

Olympic Financing

of 2½ hours without a break. Granted, he cut off the hon. member for Joliette (Mr. La Salle), whose stand in respect of the Olympics we are still not sure about. In any event, it is obviously a decision of the opposition that all the questions should come through the hon. member for York-Simcoe (Mr. Stevens). This is fine. He mentioned earlier that he could not understand why a gold coin selling for \$100 should be issued containing less than \$100 worth of gold. There was no mention of the cost of production, the overhead of the Mint or the obvious profit we expect and anticipate. There was no mention of the necessary promotion or the cost of the distributorship. In some magic way this is to be realized by selling \$100 coins containing \$100 worth of gold. He mentioned the \$20 coin which we issued in 1967. I ask him to go out and buy one of them today for \$20. He knows, and I know, that that coin is selling for very close to \$200, depending on where it is bought and the degree of speculation involved.

I do not want to leave the impression that the better coin, or the coin with half an ounce of gold, is limited to the European market. It is limited to the numismatic market. There are thousands and thousands of Canadians who fit into that particular category.

● (1540)

The bill before the House is simply an amendment to a bill previously adopted by the House. I make no case for the cost of the Olympics or for the deficit; I have no knowledge of what it will be. My responsibility is to administer the programs which this parliament placed at the disposal of COJO in order to raise funds for the financing, hopefully the self-financing, of the Olympics.

To summarize some of the arguments made earlier today, we had hoped to raise, through the three programs, \$290 million, that is, the lottery, the stamps and the coin programs, none of which would have been permissible under the law without the Olympics (1976) Act. In all three instances it was a case of trial and error; it was a new experience. Surcharge on stamps in Canada is an exception rather than the rule as it is in Europe where moneys are sometimes raised in this fashion for a variety of charities—for hospitals, welfare, and so on. We had hoped to raise \$10 million through this method, some of it through the coin program and some through the lottery. As events have turned out, the lottery will do much better than anticipated and our coin program will not do as well as some people had hoped, but we on this side of the House estimated a profit of roughly \$100 million which we would turn over to COJO, 3 per cent of which we would turn over to the Olympic Association.

What are we doing with this bill? We are simply amending the original bill to make it possible to add one more coin to the program—two coins, to be precise—which will be gold rather than silver. We are not in any way asking to increase the face value of the coins, through this bill, beyond the \$450 million which is spelled out. We are not in any way asking to turn over more than \$260 million from coins and stamps to COJO. We are simply facing the reality that by the silver coin program alone we will fall well under the \$450 million face value and well under the \$250 million ceiling which we had placed there in the event that this happened to be the most fruitful of the three different methods of raising funds.

[Mr. Mackasey.]

There was nothing in the original bill spelling out the content of silver in the coins. The original bill simply stated that the silver content would be the decision of the governor in council. We are not even departing from that fundamental decision. When I stated in committee that I hoped we would have a coin with a content of at least a quarter of an ounce of gold, I meant it and I still mean it.

There are variables in the coin market. There is a remote possibility that by the time we mint the gold coins, the price of gold will be theoretically \$100 an ounce. On the other hand, it may be \$50 an ounce. I do not know. I know that we will have to pay for our gold according to a formula that has been worked out by the Department of Finance which would be based on the market value at the time we asked for the gold. Although we bought the gold for \$42 an ounce, perhaps less at one time or another, we will be paying the market price as determined on the London market when the moment comes that we need the gold. We do not want to accumulate the gold beforehand because we do not want to pay interest on it.

The Department of Finance will turn over to the Mint the gold that is necessary at the time they begin to produce coins. It is not true, as the hon. member suggested this morning, that we have bought the equipment. He read assiduously from the Committee's minutes the section pertaining to my remarks. The Mint has asked the producer of the equipment to hold a place in the production line. The executive of the Mint stated, in fact, that unless he obtained delivery of the machinery in June, we cannot expect delivery of the coins before November or December.

When I said that July 1 is the deadline, I meant that date in the context of the summer recess and the very realistic possibility that if we have to wait until the fall to start debating the possibility of producing an Olympic gold coin, it will be too late. Nor have we engaged artists to design the coins, as the hon. member said this morning. I did not say that, nor did the President of the Treasury Board (Mr. Chrétien). What we did say is that we have pinpointed half a dozen Canadian artists who have the ability and talent to produce designs that lend themselves to reproduction in metal. This is a particular art, as many people know.

We have decided—this is traditional and will continue to be so—to hold a contest among the people who are interested. We found out how much time they felt they needed to come up with a suitable design. Then we have the problem of engraving, the problem of coin blanks and the problem of working our demands into the over-all workload of the Mint, which is not only production of silver coins and the day to day coins but also fulfilling contracts from outside of Canada. Time is of the essence, and I do not apologize for suggesting that it is important and imperative that if we are going to help the coin program through the production of gold coins—I will get into that area in a moment—it is imperative that we pass this bill before the House recesses. This was clearly understood by most members of the House.

Perhaps I sound a little annoyed, but I am annoyed when people ask, "What are you trying to hide?" This is always the beginning of the argument. There is a lot of room for meaningful debate and honest differences of