

*Olympic 1976 Act*

should more than \$400 million be in circulation, or, in the event that the silver coin program was an unexpected success, no more than \$250 million be turned over to the Olympics. Those parameters are still in place.

I can assure the Leader of the Opposition and hon. members opposite that one of the main reasons I want the gold coins minted is because I do not want to be accused later on, if we had not had gold coins, of being responsible for a deficit, which is certainly not the fault of the government or the fault of the opposition. This does not mean to say that we will not work extremely hard to sell the coins.

**An hon. Member:** Why two coins?

**Mr. Mackasey:** We have talked about that in committee, and I am saying this honestly because that question was raised last Thursday. We met then, and the hon. member for Brome-Missisquoi was not around, but other hon. members were. We began our committee meeting at nine o'clock on Friday—the hon. member for Joliette (Mr. La Salle) will attest to that, I think—and we sat continuously until 3.30 p.m. without a lunch break. Furthermore, in order to give ample opportunity to opposition members to ask questions, Liberal members on that committee deliberately refrained from asking questions.

**Some hon. Members:** Oh, oh!

**Mr. Mackasey:** The evidence is there—read it. If hon. members do not want to read it, members of the press gallery will read it. Perhaps they are more objective.

I can only repeat the reason why two coins are proposed. Hon. members do not have to accept it, and I can appreciate that there are those who have misgivings. I can understand and appreciate that, under our system, not everyone has to accept the concept. If they do not like it, they can vote against it. I am simply saying that we will be producing two coins, both at valid money currency, both with the face value of \$100, one that we call an uncirculated coin, and one which we call a proof coin.

If the price of gold remains where it is, and I think it will, the uncirculated coin will sell for \$115. The uncirculated coin will contain one quarter of an ounce of gold at what they call 14 carats, and .500 fine, which simply defines the ratio between the gold and the alloy which is necessary in every gold coin because gold by itself is much too soft. As to the dimension of the coin, it will be 1.1 inches in diameter, and for those who are interested its thickness will be .067 inches.

The other coin will contain half an ounce of gold at 22 carats and more than .900 fine. With regard to its dimension, it will be precisely one inch in diameter and its thickness will be .075 inches. It will be naturally heavier because of the weight of the gold in the coin. There will be no problem in telling one coin from the other so far as their design is concerned. In speaking this morning to the people in the industry I was told that in fact it will be easier to identify them than if we had two separate coins.

**Some hon. Members:** Oh, oh!

**Mr. Mackasey:** The coin with more gold will have what they call a clear field which, to an amateur like myself, means that the background will be highly polished. The

[Mr. Mackasey.]

Queen's image in relief will be heavily frosted so that it will stand out clearly, as compared with the less expensive gold coin which will have a completely dull finish, as these coins usually do, across the face of the coin.

The best protection that I can suggest to anyone who feels that for some reason he cannot make the distinction between the two coins is to buy the coins from a bank or from some legitimate coin outlet or legitimate distributor or dealer, whose names we are prepared to provide since we are very careful of who sells the coins.

**Mr. Jelinek:** May I be permitted to ask the Postmaster General a brief question?

**The Acting Speaker (Mr. Penner):** Is there agreement to allow the hon. member to ask the minister a question?

**Some hon. Members:** Agreed.

**Mr. Jelinek:** I should like to ask the minister to explain briefly why it is necessary to mint two gold coins and, if it is necessary, as was the case with the silver coins, why are the coins of different weights, and why do they not have different designs because the only thing that distinguishes them at present is a different gloss which will wear off anyway?

**Mr. Mackasey:** The gloss will not wear off anyway. The coin collectors make certain that the gloss does not wear off, and people who save gold coins know that.

● (1520)

The reason we have two weights or two qualities is that we are appealing to two markets. The first of these is the average Canadian who wants to buy a gold coin in commemoration of the Olympics for \$110 or \$115. He knows that it can never depreciate to less than \$100 because that is guaranteed by the government. The other, more expensive coin, is for those people who are coin collectors and know precisely what they want, in the same way as people in the philatelic world know exactly what they want in the way of stamps.

There has been pressure on the Postmaster General to produce a coin with considerably less gold than the one-quarter or one-half ounce, thus increasing the potential profit. I have refused to do that, just as we refused to do it when the price of silver skyrocketed and we were faced with the choice of making those coins smaller, reducing the amount of sterling silver or raising the price. We chose the latter because of our concern for the image and the reputation of the Canadian Mint, which is amongst the highest in the world.

If I were to suggest to the Royal Mint that we should produce a coin with less than one-quarter ounce of gold they would be the first to complain. As it is, I can assure the House that the Canadian coins are considered the finest there are. As proof of that just this morning the editor of *Numismatic News* phoned—it is one of the two highly rated newspapers dedicated to that hobby—to say that they hope we will go through with the coin program along the lines outlined in second reading and at committee stage because, in his opinion, it would be one of the finest gold coins in circulation next year.