

Olympic Bill

criticism of the administration of Montreal, its goals and the attention that administration gives to the real needs of its citizens, I am not sorry at all; I did it deliberately. I, for one, cannot see how another Montreal extravaganza will do anything at all for its citizens. In fact, I assume that the Montreal mayor will be so personally preoccupied with the olympic hoopla over the next few years that Montreal will receive even less of the mayor's scant attention than it has received up until now.

● (1620)

Concerning the motives behind the New Democratic Party's objection to the bill before us, may I say that no matter how hard one may try to disguise the fact nor what assurance the Prime Minister (Mr. Trudeau) is likely to give or has given us, it is a fact that the people of Canada will pay for the Montreal Olympics in 1976. There is no escape from that fact. I think it is wise at this point to outline just how much money the people of Canada will have to pay. The President of the Treasury Board (Mr. Drury) has kindly given us the latest escalated figures. There is an amount of \$14 million for the RCMP and an amount of something like \$10 million for the Department of National Defence. There is a package of \$27 million for security. While the expenditure of this money may turn Montreal once more into an armed camp to ward off tragedies similar to those encountered in Mexico City and Munich—and they were real tragedies and one would not want them for Montreal—I think all of us will recognize that security expenditures are necessary and normal for state and royal visits and for large events of the kind planned for Montreal in the year 1976. So, we are not criticizing what we regard as normal security expenditures.

Then, because COJO has asked CBC to act as host broadcaster to assist foreign broadcasters and because the Olympics is not a CBC national priority, our federal government is obligated to subsidize the Olympic coverage by at least \$25 million. One can only wonder why CBC was not awarded the contract to act as world distributor for Olympic television and radio as one wonders about what kind of a non-tendered deal was made to COJO at the time the American Broadcasting Corporation was awarded for \$25 million the lucrative American Commercial rights. Is this just another ripoff in which the public again picks up the cost items and the private entrepreneurs are granted the profitable ones?

And then there are the CMHC costs of \$26 million to \$54 million for public housing. As I mentioned earlier, Montreal has a dismal history in the construction of public housing. Unfortunately, the \$50 million Quebec share of federal housing moneys has not been used, despite rotten housing conditions faced by many of Montreal's inhabitants. Now, all of a sudden, because of the necessity of constructing an Olympic village, the acquisition of federal money has become highly desirable. So, it indicates to me that "jocks" come first in Montreal.

So much for direct federal involvement which adds up to a neat package of roughly \$100 million, more or less. But to deal with the guts of Bill C-196, which proposes to raise the bulk of the Olympic budget through a gimmicky package of commemorative stamps, coins and the authorization of a lottery, I admit that last February I did not object to

[Mr. Rose.]

the coins, stamps and lottery proposals. However, at that time I excused myself by saying that I had not had an opportunity to examine their implications as fully as I have in the last few months. The stamps and lottery proposals have their own problems, the details of which will be discussed fully by speakers from my party following me. However, let us take the coin issue and my fundamental reservations to the concept which may be summarized as follows: First, their issuance contributes to inflation; second, there exists a world silver shortage; third, as legal tender, some coins are bound to circulate in Canada; fourth and finally, it is doubtful that we will sell all of them and therefore will end up with a deficit anyway.

To deal with points one and two, present plans call for the issuance over the next four years of \$417 million in silver coinage, which is more than the silver coinage—valued at \$317 million—that is in circulation in Canada at the moment. Selected coin denominations at the moment of \$5 and \$10 must contain sufficient silver to provide the "heft" necessary to be attractive to collectors. It has been estimated that the special Olympic coins will require 51 million troy ounces at \$2 an ounce. Recently, Canada has been required to reserve its role as a silver exporting nation and was forced to import 7½ million ounces last year to meet industrial demands alone. I believe Canadian industry can do more productive things with this silver in manufacturing rather than having it buried in coin collections.

On point three, the President of the Treasury Board has told us that the denominations selected, although legal tender, are \$5 and \$10 and are chosen to discourage the circulation of this money for purchases in Canada. Although no mention of it is made in the bill, the minister proposes a monitoring system with the banks and the subtraction of any amount in circulation from the Olympic seigniorage paid from Consolidated Revenue to COJO's olympic fund. This sounds fine so far as it goes, but it is my concern that this monitoring system will be no more effective than, I suspect, the one proposed by the Minister of Finance (Mr. Turner) on the corporate concessions or that of the Minister of Consumer and Corporate Affairs (Mr. Gray) proposed in respect of monitoring food price increases. The probability, therefore, is that substantial numbers of these coins will circulate as legal tender, if not immediately then in the future, and because of the magnitude of the \$417 million offering proposed, the issue might even be discounted as was the case with the Mexican and Munich coins. If this indeed happens, the raid on the Consolidated Revenue Fund will be compounded because, after donating the 60 per cent normal treasury profit to the Olympics, the Canadian people will be forced to pick up an equivalent amount to guarantee the face value of any coin exchanged by the banks and subsequently redeemed by the government.

In dealing with point four, the magnitude of the coin issue is gargantuan because almost 80 per cent of the olympic budget is dependent on this single coin project alone, and this fact is at once staggering and frightening. To put the coin issue in some comparative context, the replacement series of coins in Canada's centennial package sold for an estimated total of \$30 million. West Germany, with a population of 60 million, tried to sell \$354