

Currency Act

cost savings to the Government, and second, the convenience to consumers. I have already said in relation to the cost savings to the Government that over a 20 year life span of the coin there would be a savings of \$175 million.

As far as consumer convenience is concerned, the sinking buying power of quarters, dimes and nickels makes it acceptable at this time to introduce a larger denomination coin. We are one of the few remaining countries in the western world that has not introduced such a coin. The assistance to transit commissions is without question. It is much easier to have \$1 coins than \$1 bills pushed in boxes. The coin operating machines will be greatly enhanced by this action. I suppose a simple example would be a cigarette machine that might sell cigarettes for \$3. Instead of having 12 quarters being put in the machine, it would have three \$1 coins. The other advantage to consumers would be that the coin weighs less than four quarters in people's pockets and purses.

Bill C-118 is an amendment to the Currency Act. It will lead to the introduction of a new \$1 coin in January 1987. Although Canada has had a \$1 coin since 1935, it was never fully circulated.

On February 14, 1985, using an Order of Reference, the Standing Committee on Miscellaneous Estimates examined the question of the new dollar coin. The following recommendations have been accepted: first, that there should be such a coin and that it should be struck by the Royal Canadian Mint; second, that up to \$60 million collected from the issue of the new coin during the first five years be assigned to the Calgary Olympics; third, that the new coin be eleven sided, weigh seven grams, have a diameter of 26.5 millimetre and a thickness on the struck edge of 2 millimetres; fourth, that the colour of the new coin be yellow gold; fifth, that the nickel in the coin be minted and smelted in Canada; and sixth, that the composition of the new \$1 coin be aureate bronze plated on pure nickel.

The Committee had much discussion. Many witnesses appeared. There were many good suggestions, many from my good friend, the Hon. Member for Nickel Belt (Mr. Rodriguez). As well there were many good suggestions from the Hon. Member for Glengarry—Prescott—Russell (Mr. Boudria) along with the Hon. Member for Ottawa West (Mr. Daubney).

Concerns were discussed in committee, concerns about the jobs in the bank note industry and in the nickel mining areas. There were concerns about excess coins in pockets and purses and a lot of concern about the acceptability of the coin.

• (1120)

I hope we have resolved the concerns with regard to jobs in the bank note industry. Our intention is to phase out the dollar bill. The withdrawal will occur during 1989. We hope this will give the bank note industry adequate time to adjust and relocate some of their employees and to increase the utilization of and demand for \$2 bills. To illustrate that there would not

necessarily be a flood of dollar coins, if someone bought a 50-cent chocolate bar with a \$5 bill, they would receive two quarters and two \$2 bills back. That would increase the acceptance of \$2 bills mainly in western Canada.

The nickel mining concern was most strongly and vocally represented by my friend, the Member for Nickel Belt. I believe that has been resolved. The move to utilize Canadian nickel will be a boon to the mining industry in Canada. It is a new product made from Canadian raw materials whereas the dollar bill is made from American cotton.

With regard to the concern about excess coins in pockets and purses, as I said before, the new \$1 coin weighs much less than four quarters. I believe we have met the responsibility for their acceptance. The shape of the coin is very attractive. It is just slightly larger than a quarter which is very acceptable. The soft yellow colour is also very acceptable. I believe we have met the concerns of the industries, most Members of the House and the consumers of Canada.

I was very pleased to work in committee with colleagues from all three Parties. It was a very amiable meeting. We came to a consensus. I would like to thank them for their cooperation and the suggestions they have given the Minister and the Department in that area. On behalf of the Minister I would like to thank all the members of the committee and all Members of the House. I wish those who use the dollar coin in the future all the best luck.

[Translation]

Mr. Don Boudria (Glengarry—Prescott—Russell): Mr. Speaker, I welcome this opportunity, on behalf of my party, to take part in the debate on Bill C-118, an Act to amend the Currency Act.

[English]

I would first like to echo the words of the Parliamentary Secretary and congratulate members of all Parties for arriving at an all-Party consensus on this legislation. This Bill has the support of our Party. I will not speak for the third Party, but I know from many conversations with their critic that they too support this Bill.

There is a great need for a dollar coin. We are not striking a coin only to create employment in one region of the country, although that is a very desirable side effect. We are one of only very few countries which does not have a high value coin at this time. The largest coin we have in common usage is the 25-cent piece. As you know, it takes a number of those to buy just about anything, whether it is a soft drink or a package of cigarettes for those few people who still smoke. More important, it requires quite a few coins in order to use rapid transit, for example. It is in that particular area that I became very interested in the dollar coin.

The Regional Municipality of Ottawa-Carleton operates OC Transpo or the Ottawa-Carleton Regional Transit Authority. OC Transpo is constantly faced with the problem of sorting out large amounts of dollar bills. Many times the dollar bills