

Company's 4,500-ton-a-day mill is being expanded to treat 6,000 tons a day. It will open two new mines near Bathurst and continue construction of its zinc-lead blast-furnace plant at Belledune Point.

Production of industrial minerals in Nova Scotia continued a steady year-to-year growth, with gypsum, salt and barite being the leading minerals in value of output. Newfoundland continued to make large mineral production gains with iron ore, copper, lead and zinc being produced in record quantities.

Canada is the world's largest diversified exporter of minerals and metals, and follows the United States and the Soviet Union as a mineral-producing nation. The strong position it holds will continue and perhaps be improved as large deposits under development for several years reach production and as many smaller deposits continue to be developed for production each year. In addition to its prominent and sometimes dominant position in nickel, asbestos, zinc and uranium, it will become a very important world producer of a number of other mineral commodities, particularly potash and sulphur, as the mineral industry base becomes even more diversified. Much of the country's mineral-bearing lands, particularly in the northern two thirds of the country, remain virtually unexplored. This area should be no less productive of mineral wealth than the southern third, where important deposits are still being discovered and where much of the area remains to be intensively prospected.

The outlook for 1965 is one of continuing strong advances in all sectors of the mineral industry, at least comparable to those of 1964. Several important projects under development for some time will reach production in 1965 to help boost value of shipments of certain commodities to new records. They include the large lead-zinc deposits at Pine Point in the Northwest Territories; the 5,300,000-ton-a-year iron ore project of Wabush Mines in Labrador; copper production from new mines in all copper-producing provinces; increased output of potash in Saskatchewan and of elemental sulphur from gas processing in Alberta; the start of major molybdenite production in British Columbia; and steadily increasing output of crude petroleum and natural gas in Western Canada.

Competition for mineral products in major markets are, in many instances, becoming more severe each year. Notwithstanding considerably higher base-metal prices toward the end of 1964 and apparent shortages of lead, zinc and copper, mine development programs under way in many parts of the world will ensure adequate supplies in the near future so that further significant price increases are not likely to occur. From the many new and expanded mining operations in view in Canada over the next several years, coupled with buoyant conditions in the industrial economies of the world with consequent high demand for minerals and metals, the value of mineral production in Canada should reach \$4,000,000,000 a year in 1967, perhaps in 1966, and should approach the \$5,000,000,000-level in 1970. The future of Canada's mineral industry is one of growing importance to the country's economic well-being, and promises to become an ever-increasing factor in the economic, industrial and geographical development of the nation.

Subsection 1.—Metals

Iron Ore.—The Canadian iron ore industry experienced its third consecutive record year in 1964; shipments were 38,664,583 short tons, up 22 p.c. from 1963. The gain was largely the result of higher steel production rates in the United States. All four producing provinces and nearly all producers, including those that ship medium-grade ores, shared in the increase. Although shipments from British Columbia increased, the dollar value fell slightly from 1963 because of increasing price competition in the Japanese iron ore market. This resulted in lower prices on recent sales contracts. Because sales of medium-grade ores are expected to decline in future years, research on beneficiating them continued. Research has also been directed recently toward producing a partially reduced product in pellet form for use in blast furnaces.

There are five main market areas for Canadian ores—Canada, the United States, Britain, Japan and Western Europe. Shipments to domestic steel plants increased