

Lead and Zinc Exports

countries. These bills all contain the same provisions respecting tariffs. I have prepared a table to show the very serious position in which it will leave Canadian manufacturers and producers should these duties become law. The table is as follows:

	Under Existing Tariff	Under Proposed Tariff
	cents	cents
Lead		
New York pricelb.	12½	12½
Regular dutylb.	1½	1
Additional dutylb.		3
Net return to Canadian shipperlb.	11½	8½
Zinc		
New York pricelb.	11	11
Regular dutylb.	⅞	1
Additional dutylb.		4½
Net return to Canadian shipperlb.	10⅞	5½

The effect of the proposed tariff changes would be to progressively cut off imports when the United States domestic price falls below 15 cents per pound, as it has at present. I would like to refer to a statement from the American Metal Company which appeared in the "E. & M. J. Metal and Markets", New York, April 23, where it was said that this proposed legislation would at one stroke cut through the established trade policy of the United States government. The United States is not self-sufficient in lead and zinc. Between 1940 and 1952, the United States imported 4,700,000 tons of lead and 4,500,000 tons of zinc. During that period of 12 years, this meant that 30 per cent of all the lead in the United States was brought from abroad, and 26 per cent of their zinc. In the statement to which I have already referred, the American Metal Company stated that there is no prospect of being able to find sufficient sources of these metals in the United States to attain a state of self-sufficiency.

Some of the supporters of this protective legislation in the United States are claiming that they need higher tariffs to strengthen the American mining industry for strategic reasons. The fact is that during the past 12 years, 70 per cent of the lead imported into the United States, and 80 per cent of the zinc have come from countries in the western hemisphere, notably Canada, Mexico and Peru. The United States therefore depends upon imported supplies of lead and zinc. On the other hand, the effect of such restrictive legislation would be to deal a grievous blow at the mining industries of these other countries as well as Canada, and they would not be able to produce maximum amounts in periods of shortage.

[Mr. Byrne.]

Serious effects have already been felt in British Columbia as a result of the reduced prices of lead and zinc. The *Northern Miner* of April 16 reported eight shut-downs in mines which normally produce lead and zinc. Only last week a delegation of miners from western Canada visited the house and the cabinet and discussed this very matter. They reported that at least twelve mines were now completely shut down in British Columbia.

According to available information, about 1,000 men have already lost their jobs. Effects have also been felt on wages. On April 3 it was reported that a union request for a 20-cent increase in wages was countered by an offer of a 10-cent cut from the Consolidated Mining and Smelting Company.

Lead and zinc are of basic importance to the province of British Columbia and to Canada. According to the annual report of the Consolidated Mining and Smelting Company there are 8,866 employees in that one organization. I understand that there were 9,725 people employed in lead and zinc mining, smelting and refining in British Columbia in 1951.

The legislation in the United States congress means that some people in the United States are trying to use Canada as a marginal supplier. They want to take our lead and zinc in times of shortage, and they want us to absorb the grief when supplies become adequate and prices are reduced as at present. I do not think this is the way trade should be carried on between Canada and the United States. It seems to me that this contradicts all the economic co-operation which has been built up between the two countries during the war and since. Quite frankly, I do not believe that the rank and file of people in the United States are aware of what it would mean to Canada if legislation of this kind were to be passed in their country.

This is why, therefore, I am suggesting that the government should consider introducing legislation for the imposition of export duties on nickel and asbestos. I select these two minerals because the United States is absolutely dependent upon Canada as a source of supply for both. If they are going to put prohibitive duties on Canadian lead and zinc, my suggestion to the government is that the export duties on nickel and asbestos should be even more substantial. It is my view that such export duties should not apply to other countries but only to nickel and asbestos going to the United States. It would be very appropriate, furthermore, having established these export duties