

Olympic Financing

opinion between members of all parties regarding our social values, such as was mentioned by the hon. member for Nickel Belt (Mr. Rodriguez) on second reading. He felt that housing should take priority. Perhaps other hon. members share his view.

That is not what the bill is about. The Olympics will take place next July. They will run a deficit, possibly, and that deficit will be smaller or greater depending on the positive or negative attitude with which we approach something which for better or worse will be taking place. I suggest that much of the negative approach toward the Olympics which has been adopted in recent weeks is, thank goodness, dying down, but it is unintentionally adding to the deficit. I am not blaming members of the House; this is happening across the country.

Fortunately, there is a change of spirit. The demand for tickets is obvious. There is a resurgence of interest in the silver coin program. The hon. member said it is a failure. There is no failure when a program turns over \$100 million to COJO and does not cost the taxpayers any money. Because of arrangements we made with Air Canada, for payroll deductions, for example, over 1,000 employees in the space of one week have agreed to buy the complete series of silver coins, as a good investment, from payroll deductions, and other companies are now lining up. So I am fully confident we will meet our objective in the silver coins program of \$100 million. This is not something to be sneered at; as a matter of fact, we should be pleased and proud that the man heading the program is earning \$66,000 and has a staff of over 500 people who have set out to raise \$100 million net for COJO, and that they will reach their objective. I do not think I should have to apologize for the size of his salary. This is one of our inferiority complexes which kept our salary in the House so low for too long.

● (1550)

Someone said today that we are debasing our currency. The point I made in committee was the very opposite. In fact, the big problem we had with the coin program was the tremendous increase in the cost of silver. Nobody complained about the silver content. When the silver content of the \$5 silver piece was 90 per cent or 92 per cent pure sterling silver at a time when silver was selling for \$2.40 an ounce, nobody complained that there was \$2 worth of silver in a \$5 coin. Why? Because, unlike the sovereign to which the hon. member referred this morning, it is not bullion; it is coin of the realm. One can walk into any bank with a \$5 silver piece and exchange it for \$5 in paper. Hon. members cannot tell me that the \$5 in paper contains \$5 worth of paper.

Why is there all this emphasis on our having \$100 worth of gold in a \$100 coin? Does anyone complain if he has a \$100 paper bill, knowing that it is worth \$100 if he walks into a bank. One can do exactly the same thing with the \$100 coin we propose putting on the market. It will be coin of the realm, and the only premium we are asking Canadians or anyone else to pay for that \$100 is \$10 or possibly \$15, but the lowest possible value of their investment is \$100 because it is a coin of the realm worth \$100.

The hon. member referred to the amount of gold in the coin, a quarter of an ounce, depending on the market value of gold. If the price of gold were to plummet, then we

would want to increase the quantity of gold. We are not interested in selling a round metal coin with a little gold dust sprinkled over it and saying that it is a gold coin. Canadian coins have a particular value in the world—I have said this in the committee—and we do not intend to debase our coinage. Our Mint has the reputation of being one of the finest mints in the world. Our coins have maintained consistency and value because they are Canadian coinage. The same is true of our stamps. Again, we do not intend to debase our currency by flooding the market with umpteen \$100 gold coins. At committee we said we anticipated selling between 500,000 and one million coins. We stated that in our survey of several months ago we found there were two distinct markets we could appeal to—the one I have just mentioned, and the average Canadian who is quite prepared to pay \$110 or \$115.

Our experience with the silver coins is that less than 100 have found their way into circulation. We anticipate the same will happen with the gold coins. These are what we call circulated coins; they are of high quality but they are not of the quality of coins produced for the numismatic market. Even with regard to our normal coinage, the Mint has a mailing list of people who collect coins on a regular basis, and these coins are given extra treatment, an extra polish, finish, stamping and packaging and people pay accordingly.

There is a coin which will contain a half ounce of gold, which means that it would be worth well over \$80 on the present market and perhaps \$85 in gold at this time if we were to issue a coin tomorrow or buy the gold tomorrow. We do not know what the price of gold will be when we will be preparing to mint the coins next spring, but when we take into consideration the interest we would have to pay if we were to buy that gold tomorrow, we prefer to take our chances on the upswing of gold and to take our chances on the cost of gold going in the other direction.

I think we should look at the bill in perspective and try for once to stick to it. It is not a review of the Olympics, whether there will be a \$500 million deficit or whether Mayor Drapeau is, as someone said, dreaming in technicolour. This was all discussed at second reading. We are now down to certain basic amendments which are quite straightforward and quite proper. Whether they are accepted or rejected, they have a place and I will not comment on them. But, frankly, I resent the inference that we have something to hide. The only thing we are guilty of is co-operating to the extent that parliament authorized us to co-operate in gathering from three sources a certain sum of money to be turned over for financing of the Olympics.

I can explain the question of two coins very easily. If time had permitted, it is possible we may have had different designs, but just because there are two different designs does not protect us against counterfeiting. We have to protect ourselves all the time. There are certain countries in the world which do not recognize the jurisdiction of a country and the marketing of its own coins. There are certain countries in the world which permit mintage to duplicate coinage. We are watching this in the silver program and we will do the same in the gold program.