

Production of synthetic rubber in Canada has been centralized at Sarnia, Ontario, an area served by water, rail and highway transportation, and at a relatively short distance from the plants engaged in the production of tires, which will consume about 85% of the synthetic rubber to be produced. The plant, operated by Polymer Corporation Limited, a Canadian Crown company, is expected to be completed and in full production by November 1, 1943. The plant investment, operation, products and by-products are owned and controlled by the Canadian government. The project has been designed to meet the full war needs of Canada, and though it will not meet the peacetime needs in addition, it is expected that it will wholly meet post-war needs, with some allowance for industrial expansion. The government's investment in the corporation is between \$40,000,000 and \$45,000,000, representing an average plant investment of approximately \$1,000 a ton of annual capacity.

Present indications are that the construction of the styrene plant will be far enough advanced to commence with the manufacture of ethylene from alcohol in the near future and of styrene at the rate of 6,000 tons per year within a short time thereafter. On the other hand, the copolymer plant can operate only if supplies of butadiene can be procured from the United States, since the butadiene plant at Sarnia will be the last to be completed and brought into production. The construction of the two butadiene units has been delayed because of difficulties in obtaining certain equipment, but it is expected that the first unit will be completed some time in September, 1943, and the second unit about a month later, each unit with a rated capacity of 15,000 tons a year. If supplies of butadiene can be obtained from the United States the plant should be operating at about 25% of capacity and manufacturing Buna-S rubber by August 31, 1943. Imports of rubber substitutes of the Buna-S and Butyl type are exempt from customs duties and war exchange tax, and the same treatment has recently been extended to imports of butadiene.

In the making of synthetic rubber, it has been found advisable on occasion to add a certain amount of natural rubber in order to

Rubber
Natural
Synthetic and