

	Students' residences	All buildings	%
	\$	\$	
1957-58.....	1,694,000	4,084,300	41%
1958-59.....	5,060,791	8,732,264	58%
1959-60.....	697,000	9,175,979	7%
Cumulative to March 31, 1960.....	7,451,791	21,992,543	34%

In its Third Report, 1959, the Committee considered the question of the allocations of grants to Provinces and noted that the grants were conditional on (a) no grant exceeding one-half of the total expenditures made in respect of the assisted project, and (b) the \$50 million being allocated to each province in the same proportion as the population of the province, according to the latest census, is to the aggregate population. The amounts annually added to the Fund for interest earned on investments and for net profit on disposal of securities are allocated to the Provinces on the same statutory basis regardless of the extent to which original allocations had previously been used in the making of grants.

Records are maintained by the Council showing the allocations to the several Provinces, and the grants approved in relation to such allocations. The following is a summary of the position at March 31, 1959:

Province	(in \$1,000)				
	Original allocations	Interest and profits	Total allocations	Grants approved	Balances available
	\$	\$	\$	\$	\$
Alberta.....	3,499	367	3,866	305	3,561
British Columbia.....	4,357	457	4,814	2,333	2,482
Manitoba.....	2,649	278	2,927	1,130	1,797
New Brunswick.....	1,727	181	1,908	1,132	776
Newfoundland.....	1,293	136	1,429	—	1,429
Nova Scotia.....	2,165	227	2,392	979	1,413
Prince Edward Island.....	309	33	342	142	199
Quebec.....	14,419	1,514	15,933	—	15,933
Saskatchewan.....	2,744	288	3,032	437	2,596
Ontario.....	16,838	1,768	18,606	6,359	12,247
	50,000	5,249	55,249	12,817	42,433

With respect to the scope of our audit, the books of account of the Canada Council are maintained at its offices in Ottawa under the direct supervision of its Treasurer. In addition to his responsibility for the collection of revenues accruing to and expenditures made from both Funds pursuant to the Canada Council Act, the Treasurer handles all purchases and sales of securities in the investment portfolios under the general direction of the Investment Committee of the Council.

Our examination for the fiscal year ended March 31, 1959, included a review of the Council's cash and banking transactions and reconciliation of its bank balances with certificates received direct from its bankers at the close of the financial year. All awards made out of the University Capital Grants Fund and awards in excess of \$1,000 from the Endowment Fund were checked with the authorizations issued by the Council. All transactions involving purchases and sales of securities in the investment portfolios were verified and checked with the Minutes of the Investment Committee of the Council. The bond and debenture holdings at March 31, 1959, were verified by direct certificate from the Bank of Canada and the stocks