

*Gold Mining*

gold mining is the stimulus which provides encouragement to search for new mineral wealth.

Much of Canada's future growth is bound up in the development and colonization of our northern country; and gold mining is the pioneer industry in opening northern Canada for development. The gold mines give employment to about 23,000 people, in addition to employees in dependent communities directly supported by them. They give further employment to large numbers in the cities and towns across Canada where mining machinery and supplies are manufactured. Our Canadian gold production provides a supply of ready foreign exchange with no marketing problem, and Canada is known among the trading nations of the world as one of the important producers of the precious metal. Gold mining is a truly Canadian venture and Canadian people control the majority of the mines.

All these facts were no doubt in the mind of the Canadian government when the Emergency Gold Mining Assistance Act was first enacted in 1948. Its purpose was to assist the Canadian gold mine operators in restoring normal operations and in meeting the greatly increased costs of production while facing a fixed price for the industry's product. It was under these conditions that what has been termed the "cost-aid" program was commenced for a three-year period to cover the calendar years 1948, 1949 and 1950. This "cost-aid" program has definitely assisted the mines in meeting the increased costs of production and in restoring efficiency in their operations, which efficiency had been greatly impaired by the labour shortages and material restrictions of the war years.

However, throughout the years 1948, 1949 and 1950 the cost of production of gold continued to increase, and in the fall of 1950, following representations made by the gold mining industry, and after consultations with the international monetary fund, the government decided to recommend to parliament the continuance of the "cost-aid" program for another year.

The bill which it is now proposed to introduce in this house has a double purpose. The first is to provide for additional assistance covering gold produced and sold during the last quarter of 1950, to compensate for the decreased premium on the Canadian dollar. The second and most important purpose of the bill is to extend to the calendar year 1951, on a revised basis, the Emergency Gold Mining Assistance Act.

It is expected that the "cost-aid" to be distributed to the gold mines in 1951 by

[Mr. Prudham.]

virtue of the amended act will amount to something between ten and eleven million dollars.

The hope is hereby expressed that the new program of assistance will help the gold mines to meet the continuing high costs of production, and that consequently these mines will not fail the northern communities which they have been instrumental in setting up and which now depend wholly or largely upon the mines for survival.

**Mr. Donald M. Fleming (Eglinton):** Mr. Speaker, if I am not mistaken, this is the first bill which the minister has introduced since he attained cabinet rank. May I take advantage of this occasion to say that I am sure there is no member of the government who commands a greater measure of good will among members in all parts of the house than the minister who has just introduced the resolution.

The resolution before the house impresses us at once with its limited nature. It reads:

That it is expedient to introduce a measure to amend the Emergency Gold Mining Assistance Act to modify its application with reference to the last quarter of the year 1950 and to extend the application of the act in a modified form to the year 1951.

One cannot read those words without being impressed by the temporary nature of this measure which is re-emphasized by the resolution. The limited scope of the legislation is foreshadowed by the resolution. Apparently we are still thinking in terms of an emergency which is to be dealt with on a session-to-session basis.

I was glad to hear the minister stress the importance of the gold mining industry to innumerable communities in various parts of Canada. The minister stated that 23,000 persons are directly engaged in the gold mining industry, and I think it is fair to state that the number of persons who indirectly derive a livelihood from the operations of the gold mines is not less than 100,000.

In the days gone by also the gold mining industry has played a vital role in maintaining the economy of Canada. Those who remember the unhappy history of depression days will not have forgotten what the health of the gold mining industry in those days meant, not only to the communities adjacent to the mines, but also in providing employment in industrial areas and markets for agricultural producers in all parts of Canada.

It seems to me that there has not been in this house the recognition of the importance of this industry that it deserved. In July, 1949, Dr. Charles Camsell, the former deputy minister of mines and resources, had this to