Macdonald, then a member of our Senate, a man of most generous impulses, and a staunch friend of this university, informed me that he desired to found a hospital in connection with our university. He told me he had promised his daughter shortly before her death to give the share of his estate which she would have received, had she survived him, towards a hospital, and, being deeply interested in medical science, he felt that such an institution in connection with our university would be of great advantage to the medical faculty, to the university, and the whole public. I need not trouble you with all the details. Suffice it to say, that Mr. Macdonald's original proposition was that the university would give a free site by conveying land in fee simple to trustees for the hospital, and in consideration of such grant of land he would give in cash \$40,000 towards the erection of the building, the trustees to maintain the hospital in connection with this university, which was to have control and management of all buildings erected on the land. In addition to the great indirect advantages accruing to the university, she was to be paid by students, for the privilege of attending this hospital, such annual fees as the Senate prescribed. Under this latter provision the university would receive a direct return in money for the use of the land, the amount of which from our prosperous medical faculty, ever growing in public favor, would soon exceed any other possible return from the land, whether sold or leased. think I have as accurate an idea as any person as to the value of the two lots included in this trust, and have no hesitation whatever in declaring that by no other possible way, by sale or lease, will the university ever derive as large an annual income from these lots as she will by charging fees to medical students for the privilege of attending the hospital when erected thereon; and I regret that, while those objectors have given exaggerated ideas as to the value of lots, they have, as a rule, carefully abstained from alluding to this provision for adequate money compensation. But to return to Senator Macdonald. His views and conditions were embodied in a draft agreement, a copy of which I now hold in my hand. This draft document purports to be made between John Macdonald, of the city of Toronto, in the county of York,

merchant, hereinafter called the donor, of the first part, and Her Majesty the Queen, represented for the purposes of this agreement by John Edward Berkeley Smith, the bursar of the university and colleges at Toronto, of the second part, and recites as follows :

"Whereas the said party of the first part, herein described as the donor, by reason of his love for his daughter, Amy Macdonald, now deceased, and from a desire to perpetuate a memorial of her good will and sympathy towards the sick and suffering, and also from a desire to promote the interests of medical science and surgery, has resolved to dedicate the sum of money hereinafter named in perpetuity for the purpose of founding a hospital, to be forever known as the Amy Macdonald Hospital, subject to the provisions and conditions hereinafter set forth, and amongst others upon the condition that Her Majesty, represented as aforesaid for the purposes of this agreement by the bursar of the university and colleges, should set apart and appropriate certain lands, being those hereinafter particularly described, to be held along with the said sum of money upon trust for the purpose hereinafter set forth of the said Amy Macdonald Hospital . . It is hereby agreed and declared that the trustees in whom the said lands and said sum of money are to be vested, etc., shall stand seized of the said lands and of the said sum of money for the erection of a hospital upon such portion of said lands as they shall determine, to be known and to be called the Amy Macdonald Hospital, which hospital and any extension thereof or additions thereto are to be forever hereafter appropriated and used for the treatment of patients suffering from all forms of disease other than those that are contagious, infectious, chronic, or incurable, and also for patients requiring surgical treatment, so that the establishment and perpetuation of the said hospital may not only be the means of relieving sickness or suffering among such patients, but may also serve to promote the interests of medical and surgical education in connection with the University of Toronto."

And the document, amongst other provisions, then provides that the University of Toronto shall have the right from time to time to prescribe and fix the fees to be paid by the stu-