

industrial and domestic use late in 1958 by the Trans-Canada pipeline now under construction. Canada has a new major source of export revenue in its uranium industry, headed as it is toward an output value rate of well over \$300,000,000 annually by 1958. It has another major source of export dollars in its huge tonnages of low-grade iron ores which are attracting the attention of United States and European steel interests.

The high rate of mineral development activity continued throughout 1956. Early in 1957, however, a slackening in demand for metals and minerals resulted in a weakening in price structures particularly of copper, lead and zinc. This became more evident as the year progressed and production of these metals in 1957 was expected to be at lower levels than in 1956. Nickel markets remained firm, however, despite the action of the United States in releasing stockpile quotas for civilian use. Premium price markets disappeared and nickel sold at the standard price set by The International Nickel Company of Canada Limited—70 cents (Canadian) a pound.

While immediate prospects for copper, lead and zinc and some of the other metals and minerals were rather uncertain at the end of the review period, the long-term outlook for the industry as a whole appeared favourable. There was little doubt that the momentum of growth that had been set up within the industry by the expenditure of huge capital sums on the large-scale development of mineral resources would support continued prosperity in the immediate future, and that, in the long-term view, the increasing demand for metals and minerals, generated both at home and abroad by increases in population and steadily rising living standards, would ensure the industry's prosperity in years to come.

Subsection 1.—The Metals

The tremendous growth of the mineral industry was evident in every phase of endeavour but was greatest in metal mining where capital outlays amounting to hundreds of millions of dollars were made to increase productive capacity, particularly of copper, nickel, uranium and iron ore. In the Blind River uranium area, some \$300,000,000 to \$350,000,000 was spent from 1953 to mid-1957 on preproduction development alone. During the review period, the most significant event was the announcement by International Nickel to proceed with the development of its huge nickel deposits in the Mystery Lake-Moak Lake area of northern Manitoba. Meanwhile, widespread exploratory activity resulted in new claim-staking records in British Columbia, Manitoba and Quebec and a number of important finds were made ranging from lead and zinc in Yukon to nickel in Ungava.

The value of metal production in 1956 rose to a record \$1,134,354,000, a 13-p.c. increase over 1955 and 9 p.c. greater than the total value of Canada's mineral output in 1950. Under the stimulus of high prices, copper production increased to 706,586,000 lb., 8 p.c. higher than in 1955 and than the previous record established in 1940. Iron ore jumped 38 p.c. to 20,113,000 long tons and nickel 2 p.c. to 355,986,000 lb. Gold, lead and zinc showed declines in output, gold decreasing 4 p.c. below 1955 to 4,379,000 oz. t., lead 8 p.c. to 373,350,000 lb., and zinc 2 p.c. to 847,240,000 lb. In value, copper was up \$52,000,000, iron ore \$46,000,000, uranium \$14,000,000, and nickel and zinc, each \$7,000,000.

Several important developments during the review period served to underline the great growth potential of the industry. The signing of contracts by Eldorado Mining and Refining Limited, the Crown purchasing agent, with 18 uranium companies covering the sale of over \$1,500,000,000 worth of uranium precipitates by Mar. 31, 1963, is expected to give Canada 24 operating uranium concentration plants, handling about 45,000 tons of ore daily by 1958. The continued expansion of the country's nickel-producing capacity and International Nickel's development of its Mystery Lake-Moak Lake nickel project indicate a nickel production for Canada of some 470,000,000 lb. by 1961, 20,000,000 lb. greater than the 1956 world production (exclusive of Soviet countries). The great growth in iron ore production from high-grade properties coupled with Canada's possession of huge tonnages of ores amenable to beneficiation have already raised Canada to sixth place in world production and point to an output of between 45,000,000 tons and 60,000,000 tons by 1965.