

the full. Governments—dominion, provincial and local—can assist in this development in various ways.

First, by creating an environment in which investment for new development is reasonably attractive. Tax policy, especially with regard to treatment of depreciation and depletion, is one of the relevant items.

Second, governments can assist private investment by undertaking their share of the investment in community facilities, such as hospitals, schools, roads, railroads, landing strips, public utilities, and other traditional items of public investment necessary to make settlement of the area attractive to new workers.

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The mining industry of Canada is surpassed in gross value of production only by manufacturing and agriculture. It is thus greater than forest industries, construction and electric power. The province of Quebec stands second to the province of Ontario in its contribution to the mining industry of the country, and during the past decade has been gaining on that leading province.

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Summarizing the importance of mining as a field of employment, it can be said that the employment of one miner on the site will provide livelihood for 8.2 persons.

Finally, on page 28—

In summary, it can be said that there were 23,000 persons employed in the mining industry in the province of Quebec in 1941, that the number employed in the industry has been increasing rapidly, and that this entails a large and increasing number of other people whose livelihood depends on the mining industry and in the earnings of the miners.

The last time I spoke in this house, I commended the government for having fought inflation, and I compared our prices with those of other countries, in order to show that our anti-inflation measures had been beneficial to our middle classes and the country at large. I offered some suggestions tending to complete rather than destroy what had already been done.

I suggested the steps to be taken in order to relieve industry during the crisis brought about by a decision to put our Canadian dollar on a par with the American dollar. I then forecast a considerable loss of metal for Canada unless steps were taken to encourage the production of low-grade ore and, in other cases, of low-yield ore. I also predicted—if nothing were done to prevent it—a stoppage of mining operations, as well as the loss of income derived from mining and other related industries, and so forth, the resulting drop in production as a whole considerably weakening our resistance to inflation. Fortunately the government took some steps in the right direction, and I wish to commend the Right Hon. Mr. Ilsley for what he did last year.

I sincerely wish that the government could meet all the needs of northwestern Quebec,

whose growth I have witnessed. I understand, however, that the government of a country as large as ours cannot fulfil all at once the needs of every constituency and every industry, just like the head of a family cannot, as much as he would like to, comply with all of his children's wishes. I can well understand therefore why the government is so wary of decontrol and of relieving the mining industry of its burdensome taxes.

In 1946, I submitted the following methods of relieving the mining industry and creating employment:

First, the paying of a bonus for the promotion of prospecting, exploration and development work, especially in connection with low-grade ore mines.

Second, the raising from 33½ to 50 per cent, of the depletion or capital reimbursement allowances for all mines, as recommended by the Senate committee on natural resources.

Third, the raising of the depletion allowance over the 50 per cent level in the case of low-profit mines dealing with low-grade ores; the increase in this allowance being inversely proportional to the profit margin.

Of course, the word "bonus" must be taken here in its broadest sense, and not in the sense of "subsidy".

Mr. Speaker, while the country's finances did not allow full implementation of my proposals, the government did pass certain measures such as I recommended, as instanced again by the statement in the house, two days ago, by the Hon. Minister of Finance (Mr. Abbott). Those measures were of material assistance in preventing the break-down I had feared in northwestern Quebec. There has been a considerable drop, however, in mining activities. I repeat here, that if companies are allowed to peter out in the promotion stage, Canada will be deprived, in the future, of its mining industry. Without our great promoters and prospectors of yesteryear, we would not now have our producing mines. It is well to recall this truth to the minds of certain producers of today who have forgotten or have never been cognizant of the beginnings of their companies.

I suggest the government now adopt measures along that line and I further submit that taxation of small salaries should be reduced to a level at least comparable to that of the United States, so that workers will be in a position to cope with the general rise in prices.

Mr. Speaker, as a sequence to my suggestion to the Board of Transport Commissioners, made in conformity with the numerous messages sent and resolutions passed by the various municipalities and public organizations