

Part of the new power capacity being installed was in direct conjunction with expansion in the refining of aluminum and other base metals. Two major aluminum refining projects were under way. The largest of these is located at Kitimat, a hitherto undeveloped area of British Columbia, and will be capable of an output of 90,000 tons of aluminum when the first stage of the project is completed. This, together with a project under way in the Province of Quebec will add 35 p.c. to Canada's aluminum refining capacity.

One of the most important developments in heavy manufacturing was the major expansion program undertaken by the primary iron and steel making industry which was scheduled for completion by the end of 1953. Pig iron capacity was being raised by 35 p.c. and steel making capacity by 25 p.c. In conjunction with this program, commensurate additions were being made to Canada's steel rolling mill capacity.

A number of other important developments in heavy manufacturing involved the processing of Canada's forest and mineral resources and the production of goods required for defence. Large plants were under construction in Alberta and Ontario to produce a wide variety of chemicals and synthetic fibres from products of petroleum and wood. Plants were being erected to recover sulphur from natural gas, smelter fumes and iron pyrites. A large new pulp and paper mill was completed in British Columbia during 1952, and a number of existing ones were expanded.

Of the developments in manufacturing directly related to defence, the most notable was the expansion of Canada's aircraft industry to produce jet fighter aircraft and jet engines. This involved not only capital expenditure on aircraft and engine plants but also the construction or adaptation of facilities by numerous concerns to produce a wide range of complex component parts, the manufacture of which called for a high degree of precision. Electronic equipment for the defence program necessitated significant expansion in the heavy electrical industry. Shipyards, gun and explosive plants were also expanded.

The foregoing description gives a broad indication of the new productive capacity being created in the Canadian economy. It depicts forcibly that 1951 and 1952 have been years of exceptional activity and basic industrial growth. International events of this period have placed new emphasis on Canada's importance as a source of supply in the Western world. The growth thus stimulated has been concentrated in the building up of new capacity for the production of raw and processed materials. In addition, however, the production of highly complicated products has been embarked upon. This expansion has contributed to the greater diversification of Canadian industry and will undoubtedly provide renewed impetus to development in secondary and service industries in the years ahead.

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