

Canada's petroleum refining capacity in 1962 was 979,660 bbl. a day, more than double the 1952 rate. Quebec and Ontario had almost 60 p.c. of this capacity. Domestic oil accounted for almost 56 p.c. of all crude used in Canadian refineries in 1962 even though all refineries in Quebec and the Maritime Provinces run entirely on imported crude. There were 74 natural gas processing plants in Canada with a capacity of 3,400,000 Mcf. daily.

Export trade is of vital importance to the Canadian mineral industry. The value of mineral exports as raw materials and semi-processed products in 1962 was \$1,935,433,000. The leading export commodities were nickel, the mineral fuels, aluminum and iron ore which accounted for 16.7 p.c., 16.2 p.c., 14.9 p.c. and 14.7 p.c., respectively, of all mineral exports. About three quarters of the production value of the metallic minerals is accounted for by exports; for the mineral fuels and for industrial minerals the proportion is one quarter. Notwithstanding conditions of mineral over-supply in the world, there was a \$177,000,000 increase in Canada's mineral exports in 1962, representing a 10-p.c. gain over 1961. Although the Canadian mineral industry must face such restrictions in international trade as quotas and tariffs, the increasing need for mineral materials in the industrial nations of the world offers much promise for continuing growth and diversification of the Canadian mineral economy.

Subsection 1.—Metals

Nickel.—Production of nickel in Canada in 1962 amounted to 232,068 tons valued at \$385,224,707. The quantity was slightly under the 1961 production but the production value was considerably higher. Ontario produced 165,440 tons valued at \$274,492,739 and Manitoba produced 62,099 tons valued at \$103,169,771. The aggregate production from Quebec, British Columbia and the Northwest Territories was 4,528 tons. Marketing was characterized by keen competition. Supply was greater than demand for the first time in many years because of increased production and the cessation of nickel deliveries to the United States stockpiles. Increased supply resulted in a 2½ cents-per-pound reduction in the price of nickel, initiated by Falconbridge Nickel Mines, Limited and followed by other companies, and then a 13-p.c. reduction in production in the fourth quarter by The International Nickel Company of Canada, Limited. Further, Société Le Nickel of France began marketing small amounts of nickel of New Caledonian origin in the United States.

On the world market, there was little change in the source of nickel. Canada and New Caledonia supplied most of the Free World's nickel; Russia and Cuba met the bulk of the Soviet bloc requirements. Production from new sources commenced in East Germany, Czechoslovakia and Brazil but these were all minor suppliers.

Sudbury continued to be the main source of Canadian nickel. International Nickel operated seven mines in the area: Creighton, Frood-Stobie, Garson, Levack and Murray as underground mines and the new Clarabelle and Ellen mines as open pits. The Crean Hill mine, although ready for production, was maintained on a standby basis. In September, International Nickel announced a fourth-quarter cutback from 92,000,000 lb. to 80,000,000 lb. of nickel, necessitating the lay-off of some 2,500 employees, mostly in the Sudbury area. The reduced production did not indicate a lowering of demand but was due to surplus production over and above demand and inventory requirement. The company continued construction work on its Copper Cliff, Ont., iron ore recovery plant to enlarge its capacity from 300,000 to 900,000 tons of pellets a year. The project is scheduled for completion in 1963. Falconbridge Nickel Mines, Limited operated the Falconbridge and East mines in the Falconbridge, Ont., area and the Boundary, Onaping and Fecunis mines on the north rim of the Sudbury Basin. Development work continued at the Strathcona deposit.

Elsewhere in Eastern Canada, Marbridge Mines Limited and Nickel Mining and Smelting Corporation were brought into production. Marbridge, in LaMotte township adjacent to Malartic, is Quebec's first nickel producer. Production is at a minimum rate of 300 tons of ore daily; the bulk nickel-copper concentrates are trucked to Falconbridge