its merits. As regards the number of students and proposed staff, I think it is dangerous to draw deductions from the figures contained in the report, because in many cases they are inaccurate and necessarily out of date, and they should be drawn up for this year. For example, there were 135 students of commerce at Auckland last year, but I think you will find they have dropped very considerably this year, and in applying the figures of the report one has to be very careful. While the staffs proposed for the three colleges for the subjects of arts, law, science, and commerce are practically identical, the number of degree students in arts, law, and science differs considerably at the different colleges. (I exclude commerce because I believe the figures in the report relating to it are not correct for this year. It is not the fault of the Inspector-General of Schools, but the number of students was inflated for the same reason in all the colleges last year.) The number of degree students in arts, science, and law at Auckland is 140; Victoria College, 402; Canterbury, 140; and Otago, 287. So the staffing per degree student in Victoria College would be from one-half to one-third of that at Auckland or Canterbury College. On page 15 of the report you will find that it is proposed that the colleges should be financed to a considerable extent by fees. The passage reads, "I see no reason why the fees for the arts, science, commerce, and law courses should not be the same or nearly the same in all the colleges, and also high enough to ensure that the additional cost of staffs and administration for an increase in the number of students would be met by the increased receipts from students' fees." It is proposed in the report that any addition to staff above a certain minimum, which is not stated, should be wholly paid by fees. I know no university where that is done. At the same time that it is proposed here to throw the whole burden of the cost of increases in the staffs for certain degrees, the New South Wales Government has put into effect a system of exhibitions which makes university education free to some hundreds of students. I think it can be shown that it is not practicable to finance the colleges by fees. I will give an instance of how it is impracticable in the case of a science subject. Before the beginning of this academic year the Secretary of the Post Office approached Victoria College to admit certain officers of the Post Office to the physics course. The arrangements arrived at between the Post Office and College were these: A minimum of seven students were to be sent (and that number was sent). They paid full fees, and the fees this year for new students are practically the same as those in any other University college. In addition to that the Post Office made a grant of £80 a year for increased teaching, and a grant of £125 for apparatus, so that we received from the Post Office a total of £205 plus the students' fees. The fees formed about one-sixth of the total paid. Thus to state that it is possible to increase the staffing of a college above a certain minimum from fees is demonstrably impossible—at any rate, it is impossible in physics. The money we received was none too much for the purpose, and the students were only being taught physics and no special course. I may point out that in the report it is not proposed that any special schools should exist in the North Island. I should now like to discontinue my statement for a moment to allow Professor Picken to speak on the question of financing by fees.

## Professor Picken made a statement. (No. 8.)

Witness: I have been asked to draw up a report on the question of financing by fees. of the cardinal proposals of the report is that beyond a certain minimum equipment the colleges are to be financed by fees. This proposal involves such very difficult problems as (1) what the minimum equipment ought to be; (2) what that minimum equipment will properly provide for; (3) how such a very inelastic body as the staff of a University college is to be adjusted to such variable quantities as the number of students and the fees paid by them. These are problems which could only be dealt with superficially in such a report. I wish briefly to indicate some of the difficulties that lie beneath the surface. But, first of all, I wish to draw attention to the fact that the proposal is a resurrection, in a new form, of a principle which we thought to have received its death-blow in New Zealand and to be in course of decent burial—viz., the principle of an intimate relationship between fees and teaching in university education. It must not be assumed that the only objectionable feature of this principle is the remuneration of university teachers by fees: that is the worst feature, and is, I am glad to say, by way of disappearing in New Zealand; but there are such other serious consequences as the encouragement to treat each subject as a separate entity, and the probability of commercializing the colleges in the direction of the "coaching" establishment. It is only necessary to look at the case of the second-rate universities of America (referred to by Mr. McCallum) to realize how very grave this danger is. that the highest opinion upon university education would be found unanimous upon the necessity of keeping the teaching of a subject scrupulously free from any direct relationship with the fees paid by the students of that subject. The relation between number of students and number of teachers can be best dealt with, as I shall show, in a different way. An important statement appears on page 8 of the report as follows: "The staff necessary for the teaching of a subject in a university depended, inter alia, upon (1) the number of students taking the subject, (2) the number of classes required for the different parts and different stages of the course, (3) upon the nature of the subject. (4) the style of teaching it, and (5) upon whether there are both day and evening lectures in the subject "—i.e., five factors are specified and others suggested. But the Table H on page 10-which is the central element of the report-cannot claim to embody a sufficient analysis of these considerations. They are to some extent represented in it-and I believe as fully as was possible in such a report—but not adequately—e.g., with one or two