

formula possible, and this has seemed to us and to the university authorities with whom we have talked about the only possible formula.

Senator WALL: Why?

Dr. TRUEMAN: Well, here is a student in science. He is out, isn't he: we do not count him as a student in the arts, humanities or social sciences.

Senator WALL: If we accept that the funds were originally to be directed to this broad area—

Dr. TRUEMAN: The funds are directed to that area. It is a question of how to determine the allocation.

Senator WALL: How do you determine whether a science student is partly in the humanities?

Dr. TRUEMAN: Exactly. All of them have to study so much science and so much humanities. The art student is also studying chemistry, physics and biology, and the engineering students study some arts subjects, and when we really put our minds to this and tried to see how we would work it out, the only solution that presented itself was to work it out on a student representation basis. We found it completely impossible to confine the formula to those students who are studying only the arts and the humanities, and we found that the burden that had to be carried by the universities and colleges could be as satisfactorily represented by their total population as by any other way.

Senator REID: What do you mean by humanities?

Dr. TRUEMAN: It has not been stated in the act, as the arts were defined in the act, but we mean such disciplines as literature, history, philosophy and language. Those are the humanities. By the social sciences we mean the big three, political economy, political science and sociology and other disciplines that are related to that.

Senator REID: I am glad you include politics.

Dr. TRUEMAN: Political science, Senator Reid.

Senator HIGGINS: You mentioned interest and profits. How are the profits made?

Dr. TRUEMAN: By reinvestment and switching of the bond investments; capital gains would be the idea.

Senator MACDONALD: Is the finance committee composed of members of the Council?

Dr. TRUEMAN: Three members of the Finance Committee are not members of the Council. The chairman is an *ex officio* member of the Investment Committee; and Council appoints out of its membership the fifth member of the committee. At the present time the committee consists of Mr. Graham Towers, Mr. Jack Hungerford of the National Trust Company, Mr. Arnold Hart of the Bank of Montreal, the Chairman of the Council, and one other member appointed by Council who, at the moment, is Mr. Marcel Faribault from Montreal.

If I may, I shall now move on to another topic. The Endowment Fund shows income for the year ended March 31, 1958 of \$2,369,000, and \$2,759,000 for the year just completed.

Senator REID: How is the income obtained?

Dr. TRUEMAN: From interest on the funds. For the year just ended it was \$2,856,000, and my Treasurer predicts—not with his hand on his heart and swearing to the complete truth of it—some \$2,925,000 as the probable income on the Endowment Fund for the year 1960-61.

Senator EULER: Are you restricted to bonds in your investment program?

Dr. TRUEMAN: No. The Endowment Fund is invested as the Council chooses; that is, there is nothing in the act which specifies how this fund shall be invested.