

Recommendation No. 9

This Committee recommends that the Government of Canada consider extending to donations of natural heritage property the same tax treatment that applies to donations of cultural property.

2. *Internalizing the Value of Biodiversity*

The Committee heard from Don McAllister, as well as other witnesses, about the economic value of Canadian biodiversity. We learned that Canada realizes \$70 billion annually from its biological resources, including raw biological resources, wood fibre, farm crops and fishes. Economic benefits are also realized by the development through biotechnology of products from our raw genetic resources. Many of our agricultural species are the product of breeding new varieties and genetic engineering, by drawing on wild relatives of crops, which offer increased pest, frost, cold, drought and heat resistance. These hybrids and engineered products also offer to increase the productivity and economic benefits realized by the agricultural sector of the Canadian economy. Discoveries of new pharmaceuticals also have been demonstrated to be economically valuable.

Arthur Campeau, who was Prime Minister Mulroney's personal representative to UNCED, gave the Committee an example of the unforeseen economic value of part of Canada's biodiversity. He spoke of the Western Yew (*Taxus brevifolia*), from Canada's Pacific coast.

The Western Yew was traditionally an unwanted tree species in the forest industry, because it doesn't grow very tall and its trunk tends to twist. However, we now know that its bark has a compound, taxol, that appears to be an important anti-cancer agent. Suddenly this tree has gone from being considered virtually worthless to being an extremely valuable asset in standard economic terms in a matter of months.⁴¹

Guarding biodiversity preserves future options of developing similar products of value in medicine, industry, agriculture and biotechnology.

There were 22 ecological services or functions of biological diversity identified in Canada's *Country Study*, such as soil production and water filtration. These functions define what organisms do to maintain the diversity, productivity, balances and health of ecosystems and the larger ecosphere. These biological functions create value and contribute services to the Canadian standard of living and gross national product but they have not been measured by traditional methods of representing value. We are failing to take into account the costs to the environment of the activities which have been traditionally seen as contributing to wealth.

Recommendation No. 10

The Committee recommends that the Government of Canada begin the process of determining the value of biological diversity, so that its value can be internalized in the calculation of our national accounts.

C. *Protect Species and Spaces*

Environment Canada describes 177 different eco-regions within Canada. These represent Canada's ecosystem diversity. Approximately one third are not represented by protected areas. This means these unique areas and the species they contain could be under varying threats of loss.

⁴¹ *Minutes of Proceedings and Evidence of the Standing Committee on Environment*, Issue No. 47, 23 November 1992, p. 42.