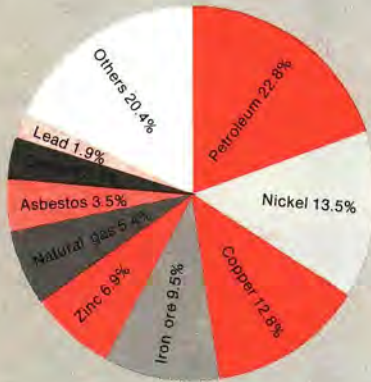
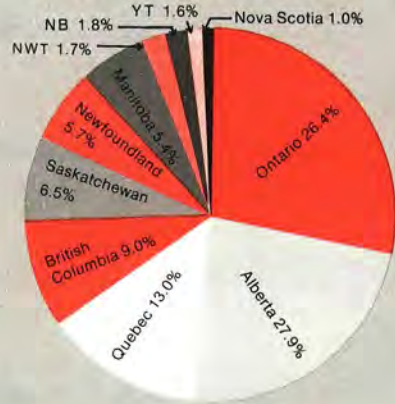


Mineral production, 1971

Percentage of total by commodity



Percentage of total by province



Source: Department of Energy, Mines and Resources

so large in Canada's exports, prices were historically high but the price for copper dropped late in the year from 53¼ cents per lb. to 50¾ cents. In the United States, copper brought 53 cents per lb. but after some fluctuation, ended the year at 50¼ - 50½ cents.

Nickel prices in 1971 were stable in Canada and the United States, at 137½ cents and 133 cents per lb., respectively. Iron ore prices were generally mixed in 1971, Lake Erie base prices advanced by as much as 5% while European prices held mostly at 1970 levels. After several years of increasing prices, the price for ferro-alloys and other additives levelled off in 1971 and in some cases even decreased in a buyer's market. Aluminum prices in Canada were stable at 29½ cents per lb., with the United States' published price at 29 cents, although prices for some contracts were much lower due to the over-supply situation. The price of zinc in Canada and the United States rose from 15 cents per lb. to 17 cents during 1971. Lead and silver prices declined further, lead dropping by 1 cent to 13½ cents per lb. and silver fluctuating from a high of \$1.752 per oz. t. to a low of \$1.288. Among non-metallics, asbestos prices remained stable during 1971. Sulphur prices reached an all-time low of \$7.50 per ton average for the year, while potash prices improved to an average of 37.09 cents per unit K₂O equivalent.

Petroleum (with natural gas), nickel, copper, iron ore and zinc together contribute three quarters of the total Canadian mineral output value and their significance calls for some discussion of their scale of operations, production locations, markets, new sources and prospects.

Petroleum, comprising crude oil and natural gas production and refining, is Canada's largest mineral industry. Domestic production and exports are small in the context of the world's industry but are of very great importance to Canada. This industry's growth in the past two decades has had important effects as a factor in the balance of payments, as a source of revenue to the several levels of government, and as a large component of engineering-construction activity.

In 1971, total petroleum production (crude oil, gas and by-products) was valued at \$1,893 million, an increase of 16% over the 1970 value of \$1,632 million. Crude oil production is concentrated in Alberta, with Saskatchewan in second place and only minor production elsewhere. The pattern of crude oil distribution in Canada reflects the National Oil Policy which allocates markets west of the Ottawa Valley to Canada's mid-continent producers, while Quebec and Maritime markets are supplied by overseas oil. Transportation costs from mid-continent producers to eastern markets are quite significant and the industry is not as