purchasing gold and using it as part of their reserves and (3) that any individual or corporation, whether Canadian or foreign, shall have the opportunity to purchase and sell gold on the open market, and furthermore that all restrictions on the import or export of gold shall be immediately withdrawn; (4) that Canadian producers may sell on the free market any precious metal they desire.

The government has gone far to hurt the gold mining industry. No clearer statement of intent could possibly be made than that by the minister the other night. The government cannot have it both ways.

I wish to quote briefly from a statement made by the deputy minister of finance before a parliamentary committee, showing that the government realizes the seriousness of the situation. The question was:

Exchange rates are very important to the metal industry, particularly to gold mining, because without the ten per cent discount many of our mines, perhaps the majority of them, would be out of business before long.

To this Doctor Clark replied, "That is right". I think it is only fair, if the house will allow me, to give the rest of his statement, because I do not wish to be accused of lifting the text from the substance, as it were. Therefore, with permission, I shall read the rest of the paragraph.

Mr. ILSLEY: What committee was that?

Mr. ADAMSON: The standing committee on natural resources, which sat in another place on May 28 of this year.

Mr. DEPUTY SPEAKER: It is my impression that the hon. member cannot quote from the proceedings of a committee in another place until the committee has made its report.

Mr. ADAMSON: I bow to Your Honour's ruling. I was simply trying to be fair, by giving the whole rather than part of the statement. If that is your ruling, I accept it.

Mr. ILSLEY: Well, Mr. Speaker, something will have to be done about that. Either the answer will have to be withdrawn from the record, or the explanation added to it. The hon. member has now quoted only part of the report of the senate committee.

Mr. KNOWLES: And he is now willing to bow to Mr. Speaker's ruling.

Mr. ILSLEY: He was stopped from proceeding. However, so long as it is understood that something further was said by the deputy minister, I think we can let it rest at that.

Mr. STIRLING: Would Mr. Speaker be good enough to quote the rule?

Mr. KNOWLES: Standing order 41.

Mr. DEPUTY SPEAKER: It is a well-known rule.

Mr. ILSLEY: I think with leave of the house the hon. member had better finish; otherwise it would be most unfair.

Mr. DEPUTY SPEAKER: The rule is clear that hon. members may not refer to debates in another place, nor may they quote from the proceedings of committees appointed in another place, until the committee has made its report. Likewise hon. members may not quote from the proceedings of a committee appointed by this house, until such time as the committee has reported.

Mr. ILSLEY: I suggest that the hon. member proceed with his speech.

Mr. DEPUTY SPEAKER: If the hon. member is continuing to quote from the report of the proceedings of such committee it must be with the unanimous consent of the house.

Mr. ILSLEY: I did not think that he was.

Mr. ADAMSON: No, I am not quoting from the unmentionable place. Credit me, however, with trying to be fair. I merely wanted to record my contention. The government cannot have it both ways. It cannot deliberately restrict by price control the price of any commodity and set that price so low that it is impossible for the basic producers to produce the commodity. Gold is the supreme hedge against inflation. If the government is genuine and sincere in this fear of inflation it will realize that the possession of gold by the citizens of the country is a great safeguard against runaway inflation and its attendant evils.

It is obvious that the government has little interest in gold. The effect of the order will be to close low grade operating mines in Canada and gradually to strangle the entire gold mining industry. As proof of this statement I want to quote figures which show the cost of producing an ounce of gold in 1944 in Quebec and Ontario respectively. In Quebec the cost was $34.72 an ounce and in Ontario it was $30.95, leaving a profit of $3.78 and $7.20 an ounce respectively after mint charges. Those were the figures for 1944. In 1945 and again in 1946 the costs of mining rose considerably so that both figures, $3.78 and $7.20, would be materially reduced.

Mr. ILSLEY: What is the source or authority for those figures?

Mr. ADAMSON: The Quebec department of mines and the Ontario Mining Association. Even if this were not so, the loss of ten per cent exchange reduces the profits per ounce to $0.28 and $3.70 respectively. It is obvious