

For reasons such as above enumerated, your Committee suggests that consideration be given to the present day role of the Post Office Savings Bank.

A copy of the Minutes of Proceedings and Evidence relating to the above matters is appended.

(The Minutes of Proceedings and Evidence accompanying the said Report recorded as Appendix No. 14 to the Journals)

Mr. Macnaughton, from the Standing Committee on Public Accounts, presented the Third Report of the said Committee, which is as follows:

On Tuesday, March 10, 1959, the House adopted the following resolutions:

Ordered,—That the report of the Canada Council for the year ended March 31, 1958, laid before the House on July 10, 1958, be referred to the Standing Committee on Public Accounts in order to provide a review thereof pursuant to Section 23 of The Canada Council Act.

Ordered,—That the Public Accounts Volumes I and II and the Report of the Auditor General for the fiscal year ended March 31, 1958, and the financial statements of the Canada Council and the Report of the Auditor General thereon for the fiscal year ended March 31, 1958, be referred to the Standing Committee on Public Accounts.

Your Committee, on June 3, 1959, proceeded to hear the Chairman of The Canada Council, the Honourable Brooke Claxton, P.C., D.C.M., Q.C., LL.D., and Dr. A. W. Trueman, M.A., D.Litt., LL.D., Director of the Council, and Mr. Watson Sellar, C.M.G., Auditor General for Canada.

The Canada Council

1. Pursuant to its Orders of Reference of Tuesday, March 10, 1959, your Committee has considered the report of the Canada Council for the year ended March 31, 1958, as well as that of the Auditor General on the accounts and financial transactions of the Council for that year.

2. In accordance with the provisions of the Act, the initial 21 appointments to the Council were made by the Governor in Council on April 15, 1957, for terms of 2, 3 and 4 years, respectively, with the appointments of Chairman and Vice-Chairman being for five years. The Council met for organizing purposes on April 30, 1957, and the report of the Council as well as the audit report was for the period ended March 31, 1958. The Council administers two funds of \$50 million each which were appropriated by The Canada Council Act assented to on March 28, 1957.

3. Your Committee noted that all administrative expenses are a charge to income from the Endowment Fund with the balance applied to foster and promote the study and enjoyment of, and the production of works in, the arts, humanities and social sciences. The Act defines "the arts" as including architecture, the arts of the theatre, literature, music, painting, sculpture, the graphic arts, and other similar creative and interpretative activities. No definition is given for humanities and social sciences. In reply to a question, the Auditor General stated that, in the absence of a statutory definition, he was relying on those given to the House of Commons during consideration of the Bill:

The other expression, the humanities and social sciences, have a recognized and accepted meaning in the academic world. I notice that in the academic world the term "humanities" includes such studies as history, literature, foreign languages, philosophy and related subjects; that is the generally accepted meaning that is given to this term in the