

EMERGENCY GOLD MINING ASSISTANCE ACT

Emergency Gold Mining Assistance Act

AMENDMENTS TO EXTEND APPLICATION, ETC.

Hon. Paul Comtois (Minister of Mines and Technical Surveys) moved the second reading of Bill No. C-64, to amend the Emergency Gold Mining Assistance Act.

(Translation):

Mr. Armand Dumas (Villeneuve): Mr. Speaker, I had thought the hon. minister would add something to the statement he made the other day, at the resolution stage. However, I intend to be very brief, because I would not want to hold up the adoption of this bill.

At the resolution stage, I called the attention of the Minister of Mines and Technical Surveys (Mr. Comtois) on the possibility of amending the act so as to increase the rate of assistance to gold mines. The fact that it was considered proper to increase the subsidy by 25 per cent, and that the part of the act related thereto has not been amended, constitutes, in my opinion, an anomaly.

At present, the rate of assistance to gold mines is determined by taking two thirds of the surplus differential between \$26.50 and the cost price, the maximum being set up at \$12.33. That is, in my opinion, the anomalous part of the act. If it was considered proper to amend the act, by increasing the subsidy by 25 per cent, I think an increase in the maximum rate should also have been considered. The subsidy was increased because it was believed that operation costs had increased, and that, in all fairness, things had to be arranged in such a way that our gold mines might be kept in production. It was felt that since the rate was increased, the subsidy should be increased by 25 per cent. However, mines whose operation costs reach \$45 an ounce will not benefit from that subsidy in the same proportion as those whose production costs are less.

I hope the Minister of Mines and Technical Surveys will consider the matter so as to do justice to some of those mines which may perhaps be compelled to close down if they do not get an increase in the maximum rate. It is true that there are perhaps only one or two, three at the most, of those mines throughout the country; however I know two of them which employ from 150 to 200 men, and if they had to close down tomorrow, some difficulties might ensue, most particularly because a good many miners are now out of work. I know the government does not wish to bring about a situation which might increase the number of unemployed.

Mr. Speaker, this piece of legislation we are now considering would also, I am told, include another anomaly, but one resulting instead from the enforcement of the regulation—my information is perhaps inaccurate. However, at the committee stage, or when he takes the floor to wind up the debate, perhaps the minister could give us some definite information about that.

I note that, for the year 1959, the total amount of subsidies will reach \$11.7 million. This figure is taken from the statement made by the Minister on May 25, 1960, at the resolution stage. The total amount of the grants for the year 1958 was \$11,138,000.

I also find, according to the report, that for 1958, a total amount of \$6,884,000 had been paid in the form of assistance as of March 31, 1959, which means approximately 54 per cent of the whole amount—whereas a proportion of 80 per cent could have been expected. In fact, according to regulations, the government agrees immediately after the mines have reported on their production, to pay 80 per cent of the total amount of ounces produced, and the production costs.

I realize that it takes some time before the government is able to pay those 80 per cent. Nevertheless, I am astonished to find that, on March 31, 1959, only \$6,884,000 had been paid out of a total of \$11,138,000.

Therefore, the minister might perhaps, when we come to discuss article 1 of this bill, give us information which would throw some light on the picture.

Everybody agrees, Mr. Speaker, that this legislation has been of great benefit to the industry. For that reason, I have no intention of detaining hon. members any longer, because I believe that everyone here tonight wants the legislation to pass as soon as possible. I therefore am closing my remarks at this point.

(Text):

Mr. D. M. Fisher (Port Arthur): Mr. Speaker, we indicated our support of this measure at the resolution stage. There has been some criticism of the stand taken by myself and my colleagues, the hon. members for Timiskaming (Mr. Peters) and Timmins (Mr. Martin). The criticism has taken such an extreme form that I feel called upon not only to qualify it but to explain and to a certain extent attack the interpretation placed upon our remarks on this measure at the resolution stage.