

Olympic Financing

During the committee proceedings to which I have referred, members were questioning the minister as to how the gold would be priced, and the minister suggested that they would probably work out a plan to be announced ten days after the bill is passed. Under the plan the Minister of Finance would fix a day in the future—an unspecified day and we do not know whether it would be ten days or a year hence—which would be the selling price day. The selling price would be determined by taking the five average price fixings in London in the previous five days. Our suggestion is that it does not have to be left in such a nebulous condition. We are being asked to do something that is unique.

As was outlined in the debate on motion No. 1, we are being asked to mint \$100 coins which will contain gold which will be bought from Canada. We believe that it is highly important that parliament be satisfied as to the price that would be put on that gold which will eventually be put into the coins. Clearly, if the gold is sold below the true market value it will confer a benefit on COJO.

In fairness, I think the minister made it clear in committee that it was not his intention to have the gold sold at below what was looked on as fair market value. But ministers come and go. The last time this legislation was considered we had a different postmaster general and we had a different president of the treasury board. Surely it is important that if any question comes up in future it be settled right in the House before we give final approval to this legislation.

That is why in my amendment I suggest that the wording of the section as I have read it is fine provided we go further and state not only when the selling price will be determined but definitively that the selling price shall be the price of gold that is the average of the London Free Market prices, calculated from a.m. and p.m. fixings, as reported by Sharps Pixley Ltd., for the five market days immediately preceding the day upon which that gold is delivered to the Royal Canadian Mint for coining. In short, we are suggesting that the opportune time to put a price on the gold is on delivery. What could be more natural?

● (2030)

If the coin program goes to the Mint and it is stated that it is felt that the coins should be minted on January 1 or February 1, arrangements should be made with the Bank of Canada for delivery on that date. As soon as the gold is delivered on, for example, February 1, then the price for that gold will be automatically determined by taking the average of the a.m. and p.m. fixings in London, according to Sharps Pixley Ltd., for the previous five days. Surely that would prevent any suggestion of dates being chosen for the advantage of COJO, or conversely—and I think we must consider this—a date being chosen on which COJO in the future feels that it is put at a disadvantage. Most business is transacted on this basis: on delivery, payment is made. If the actual cash is a problem, we are not suggesting that there has to be payment made on delivery. We are saying that the price should be settled on the day of delivery.

The other reason we suggest that it would be suitable to have the pricing related to the date of delivery is that we found in the proceedings before the Miscellaneous Esti-

[Mr. Stevens.]

mates Committee that the gold will not be transferred in a lump sum, but in all likelihood it will dribble across from the Bank of Canada to the Mint for coining. There again we believe that surely the businesslike approach would be simply to have the price set for each delivery in accordance with the amount of gold delivered and the price as shown on the London exchange in the previous five days.

Think of the alternative. We are talking about possibly 300,000 ounces of gold. If one were to use some arithmetic, it is not too hard to see that there are millions of dollars under consideration here. If we followed the suggestion outlined by the minister of fixing some date in the future, I can assure the House that someone will resent very much the pricing which would then evolve. Someone will be the loser. It will either be COJO or the Government of Canada, and judging by the way this Olympic program has been run to date, unfortunately it seems to be the Government of Canada which comes out the loser when there is to be a loser.

I was disappointed with the attitude taken when we were dealing with motion No. 1 because I feel that perhaps there has been in the debate which has taken place with regard to Bill C-63 a demonstration of the new found arrogance in this majority government led by the Prime Minister (Mr. Trudeau). I say this because when the original bill with respect to the Olympics came up there were eight significant amendments proposed and accepted at committee stage. I believe the bill was greatly improved by the amendments we suggested at that time. I believe that a co-operative attitude developed between the then president of the treasury board, the then postmaster general, and opposition representatives. It was a wholesome thing, and it ensured that the financing of the Olympics not only went ahead but that it went ahead in a prudent manner.

Unfortunately we are now running into an entirely different spirit. When we attempted to do exactly the same thing at committee stage with respect to Bill C-63 as we did with the original Olympics bill, we found that we ran into that phalanx of eleven Liberal members on the committee who, in effect, literally said at the committee proceedings that they had had private discussions with the minister, were satisfied, they and that they wanted us to get on with the bill. They were not interested in any amendments we might propose.

Some hon. Members: Shame!

Mr. Baker (Grenville-Carleton): Tsk, tsk!

Mr. Stevens: Oddly enough, during the Miscellaneous Estimates Committee review of Bill C-63 the Postmaster General (Mr. Mackasey), our only witness incidentally, referred on several occasions to provisions in the existing act which are protective provisions without realizing, apparently, that the provisions he was referring to in the existing Olympics Act are provisions which were put in at our suggestion. And yet we now find that when we make equally strong, if not stronger suggestions with respect to how he should be amending Bill C-63, we get the back of his hand, and we certainly got the backs of the hands of the eleven Liberal members sitting on that committee.