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department towards general expenses. Under such conditions, it is quite conceivable that such a department might be a source of a very considerable income. I note from your estimates that in the case of Dr. Mason, the yearly amount which he received was \$6,900. I believe that this amount could be greatly increased if a larger staff were employed, and it might very probably amount to \$15,000 - 20,000, if not more. It is conceivable that this practice might increase to such an extent as to seriously handicap the work of the Department, and at the same time the income, as it would increase proportionately, might amount to a considerable item. It would not be fair, nor equity, that such a situation should be allowed to develop. A man who accepts such a position must have given many years of his life in acquiring the knowledge and experience which would fit him for the work. He takes it primarily because of the teaching and of research which it would allow him to promote. Therefore, if he and his Department be allowed or forced to develop into a financial concern to the detriment of its essential work, the whole ideal falls to the ground most pathetically.

(2) The Director might be remunerated by being given a smaller salary and allowed to collect all the fees which might accrue from his private practice within the hospital. This, however, would not be carrying out the spirit of such a Department. I do not think that this is an arrangement to be advised.

(3) That the Director should be placed on a definite salary and that a certain proportion of the fees from such private patients should be allocated to him. There are, however, many objections to such an arrange-