

Mr. BUCK: I do not think it is true in respect of lead and zinc. The armament change has had relatively little effect there. The main uses of lead and zinc are so large that the smaller amounts used in armaments do not affect the general pattern.

Mr. NIELSEN: Are Canadian sources of lead and zinc competing favourably with other sources of lead and zinc? If they are not competing favourably with other world sources, does your branch or any other branch in the department undertake studies of ways and means of making those two metals competitive with other world sources.

Mr. BUCK: I think Canadian lead and zinc is competitive. The situation confronting the Canadian industry is not so much the competitive situation as the quota system. A good part of our production is exported to the United States.

Mr. NIELSEN: It is competitive then. I think the second part of my question is still pertinent. Has the department undertaken, or is it undertaking any studies to determine ways and means of still more efficient methods of production for the purpose of ensuring that competitive position, and to make it more economical for world users of lead and zinc to consume Canadian production?

Mr. BUCK: Not specifically.

Mr. NIELSEN: Do you think it would be a good idea?

Mr. BUCK: The companies engaged in the field are quite active and quite aggressive. I am not so sure how much we can contribute to it. We certainly follow the situation. We have a specialist who makes a point of visiting every plant in Canada and also in the United States; he has also participated in the international committee on lead and zinc, particularly in respect of import quotas.

Mr. NIELSEN: This is a world problem?

Mr. BUCK: Yes

Mr. BOYER: May I add that there is also in the Department of Trade and Commerce a commodities division which is studying marketing of all products including metals. The Mineral Resources Division is assisting very closely this organization of the Department of Trade and Commerce in its appraisal of the situation every day and the future situations which might arise. I believe the question can be answered more fully a little later when we come to the item in the mines branch concerning the amount of research being done toward improving the extraction of metals as well as the purity of these metals for possible new uses which might open more markets for some of them. The research program in the Mines Branch will enlighten the Committee a little more.

Mr. NIELSEN: My next question was going to be directed to the advances in the electro smelting field. I understand that the Mines Branch will be the item under which to ask that.

Mr. MARTINEAU: Has the imposition of the quotas in the United States on lead and zinc had an actual result on the cutback of the production?

Mr. BUCK: No; it has not. The producing companies have continued at the rate they were producing prior to the imposition of import quotas.

Mr. MARTINEAU: Is it being stockpiled?

Mr. BUCK: In the case of Canada and also the other countries it is being shipped to the United States and is being held in bond.

Mr. NIELSEN: In other words the United States is stockpiling?

Mr. BUCK: The term might be confusing. The smelters themselves are holding it in bond and if they require it they withdraw it from bond.