quantity of 210,000 tons of refined metal—more than double the entire Canadian production in 1928—are to be made in the first year of its contract with the British Government. Furthermore, the industry, by its ability to sell this copper profitably at the pre-war price of slightly over 10 cents per pound, or nearly 16 cents less than the pegged price of 26 cents per pound paid by the Allies during the latter part of the War of 1914-18, is also making a very substantial contribution to the conservation of Allied financial resources.

Lead.—From its relatively unimportant position as a lead producer during 1914-18, Canada has advanced until it now ranks fourth among world sources of the metal. Its all-time peak production of 209,464 tons in 1938, almost ten times the average annual output of the four years of war demand from 1915 to 1918, comprised about one-ninth of the world production for the year. Moreover, there has been a substantial growth of 28 p.c. in the annual production in the period of low prices that has prevailed since 1929. This has come chiefly from the Sullivan mine in southern British Columbia. (The refinery at Trail has a rated annual capacity of 205,000 tons of refined lead.) In view of the fact that most of the output is sold in highly competitive export markets, largely in the United Kingdom, this record of increasing production for such sale indicates the relatively low producing costs in the Canadian lead industry.

Canada will therefore contribute large quantities of lead at low cost to the present war emergency. As in the case of copper, the economic benefits of this low-cost supply to the Allies may be appreciated by comparing the pre-war price of little more than 3 cents per pound* of refined metal with the average price of nearly 8½ cents per pound received by Canadian producers during the last four years of the War of 1914-18.

Zinc.—Contrasted with the insignificant position of zinc in 1914, when the entire output comprised an estimated 3,623 tons contained in concentrates exported as such, the 1938 production of 190,753 tons—90 p.c. in refined form—ranked Canada as the third largest world producer. The annual production has almost doubled in the period of depressed prices since 1929, that of 197,267 tons (preliminary figures) in 1939 being a new all-time peak. About 75 p.c. of Canada's zinc comes from the Sullivan mine in southern British Columbia, probably the world's greatest zinc mine, and 20 p.c. from Flin Flon in Manitoba and Saskatchewan. Each mine has its own associated refinery. The rated annual capacities are 145,000 and 40,000 tons respectively, or a total of 185,000 tons of refined zinc.

Domestic requirements normally absorb only a relatively small portion of the production. As the production can be substantially increased, the Canadian zinc-mining industry can furnish large supplies for war purposes. Moreover, it can do so profitably at the pre-war price of about 3½ cents per pound for premium zinc which approximates the price that the principal producers have agreed to accept from the British Government. The war position of the Canadian zinc industry may be determined by comparing its 1939 production of 197,267 tons averaging 3·1 cents per pound in value, with its production in 1918 of 17,542 tons, the average value of which was 8·1 cents per pound.

* This is reported to approximate the price that the chief producers have agreed to accept from the British Government in payment for their entire production surplus to domestic requirements.