

Cultural Property

the evaluated amount, then the review board will instruct the permit officer to issue an export permit.

We see, then, that where a cash offer is not forthcoming from an institution and there cannot be an agreement between the holder of the object and the institution as to a fair cash offer, that is the only case—in that narrow circumstance—in which an export permit will not be granted. Under any other circumstance there is a delay of six months. If no Canadian institution buys the object, then it can be exported. It seems to me that if an object is of any worth—and coming under the control list it is of significant value to this country, by implication—the government should not have that loophole in the legislation, namely, that after six months it can be exported.

My other major criticism of the weaknesses of the bill has to do with the way in which the government wants to encourage people not to export or, in other words, to keep these historical or cultural objects. The method proposed in the bill is to offer certain incentives to assure offers of purchase. First, we will set up the Canadian heritage preservation endowment fund out of which loans or grants can be paid to institutions or public authorities for purchases of cultural property. The second method, the one to which I object, is that tax concessions are offered to the owner and would-be exporter of the property to encourage him to sell rather than to export.

● (1450)

If the owner decided to donate his property to a designated institution, that is an art gallery or museum which has been so classified by the Department of the Secretary of State, he is eligible for a tax deduction of the full value of the item. Previously, this deduction has applied only to items donated to the Crown. In that circumstance, if a person decides to donate the item, he should receive full tax compensation. I do not see any argument there about giving someone a tax concession if he donates the object to a Canadian institution. But the second concession would allow the owner who sells his property to a designated institution or public authority to be exempt from a capital gains tax. We oppose this. Why should someone who speculates in art rather than in some other commodity such as land, housing, or whatever else, be given special status? This is what the tax concession does for someone who may have a historic relic, a cultural object or a piece of art. If he is holding it back so that its value increases, then he can gain under this legislation.

We have accepted in principle that speculation in land and other items is not justified. This bill would give someone who speculates in these objects a tax concession. As I said earlier, if an item is of cultural or historical value, it should not be allowed to be exported, whether or not there is a domestic buyer. The review board should simply refuse to issue a permit, rather than try to coax the owner into a sale by offering tax concessions.

The idea of an endowment fund that I mentioned earlier is a good one as it would give institutions and public authorities the funds they might otherwise not have to make purchases when special opportunities arise. The money for the fund is to come from gifts or bequests received by the government for such purposes, and from money raised through the sale of securities and the inter-

[Mr. Symes.]

est accruing on the balance. I commend the minister for this provision in the bill.

Also, the provision respecting the importation of property from foreign states is significant. It is proposed that the government make agreements with other countries and exchange lists of items which should not be allowed in, and when a foreign state makes a request for a return of property which has been allowed into the country, the Attorney General of Canada will institute an action in the Federal Court or the superior court of any province in order to recover the item: penalties will be imposed on those involved in the illegal importing of the item. However, if the item has been purchased in good faith by someone or some institution, the court may set an amount of compensation to be paid by the foreign state for the recovery of its property. These arrangements seem to be very reasonable.

In conclusion, may I say that we accept the principle of the bill. We think it is very important to the national heritage of this country that important objects of historic and cultural significance be preserved. But we say to the minister and the government: If you are really serious about this problem, there should not be the loophole of allowing the item to be exported after a period of delay; nor should you be using public money, through tax concessions, to entice people who may be speculating in these items to take advantages that would not otherwise be there.

I look forward to raising in committee these issues with the minister, to arguing our case and presenting amendments so that the bill may be strengthened and the cultural heritage of this nation firmly protected.

[Translation]

Mr. Serge Joyal (Maisonneuve-Rosemont): Mr. Speaker, my first words will be to congratulate the hon. Secretary of State (Mr. Faulkner) for having presented this bill during the first session of the 30th parliament and for reminding this House that, at the Canadian Art Conference held in February 1971, the hon. secretary of that time had mentioned in his speech the preparation of this bill, to control the export of masterpieces and objects d'art being part of our national heritage.

I am glad that this bill is now before the House. Following consultations held between the various provinces of Canada and the hon. Secretary of State, the Canadian provinces seem to me to be unanimous as to the contents of this legislation. And this is all the more significant since one province in particular, namely the province of Quebec, maintains a policy of cultural sovereignty. There is no doubt in the mind of hon. members that the protection of our heritage, both personal and real estate, is one of the most important aspects of this policy of cultural sovereignty.

● (1500)

Consultations held with the Quebec government in this regard indicate that the act on cultural property, given assent by the Quebec lieutenant-governor on July 8, 1972 and stipulating, at clause 15, that the Minister of Cultural Affairs can designate any cultural property the conservation of which is of public interest, would be useless were