

Emergency Gold Mining Assistance Act

make it retroactive to the 1st of January, 1958. The amount will be small. The act could have been amended, possibly, so that the increase to the gold mines would have been larger. However, we understand the situation. It is not so easy for a government, faced with a deficit during the current year, to be too generous. This is a good investment, and if the price of gold could be increased by this government I think it should be increased. However, if we were to increase the price of gold it would simply be in the form of a subsidy because the international price for this commodity is established by the United States price of \$35 per ounce.

I have heard some members mention that the price of gold should be \$75 an ounce. So far as I am concerned, the price of gold could be \$100 an ounce, and I would be very happy. However, it is useless to talk like that, and I think it is useless to say the price of gold should be this or that because if the price of gold were to be set by the government at \$75 an ounce it would simply mean a subsidy of \$40 an ounce.

I see that my time has run out. I say that I am happy that these amendments have been brought forward by the government and I hope that within the next few years we will see an increase in the price of gold so that there will be no further need for this subsidy and we will see the government make a great profit on the gold reserves they have in the vaults of the Bank of Canada.

Mr. Martin (Timmins): We have heard the case for the gold mines, Mr. Chairman, presented very well by the hon. member for Villeneuve. I think in fairness to all concerned I should devote the major portion of my remarks to the case of the gold miners. I find it a bit unfortunate, in view of the spirit of good will and mutual co-operation that has abounded in this chamber today, that this particular matter had to be raised because I think we have been setting records all day long. The spirit has been very good. We have not torn each other apart today.

It so happens that I have found it very difficult to get my teeth into this gold mining assistance act. When I came down here last year as a new member I hoped to have the opportunity of dealing with this matter. I waited until the estimates came up and after much patient waiting I found when they did come up that we could not deal with the matter because it was statutory. We had the same experience when the matter came up in the committee on mines and technical surveys this year. We hit the same snag, that it was statutory and could not be debated there. Fortunately today, as a result

[Mr. Dumas.]

of this amendment to the act, we have an opportunity to deal with it at some length now.

I had intended to raise the very point the hon. member for Villeneuve raised in regard to the remarks of the Minister of Finance. I think it is always necessary to protect oneself against implications, so I should like to quote from page 1626 of *Hansard* for June 25, 1958, what I said in the throne speech debate:

I should like to take this opportunity to compliment the Minister of Finance on giving some assistance to the gold mining industry. However, before going too far in that direction I should like to have some assurance as to just what form the assistance is going to take.

I should like to say, however, in view of the remarks of the Minister of Finance, that I would welcome him if he were to visit the town of Timmins. I would welcome his appearance on television up there, and I would foot the bill if he would present his side of the case for this gold mining assistance, after which I would present the side I am going to present now. As he mentioned, we would then leave it up to the voters at the next election. I am quite willing to stand on the ground I take today in regard to this matter because I do not believe there is a riding in this great country of ours that is so completely and totally dependent on the production of gold as is the riding of Timmins. There are certainly large gold mines in other areas, but I do not think there is any area as completely dependent on this industry as the riding I have the honour to represent.

The Minister of Finance did not explain too clearly the purpose of this act in his budget address on June 17. In one place he mentioned that it was for the purpose of assisting the gold mining communities and in another place he made reference to the fact it was to maintain the present standard of production and in this manner assist the gold mining communities. I hope to point out today that that is not necessarily one and the same thing. They certainly could be related but there is no guarantee that the maintenance of the present production, by itself, is going to benefit the gold mining communities.

We had a very good example of that. I believe that negotiations between the gold mines and the miners started last September, or thereabouts, in the Timmins area, and were still continuing when this increase in assistance was announced. The negotiations followed the usual various stages, and when the announcement was made by the Minister of Finance some of the mines were at the conciliation stage. When it was announced