

Does the hon. member agree with me that the Reform Party policy on this matter is inappropriate and that Reform Party members should be supporting the bill since they must recognize, as we do, that culture is an extremely important part of Canada's political, economic and social life?

• (1245)

The culture represented by Canada's art galleries and museums is a very significant part of our heritage.

Mr. O'Reilly: Madam Speaker, I thank the member for Kingston and the Islands for his question. It is a very interesting one. I could not imagine not being in support of the bill.

Museums, art galleries, archives and libraries in every province and territory benefit through the receipt of donations of cultural property as a result of these tax credits.

I recently sent a collection of postcards, with no value or tax incentive for me, that I received dealing with western history, particularly in the province of Manitoba. It was sent in the 1800s to my riding of Victoria—Haliburton.

I came across it in a collection and managed to pick it up for very little and I donated it to the Canadian Heritage Museum in Manitoba. It sent me a thank you. I should have asked for a receipt but I did not feel the collection had a lot of value.

The collection significantly added to the heritage, the culture and preservation of culture in western Canada. It is very important for an eastern Ontario member to be concerned with western Canada and with the culture of western Canada, with the preservation of the culture in western Canada.

I have a lot of trouble understanding why the Reform Party would not support such a bill. I know quite specifically that the areas those members represent have gained from Liberal members such as me, the member for Kingston and the Islands and the member for London—Middlesex.

Somewhere along the line we have donated without any tax receipt. The collection I donated was postcards, but it was invaluable. I should have had it appraised. I felt it should be in a museum and was something people should be able to enjoy. It is preserved forever instead of being thrown in the garbage or kept in some personal collection where it is not seen.

I also collect guns, much to the dismay of a number of people here. The gun bill is still in the other place. I have a gun that was carried by an army doctor in the first world war. I guess we would call it an oxymoron that doctors were issued handguns in the first world war. I have had recent discussions with the museum in Lindsay to donate that gun. If I am lucky enough to get a tax receipt for it, that would be fair. It is the only one of its

Government Orders

kind registered in Canada and therefore should be preserved so that the public can see it.

Even going into the law and order issues Reform Party members seem to stand for, I cannot imagine why they would disagree with the bill. It is necessary. It will help preserve our culture and our heritage, a very important part of the fibre of our country.

Mr. Dennis J. Mills (Parliamentary Secretary to Minister of Industry, Lib.): Mr. Speaker, I am happy to speak in support of Bill C-93, an act to amend the Cultural Property Export and Import Act, the Income Tax Act and the Tax Court of Canada Act.

The bill, as previous members mentioned, establishes two processes. The first gives the donor or the recipient institution the right to request that the review board reconsider its initial determination of fair market value.

If after receiving a redetermination from the board the donor is still not satisfied, he or she may take the second step of appealing the board's decision to the Tax Court of Canada. The fair market value of cultural property certified by the review board is eligible as a tax credit of 17 per cent on the first \$200 and 29 per cent on the balance over \$200. The donor can claim the fair market value of the gift up to the total amount of his or her net income and there is no tax payable on any capital gain resulting from this gift.

• (1250)

This is a technical bill, as was mentioned by colleagues earlier. The objective is the preservation of Canada's cultural heritage.

I understand from a tax policy point of view where Reform members are coming from. They have a system of tax reform not unlike my own approach, a single tax system in which they want to flush out from the entire tax act of Canada all the preferences given in the various sectors.

However, until we as a government get involved in total tax reform we cannot deprive sectors of our economy vital to the economic soundness of the country the opportunity of growth and participation in the economy. This is where the Reform Party is short sighted.

If we say to the artists, the cultural community, that we do not want to give them the opportunity to participate in the tax act through tax credits, we cannot say no to them without having the same approach for the energy sector, the forestry sector, the tourism sector and so on. I am philosophically supportive of where Reform members are coming from but they cannot oppose only one sector.

Until we get a commitment from the House for total tax reform we have to continue to do these tax credits on a sector by