

(February 3rd, 1913.)

The Needs of the University of Toronto

BY SIR EDMUND WALKER, C.V.O., LL.D.*

AT a regular luncheon of the Canadian Club, held on the 3rd February, 1913, Sir Edmund Walker said:

Mr. President, President Falconer, Gentlemen,—We have, as you will see from my remarks, laid before the Government a report upon the development of the University of Toronto which gives every kind of information, statistical and otherwise, that one could seek. I have the permission of the Government for the distribution of this report, and the people and the press can therefore now obtain it.

My address to-day will be more historical in character, and along but a few lines, such as seem suitable for an occasion of this kind.

On the night of the 14th of February, 1890, I had just finished dining, and was preparing to go with members of my family to the conversazione at the University, where some new scientific experiments were to be shown, with the usual rather forlorn hope of interesting the average citizen in the higher aspects of life. Suddenly, from a window I saw a great light in the sky, and in a few minutes everybody seemed to know that the University was on fire. I say *the* University, because what we now call the main building was practically all that represented the University in stone or brick in those days. The Biological Building had been commenced but was not finished. After a night of tragic excitement we knew that the building was mainly gutted, the Library and much else totally destroyed, that which represented the highest life in the Province of Ontario was in ruins. I was not connected with the University, and represented the kind of citizen who revered such seats of learning with a warm but rather vague regard, because never having had the privilege of attending the University, I knew about its work only in a very general way. But at this sad moment, thousands of citizens like my-

* As one who has unselfishly given a great deal of his time, both to the reconstruction of the University a few years ago and to its management as Chairman of its Board of Governors, Sir Edmund Walker is well qualified to speak of its financial position.

self realized for the first time that the University was the most important institution in Canada apart from the Government itself. Every high hope we held for the future of this country depended mainly upon our system of education, and that which set the standard in education for all Canada was in ruins. It was then that some of us learned that we possessed a State University which the State did not aid, and had never aided except by the original land grant given by the early legislation of Governor Simcoe; and unless both the State and the people as individuals came forward our future was indeed in peril.

The fire was, however, a blessing in disguise. The Government made the first gift in its history, \$160,000, all of which went towards the restoration of the building. The Province of Quebec, gentlemen, I ask you to remember, at that moment in our history at once gave \$10,000 (applause), and \$50,000 came from private sources. This \$60,000 was used in erecting a Library. Books were donated to the extent of about 30,000 volumes, which in some measure replaced the 33,000 volumes that had been burned. What a contrast to these days, when \$800,000 can be raised in a fortnight's campaign of collecting for one of our institutions! Small as the gifts were, they made the ordinary struggle of the University just a trifle less hard. At the time of the fire the number of students in attendance in Arts was 504, and the total yearly income was considerably less than \$100,000, somewhere about eighty or ninety thousand dollars a year, I think. There were also some students in medicine, but that department paid its own way.

I was allowed to help Sir Daniel Wilson in the work of collecting money, and later he asked me to join the Board of Trustees. I was then asked to prepare a report on the financial condition of the University, the poverty of which was standing in the way of all progress. After this my connection with the finances of the University became more or less recognized, and the long and uphill fight for an income began. The view of the Government, as expressed to us by Sir Oliver Mowat and his successors for many years, was that whatever might be the claims of the University for support the Province could not afford to admit them. I recall our pitiable condition when the Chemical Laboratory and the Gymnasium and Students' Union were built. Professor Pike used to say that we need not pretend that we taught chemistry: we only had the subject in the curriculum! The pressure for these buildings could no longer be withstood, but it was still urged that we

had no money. In the end, except some small subscriptions to the Gymnasium and Students' Union, we built them out of the endowment, and raised the fees to recover the income thus lost.

By and by Mr. Hardy, who had succeeded Sir Oliver as Premier, while adhering to Sir Oliver's views as to University support, acknowledged some claims of the University against the old Government of Canada, and we got a few townships of wild land in Northern Ontario, and \$7,000 a year in money. Thus we hirkled along, every effort at expansion practically obstructed.

Sir George Ross succeeded Mr. Hardy, and as Canada was now growing very rapidly, and the attendance at the University increasing correspondingly, its financial condition soon reached a desperate stage. An appeal was made repeatedly for assistance from the Government, and finally after several years of the most uncomfortably strenuous persistence on our part we obtained some sources of income sufficient to amount to \$96,000 in the last year of Sir George Ross' administration.

In the United States, universities belonging to the State are supported generally out of a direct tax collected for the Government by the municipalities, and sometimes levied as a special tax for University purposes. As the money produced by such a tax grows proportionately with the increasing total of the assessed value of the property in the State, it presumably meets the increasing needs of a University which come from larger attendance and improvement in methods. As we unfortunately have not yet begun direct taxation—direct taxation seems to be a sort of red rag to a bull when proposed to a Government! (Laughter)—we turned to some existing kind of revenue which would naturally grow in amount and which might grow as fast as our needs. We thought of the Succession Dues accruing from the estates of deceased citizens, and we pressed Mr. Ross for years to give us a share of these Succession Dues for University purposes. This was refused, doubtless because there were many other claims upon the Government which to them seemed as pressing as ours, and unfortunately the Government possessed no system of finance by which things needed for our progress could be accomplished and be paid for by direct taxation. Both Sir George Ross' Government and Sir James Whitney's received from various quarters different kinds of revenue: for example, from liquor licenses, and they are trying to lessen the number of licenses all the time; so that must decline; they get a revenue from

timber dues and mining dues; these also are uncertain sources; and there are the dues from the estates of people who die, but they don't seem to die with any kind of regularity! (Laughter.) What I would call a true system of taxation is one that would in addition to all our present sources of revenue, provide the balance necessary to enable the Government to do the many things desired by the people but which are not done because the Government has not sufficient money in its hands. We haven't that in Ontario, and it is the greatest lack in our financial affairs. All of us are foolish that we do not go to Sir James Whitney and insist that we be taxed directly and that things we desire to have done be thus accomplished. Of course it requires a large kind of sense to do such a thing, but there are communities that have done so! (Laughter.) Sir George Ross, however, helped the University to an important extent. We shall ever be thankful for what he did, though he didn't do enough. (Laughter.) The splendid Physics Buildings and the Convocation Hall were commenced and partly paid for by his Government, and by private subscriptions, and with help from Sir James Whitney's Government, we got them finished.

At this moment, however, new buildings were necessary in every direction, and our income was so straitened that growth was extremely difficult. Every sign of expansion, every evidence of the increasing usefulness of the University, every measure of appreciation, coupled as it always was with hopes for a larger future, became a sorrow, a trouble, a weariness to the Trustees, instead of a joy as it should have been.

When Sir James Whitney became Premier we laid our troubles before him; we went to him at once,—I think it must have been the first or second Saturday he was in office; he said he would give us the whole of a Saturday afternoon. He told us he intended to appoint a University Commission to find out things he did not understand about the University, to acquire indeed the necessary information to guide his Government in shaping the future of the University. The Trustees welcomed this, but begged for immediate help to begin the construction of certain buildings and to pay part of the cost of those already commenced. This aid was given by the issue of annuities by the Government equal to a cash value of \$580,000, such annuities to be paid as they matured by the Government direct.

Then followed the report of the Commission, accompanied by a draft Bill in the interest of the University, which was passed without material alterations. Under it we received the

first income from the Government of which the Trustees were allowed to shape the course of the relative expenditure. We were to receive a sum equal to one-half the amount of the Succession Dues paid to the Province averaged over three preceding years. This began in the University year of 1906-7—our year does not run with the calendar year—producing a revenue of a little over \$200,000, which rapidly increased until 1909-10, when it reached \$500,000. Then, to our dismay,—and that is really why we are in trouble to-day,—it fell away to about \$450,000, and for 1912-13 is estimated at only \$423,000. For three short years we had a rather joyous time, in which we could do at least some of those things that we wanted to do; we were able to meet in detail many of the demands upon the University for buildings, laboratory equipment and general expansion, and we were able also to make an adjustment of the salaries of the staff in order to try partly to meet the increase in the cost of living—there had not been such an adjustment for many years.

The Government required us out of the Succession Dues to pay for our buildings by annual payments to cover interest and a sinking fund. In the United States I know of no University which is required to build its buildings out of its income: income, from whatever source, being used for the maintenance of the University, but if a building is required it is regarded as a State building, just as a State Library would be. Our trouble at the present moment is really due to the fact that we endeavored to pay the cost of our buildings out of this income, thinking that we could both administer the University and build the buildings; in that respect we made a great mistake. The annual payments for buildings have already cost us \$183,000.

But I would not have you think that because we received this large increase in our income we spent it all. That, unfortunately, is the kind of idea prevailing in the minds of some people. Far from this, we piled up out of those fat years the reserves which have made it possible for us to survive ever since. I do not wish to weary you with statistics, but I should like to read one of the various tables in a Report on the Development of the University, 1906-07 to 1912-13, which is now in the hands of the Government. I hope every one of you will send to the Bursar for a copy of that report: because to my mind the University is the second institution in this Province—second only to the Government itself.

The following table gives the Revenue and Expenditure from 1906-07:

	Provincial Grant under Act of 1906.	Percentage of Total Income.	Fees.	Percentage of Total Income.	Provincial Grant for Faculty of Education.	Income from Dining Hall & Residences	Total Revenue.
1906-07	\$213,258	=47%	\$184,211	=40%			\$456,398
1907-08	357,444	=56%	213,219	=33%	\$15,000		642,108
1908-09	422,232	=57%	224,405	=30%	15,000	\$26,578	741,155
1909-10	500,000	=59%	237,938	=28%	15,000	35,712	840,307
1910-11	459,503	=55%	263,907	=31%	15,000	41,173	836,039
1911-12	448,325	=52%	264,895	=31%	15,000	55,717	854,594
*1912-13 *Estimated	423,000	=51%	270,060	=33%	15,000	57,000	824,359

	Capital Account Charges.	Residences and Dining Hall.	Total Expenditure.	Surpluses.	Deficits.
1906-07			\$411,696	\$44,701	
1907-08			613,344	28,763	
1908-09		\$34,223	679,867	61,287	
1909-10	\$25,260	33,755	752,183	88,124	
1910-11	36,122	35,303	777,810	58,229	
1911-12	54,132	47,141	875,849		\$21,255
*1912-13 *Estimated	68,000	49,180	931,428		107,069

This statement should to a business man explain our difficulties better than many words of mine.

Presuming for the moment that we can justify the increase in expenditure from \$411,000 in 1906-07 to \$931,000 in 1912-13, it is plain that we have reached a crisis and that the splendid generosity of the Government in giving us the new income referred to has nevertheless fallen short of meeting our needs, so that some new plan must be devised.

I am not attempting at this time to make a complete statement of the case for the University. That will be found in the report to which I have referred. What I must do to-day, however, is to indicate broadly the reasons for the great increase in the cost of administration. Removing the charges on capital account, the expenditures have a trifle more than doubled in seven years. But it will be observed that they increased fifty per cent. in the first year, this being largely due to the adjustment of the salaries and to the exercise in some degree of the long-restrained power to do justice to the many species of expenditure necessary for the good of the University. For the remaining six years the increase has been gradual and at a pace such as we may expect unless the Univer-

sity is to be crippled. Outside of the increase in capital charges, the remaining increase of sixty or seventy thousand dollars a year is one that can by no kind of administration be prevented, unless by starving the University in a dangerous way. If business men will judge us by results,—by any measure they would apply to their own business,—we can cheerfully abide the answer to any enquiry. Our attendance grew from 3,038 in 1906-7 to over 4,000 in 1909-10. Then the standard was raised. In 1909 the requirement of matriculation rose from 33 per cent. to 40 per cent. on each paper; in 1911 to 40 per cent. with an average of 50 per cent. on all the papers, and in 1912 to 40 per cent. with an average of 60 per cent. Other changes have also been made, none of which certainly tends to increase the attendance. I think there are those who imagine that the President and the Governors would like to see the students reach an indefinite number. We have no such desire: we have rather the feeling that increase beyond a certain point may diminish efficiency. The effect of raising the standard was that it kept the attendance just about stationary; otherwise there might be now five thousand students.

But perhaps we spend too much on these students. Here is a comparison drawn from the report referred to. In the United States the cost per student ranges from \$190 to \$264 per annum, and in only one university is it below \$200. Our cost on the same basis is \$186. In Great Britain the cost on a basis which can only be compared with the matriculated students in attendance on classes in the University of Toronto, ranges from \$300 to \$588 per student, while ours on this basis is only \$227. No business man could conclude from this that we are extravagant.

If we have administered the income carefully, and if we have taken advantage of the rush of students to uplift the standards, and if the students continue to come in increasing numbers, what is it that as Governors we can do to meet the emergency, other than to appeal to the Government? The Governors are just trustees for you and the Government.

There may be those who will say that the share of the cost paid by the student is too low—that we could make the student pay a larger share. That is a subject upon which I cannot enter to-day, except to say that any increase possible under existing conditions and existing ideas regarding the cost of education in Canada, would not help us very materially in our troubles.

It may be said that the State should limit the number of students in any one subject of instruction. It is technically

true that we could limit the number of students, but I only mention it to brush it aside; no one would for a moment consider it.

There are just three things that the Government could do: they could increase the fees, if the public would let them; or limit the number of students, if the public would let them; or pay the shot! (Laughter.) There is no other way that I can see.

I had occasion lately to thank a gracious lady for her gift to the University, and to speak of other gifts from private sources. There has been a rapid change in recent years in connection with the University and the Provincial Museum, showing a greatly increasing interest on the part of the wealthy people of our Province. There was never a time when the need was greater, or when the needs of the University should so strongly appeal to the benevolence of our wealthy citizens. The appeal I make to you, however, as business men of this Province is to support the University with your own opinion—if you will take the trouble to consider what I have said, and to read the report I have referred to—to support and hold up our hands in the good work being done in the University of Toronto. We need the good opinion of leading business men like yourselves in order to support our claims to sufficient aid from the State. What we want, to the last degree, is that the idea shall pass away that the University is some secluded thing, not in close touch with the life of the people. This Canadian Club is the most intellectual forum of debate in Ontario, out of which the best opinion arises; and what I want is to carry your opinion in favor of all the support that this Government, or any Government, may give to the University. It is the leading University, both in the number of students and in its importance generally, in the outlying parts of the Empire. It is distinctly one of the most important Universities of the world, and admitted to be such. It is the greatest thing we have accomplished in Ontario. It is the thing in all Ontario of which we have most reason to be proud. I care not what it may be, there is nothing else that so closely concerns the social, industrial and moral wellbeing of the people of Ontario as the University of Toronto. That being the case, I should like to have you feel some kind of personal proprietorship in it—you should have that! Shall it be hampered in its course by the need of money? Not if you will all hold up the hands of the Provincial Government in their renewed effort to provide what is necessary for the future work of the University. (Applause.)