

In the United States, Canada's principal market, relatively large stockpiles and a low ore-consumption rate prevailed throughout most of the year. Shipments by Venezuela, Canada's main competitor in exports to the United States market, declined for the first time since initial production there in 1950. In contrast, Canada experienced declines in 1958, 1960 and 1961. Canadian shipments to Britain and Western Europe decreased slightly in 1961 as most major steel-producing countries operated at lower levels. In addition, the present and near-future availability of iron ore from countries in Asia, South America and Africa, particularly Liberia, has tended to weaken the bargaining position of several traditional suppliers, including Canada. The 1961 softening of the overseas market in Western Europe can be described as a short-term pause in the strong growth pattern that evolved during the 1950's and was forecast to continue well into the 1960's. In Japan, steel producers have been consuming imported iron ore at an exceedingly rapid rate and Canadian ore from the British Columbia coast has found a ready market in that country with the volume of shipments limited only by the companies' ability to produce.

Iron and steel production in Canada reached record levels in 1961. Prior to 1939, most of Canada's iron ore requirements were met by imports from the United States Lake Superior district and from Newfoundland. Since then, Newfoundland has joined Confederation and several new mines have been brought into production in Quebec, Labrador and Ontario. As Canadian ores have become available, the domestic steel industry has consumed increasing quantities.

The availability of Canadian iron ore in increasing quantity and quality continues to affect the pattern of international trade. From 1950 to 1959, world trade in iron ore increased from 43,700,000 long tons to 130,500,000 long tons and this trend is continuing. Sweden and France were the major exporters in 1950 but by 1959, Canada, Venezuela and the Soviet Union had become important ore exporters and significant quantities were being derived from several other countries in Africa, Asia and South America. In Canada, three projects recently completed or under construction in Labrador-Quebec will result in a total annual Canadian productive capacity of over 40,000,000 long tons compared with an estimated 26,500,000 long tons in 1961; most of this material will be shipped overseas to companies with a financial interest in one or more of the properties. Similarly, there are many projects under construction in such countries as Peru, Chile, India, Malaya, Angola, Mauritania, Swaziland and Australia that will each add at least 1,000,000 tons of productive capacity for export markets. It is quite clear that the 1960's will be a decade in which quality ores will be abundantly available. As in the past, no one country will have a monopoly of supply.

Not all Canadian producers experienced a decline in shipments during 1961. Those companies producing high-grade concentrates or agglomerates in Ontario and Quebec actually increased shipments as did one producer of medium-grade, direct-shipping ore in Ontario. In general, however, producers of medium-grade ores, whether direct-shipping or beneficiated, shipped smaller amounts than in 1960. With another producing company making initial shipments in 1961, the number of mining operations reached 13. In addition, the number of companies producing by-product iron ore from the processing of sulphide ores to recover sulphur dioxide and, in some cases, other metals such as nickel and cobalt, increased to three and another company is expected to start by-product production early in 1962. A fifth company mines ilmenite ore for smelting in its electric furnace plant at Sorel, Que.; its products include titania slag for pigment manufacture and pig iron.

Iron Ore Company of Canada, with direct-shipping ore deposits astride the Labrador-Quebec border, 360 miles north of the port of Sept Îles, Que., is the largest producer, having accounted for over 40 p.c. of 1961 Canadian shipments. Wabana Mines of the Dominion Steel and Coal Corporation, Limited, produces medium-grade concentrate from its underground mines on Bell Island, Nfld., and accounted for about 14 p.c. of the year's shipments. High-grade pellets from Hilton Mines, Ltd. near Shawville, Que., accounted for another 4 p.c. Quebec Cartier Mining Company, a new producer in 1961, contributed 5.5 p.c. by shipping high-grade concentrate from its new mine and beneficiation plant at Gagnon and its port at Port Cartier, Que.