In Ontario, Caland Ore Company Limited, Canadian Charleson, Limited and Steep Rock Iron Mines Limited continued to produce direct-shipping and medium-grade concentrates in the Atikokan area. Steep Rock, the area's oldest producer, and Caland accounted for 8.0 p.c. and 4.0 p.c., respectively, of the 1962 shipments. In the Michipicoten area, Algoma Ore Properties Division of The Algoma Steel Corporation, Limited operates mines and a sinter plant at Wawa and accounted for 6.5 p.c. of the 1962 shipments. Marmoraton Mining Company, Ltd. produces high-grade pellets from its mine and plant near Marmora, and Lowphos Ore, Limited produces high-grade concentrate from its operations near Capreol. Together, these companies produced 3.8 p.c. of the country's shipments in 1962.

Six British Columbia producers accounted for 6.5 p.c. of Canadian shipments. Empire Development Company, Limited and Nimpkish Iron Mines Ltd. operate mines on Vancouver Island, and Texada Mines Ltd. produces from mines on Texada Island. Initial shipments were made in 1962 by Brynnor Mines Limited and Zeballos Iron Mines Limited from properties on Vancouver Island, and by Jedway Iron Ore Limited from the Queen Charlotte Islands.

By-product iron ore was produced by The Consolidated Mining and Smelting Company of Canada Limited at Trail, B.C., and by The International Nickel Company of Canada, Limited and Noranda Mines, Limited from plants at Copper Cliff and Cutler, Ont. At Sorel, Que., Quebec Iron and Titanium Corporation smelts ilmenite ore from its mine near Havre St. Pierre to produce titania slag and pig iron. Falconbridge Nickel Mines, Limited commenced production from a new plant near Sudbury, Ont.

Properties being developed for production will result in an increase in Canada's productive capacity to over 40,000,000 long tons by 1965. In the Wabush Lake area of Labrador, Wabush Iron Co. Limited will commence the production of high-grade concentrate and pellets in 1965 at the annual rate of 6,000,000 long tons. In Ontario, Jones & Laughlin Steel Corporation will be producing 1,000,000 long tons of high-grade pellets from new facilities to be erected near Kirkland Lake by 1964.

Gold.—The average Royal Canadian Mint price for gold rose to $37.41 an oz.t. in Canadian funds in 1962 from $35.46 in 1961. Despite the higher price, gold production decreased in 1962 to 4,155,210 oz.t. from 4,473,699 oz.t. and production value at $155,446,407 was considerably lower than the 1961 value of $158,637,366. The Canadian dollar had been selling at a premium over the United States dollar ever since February 1952. In his Budget Speech to Parliament on June 20, 1961, the Minister of Finance announced that the resources of the Exchange Stabilization Fund would be used to reduce the value of the Canadian dollar in relation to the U.S. dollar. This government policy resulted in a decline in the Canadian dollar and a corresponding rise in the Mint price of gold. The dollar continued to decline and on May 2, 1962 it was announced that, effective immediately, the Canadian dollar would be stabilized at 92½ cents in terms of the U.S. dollar. The new exchange rate was formally established with the concurrence of the International Monetary Fund and the Government of Canada agreed to maintain the Canadian exchange rate within the normal margin of 1 p.c. either side of the fixed value. The range in value for the Canadian dollar was thus set at from $0.916 to $0.934 in relation to the U.S. dollar and the corresponding Mint price for gold between $38.22 and $37.46 per oz.t.

Decreased production in 1962 was attributed to a number of factors. Two old gold mines in Ontario closed late in 1961; Kerr-Addison Gold Mines Limited in the Larder Lake area of Ontario, Canada's largest single producer, had a 20-p.c. drop in output; and the value of gold ore available for milling was lower in many Ontario and Quebec mines. Extensive underground exploration and development programs, including deepening of existing shafts and changes in mining methods due to increased depth of mining also resulted in fewer tons of ore being milled and increased operating costs in some of the larger mines. However, mines were able to continue operating because of the cost assistance received under the terms of the Emergency Gold Mining Assistance Act and the higher Mint price for gold.