

Olympic Financing

reflections on their integrity until I know the facts. It seems to me that there has been an undercurrent in most of the speeches today, and that makes me uneasy. I am always a little bit careful about branding people or organizations as honest or dishonest until I am sure of my facts.

It is very obvious that the price of gold is important. I understand the first amendment that was brought up in which it was suggested that the parameters of the amount of gold in the coins should be specified—one-quarter ounce for circulation coins and one-half ounce for coins directed to the numismatic market. Most of the questions that should be answered because they relate to the cost of gold were about how we are going to make the distinction. I can only say that we will make the distinction in the same way we now make the distinction in the silver coins. While it is true there is the same amount of silver in the silver coins—and I say this objectively—there are three coins in every issue you can buy now—a \$10 circulating coin, the uncirculated coin, and the proof set. How do you protect yourself now if you are faced with three silver coins? Although the value of the silver is the same the cost of the coin is different.

An hon. Member: Make the content of gold the same.

Mr. Mackasey: Mr. Speaker, I have listened quietly and I would appreciate it if the hon. member would do the same.

People who buy silver coins—and they are buying them in greater quantities than ever before and that should please everybody—how do they distinguish between uncirculated, circulated, and the proof set? The best advice I can give is to go to a reliable distributor, a chartered bank or a reputable coin dealer in the community, the Caisse Populaire, the credit union, or some other known, respected and reputable coin dealer. It is rather simple advice but it is good advice. If you buy from somebody on the corner who is going to give you a bargain, then you will have to take your chances.

I do not know of too many people who buy or collect gold coins, particularly those that we will be making, for those people who are interested in saving coins—and they are not limited to Europe although that is the next potential market—who will pay \$150 or \$175 for a gold coin and not check their value.

Mr. Clark: On a point of order, Mr. Speaker, I wonder if the minister would allow a question.

Mr. Mackasey: Yes.

Mr. Clark: Can the minister tell us where we are going to find a reputable coin dealer who, under this bill as it stands, is going to be able to tell us the gold content of the coins which this bill proposes to set forth in the absence of any guarantee of the gold content? That guarantee is absent now. Can the minister tell us where we are going to find that kind of dealer and have that guarantee, as the bill exists?

Mr. Mackasey: Mr. Speaker, I never want to discourage the hon. member; he is one of the better debaters in the House and should be encouraged. I noticed his question "as the bill stands"—he did not need to add that.

[Mr. Mackasey.]

I told the hon. member earlier about the way we buy gold and that the price of gold is not fixed. It fluctuates, as everybody knows. Everybody who distributes coins for the coins program will know exactly the amount of gold in the coins. A dealer would not be much good if he could not answer that question for his customers in good faith.

The cost of gold is extremely important. Until we are certain as to the price we shall pay for the gold, we cannot afford to be dogmatic about the quantity we shall put into the coins. We shall let everybody know how much gold is in both coins when they are produced and before they are sold. That is only logical; it is what you would expect of me, and is what I should expect if others were doing this.

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Moreover, if gold prices rise, the gold in the coins will not be reduced. Gold coins are not like silver coins, which come in seven sets. There will be two gold coins of similar design but of different quality, their price being determined according to the value of gold content. Once we decide how much gold to put in our coins, we shall not change our minds, no matter what happens to the gold market.

What happened to the silver market is something else. Hon. members will recall that the first series of circulated coins was sold at \$5 per coin. When we struck the second series, silver prices had risen from about \$2.40 to \$4—odd, and we faced exactly the same problem as we are now discussing. We decided, rightly I think, not to debase Canadian currency by reducing silver content but, rather, to increase the selling price and maintain the quality of sterling silver in the coins, even though we knew that would restrict the market.

We knew that Canadians would need to part with more paper money for the silver coins, but did not regret our decision. Our role is not at all costs to maximize profits from the sales of coins in order to help COJO. We are responsible for maintaining the quantity of Canadian coins, Canadian minting, and the reputation of Canada. We must protect the quality of our coins. If gold prices drop, there will be a drop in the price. If gold prices rise, we shall have a smaller profit margin on which to work. Once we have specified how much gold the coins will contain, that ratio of gold to alloy will be maintained.

Our coins will be good value and will exceed the specifications of most countries. I have the tables in front of me; I will not deal with them nor speculate about the future value of our gold coins. I can say this: our 1967 series of gold coins are now selling for \$250. I checked at dinner time.

Mr. Stevens: No way.

Mr. Mackasey: Mr. Speaker, the hon. gentleman is expert in everything. Is there any subject which he knows nothing about?

An hon. Member: Banking.

Mr. Mackasey: I checked with coin dealers and people who know a little more about coins than the hon. member for York-Simcoe (Mr. Stevens), and I learned that the \$20 gold piece of 1967 is now selling for \$250. Reputable coin