959	26,038	Expenses of Senate meetings ..		370	480
Statutory grant		3,000	3,000	Miscellaneous		774	753
Fees		5,880	6,303	Balances		26,038	27,289
Interest		954	1,009				
Miscellaneous		93	75				
		<u>£34,886</u>	<u>£36,425</u>			<u>£34,886</u>	<u>£36,425</u>

The special scholarship and prize funds due to private donors are not included above. It will be seen that, apart from the Scholarship Fund the balance available for general purposes was £3,514, against which the chief liabilities were £1,222, the estimated amount due to the English examiners for the degree examinations of November, 1909, and the expenses of administration. Further details are given in the special report on higher education (E.-7).

"The institutions for higher education in the Dominion consist of the four affiliated institutions (or University colleges), and six professional schools. The four affiliated institutions are the University of Otago, Canterbury College, Auckland University College, and Victoria College; the professional schools are the Medical and Dental Schools of the University of Otago; the Canterbury Agricultural College, Lincoln, recognized as a school of agriculture; the School of Engineering (mechanical, electrical and civil) at Canterbury College; the Schools of Mining and Metallurgical Engineering at the Otago University and at the Auckland University College.

"The four training colleges for teachers, although not affiliated with the University, and having only a slight and indirect connection with it, may also be considered as professional schools; a condition of entrance is the passing of the