

Olympic Financing

This is where the matter is interesting. We find that of the \$292 million only about \$100 million is likely to be the revenue from the silver coins. In theory, that leaves a deficit, in the originally anticipated revenue of \$250 million, of about \$150 million. My amendment is designed to facilitate the coins program in the sense that if the bill is passed it will be possible for COJO to have a gold coin sold in addition to the silver coins that have been sold to date.

The point I would like to make, because I believe it is important that the members of the House understand it, is that if this whole program is successful, if the silver coins program is more successful than now anticipated and if in fact we sell \$250 million worth of coins, it will mean that instead of the games receiving self-financing, as arranged by the federal government, of \$292 million, they will receive \$292 million plus \$150 million, or \$442 million of financial assistance from the federal government in the self-help program.

In addition, in committee it was revealed that the total cost of the security and related services, such as CBC coverage of the games, will be approximately \$140 million. If we add this all up it means that \$582 million will be contributed directly or indirectly as a result of federal government efforts with respect to the games. I believe it is important that hon. members understand this clearly. It may not be much money to the Postmaster General, but I can assure the House it is a great deal of money so far as the Conservative caucus is concerned.

● (1240)

I reiterate that we are not opposed to assistance to the Olympic Games as such, but we believe that if the federal government is going to give that type of assistance, which is extremely important, it ought to be done in an above-board, open and wholesome way, and not through deceptive tactics whereby the government on the one hand is denying that it is giving any assistance and on the other hand it is so obviously giving assistance.

I have not touched upon some of the matters which transpired at committee stage with respect to the bill which is now before us. As we know, the bill was first introduced on June 17. It came up on June 26 in committee and by June 27, after a six-hour committee meeting, it was reported back to this House. During that period—and certainly at second reading—we indicated that we wanted the bill to go to committee and we hoped there would be intensive review of the provisions of the bill in committee, but that in no way did we wish to delay the bill just for the sake of delaying it. That is still our position. But unfortunately we found the committee was structured with 11 Liberal members out of a total of twenty and those 11 Liberal members insisted on ramrodding this bill through the Miscellaneous Estimates Committee without proper consideration being given to many of its provisions.

Strangely enough, during our questioning in the committee we found that not only did the government propose that a new \$100 gold coin be issued, but the suggestion was that the \$100 gold coin should be issued with the same design. It will have "1976" stamped on it, but there are to be two weights of gold in the coin. One coin is to contain a half-ounce of gold, while the other will contain a quarter of an ounce. They will both have a face value of \$100. The

testimony of Mr. Page, the director of the marketing program for these coins, was to the effect that the quarter-ounce, or the cheap gold coin, was to sell at \$110, and then it was stated it was to sell at \$115. It was never very clear what the final figure would be. But the good gold coin, the one with half an ounce of gold in it, would sell for substantially more—from \$150 to as high as \$240.

We believe it is very unfortunate that the Government of Canada would consider having its name appear on coins of the realm yet the amount of gold in coins of the same appearance would be different. Yesterday gold was selling in London at \$162 per ounce. In effect, the government is proposing that a gold coin with a face value of \$100 will be minted; however, according to the Postmaster General, in five-sevenths of the mintage the amount of gold in those coins having a face value of \$100 will be slightly over \$40, but in the good gold coins there will be approximately \$80 worth of gold.

In checking with authorities yesterday, I was surprised to find out that if Canada proceeds with the minting of this type of gold coin we will be the first industrialized nation in the world to have issued a gold coin in which the amount of gold is substantially less than the face value of the coin.

Some hon. Members: Shame.

Mr. Stevens: When the British sovereign was issued, when the double eagle gold coin was issued in the United States, and whenever other coins have been issued in other jurisdictions we have found that the gold content has equalled the face value of the coins at the date of issue. In fact, at the present time we find that perhaps the most widely sought after gold coin in the world is the South African kruger rand. The kruger rand contains exactly one ounce of gold. It trades at the current price of gold on the London market, with a slight premium.

I think it is clear that the government is proposing quite an unusual step. I think it is doubly clear that it is a most unusual step not only to have in these coins less gold than the face value but to have a different amount of gold in the coins over-all. Again, checking with authorities yesterday I learned one would have to go back to before the middle 1800s to find a nation which had a coin in circulation with the same face value but containing a different amount of gold in relation to its face value.

We are disturbed about this proposal because we believe it will be open to fraud and misrepresentation. People will be unfairly dealt with if there are two \$100 gold coins minted and one has much less gold in it than the other. That, then, brings us to the problem, what do we do about it? In committee during questioning I understood initially that the Postmaster General had no objection to stating right in the legislation the amount of gold that would be in the coinage. At one point in committee the Postmaster General asked what more we wanted.

In discussion I think it was made clear that if we brought in an amendment to give effect to making clear in the legislation—for example, as the Currency and Exchange Act now makes it clear with respect to the minting of a \$20 gold coin—the amount of gold that will be contained in these coins, the minister would have no objection to that type of amendment. Strangely enough, in