

Gold Mining

ever-expanding rich mining deposits of northern Ontario and northwestern Quebec; and the iron and titanium ores of northeastern Quebec and Newfoundland are convincing evidence that there lies a land of fabulous riches. We also realize immediately that the future of Canada lies as far north as man can travel.

I will conclude by saying this. Gold is and always will be the stimulus of encouragement in the search for new mineral wealth, and we should do everything possible to restore the gold mining industry to its former health and vigour. Having done this, we shall have made a major contribution to the economy of our country.

Mr. Ray Thomas (Wetaskiwin): Mr. Speaker, we in this group on all previous occasions supported this act and the extensions of it, and we support this measure because we realize that when the price of gold was pegged at \$35 under the Bretton Woods agreement of 1945, the cost of production was a great deal lower than it is now, and that the rise in costs have made it almost impossible for the gold mining industry to make a go of it. However, I hope the minister does not intend to include under this act at the present time those companies which chose to break away from the agreement. We think that all those who remained under the agreement and who are selling at the \$35 should be given some sort of assistance. However, those who chose to go on the open market should, I believe, remain on it.

During the past four years that this act has been in force we have paid out something like \$40 million—\$10 million a year—towards subsidizing the gold mining industry. That is all very well. However, we must realize that this industry has engaged in it only something like 32,000 people. I regret that the minister who is sponsoring this bill did not show the same concern when the proposed final wheat payment was before the house a year ago. I want to make it perfectly clear that we are supporting this measure because the other countries will give us goods in exchange for our gold, and not because we believe in the principle of convertibility of currencies or convertibility of gold. As long as gold is the medium for international exchange, and as long as we have the gold production potential, I believe it should be helped. However, in times like this, when we are in the midst of an arms race or a huge defence program, I think these gold miners could possibly be better employed elsewhere in mining for some of the base metals that we need for our armament plans. In other words, Mr.

[Mr. Dumas.]

Speaker, I think that in times like these we should discourage the production of useless goods and encourage the production of goods that we need so badly for our defence production. However, as we are members of the international monetary fund and are encouraging gold production, we shall continue to support this bill and any extensions made to it. I repeat that we support it for those who are adhering to the fixed price. However, we have always advocated convertibility of goods rather than of gold or of currencies, but we shall support this bill.

Mr. H. W. Herridge (Kootenay West): When the gold mining assistance bill was before the house last I spoke at some length. This afternoon I want to make just a few brief observations on this resolution, which states:

That it is expedient to introduce a measure to extend the application of the Emergency Gold Mining Assistance Act to the years 1952 and 1953 and to clarify the provisions of subsection five of section three so as to provide for the assistance intended when this subsection was enacted in 1951.

This group again accepts this resolution as a temporary expedient, as mentioned in the resolution, to meet a particular and we hope a temporary situation. We support the purpose expressed in the resolution because, since there are numbers of working people, communities and other services involved, we think the government is justified in doing something for them in those particularly difficult circumstances under which they are operating.

I might say that, before proceeding with my brief remarks, we in this group cannot agree with the suggestion made by the hon. member for York West (Mr. Adamson), if I heard him correctly, that it would be to the advantage of the Canadian people and the economy of Canada generally if we were to return to the gold standard.

While this resolution will provide for the introduction of a mining bill which will continue the payment of subsidies to the gold mining industry, we do again want to stress the fact that we in this group believe that the workers in that industry should receive wages equal to those received by individuals working in other sections of the mining industry, and should work under conditions equal to those enjoyed by other workmen in the mining industries.

In the passage of the Emergency Gold Mining Assistance Act the government has recognized the principle of subsidies, and it has in other respects subsidized other industries where they felt they were justified in using public funds to support an industry under difficult circumstances and to keep it going. We in this group, and all hon. members, realize, as the hon. member for Spadina