

*Mint and Currency*

meeting of the committee. I say this in light of the fact that we have a number of questions that we want to ask and, like the Hon. Member for Renfrew—Nipissing—Pembroke (Mr. Hopkins), we want the opportunity to ask those questions and to receive answers to them.

What we are really wanting to find out is why in many cases in many parts of this Bill the Government has made the moves that it has made. For instance, in which direction does it intend to go? What are its intentions as far as the Mint is concerned? As suggested by the previous speaker, the members of the committee will have an opportunity to take a good look at the operations of the Royal Canadian Mint and understand better than they do at present why the changes are being made.

The clauses of the Bill are straightforward. The Parliamentary Secretary gave us an outline which indicated the main changes being made. However, the reasons for some of the changes are somewhat obscure. We would like those reasons to be aired and to be reported by the Government. The opportunity of going before a legislative committee will allow us to do that.

The Bill itself establishes a very clear and straightforward objective. In fact, the changes to the Acts are more direct and in simpler language than we have had before. The objectives of the Mint are to mint coins in anticipation of profit and to carry out other related activities. We would like to question the officers of the Mint as to exactly what is meant by "other related activities".

Clause 3 of the Bill talks about capitalization. Although we recognize that the Government is bringing the structure of this Crown corporation more in line with the general structure of corporations both private and public, the Mint got along without that structure for a good many years. It will be interesting to find out exactly why at this moment the Government feels that it is important to move in this direction.

The Mint operated from 1908 as an agency of the Government. It was not until 1969 that it was made into a Crown corporation. Even at that time it was given no capitalization since it was recognized that the relationship between the Government and the body that produced parts of our legal currency had to be very close and under strict government control. Consequently, even when the Crown corporation was formed in April of 1969, the need for a corporate structure was not recognized, or was found not to be pressing to the extent that not up until this particular Bill was introduced was a change to its structure considered.

The Royal Canadian Mint has been one of the most flexible Mints in the world. Consequently, besides refining precious metals and treating them it produces coins of all varieties. This change of capitalization is something that we would like to look into. For instance, as the previous speaker suggested, although it is probably just a requirement to tidy up the situation that is presently in place, if one reads that particular clause thoroughly one could ask why we have these shares

being put in place since they are all to be purchased by the Minister of Supply and Services. However, Clause 3.2 allows the sale of shares back to the Mint, it would appear, or possibly to some other purchaser, although it is indicated that that cannot happen at this time. That particular possibility is one of the questions that I wish discussed.

• (1640)

Although this Bill does not allow privatization at the moment, the structure being put in place would suggest that at some time it is possible. I do not think that even this Government with its policy and ideology of privatization would move toward privatization of this particular industry. That would seem to be an incredible idea, and one that I hope the Government is not thinking about. It is one that does not make a great deal of sense.

The second area that we may wish to question concerns the board of directors. There are two ideologically different positions in the approach to Crown corporations and boards of directors. In the past the Government has often allowed and even encouraged placing senior public servants on boards of directors. A couple of years ago I was on the public accounts committee which took a good look at the Canadair situation. The committee found that some of the problems of Canadair were no doubt closely related to the fact that the board of directors found itself so closely linked to the Minister responsible at that particular time that some of the members of that board of directors did not feel that they should or could make decisions which would be opposed to the story that they were receiving from the Deputy Minister who was on the board of directors.

That particular position has been questioned. In its weighing it can be suggested that it is a good idea, particularly in this type of corporation which must be close to the Government in its development. I gather that the position taken by the Government in this particular Bill is to set up a board of directors entirely separate from the Government, and through some other process give the instructions which it thinks necessary.

Even under those circumstances, and this is the reason we would like to have an opportunity to question the Government on its position, and even in its precision the Government has taken the step of moving away and then putting in place requirements for relationships with the Minister of Finance and the Minister of Supply and Services, which almost return it to the situation that previously existed.

Under those circumstances we need to question if there is any real justification for raising the number of directors from 7 to 11. Why was this particular change made? Previously the board of directors included the Chairman, the Master of the Mint, and five directors. The board of directors has been changed to include the chairman, the Master of the Mint, and nine directors, but with a further suggested requirement that there will be no "favourites" in the sense of public servants. In