

Currency Act

Mr. Rodriguez: Mr. Speaker, I am looking the Hon. Member right between the eyes. I could not think of any reason why we ought not to have a dollar coin. I cannot imagine in a modern society, with vending machines and transit systems, having a dollar bill which is returned every six or seven months to the bank to be perforated and burnt. It seemed to me that a dollar coin, given its saving of taxpayers' money and conservation of resources, was an eminently wise move to make.

On a recent visit to the U.S. my friend from Glengarry—Prescott—Russell and I went on the San Francisco cable-car system. I had a \$5 bill which I put into a machine to get a ticket for \$1.50. I put the five dollars in and four coins fell out. I thought I was gypped until I looked at the coinage and, lo and behold, there was the Susan B. Anthony dollar coin. A vending machine is the only place where the Americans have been successful in circulating a dollar coin.

There has been a great deal of consumer resistance to the coin in the U.S. Much was made of that in committee. Arguments were made about why we ought not to move to the dollar coin. However, if you look at the Susan B. Anthony coin it is not coloured. If you place it beside a quarter you would have some difficulty distinguishing between the two, because it is only slightly larger than a quarter. In fact, there is a building in Washington where 600 million Susan B. Anthony coins are stored because they cannot be circulated. Given that experience, the committee recommended to the Government a gold-plated dollar coin. It just so happened that we had a proposal for the Government on a gold-plated coin. We called it Ni-gold. It was a process developed in the Nickel Belt area by Inco. Of course Sherritt Gordon had their bronze tin alloy plating, which was, of course, *el cheapo*. This Government, being moved by all sorts of economic ideas, wanted to save money and decided they would go with the aureate colour, while we in the Sudbury Basin were pushing for the Ni-gold process, which was a little more expensive but it was a better quality. In fact the aureate colour will oxidize as time goes on, whereas the Ni-gold maintains its gold colour. Anyway, the committee, in its wisdom, chose the aureate.

At that meeting also I accepted the compromise, and the proposal was that we would tender the blanks. We would put in the public tender for the blanks for the dollar coin. I felt at least Inco in the Sudbury Basin would have the opportunity to bid on the blanks. Sherritt Gordon would get to put the colour on, Inco would have the possibility of getting the order for the blanks. So we satisfied the west and we satisfied the east. We satisfied the producers in both communities at Fort Saskatchewan and in the Sudbury Basin. We came out of that meeting feeling great. Lo and behold when the Government made the announcement and decided to move to the dollar coin something happened. The Minister announced that Inco would get the order for producing the blanks and Sherritt would put the colouring on the coin. Then something happened, the big double-cross. It turned out that in fact Sherritt Gordon was going to get the supply of the blanks as well as the colouring,

both. So the feeling and the understanding we had when we left the committee was thrown completely into confusion.

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We came before the committee on Government operations, the Mint and the Minister, and we had a great to-do and haranguing about the double-cross. The Mint said this was a commercial operation and this was the best commercial way to do it, that Sherritt should get both the blank production and the colouring.

Well, where did that leave us? When I got back to my office after the meeting who was on the phone? The Minister was on the phone. What did the Minister say to me? He asked me if he could get my approval to put this dollar coin Bill through in one day. I said, "Mr. Minister, you know what you can do, go forth and multiply". I quoted right out of the scriptures, go forth and multiply. He said that I did not have to be crude, and I said he was crude down in the committee. He asked me what I needed and I said we have to do the fair thing. You put this out to tender, that is the fair thing.

So I am pleased today that the Minister has seen the error of his ways and the logic of our proposal, that it should be done on a tender basis, which is the process used by the Mint for the five-cent piece, the ten-cent piece, the twenty-five-cent piece and the penny. We were not interested in this little cabal and the right hand washing the left hand, and both becoming dirty. That is not what we were interested in. We were interested in fair competition for the blanks. I am pleased today, and that is why I am standing in my place, to support this Bill. I think the Minister was wise in recognizing the error of his ways and recognizing the logic of the argument.

The nickel that will be required to produce this dollar coin is five million pounds of nickel initially, and half a million annually after that. Now, you must understand in the Inco operation five million pounds is just about a week's production. So while it is not going to create a lot of jobs in the Sudbury Basin, and I want to make that crystal clear, what it does offer is the opportunity to stabilize the employment at the rolling mill in Walden. That rolling mill at the present time produces the blanks for the quarters. If Inco is successful in bidding on the production of the blanks we could stabilize the employment of the plant in Walden.

I am quite confident that the dollar coin will circulate. We were concerned about the workers at the bank note companies and the effects a dollar coin would have on their jobs. We should be concerned about that. We were satisfied that the gradual withdrawal of the dollar bill will allow the employment at those particular operations to stabilize.

There is a projection that the higher currency, the \$20 bill, the \$5 bill and the \$2 bill may very well be increased in production in those denominations, which could help in the stabilization of employment at the bank note companies.

It seems to me that the \$60 million seignorage on the dollar coin, which is designed and destined for helping in the