

Mr. SPROULE. It was passed in 1908.

Mr. TEMPLEMAN. The Act of 1908 simply continued the payment of the bounty but did not vote any new sum of money. During the first five years of the lead bounty Act, there was only \$700,000 or \$800,000 paid out of the bounty fund, and when the Act of 1908 was passed there was about \$1,750,000 at the disposal of the mining industry for bounties. Since that time we have continued paying bounties, but there still remains over \$1,000,000 in the fund unexpended. The total amount expended during the last seven years for this purpose is approximately \$1,500,000. I do not remember the exact figures, but I think at the present time the production of lead in Canada is about 22,000 tons.

Mr. SPROULE. I thought the minister would give us some comparative statistics which would enable us to see whether the bounty has stimulated the production of lead.

Mr. TEMPLEMAN. There is no production of metallic zinc in Canada. Zinc ores have been exported from Canada to the United States for some years, and this exportation has been profitable to our mining men; but owing to the high tax imposed on zinc ores by the Payne-Aldrich tariff, this exportation has been practically suspended except perhaps in the case of the highest grade ores. There has never been a zinc smelter in operation as a commercial industry in Canada. One was built at Frank in the Crowsnest pass, but I believe was not operated further at all events to demonstrate that it was not a success.

Mr. SPROULE. In order to determine whether or not the bounty has expanded the business, we ought to know what the total product was before the bounty was paid and what it has been since. Subsection 2 of section 2 of the Act provides that if the output amounts to 33,333 tons in any one year, the bounty will be reduced, I presume that it has not yet reached the point which would justify any reduction in the bounty.

Mr. TEMPLEMAN. While we voted \$2,500,000 for lead bounties, the amount that could be expended in any one year was limited to \$500,000, the amount of the bounty being \$15 a ton. If the production exceeded 33,333 tons per annum, necessarily the amount paid per ton would have to be reduced; that is the meaning of the clause to which my hon. friend has referred. The bounty is paid on a sliding scale, based on the price of lead in the London market. As the price goes up, the amount of the bounty paid is relatively re-

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duced, so that if lead goes up to £17 10s. or £18 the lead bounty disappears altogether. It is for that reason that the total amount of \$500,000 has not been earned in any one year in the last seven years—the price did not always necessitate the payment of the full bounty.

Mr. SPROULE. My aim in asking the question I have has been to ascertain to what extent this bounty was stimulating the production of lead. If we found an increasing amount paid in each succeeding year, we would naturally conclude that the bounty was doing a great deal of good, and we would be in a position to decide whether or not it would be wise to set apart money to stimulate the production of another metallic product.

Mr. TEMPLEMAN. The fact that a gradually increasing amount was paid each year would be of no evidence that the amount of lead production was increasing, for the reason that we have to take into account the price of lead in the London market. But, speaking generally, I have not the slightest doubt that the lead bounty has been a great incentive to the lead-mining industry, particularly in British Columbia. I believe that any one who knows the conditions in the Kootenay country is well aware that but for this bounty the industry would have gone down. It has been due to the assurance that with the aid of the bounty a profitable price could be obtained for lead, that the lead-refining industry has continued to successfully operate during the last seven years. The granting of the lead bounty by this government has been fully justified.

Mr. SPROULE. I do not say that it has not been justified; but I do not agree with the contention of the minister that the amount of bounty paid out from year to year is no evidence of the quantity of lead produced. To my mind there is an absence of that data which the House requires in order to determine whether we are wise or not in endeavouring to stimulate the production of lead in that way. This information we ought to have before we get through. If we found there were 25,000 tons produced this year, 23,000 tons the year before, and 17,000 the previous year and a proportionate amount of bounty paid out each year, that would be an evidence that the industry was being stimulated, but if it were found that there was no increase of production from year to year, whether we paid much or little, that would be an evidence that the production was not stimulated by the bounty. It is the fullest information which we ought to have in order to understand whether this is doing good or not.