

These statistics demonstrate the following changes over the five-year period: per cent in the parliamentary appropriation for operating purposes, 54.0 per cent in grant revenues and 28.4 per cent in total revenues. In comparison, under the grant, the parliamentary appropriation for operating purposes has increased by 45.6 per cent. (Note: while the Centre has received a number of appropriations for capital purposes over the years, it is only since 1989-1990 that it is built into its base budget and in a predictable amount. This contribution is not included in the Centre's financial statements.)

In its present financial situation, the Centre does not have room to shift resources; a move to fund its operating expenses would require a corresponding increase in the regional mandate. This was the view expressed in the report of the Commission on the Centre's financial situation. The Commission agreed with the Centre's request that the Centre be made more self-reliant. The Commission also noted that the Centre's operating expenses are not fully covered by its revenues and that the Centre's financial position is not sustainable. The Commission recommended that a one-time appropriation be granted for this purpose, it is not prepared to recommend other additional funding until the response of the Centre to our other recommendations is known.

**Recommendation 29**

a) That the Minister of Communications, upon verification of the amount involved, recommend to Cabinet a one-time appropriation to eliminate the operating capital deficit of the National Arts Centre and

b) That the Minister of Communications consider the Centre's request for other additional funding over the above the regular yearly increase granted through the 1990-1991 budget after the Standing Committee on Communications has considered the response of the Centre to its recommendations.