

In Manitoba-Saskatchewan, Hudson Bay Mining and Smelting Co., Limited, Sherritt Gordon Mines Limited and Stall Lake Mines Limited had a combined output of 47,165 tons of copper valued at \$29,714,095, an increase of 5 p.c. over 1962. Hudson Bay operated a central mill and smelter on ores from the Schist Lake and Chisel Lake mines in Manitoba, the Coronation mine in Saskatchewan and the Flin Flon mine that straddles the Manitoba-Saskatchewan boundary. The company continued development and exploration of its Stall Lake and Osborne Lake mines near Snow Lake, Man.

Copper production in British Columbia at 63,964 tons, worth \$40,297,518, set a new record, exceeding the 1962 value by about 19 p.c. The producing mines were: Cowichan Copper's Sunro at River Jordan and Coast Copper at Benson Lake on Vancouver Island; Britannia at Britannia Beach; Bethlehem in Highland Valley; Craigmont at Merritt; and Phoenix at Greenwood. Bethlehem Copper Corporation increased its mill capacity from 3,300 tons of ore a day to 4,000 tons a day. Western Mines Limited continued surface and underground exploration at its property at the south end of Buttle Lake on Vancouver Island. Granduc Mines Limited on the Unuk River and Granisle Copper Limited on an island in Babine Lake were conducting studies on the feasibility of bringing their properties into production. Exploration parties were active in all parts of British Columbia.

Iron Ore.—The Canadian iron ore industry in 1963 experienced its second consecutive record year; shipments were 30,134,598 short tons, up over 10 p.c. from 1962. The gain was largely the result of higher steel production rates in the United States. All producing provinces shared in the increase but some companies that shipped medium-grade ore encountered lower sales and prices. This was a reflection of a general trend in all consuming countries whereby steel companies are demanding ore of high grade and good physical characteristics. In their efforts to meet these demands, many Canadian ore producers are conducting research programs to develop economical beneficiation processes to improve their ores.

There are five main market areas for Canadian iron ore—the United States, Britain, Western Europe, Japan and Canada. The United States is the principal market and iron ore consumption there rose by 7,500,000 long tons in 1963. United States mines accounted for half of this increase and Canadian mines for most of the remainder. Canadian iron ore shipments to the United States increased mainly because of production capability increases of two large producers owned by United States steel companies; these companies produce high-grade concentrate or pellets particularly suitable for the United States market. On the other hand, non-captive sales of medium-grade ore to the United States continued to weaken. In Western Europe, steel production rates continued on a plateau after a decade of continuous, rapid growth. Canadian iron ore exports to Britain increased but this was because a large tonnage contracted for delivery in 1962 was postponed until 1963. Substantial shipments of high-grade concentrates and pellets from Labrador were made to Britain for the first time; exports to Britain and Western Europe in the past had always been of medium-grade ore. Canadian ore sales to Western Europe continued to decline because of competition from new sources of high-grade ore in Africa, Asia and South America. Activity in the Japanese steel industry picked up again in 1963, following a pause in 1962. Canadian shipments of iron ore to Japan, all from British Columbia, reflected the increase in steel production.

Despite Canada's rapidly expanding iron mining industry, nearly two thirds of the iron ore consumed in this country is imported from the United States. There are several reasons for this but mainly it is because Canadian consumers participated in the development of United States mines or established commercial ties with United States merchant companies prior to 1950, when little ore was mined in Canada. However, Canadian steel companies have recently participated in domestic mining ventures and an increasing proportion of consumption will be of domestic ore. Consumption of domestic ore increased by nearly 10 p.c. in 1963 but imports were about 12 p.c. higher. In 1965 a new producer