

received in Washington. However, in spite of this, defence requirements are so large there will be only limited quantities of steel available during the next few months for projects that are not closely related to the defence effort.

The Non-ferrous Metals Division has also been faced with the problem of increasing production and making sure that defence needs receive first claim on materials in short supply. In the case of some of the more common metals produced in Canada--copper, lead, zinc, nickel and aluminum--expansion of production by the industry has enabled us to meet essential demand in this country, and at the same time, keep up our exports to our traditional customers. Special steps have been taken to increase our own supplies of some of the less common metals, and I thought that hon. members might be interested in some of these measures.

In the case of tungsten, the Government is erecting a 230-ton mill at the Emerald property in British Columbia which should be in production late this year. Under contract for export to the United Kingdom, the Red Rose property, also in British Columbia, is being put into production by the owners.

In addition, the Hollinger mine, and possibly some of the other gold operations, are planning to undertake the recovery of scheelite, one of the tungsten ores, in order to supplement supplies obtained from the United States. Every effort is being made to obtain our requirements of molybdenum from traditional sources in the United States. However, impending shortages have resulted in further restrictions on United States consumers, which will have a corresponding effect in Canada. To meet this situation, negotiations are now under way to reopen the La Corne mine in Quebec which was a producer during the last war.

In the case of cobalt, an incentive price schedule was announced last February, and the Deloro Smelting and Refining Company was appointed as the Government's buying agent under this bonus price plan. The company's smelter facilities will be used to convert into metal the ores and concentrates purchased under the plan. I might say that this plan is producing results.

As a further step in increasing our supplies of essential materials, stocks of tin and antimony were purchased some months ago, and further purchases are now under consideration. Arrangements have also been made to obtain quartz crystals from Brazil, and steps are being taken to explore a Canadian source of this scarce material. Reasonably good stocks of manganese and chrome ore are being maintained by the Canadian consumers of these minerals.

A long list of metals and minerals has been declared essential under the Defence Production Act. The informal "producer ration" system that was in effect earlier in the year has now been replaced by an "order-approval" system for such metals as nickel, copper and aluminum. Similar orders covering lead, zinc and cadmium will be issued shortly. Through these orders we hope to regulate the rate of metal consumption for commercial purposes in order to support our expanding defence programme. The operation of these orders will also prevent surplus buying to build up abnormal inventories. This "order-approval" system was very effective in the last war.