

Mint and Currency

Accordingly, the Mint will also be given authority to borrow up to \$50 million from the private sector or from the Consolidated Revenue Fund as may be approved by the Minister of Finance. This amount is consistent with the Mint's recent history and with projections for future requirements of its approved five-year corporate plan.

The Mint will also be authorized to seek additional borrowing authority through appropriations in future, if such an increase is required. This would provide further financial and operational flexibility without requiring changes in enabling legislation but would still ensure that the exercise of such authority would remain subject to Parliament's approval. I repeat, Mr. Speaker, that such authority would remain subject to Parliament's approval.

The Minister is proposing that we eliminate the requirement that all corporate profits be paid to Canada at the end of each fiscal year, which has not been done in any event. Rather, earnings should be applied to meet approved investment requirements and, under the capitalization structure, dividends would return a portion of profits to Canada.

The third group of changes are designed to improve the Mint's marketing framework. Governor in council approval should provide authority for the Mint to respond more quickly to market opportunities and imperatives to produce precious metal coins. Moreover, we wish to remove any doubt that the Mint may borrow, rent or lease precious metals for its internal working inventory, thus ensuring its continuing role in stimulating Canada's mining industry.

The existing 1991 sunset clause on production of the very successful gold maple leaf bullion investment coin will be removed to ensure continued world-wide investor confidence in a product with long-term market liquidity. There will also be changes in the public reporting requirements in connection with the production of precious metal coins. Current requirements jeopardize the confidentiality of the Mint's marketing and production programs in an environment of ever-increasing world competition.

Finally, the Minister proposes that the Mint's Board of Directors be enlarged from 7 to 11 members and that the discrimination favouring membership from the Public Service be removed. Both these changes will allow for greater expertise to participate in making direction-setting decisions for an organization that has become highly market-driven. Appointments to the board will continue to be approved by the Governor in council.

These proposed changes are the result of a comprehensive review of the Mint's legislative environment and, if adopted, will constitute the first major revision to minting legislation in the past 18 years.

I would like to conclude my remarks with the hope that the revised legislation will serve to give the Mint an up-to-date legislative environment that will permit it to continue its record of success. That success will rebound to the benefit of

the Mint, its many customers and, most important, the shareholders who are, of course, the people of Canada.

Mr. Len Hopkins (Renfrew—Nipissing—Pembroke): Mr. Speaker, I am very pleased to be participating in this debate on Bill C-46 which makes certain amendments to the Acts governing the Royal Canadian Mint. Not many Canadians know very much about all the activities of the Royal Canadian Mint. It is a tremendous organization and I think it should have a higher profile in the eyes of the public of Canada.

The Mint has some outstanding people working for it. It certainly has the country's interests at heart and is to be congratulated for the tremendous job it is doing in promoting its business in the international markets of the world.

Following upon what the Parliamentary Secretary has just stated, I think it is important to note that the production of the Centennial coins by the Mint in 1967 was a great step forward and proved to many people what a solid, business-like structure existed within the Royal Canadian Mint. Further things came to light in 1976 during the Olympic Games in Canada. The Olympic Games presented an open opportunity to produce many more coins for the international market and allow the Mint not only to pay its own way or break even, but indeed to make a huge profit. Following 1976, with the experience of the Olympic coins, the Liberal Government of the day put a marketing structure into place, which really started the boom in coins at the Royal Canadian Mint.

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As a result of that legislation in 1976, the income at the Royal Canadian Mint is some \$990 million, compared to the \$50 million in income and business in the early 1970s. The reason for that huge increase in business is that the people at the Royal Canadian Mint and others in government since 1976 not only sold their professionalism and expertise but indeed marketed Canadian bullion which was in serious trouble.

Between 1979 and 1984, Canada exported some one million ounces of gold coins annually. This helped the gold market tremendously in Canada. Last year, 1.5 million ounces of gold were put into coins in Canada, which represents a fantastic growth in a Crown corporation that has demonstrated its expertise.

I want to compliment the people at the Royal Canadian Mint for the work they have done and hope they will continue with the initiatives they have shown.

I must admit that for a number of years as a Member of Parliament I had not paid much attention to our Canadian Mint until I went there to get a briefing. It was a rather pleasant experience to go through the entire plant where everything was described to me. I was shown the various types of coins they were making, including coins for India, Australia and Japan.