

by Mr. Fisher appear at page 135. Dr. Ollivier's opinion was that these statements were justified in view of section 13 of the Canada Council Act which specifically states that the council is not an agent of Her Majesty.

Section 8 of the Canada Council Act sets out the objects and powers of the council and it will be seen that money is disbursed in the form of scholarships, grants, awards, etc. Section 23 of the Act requires the council to "submit to the member of the Queen's Privy Council for Canada designated by the governor in council for the purpose a report of all proceedings under this Act"—and I emphasize the words "all proceedings under this Act", and later on in that section it says: "and provisions shall be made for a review thereof by parliament.

Dr. Ollivier held the opinion that in view of these sections of the Canada Council Act and because the council has included in its report its financial statements, the committee is entitled to details of expenditures including awards, grants, scholarships, etc., if it so desires.

In amplifying this Dr. Ollivier felt that the following general principles should apply:

- (1) every member of the committee has the right to ask any questions. Questions however must be in order and fall within the terms of reference of the committee.
- (2) all questions should be answered but a witness is entitled to say that in his opinion the question should not be answered and state his reason for declining to answer—for example that he does not feel that it would be in the public interest to give such information.
- (3) the member asking the question may appeal to the committee and the committee has the right to demand full information in spite of the statement of the witness. The procedure would be for the committee to pass a motion to the effect that the information demanded should be given.
- (4) the witness should then produce the information requested.

The committee thus has the right to closely examine all aspects of the operations of the Canada Council that are included in or flowing from its annual report. As a committee of Parliament it can seek and gain information that is not available to the government or any member thereof because of the fact that the Canada Council is not an agent of Her Majesty."

71. The Committee was informed that the profits and interest earned on the University Capital Grants Fund have not been allocated either to the provinces or to the universities.

72. This question was discussed with officials of the Council in 1959 and the Committee feels that decision should be reached on the question of this allocation without further delay. It was glad to be informed that the Council is giving consideration to the matter.

73. The Committee learned that, as a matter of principle, the Council avoided undertaking to make recurring grants to the same organizations, on the grounds that its budget could become committed to such an extent as to restrict its capacity to respond to requests for assistance from new organizations. This approach commended itself to the Committee.

VI—Auditor General's Office

74. In response to questions from the Committee, it was found that whereas the approved establishment of the Auditor General's Office for the fiscal year