

outlay on construction, but this floor would more than treble the existing space in the present metabolism laboratory.

You will note that the total expenses for our present metabolism clinic, in which there is space for 12 patients only, amount to \$27,000. The reconstructed laboratories would have to be equipped and staffed very completely in order to carry on the highest type of medical research and treatment, not only for the present year, but for the demands of some years to come. The reorganization would mean not only the expense of building this new space and its equipment, but also the employment of extra nurses, technicians, orderlies, and all the supplies incident thereto, and thus considerably increase the overhead charge for the routine of hospital work.

This new laboratory would, moreover, carry out all the clinical investigations of the other departments of the hospital.

Our Governors would not want to undertake this change, however, if by so doing their present financial condition would in any way be crippled, and I am told that we must not expect them to add very materially to the existing budget, although Mr. Webster has said that he will go as far as possible to aid in the work.

In going over the budget, you will see that \$22,000 is now being spent on the hospital end, i.e., deducting from the \$31,910 the two items -

(1)	Receipts from patients	\$6,900	
(2)	Insulin expenses	<u>3,000</u>	<u>\$9,900</u>

You will also note that the University already contributes \$6,000 for teachers in the Royal Victoria Hospital, which would make a total of \$28,000 spent under existing conditions.

We have estimated the salary list in a new modern clinic to be about \$43,000. If I am approximately correct in these figures, it would mean that \$15,000 extra would be required for salaries alone, and we would be obliged to add to this whatever extra sum is necessary to make the running of the clinic more complete.

Sir Arthur has requested aid from the Rockefeller Foundation to the extent of \$25,000 a year, which would seem to be the minimum additional sum by means of which we could conduct a clinic commensurate with our desire to make this one of the finest medical clinics on the Continent.

Will you please give this your careful consideration, and let us know what you think.

Dr. Pearce sails on the "Berengaria" on the 16th of this month, and would be willing to see you on any morning between the 25th and 27th should you be able to go up and discuss this matter with him. I hope you can manage to do so, so as to talk over the organization and the budget with him.

With all kind regards, believe me

Very sincerely yours,

P.S. Dr. Pearce will stay at the
Hotel Victoria, London, W.C.2.

C. J. Martin