

*Mint and Currency*

The Government sold Canadian Arsenals a year or so ago because it made money. I hope the new company will make shells that shoot straight. The Auditor General's report suggests that it is no longer making shells which the Department of Defence can use to fight a war.

● (1730)

The Government also sold Teleglobe which made money as well. The ideology of the Government is that if a Crown corporation makes money we should get rid of it because if we do not get rid of it it may contribute to the profits of the Government and help get rid of the deficit.

Consequently, it was surprising to us that this Bill was not part of the Government's privatization policy. Instead of that, the Government included in this Bill a number of provisions which do a lot to tidy up the operations of the Mint. This is an adequate Bill in that it allows the Crown corporation to operate as a Crown corporation should. I suppose that once the Government has this model of a Crown corporation in place it will not have to privatize any others because all the Crown corporations will be making money and eliminating the deficit.

The Mint operates almost entirely without direction from the Government, although it reports to Parliament through the Minister of Supply and Services (Mr. Côté). The responsibility of the Mint is to produce the coins which we use every day. The production of money in Canada is presently controlled by two Acts, the Royal Canadian Mint Act and the Currency Act. This Bill tidies up the operation of the Mint to a certain extent. The Government is putting almost all of the control into the Royal Canadian Mint Act.

In addition to producing the coins which we use in Canada, the Mint produces coins for overseas. These coins are produced for profit, and through their production the Mint has made a considerable amount of profit over the years. The changes in the Act will give the Mint more scope to mint coins for special occasions and for other countries.

Over the years the Canadian Mint has developed a reputation as a major coin producer in the world. It has contracted with many countries to produce their official coins. In addition to that, the Mint makes coins for Klondike Days and other special occasions around the world. Recently, of course, the Mint has produced a series of coins which is being sold to help finance the Olympics.

Under the present structure the Mint has a certain amount of corporate power to control the currency used in Canada. The main mandate of the Mint is to produce and arrange for the production and supply of the currency of Canada. It is also empowered to produce coins for other countries, which has become a major portion of its operation.

Until a few years ago, only the Mint was able to melt and refine gold, silver and some other metals. This has changed considerably over the years, but that is still part of the corporate responsibility of the Mint. Under the Act the Mint

has the authority to buy and sell gold. It can refine, store, and deal with gold, silver, and other metals. The buying and selling of these precious metals is handled by the Mint for the Government of Canada.

One of the concerns of the Mint over the years has been that if it needed more metals to produce coins it had to go through a rather involved procedure to obtain them. The new Act will shorten that process considerably by giving the Mint more power in that area. The Mint prepares, stores, and ships coins of gold, silver and other metals. It makes medals, plaques and other articles. These products are of such high quality that they are sought after by collectors around the world. The sale of those articles has increased the contributions of the Mint to the government coffers.

There is a catch-all clause in the mandate of the Mint which allows it to do all other things which are incidental and conducive to attaining the objectives and exercising of the powers of the Mint.

● (1740)

Over the years the Mint has developed a world-wide reputation and its coins have been very much sought after by collectors.

Bill C-46 is basically a housekeeping Bill which makes a few language changes and technical amendments to the Mint Act and Currency Act. This includes the transfer of a number of sections from the Currency Act into the Mint Act and vice-versa.

While certain portions of the Act were unexplained during the committee proceedings, we have allowed them to stand without amendment because they seem to pose no harm. One such clause in the Bill allows the capitalization of the Mint at \$40 million, with 4,000 shares at \$10,000 each, which will be held in the name of the Minister.

Some may suggest that this provision is unnecessary if there is no intention to privatize the Mint at some point, and there is no doubt that this process of capitalization proposed by the Government would facilitate the possible future privatization of the Mint. While further amendments to the Mint Act would be required if privatization were the aim of the Government, this capitalization structure certainly makes it possible to sell shares in the Royal Canadian Mint.

I find it hard to believe that even the present Government, with its ideological approach to the privatization of Crown corporations, would allow a private corporation to produce our currency.

As I said, this corporation may be the model the Government can use as a Crown corporation that can be profitable and help to decrease the deficit which gets larger every year. As such, the Government would not have to lean so heavily on its ideological approach to privatization.