

6th February 1935.

Dr. C.F. Martin,  
McGill University,  
Montreal.

Dear Dr. Martin,

Because of the financial difficulty in which the University finds itself at the present time, you have asked those of us who are the heads of the departments to consider our own financial situation very carefully. I may say at the beginning that I am quite willing to do anything in this time of emergency which you may consider fair, but I should like to make a statement of the situation in my department.

Unlike other departments the Department of Neurology and Neurosurgery receives no money whatever from general funds. The situation is briefly as follows.

In 1934 we received for the expenses of the Department and its research \$55,000.00 of which \$50,000.00 came from the Rockefeller Foundation and \$5,000.00 from the City and Province. In the year 1934-5 the Rockefeller Foundation made a capital donation of \$1,000,000.00 which the University was only able to invest at 4% interest. Consequently our budget was reduced 20% in order to meet this situation. On October 1st 1934 I made a cut of 10% in all smaller salaries and wages, and of 20% in all larger salaries. Furthermore, the fellowships were cut, many of them in half, and several men were dropped from the list altogether who had been promised stipends.

For the year 1935-6 I shall receive \$45,000.00 for this department. The \$5,000.00 which comes from the grant made by City and Province toward the hospitalization of public patients in the Neurological Institute is almost altogether used toward the expenses of upkeep of the Institute building itself, \$3,532.00 of this already being allocated to such things as gas, telephone locals, general supplies, janitress and so on, which things are not in any sense of a scientific nature. The income of \$40,000.00, *from* the Rockefeller bequest was given to the University with the understanding that it be used for neurological research. I have no doubt that the University could appropriate the full sum for other purposes within the law, but I doubt whether it would be a wise policy and, looking ahead into the future, if such specific grants are appropriated even in part for general university purposes it is possible that the large foundations will hesitate to endow specific undertakings at this university.

It so happens that the Rockefeller Foundation was interested in forwarding work on the human nervous system. In making this donation they chose between the neurological work here and the neurological work in other universities. There was no question of their making a choice between a donation to neurology and a donation to the general university expenses of McGill. So far as I am personally concerned I look on this foundation as a Trust and feel that if it were devoted to other purposes I should be disloyal to that Trust.

At the present time the City and Province have pledged themselves to the annual donation of \$35,000.00. This was intended by them to make up for the annual deficit incurred by having public patients in the Institute, and it is being used for this and for the general expenses and upkeep of the building itself. If the City or Province should fail to make good their annual donation, as they have done in regard to other Hospitals I question whether McGill will use general funds to keep the Institute open. If this not-impossible situation does arise I shall take the same attitude with regard to the income of the neurological research fund, i.e., that it could not be used for other than scientific purposes even if the Institute should close.

If in the last analysis we cannot devote those funds to the scientific purposes for which they were intended the honorable and judicious move would be to inform the donor. As far as McGill is concerned the project of the Department of Neurology and Neurosurgery has not deprived any other part of the University, either directly or indirectly, of any funds. The Rockefeller Foundation has provided what they expected to be a permanent yearly income for neurological research and they built one half of the Institute which we have considered to be scientific. Only the clinical one half of the building has come from residents in Montreal and can hardly be considered money which would have been available to McGill any more than the money which was spent on the new Western Hospital can be considered as having been taken from funds which would otherwise have gone to McGill.

Nevertheless, I am willing to leave the whole matter in your hands knowing that you are able to take a more dispassionate view of the situation as a whole, but I thought that inasmuch as our income is entirely independent of the general funds of the University I would make a statement of my own attitude toward the situation.

Yours sincerely,

WGP/HL.