

conservation, thus helping to define our heritage. Again, this incentive to establish and protect Canadian culture is only an incentive and not a tax deduction or loophole. This incentive in the form of an individual tax credit is available to all Canadians.

Its scope was broadened in 1992 to include artists by encouraging them to donate their creations to designated institutions interested in collecting their work. I do not need to explain to you that artists are among our poorest fellow citizens, at least financially. This tax incentive provides us with a way, however small it may be, to allow major works by living artists to enter the public domain, where they will help inspire and educate citizens much better than if they remained hidden in the artists' workshops.

The Cultural Property Export and Import Act plays another very important role: encouraging Canadians to espouse philanthropic principles, to think about future generations, to seek today what may become a national treasure tomorrow, and to collect works of art.

Those who argue that cultural property donations can only come from the rich are completely mistaken, to say the least. In fact, some of the greatest collectors in the world had very little money at their disposal and sometimes even went without food in order to buy works of art.

• (1045)

We need more of these people in our country, people who can recognize what is of aesthetic value, people who can have a passion for history or, even better, people who can understand the scientific and technical symbols which define us as a nation.

This bill is designed for those who feel it is their civic duty to keep alive our heritage as a young country, and it seeks to welcome objects which are symbolic and representative of our country. To promote the making of collections and to stimulate a philanthropic spirit is the least that the federal government can do to ensure that our heritage remains accessible to all Canadians.

Our country is still very young. It is less than 150 years old. We have a duty to develop existing private and public collections, so that our culture can thrive and be the envy of other countries. More importantly, this will allow Canadians to be fully aware of their place and identity as a nation.

Given the current economic context, it is particularly appropriate for us to take all possible measures to keep our cultural treasures in Canada, and to encourage the public to think twice before selling abroad family objects brought here by their ancestors over a century ago, not to mention a masterpiece by Riopelle bought 25 years ago for next to nothing.

### *Government Orders*

We are talking about Canada's heritage but, more importantly, about the preservation and development of that heritage.

I am convinced that everyone in this House should support this wise piece of legislation.

[English]

Because the arguments are sound I encourage all members of the House to support the bill, which is based on sound logic and makes good sense for the country.

**The Speaker:** I wish to inform the House that pursuant to Standing Order 33(2), because of the ministerial statement, Government Orders will be extended by 23 minutes today.

**Mr. Monte Solberg (Medicine Hat, Ref.):** Mr. Speaker, I am rising to speak to Bill C-93 and I will argue today that not only is this piece of legislation flawed, this whole act is completely unnecessary. I am quite amazed at the lengths to which the government has gone to introduce this type of legislation for what appears to be not a problem at all or at least a very minor problem. I will argue the legislation has caused far more problems than it could ever hope to solve.

I quote from a Revenue Canada pamphlet called "Gifts and Income Tax":

The Income Tax Act and the CPEIA provide tax incentives to people who want to sell or donate significant cultural property to Canadian institutions.

The Canadian Cultural Property Export Review Board—is responsible under the CPEIA for certifying that an object is of "outstanding significance and national importance".

When an object of this nature is donated to a designated Canadian institution or public authority, and is certified by the CCPERB, the donor does not realize a capital gain. For purposes of the tax credit, the donor can claim the FMV of the gift up to the total amount of tax still payable after claiming any credits for charitable donations and gifts to Canada or a province.

• (1050)

When that legislation was originally brought in, I believe in 1977, right from that time we have had all kinds of problems with people trying to take advantage of that legislation.

I quote from a newspaper article, March 24, 1995, in the *Montreal Gazette*:

Tax avoidance schemes under which unscrupulous art donors obtain bloated write offs for works given to public galleries and museums are on the rise across the country, the Canadian Museums Association warned yesterday.

These dubious donations have become so rampant in recent months that Ottawa might shut down the program under which tens of millions of dollars of art is donated to Canadian public institutions each year, said John McAvity, executive director of the 2,000-member association.

Warning members to be more vigilant against such schemes, McAvity said: "The donations in question appear to be motivated purely by tax avoidance considerations rather than philanthropic reasons—These donors appear to be neither serious nor knowledgeable collectors or even known to the museums".