

spout up the C-suites, the Committee believes the option of having the NACC set up a separate accounting unit to handle its financial affairs would need to be considered.

In the *Report of the Auditor General of Canada to the House of Commons, Fiscal Year 1990-91*, the Auditor General's Office noted that the NACC had been unable to account for its assets and liabilities in accordance with generally accepted accounting principles.¹²⁰ The Committee has decided to take this into account in its recommendations. It has also decided to make a proposal to the Minister of Finance to amend the *Financial Administration Act* to give the NACC the power to appoint and dismiss its own directors and to make it responsible for its own financial management. This will allow the NACC to manage its financial affairs more effectively and to take advantage of the opportunities available to it under Part X of the *Financial Administration Act*. The Committee also recommends that the NACC be given the power to make its financial statements public, as well as to make them available to the Auditor General. The Committee further recommends that the NACC be given the power to make its financial statements available to the public, as well as to make them available to the Auditor General.

The new *Museums Act* has brought the four national museum corporations into line with the Part X framework of the *Financial Administration Act* (FAA) while taking account of their specific needs. The important arm's length relationship from the government has been maintained by exempting them from the power of the Governor in Council to give directions with respect to cultural activities. Other exceptions from the FAA dealing with the power to appoint and dismiss museum directors and the power to make and approve by-laws have been designed to take account of their specific needs. The Committee recognizes that the activities of the Centre (and of the Canada Council, CBC and Telefilm) are all quite different from those of the national museums and that their needs may differ. The Committee, however, believes that the example of the new museums legislation which brings the national museum corporations under Part X of the FAA and provides a number of specific exemptions tailored to the needs of these cultural agencies should be emulated in the current proposals. The Committee is therefore in agreement with the views expressed by the Auditor General and wishes to endorse them.

Financial Administration Act

Recommendation 22 *That the Auditor General of Canada be given the power to audit the financial statements of the Canadian Radio-television and Telecommunications Commission.*

The Canadian Radio-television and Telecommunications Commission (the CRTC) is a federal cultural agency, in the extent possible in view of their specific needs, in terms of being brought into line with the Part X framework of the *Financial Administration Act*.