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} REPORT
No. 511.

PRODUCTION OF ZINC ORES.

APRIL 9, 1920.—Ordered to be printed.

Mr. WATSON, from the Committee on Finance, submitted the following

REPORT.

[To accompany H. R. 6238.]

The Committee on Finance, to whom was referred the bill (H. R. 6238) to provide revenue for the Government and to establish and maintain the production of zinc ores and manufactures thereof in the United States, having considered the same, report favorably thereon with the recommendation that the bill do pass without amendment.

The condition of the zinc-mining industry in the United States presents an emergency situation that necessitates immediate relief.

The largest single unit of zinc mining in the world, called the Joplin district, is composed of the fields comprising parts of the southwestern part of Missouri, the southeastern part of Kansas, the northeastern part of Oklahoma and the northwestern part of Arkansas. Montana is ranked second in the United States and Wisconsin third in the production of zinc ore, and there are scattering amounts in Alaska, Colorado, and Utah, and some in California, while in Tennessee and New Mexico and New York the production of zinc ore is increasing. This supply of zinc ore meets the American demand, and during the war the United States exported to meet the demand of the world.

The Joplin district employs from 12,000 to 15,000 men, and it is a remarkable fact that everyone of these miners are Americans, loyal and hard-working, accustomed to American conditions of living, and in uniform good relationship with their employers.

Because of war conditions the United States is threatened with becoming the dumping ground of zinc ore from all parts of the world. The reasons for this are as follows: Foreign ores before the war were consumed by the smelters of Europe which were largely located in Belgium, Poland, and Germany. As a result of the war, these smelters have either been destroyed or damaged so that they are

unable, and will be unable for a considerable time, to absorb the foreign production of zinc ore, and the only place to which these foreign ores can come is the United States.

Four hundred thousand tons of zinc ore are now piled on the docks of Australia ready for shipment. During the war this influx of foreign ore was prevented by restrictions which prohibited the use of bottoms within which the ore could be transported, but that restriction has now been removed.

In Australia the entire production of zinc ore is a by-product from an ore containing both lead and silver, and whatever can be realized from the zinc ore is so much clear gain to the Australian mine owner, who has secured his profit from the lead and silver extracted from the ore, and who gets what he can for the by-product of zinc ore.

The Mexican production of zinc ore is a constant menace to the United States as will be shown. Zinc ore can be produced in Mexico at a far less cost than it is possible to produce it in the United States with the wages paid to American workmen.

The American situation will instantly become worse as the conditions in Mexico enable increased production of Mexican ore.

In the Joplin district whole mining camps are idle without a single man working, and the mills have been sold or moved away for secondhand works. This is also true in Kansas around the Galena district, and is also true in Arkansas.

Out of 87 mills which were operating in the Webb City district, which is a part of the Joplin district, only two are in operation now. In Webb City one-third of the inhabitants have left and there are 400 empty houses, of which more than one-third are owned by miners who were themselves the householders.

In 1914-1918, inclusive, the average importation of zinc ore was 150,872 tons. It cost to produce a ton of zinc ore \$42.21 during that period. It cost to produce a ton of ore in the Joplin district during the same period \$66.22.

Joplin zinc ore carries 60 per cent of zinc or 1,200 pounds of zinc metal for every ton of zinc ore, and therefore the cost of producing 1,200 pounds of zinc metal from Mexican ore is \$42.21 as against \$66.22 for the Joplin ore, or a difference of \$24.01.

The difference in wages is indicated by the following table:

Wage scale comparisons.

Kind of labor.	Gold value of Mexican wages.	Usual wages Missouri-Kansas district.
Ground boss.....	\$1.42-\$2.50	\$4.00-\$5.00
Shift boss.....	.85- 1.10	3.00- 4.00
Pump man.....	.25- 1.50	3.00
Drill man.....		2.75
Drill helpers.....		2.50
Shovelers.....	.50	2.50- 5.00
Hoist men.....	1.50	2.50- 3.00
Engineer.....	1.00	2.50- 3.50
Jig men.....	.75- 1.50	3.00- 5.00
Crusher feeder.....	.75- 1.50	2.50
Laborers.....	.15- .50	2.00
Blacksmiths.....	1.50	2.50- 3.50

The result of this situation has been a reduction in the production of zinc ore in the Joplin district from 287,925 tons in 1916 to 88,627 tons in 1918. To revive this essential mining industry demands immediate legislation that will make the reopening of the mines a safe investment, for when a mine is closed down the water floods the mine, the machinery deteriorates, pumping systems must be inaugurated and a large amount of money invested in order to reopen the mine for production. To accomplish this, legislation that will enable the American mine owner to produce zinc ore in competition with the zinc ore of Mexico and the by-product of zinc ore from Australia is essential. Prior to 1904 importations of zinc ore into the United States were negligible, but in that year 2,000 tons were imported. Importations steadily increased until 1909, when importations of zinc ore totaled 113,000 tons. The foreign ores came chiefly from Mexico, and the great increase in importations was most detrimental to the domestic industry.

The framers of the tariff act of August 5, 1909, recognized the necessity of an import duty on zinc ores and levied a duty of 1 cent per pound on the metallic contents of the higher grade ores. Under the stimulus thus afforded, together with the decreased imports from Mexico due to internal troubles, the zinc-mining industry in the United States prospered.

The tariff act of October 3, 1913, repealed the specific duties on zinc ores of the Payne law and in lieu thereof imposed an ad valorem duty of 10 per cent. Importations under this ad valorem rate have been demoralizing to the domestic industry. The importation of zinc ore in 1915 amounted to 79,000 tons, in 1916 to 291,000 tons, and in 1917 to 262,000 tons.

