

not result. This is particularly true when you get out to what is known as the barrens.

In this connection I may say that honourable members will find the maps prepared by our Department of Mines are very interesting. They clearly show the faults, and the quartz outcroppings appear almost as plainly as though you were on the ground itself. The Department of Mines has long been an excellent department, and in this as in other respects it has done an excellent job. Its maps aid greatly in the development which is now about to come through. People in the United States are looking to Canada for investment, largely in our mining developments. Millions of dollars will be invested here if there is good hope of profit. In that regard we had a very good mining law before the war, and it is only necessary now to continue it after the war. That, with the tax readjustment which I have described, would almost spontaneously bring about developments much more rapidly than any we have ever had, because the situation in our north country is becoming much better understood, and mineral discoveries are more general, particularly of the outstanding mineral—gold. Men who ought to know predict that in the Yellow Knife district, which takes in a wide range, the development might even rival the Rand. Certainly gold deposits are found over a far-flung area, and there is every reason to expect that in the next few years new developments will add greatly to the gold production of this country. I look forward to the day, not so very far ahead, when with an aggressive policy we shall be producing \$500,000,000 worth of gold a year. Gold is subject to no market fluctuations. Some of you may have had doubt about its value when the United States had nearly \$30,000,000,000 worth of gold stored in Kentucky. But what has become of that gold? A large quantity of it has gone to or been ear-marked for South America, a billion and a half will go back to France, and so it goes. Reduction of the stored gold has proceeded at such a rate that last month the United States Government did not have enough gold in Kentucky to cover its currency issue at forty per cent, and therefore reduced the coverage to 25 per cent. I think those who were uneasy about the real value of gold can rest easy. It is the only commodity in the settlement of international balances.

Hon. Mr. HOWARD: It may help to pay our family allowances.

Hon. Mr. McRAE: It surely would. In fact, gold is a magic metal, and it is really worth more than its actual value. But for the present let us leave the magic side of it out of consideration and deal with the production itself. Honourable members from

Quebec who have seen the new gold fields developed do not need to be told what these mean to a province. In addition to the miners who are working underground, there are on the surface all the people required to operate the stores, garages, hospitals and all other facilities of a modern settlement. I have not exact figures, but I believe that for every miner who works underground there are two or three persons employed in the community on the surface, people who are not associated with the mine itself. That brings to mind a suggestion. We have been talking about plans for financing our returned boys for a start in the older communities, but it seems to me that many of them would have a much better chance to make good in new districts where they could blaze their own way and get on their feet sooner. Some idea of the tremendous employment that can come from mining is shown by the fact that in 1943 there were 325,000 miners in South Africa; and it is probable that the number of persons who were given indirect employment on the surface would be 600,000 or 700,000. You cannot measure mining employment in terms of the men in the mines; you have to include all the auxiliary services.

I want to say another word about gold, because I like it and I feel I know a little about it. It seems to me the Canadian mind should be disabused of the idea that the price of gold is not controlled. Complaint has been made because of the rise in price from \$22 to \$35; but the fact is that the price to-day is very much controlled. General Smuts is reported as saying he did not care whether Britain took South Africa's gold or not, for he could always sell it. The fact is that about a year ago gold was selling in India for approximately \$70 an ounce, and the price in Egypt was roughly the same. At the last monthly auction sale reported from Chile gold sold for \$59 an ounce in United States funds. If gold is not a controlled commodity, I do not know one that is.

If we produce \$500,000,000 worth of gold a year in this country, at least ninety per cent of it will be paid out for labour, machinery, and supplies, including products of our farms and factories. In other words, that portion of it will be distributed to the producers of Canada. And, as I said earlier, there is no trouble in marketing gold. Our mining law is good, and we do not need to do any more than get things going again and adjust the tax problem. The great need is a revision of taxation to a peace time basis. Wartime taxes are all right in war, but they are insurmountable barriers, to new industries, to mining and other efforts to increase production in peace time.

The Address was adopted.