

this bill not passed. Indeed, provincial governments can decide to classify property as being part of our cultural heritage, but unless our legislation restricts its exportation, it goes without saying that their objectives will not be attained.

I am therefore particularly pleased with the fact that, even in the context of a cultural sovereignty policy, the federal government has managed to conciliate its policy with that pursued and championed by the provincial governments.

Before broaching the contents of this bill, Mr. Speaker, I could not possibly fail to reassure the hon. member for Dartmouth-Halifax East (Mr. Forrestall) with regard to the flag of the patriots of 1837. That flag, Mr. Speaker, is now displayed over the fireplace in the main salon of Château de Ramezay; it is part of the national heritage and in no danger of leaving the country.

And now, Mr. Speaker, about the bill: some of its provisions are rather perplexing, all the more so because, as chairman of the Quebec Museum Society, I have had occasion, since the adoption of a federal policy on museums, of elbowing many civil servants and representatives of federal institutions responsible for the application of the policy. We noticed that one of the more immediate advantages of the policy had been the help offered to private museums. I am afraid most Canadians are unaware of their importance and I should like to point out, especially for the guidance of the hon. member who spoke before me, the important role played in the past by private collectors in the conservation and highlighting of our national heritage. For instance, Mr. Speaker, the Montreal Fine Arts Museum was founded over 115 years ago on the instigation of Montreal patrons of the arts; it is still a private museum. The McCord Museum of McGill University in Montreal, founded thanks to a donation by the Hon. David Ross McCord, is also a private museum. Museums belonging to religious orders in Quebec, be it the museum of the Ursuline Nuns, that of the Quebec General Hospital, the Quebec Seminary or the Quebec Jesuits, are all private museums whose present collections are apt to belong to our national heritage and have all been preserved by private institutions.

The Château Ramezay to which I alluded earlier was also founded more than a hundred years ago by the hon. Justice Georges Bady of the province of Quebec and there again a patron of the arts enriched our national heritage with treasures of which we now seek to limit the export.

I do not agree with the speaker who preceded me and said that we would unduly promote speculation by allowing patrons of the arts who donate funds to museums to enjoy tax deduction privileges. Indeed, during my term as president of the Quebec Museum Society I often realized that several museums risked seeing their collections stopped if they could not benefit from legislation providing tax abatements for their patrons. In fact, for the last ten years, the marketing of works of art has been such that a patron, before giving individual pieces or his collection away, often tries to sell them on the private market. And without an additional incentive to attract those collections into museums, whether private or public, there is a danger that our national heritage will be scattered all around the world.

Cultural Property

Not only do I believe that the bill does not provide enough protection, but that it should also be part of an overall policy of tax incentives for cultural institutions.

I point out, Mr. Speaker, that for instance our present fiscal policy allows a lower exemption to the donor than to the seller of an object, in other words, it is more profitable to sell than to give something to a museum, since the tax exemption to be obtained will be higher in the case of a sale than it would be in the case of a donation.

Mr. Speaker, that seems to me an aspect of our taxation policy which deserves early attention. Mr. Speaker, our taxation policy makes it more advantageous, specially at the provincial level, for an individual to sell or dispose of his art object while he is living rather than bequeath it to a cultural institution.

So, Mr. Speaker, our taxation policy, which was amended in 1969, is not designed basically to promote the increase of our heritage in museums, both private and public.

I am not one of those who think that patrons speculate on works of art. The few patrons I had the opportunity to know in the last ten years left me with the impression that they were a lot more inclined to part with their works at a loss than try to sell them on international markets. I am thinking, for example, of Mr. Hershorn's collection, a collection that was acquired with a fortune made in Canada through the sale of uranium, and that collection could not be kept within Canada because the discussions that took place some ten years ago did not allow Mr. Hershorn to get an adequate tax exemption.

Indeed, Mr. Speaker, one must know that most large American museums were built from private donations. As an example, the Washington National Gallery whose donations by Messrs. Mellon, Widener, Kress, Dale and Rosenthal helped put together one of the largest collections in the world. The city of Washington now has one of the largest modern art museums that was left to them by Mr. Hershorn, a Canadian. Why? Because our tax laws at that time did not allow that collector to get the exemptions that were being made available to him elsewhere.

I think, Mr. Speaker, that if we are to have an aggressive policy on the conservation of our heritage, our tax policy to help cultural institutions must be revised.

I talked earlier about museums. I would not want to forget other cultural groups working in Canada, be it in the area of theatre, the seventh art, ballet, music, all those institutions should give tax exemptions to those making donations to them. Under the present legislation, the Minister of National Revenue recognizes for income tax purposes institutions which are incorporated under the acts which apply to non-profit corporations. These institutions can give receipts for sums deductible for income tax purposes to a maximum of 20 per cent. Mr. Speaker, when someone wishes to donate a painting to a museum, this painting is often much more valuable than the allowed 20 per cent. In my opinion, Mr. Speaker, we penalize the private institutions who work in the cultural field when we allow such regulations not to be amended as soon as possible.

I am convinced, Mr. Speaker, that the objectives pursued by the hon. Secretary of State will complete the