

mentioning the reason why it was considered necessary that this bounty should be given. It was this: the producers of zinc were unwilling to establish an expensive plant in view of the possibility of the war coming to an end soon. They were quite content with the price which could be obtained during the war, but what they feared was that if the war should come to an end in the early future, the price of zinc would at once drop and an expensive plant would become unprofitable. They were content to establish their plant should the war last as long as the 1st of July, 1917; so that the contingencies which they had in mind have been provided for in the resolution before the Committee.

Mr. DEVLIN: Did they ask for any advance on their contract?

Sir THOMAS WHITE: At the outset—I am speaking now from recollection, but I am certain that I recall accurately—there was a proposal that the Government should make an advance for the purpose of defraying a part of the cost of the plant. That was not regarded favourably, and the bounty resolution took its place as being more satisfactory.

Mr. SINCLAIR: Is it understood that the output of the mines, or the product of this industry, will be confined to Canada or to the use of the Allies during the war?

Sir THOMAS WHITE: The legislation is general in character, but the Shell Committee was, as I stated, able to make a contract for 8,000 tons at 15 cents per pound at a time when the price in the United States was 40 cents per pound, with an option upon a further 8,000 tons at a price of 12½ cents per pound. I was assured by the Shell Committee at the time that the arrangement which they had made was perfectly satisfactory to them, and, so far as I have been able to learn, there is now no danger of the manufacturers of brass cartridge cases being short of pure zinc.

Sir WILFRID LAURIER: We had legislation of this nature some years ago. Has it expired?

Sir THOMAS WHITE: My right hon. friend is probably thinking of lead.

Sir WILFRID LAURIER: Did that legislation not apply to zinc also?

Sir THOMAS WHITE: My right hon. friend may be right, as his memory is usually good, but I do not recall that it

applied to zinc. There is legislation relating to lead very similar in character to this; that is to say, it provides for a bounty on a sliding scale.

Mr. GRAHAM: As I understand it, this merely guarantees to the producer a certain price to a certain date; that is, that the zinc will not go below a certain price. If it remains at a price of over 8 cents per pound, the producer will get no bounty, but should the war cease before 1917, and the price recede to 6 or 7 cents per pound, he would get a bounty.

Sir THOMAS WHITE: Yes.

Mr. J. G. TURRIFF (Assiniboia): I would ask if this is the beginning of a movement on the part of the Government of Canada to deal with the question of handling Canadian ores in Canada, or is it merely a small matter dealing with the production of zinc and guaranteeing a certain price to the zinc manufacturers. It seems to me that this war has shown us that we are very much behind the times in Canada in our general methods of dealing with our mineral products. There is no question that Canada is one of the richest countries in the world in respect to minerals, and there is no doubt also that during the years that we have been mining and shipping our ores abroad, chiefly to the United States, to be handled, we have lost millions and tens of millions, and, I suppose, hundreds of millions of dollars.

Consider what has occurred in the Cobalt country since the camp was discovered some twelve or thirteen years ago. There was charged, on the average Cobalt ore, over \$200 per ton to the men who took out the ore and shipped it. There were no proper facilities for dealing with the ore in Canada. The mine owners had to pay the freight on the ore to New York and he had to take practically what was given to him. All the Cobalt ore carried a large percentage of nickel and cobalt, both of them extremely valuable metals, and in most cases the owner of the ore not only did not get anything for the nickel or the cobalt, but if there was more cobalt than nickel, or more nickel than cobalt, he was paid nothing for either, but he was fined so much a ton because the refiners claimed that it cost more to smelt or refine the silver product on account of the presence of these other metals. In many cases the loss of nickel and cobalt amounted to a great many dollars per ton. There is absolutely no shadow of a question that the two big smelt-