

The Council is a corporation consisting of a Chairman, a Vice-Chairman and nineteen other members, all appointed by the Governor in Council. The Chairman and Vice-Chairman are appointed for terms not exceeding five years and the other members for terms of three years each. After serving two terms, members of the Council, including the Chairman and Vice-Chairman, are not eligible for re-appointment during the twelve months following completion of the second term. The principal officers of the organization are the Director and the Associate Director, also appointed by the Governor in Council, the Treasurer and the Secretary. The Council is not an agent of the Crown, but its officers and employees are considered to be employed in the Public Service for the purposes of the Public Service Superannuation Act. The Council is deemed to be a charitable organization in Canada.

The continuing work of the Council will be financed by income from a permanent Endowment Fund of \$50,000,000 and by a University Capital Grants Fund of \$50,000,000, both to be paid out of the Consolidated Revenue Fund. The latter Fund and the income it earns will be completely expended by the Council over an unspecified but presumably short period of years. This Fund will enable the Council to make grants to universities and other institutions of higher learning by way of capital assistance in respect of building projects, with the following limitations: (a) a grant for any one project may not exceed one-half the total expenditures made in respect of that project; (b) in any province the aggregate of the grants made may not exceed an amount that is in the same proportion to the aggregate amount credited to the University Capital Grants Fund as the population of the province (latest census) is to the aggregate population of the provinces in which there is a university or other similar institution of higher learning. The Canada Council is also permitted to expend and administer any gifts and bequests it may receive.

To aid and advise the Council in making, managing and disposing of investments under the Canada Council Act, an Investment Committee has been set up consisting of the Chairman of the Council, one other member of the Council designated by the Council, and three members appointed by the Governor in Council. Proceeds from the sale or other disposition of any investments made out of the Endowment Fund or the University Capital Grants Fund are credited to the Fund out of which the investment was made. Investments out of money standing to the credit of the University Capital Grants Fund are made only in bonds or other securities of, or guaranteed by, the Government of Canada.

The Governor in Council appoints a member of the Queen's Privy Council for Canada to whom at the end of each fiscal year the Chairman reports all proceedings under the Canada Council Act for that fiscal year, including the financial statements of the Council and the Auditor General's report thereon. Provision is made for a review of these reports by Parliament.

By Mar. 31, 1958, the Council had made, provided for, or authorized awards as follows: scholarships, fellowships and other awards for 450 persons in the amount of \$860,000, of which about 80 p.c. were for awards in the humanities and social sciences; grants to organizations representing the arts, humanities and social sciences, \$740,000, of which the larger portion was for the arts; grants for capital assistance to universities in respect of building construction projects, \$4,084,300.

Income from the Endowment Fund for the year ended Mar. 31, 1958, was \$2,368,819. Administrative expenditures (including those occasioned by the University Capital Grants Fund, the UNESCO program and the purchase of office furniture and equipment) were \$180,316. Total of authorized grants made from the Endowment Fund was \$1,416,632. Surplus available for carryover into 1958-59 and further expenses, grants and awards was \$771,871.