

Emergency Gold Mining Assistance Act

relatively low educational level, and has been able to provide them since 1958 with employment. It has enabled the communities to exist where in other circumstances their existence would have been totally impossible. This act has averted the almost total collapse of the community in Kirkland Lake, in Val d'Or and in Timmins, and I think in some other areas with which I am not nearly as familiar.

So, on behalf of the people of those communities, I wish to express my appreciation to those hon. members who have supported the EGMA when the act was costing money and when the general opinion of the Canadian public was that the gold mining industry was not worth supporting. I thank those hon. members who saw fit to support the act, not so much for the sake of the industry but for the sake of the people in the mining communities who were totally dependent on the gold mine. In many cases the application of the provisions of this act has resulted in additional development, and it appears to me that a new era may be dawning in gold mining within the very near future. Canada may yet find gold to be a very valuable and influential commodity which may put our country in the forefront in international circles so that we will no longer have to go begging for a market for a commodity which was selling on the international market for \$35 when our costs were averaging close to \$50.

● (1540)

I hope that the officials who have agreed to co-operate in the orderly development of the gold mining communities will continue to do so, and in fact will accelerate their assistance to those areas. I hope that through this co-operation, mainly resulting from the work of the deputy minister of mines, who has done an excellent job, there will be further development not only in the mining industry but in tertiary industries that can be developed through the type of co-operation that we have enjoyed.

I am therefore pleased that this legislation is being passed, and I anticipate that the next time I have an opportunity to participate in a debate on emergency gold mining assistance we will be talking about gold that will be worth several hundred dollars an ounce, that gold again will be a commodity reaching its zenith, and that due respect will be paid to those communities which at one time were the life blood of most of Canada.

Mr. Sinclair Stevens (York-Simcoe): Mr. Speaker, when this bill was presented for second reading on March 29, I had the opportunity to speak in support of early passage of the bill, and said it should be referred to committee without undue debate. I am now pleased to be able to join in the debate on third reading, and I would point out that it has taken only 14 days to give the bill second reading, have it examined in committee and returned to the House for third reading. Surely, this is an indication that those who are so fond of saying that there is obstructionism in this House do not have a foundation for that statement. Given proper legislation and a fair hearing in committee, I can assure you, Mr. Speaker, that there is no intention on this side of the House to obstruct good legislation.

However, Mr. Speaker, I also spoke on another bill amending another act, namely, the Export Development

[Mr. Peters.]

Corporation Act, and I would have to say that the story with respect to it is anything but similar to that with respect to the bill which is before us today. We were met with evasion, procrastination, and the desire to conceal facts wherever possible.

When dealing with the Gold Mining Emergency Act, we found that in the committee there was an excellent presentation of the government's position, the main witness being Mr. Drolet, the Assistant Deputy Minister (Mineral Development) in the Department of Energy, Mines and Resources. Before concluding my remarks, I feel I should reiterate some of the points that were raised in committee and also at second reading stage.

When we are dealing with this legislation we should remember that it is one of the best examples of a government program which has been extremely beneficial for an industry. In fact, it not only has benefited the industry but in each of the years 1968, 1969, 1970 and 1971 it resulted, through the sale of gold on the open market, in several millions of dollars of profits. More than that, Mr. Speaker, Canada was fortunate enough, because of its gold reserve holdings, to have a windfall of \$1 billion as a result of our activity in the gold field. That alone is sufficient justification for this act being extended.

As has been mentioned by the hon. member for Timiskaming (Mr. Peters), we are number three among world countries in the production of gold. Number one, of course, is the Republic of South Africa, and number two is the USSR. However, I believe that we could do better as far as production is concerned if certain modifications were made to the act. Perhaps I could now summarize our five proposals with respect to this legislation.

First, we believe that the government should give consideration to extending the life of this legislation until 1980. This would ensure that the gold mining industry would have a full understanding, for the next seven years, as to what assistance it can get, and what floor pricing the government will supply to the industry if it decides to go ahead and expand.

Second, we believe that the amendment which was made to the act in 1963, and which contains a restriction on eligibility for assistance in the case of old gold mines to only those communities where it could be said that approximately 50 per cent or more of the persons employed in the mines resided in the established mining communities listed in a schedule to the act, is not necessary today. It would be better to have the act apply to all gold mines, irrespective of whether they are existing, and irrespective of whether they are in communities listed in the schedules to the act.

Third, we also believe that the formula which the act provides for the assistance plan should be reviewed with a view to increasing the amount, or the price at which it becomes effective, to a more realistic level in terms of today's inflationary prices. This would mean that instead of the act becoming effective at roughly the \$49 to \$50 per ounce level, it could become effective at the \$59 to \$60 level. We suggest that the government give serious consideration to this proposal.

Fourth, we believe the act should be designed to encourage more actual exploration and prospecting for gold