

We advance a specific recommendation for the federal government to lead in the development of a *Canada Cultural Accord*, institutionalizing collaboration among governments in efforts to promote and support the cultural aspirations of all Canadians.

Our Committee believes that culture and communications are truly growth industries. We were alarmed by evidence that Canada's investment in cultural affairs has been diminishing in real terms over recent years. Given the cultural malaise which appears at the root of many of our country's constitutional conflicts, we believe that serious consideration must soon be given to a quantum move forward in the level of federal budget investments in culture and communications.

While we have acknowledged the important policies of fiscal restraint which presently prevail upon the federal government, we feel a responsible need to state the case for increased investment in culture and communications in coming years. It has been difficult to identify and justify a specific new threshold for increased funding, so we have settled on *a target level of five percent annually over five years* as the order of magnitude we are recommending for government consideration.

In making this recommendation, it is our intention that the dollar amounts proposed *pertain to all forms of financial investment* in culture and communications, including incentives, tax credits and deductions, departmental increases in grants and contributions and other policy initiatives of a financial nature. Several of our subsequent recommendations also fall within the scope of this increased funding proposal.

We stress the importance of encouraging and motivating high levels of philanthropy and volunteerism within the private sector, and the need for government action to help promote a national spirit of cultural awareness with measures analogous to those which have been so successful in Canada's *ParticipAction Program* for physical fitness.

In separate recommendations, we underline the importance of some of Canada's major national institutions such as the Canada Council, Telefilm, the National Library and the Canadian Broadcasting Corporation. With the Canada Council now engaged in a significant expansion of its mandate to include the Social Sciences and Humanities Research Council, as well as the cultural outreach programs of the Department of External Affairs around the world, we think it is an appropriate time to review the council's mandate generally, with a view to strengthening its role and improving funding levels to be consistent and compatible with its mission.

In the case of the CBC, we feel that the time is overdue for providing it with a stable and predictable five-year funding program, revolving annually, and also a limited borrowing authority to ensure flexibility in management of its financial affairs. As well, we have proposed that the CBC continue to manage the production and delivery of programs for Radio Canada International, but that RCI funding remain the responsibility of the Department of External Affairs. We share the view of witnesses that RCI Services should be reviewed and evaluated in the context of Canada's international trade and diplomatic projections.