

- 5 -

(d) In drafting the legislation to establish the Canadian Council for the Arts, it should be kept in mind that under Canadian income tax law, certain scholarships and awards connected with services rendered were taxable. Such was apparently not the case in certain other countries such as the United States.

(e) There might be criticism in Parliament and elsewhere if the proposed legislation provided under-graduate scholarships for foreign students but not for Canadian residents. In reply to such criticism, it could be pointed out that not only did the Federal government now contribute to the welfare of Canadian under-graduates through the University Grants, but that many foreign countries made a number of under-graduate scholarships available to Canadians while up to the present time Canada had provided no counter-part. Furthermore, such under-graduate scholarships for foreigners might be an indirect means of obtaining a very desirable type of immigrant as it was conceivable that a certain number of young students from such countries as the United Kingdom, France, Germany, etc., might settle permanently in this country upon completion of their studies at Canadian universities.

(f) The government would likely be accused, in some quarters, of invading the exclusively provincial field of education. In reply to such accusations, it should be pointed out that the Canadian Council for the Arts will be doing precisely the same sort of thing as has been done for a great number of years by the National Research Council in the field of the natural sciences. Furthermore, one of the Council's essential functions would be to act as a national commission for U.N.E.S.C.O. Canada had certain contractual commitments with regard to U.N.E.S.C.O. and there could obviously not be ten national commissions.

(g) The view was expressed that it was wiser not to attempt to force our cultural growth through the establishment of the Canadian Council for the Arts. The creation of such a body might be interpreted as an artificial attempt on the part of the government to do, in a very short time, what had been achieved in European countries through centuries of cultural development and in the United States by great wealth.

001725

RG 2, A5a,
Vol. 2656

Privy Council Office
Bureau du Conseil privé

National Archives of Canada
Archives nationales du Canada