event shall bounty be payable when the price received for zinc or spelter by the producer is eight cents or more per pound, and that no bounty shall be payable on zinc or spelter to the producer during the continuation of the war, and in no event on zinc or spelter produced after July 31, 1917.

Further resolved, that the total amount payable under the provisions of any Act founded on these resolutions shall not exceed the sum of $400,000.

Sir THOMAS WHITE: It may be helpful to the committee if I give a brief explanation. Provision is made for the payment of a bounty not exceeding two cents a pound on zinc or spelter produced in Canada from zinc ores mined in Canada. The legislation will not apply when the price received for zinc by the producer is eight cents or more per pound. It will not apply during the period of the war, or after July 31, 1917. That is to say, the legislation is confined to the period between the termination of the war and July 31, 1917. This legislation is in pursuance of a promise which was given by the Government in August of last year to producers of zinc in Canada with the object of providing for the refining of pure zinc in the Dominion. An extraordinary condition prevailed at that time, and, as a matter of fact, still prevails. After the outbreak of the war an unusual demand arose for zinc. To give the committee an idea of the character of that demand, I may say that in 1914 the export of zinc in pigs, bars, plates, and sheets from the United States amounted to only 4,000,000 pounds, whereas, in 1915, the exports had risen to 256,000,000 pounds; that is to say, the demand for zinc from the United States, where the zinc of this continent has been refined, was increased sixty-fold in a period of one year. The price rose from about 8 cents a pound, which was, I think, the price prevailing before the war broke out, to 40 cents a pound in 1915. It was brought to our attention last summer by the Shell Committee that the Canadian manufacturers of brass cartridge cases were unable to obtain pure zinc for their purposes. At that time no zinc was being refined in Canada, with the exception of that being produced by a small experimental electrolithic plant at Trail. The output of that plant was about one thousand pounds, or half a ton a day. As the result of the shortage in zinc, and of the inability of our manufacturers to obtain the necessary supplies for the manufacture of brass cartridge cases, there was a great delay in their output, and the matter became quite serious. We took it up with the view of seeing whether any action on our part would prove an incentive to the zinc producers of Canada, the Consolidated Mining and Smelting Company at Trail, and the Weedon Mining Company of Quebec, and others, to establish plants to provide zinc in Canada at reasonable prices for the purposes of the Shell Committee. After several conferences the Government determined upon this legislation, and, accordingly, a promise was given to the zinc producers in Canada. As the result of that promise, the Shell Committee was enabled to make a contract with the Consolidated Mining and Smelting Company of Trail for 8,000 tons at the price of 15 cents per pound, with an option upon 8,000 additional tons at a price of 12½ cents per pound.

In consideration of the undertaking which the Government gave to introduce this legislation providing for a bounty, the Consolidated Mining and Smelting Company undertook to put in the necessary plant to produce zinc at the rate of 25 tons per day, beginning not later than five months from the date of the acceptance of their offer by the Shell Committee. In a word, therefore, the result of the promise which was given by the Government to introduce this bounty legislation, is that the Shell Committee, and the manufacturers of brass cartridge cases in Canada, have been enabled to obtain domestically a supply of pure zinc at 15 cents per pound at a time when pure zinc was selling in the United States at 40 cents per pound. I think that the price of pure zinc in the United States to-day is about 30 cents per pound. I do not think that any further explanation is necessary, as the resolution is fairly plain in its terms.

Mr. DEVLIN: In view of the promise of the bounty, have many manufacturers given the assurance that they will manufacture this smelting zinc?

Sir THOMAS WHITE: There were two companies I have mentioned, the Consolidated Mining and Smelting Company at Trail, and the Weedon Mining Company in the province of Quebec. I am not aware at present of any others, but we made the announcement broadcast through the press, and sent a copy to all those engaged in the zinc mining industry in Canada.

Mr. GRAHAM: There will not be much paid under this legislation at present?

Sir THOMAS WHITE: I am glad my hon. friend has raised that point. I overlooked