

(US\$6.3498/g) on December 30, 1974. Many factors were responsible for this reversal. Among these were the lack of interest in the purchase of gold by US citizens following legalization of gold ownership in that country on and after December 31, 1974, the decision by the US government to offer for sale by auction 2 million oz t (62 million g) of gold from its official reserves, an improvement in the US trade balance with a resulting strengthening of the US dollar relative to other currencies, an announcement at the end of August by the International Monetary Fund (IMF) that a tentative agreement had been reached on the sale of 25 million oz t (778 million g) of gold from its official reserves over a four-year period, and the restitution of the same quantity to member countries of the IMF.

The metal opened the year on the London market at US\$185.00 an oz t (US\$5.9479/g). The US Treasury sold a total of 1,203,500 oz t (37 433 034 g) at auctions in January and June at average prices of US\$167.50 and \$165.05 an oz t (US\$5.3853/g and US\$5.3065/g), respectively. Following these auctions the price of gold stabilized near the auction prices and the monthly averages for the period April to August varied from a high of US\$169.84 an oz t (US\$5.4605/g) in April to a low of \$162.99 an oz t (US\$5.2403/g) in August. Following the IMF announcement of gold sales the price dropped sharply and for the period September to December the monthly average prices varied from US\$144.09 to \$139.30 an oz t (US\$4.6321/g to US\$4.4786/g). Any further decline in the price of gold would create problems for many gold mines.

Gold production in Canada in 1975 was 1,674,000 oz t (52 067 221 g) valued at \$276,125,000 compared with 1,698,392 oz t (52 825 896 g) in 1974 valued at \$263,794,000. One lode gold mine closed in 1975. At the end of the year, 21 lode gold mines were in operation. The gold produced was sold on the open market and therefore no mines were eligible for assistance payments under the terms of the Emergency Gold Mining Assistance Act. The act expired on June 30, 1976.

Lode gold mines accounted for 74.1% of the total gold produced in Canada in 1975 compared with 71.4% in 1974. Gold recovered as a by-product from base-metal mining accounted for 25.7% and placer mining 0.2%. Ontario continued to be the largest gold-producing province, accounting for 46.3% of the total, followed by Quebec with 27.8%, Northwest Territories with 11.1% and British Columbia with 8.6%. Canada ranked third in world gold production, well behind South Africa and the Soviet Union.

All gold produced in the Atlantic provinces in 1975 was recovered as a by-product of base-metal mining. Gold production totalled 18,000 oz t (560 000 g) compared with 15,901 oz t (494 577 g) in 1974.

Gold production in Quebec in 1975 amounted to 465,000 oz t (14 463 000 g) compared with 440,559 oz t (13 702 917 g) in 1974. The lode gold mines recorded an increase in production mainly because Agnico-Eagle Mines Limited increased its output substantially. By-product base-metal mines recorded a decrease in production. Chibex Limited began production in November 1974 at its property near Chibougamau but closed in mid-1975 because of poor operating results.

Gold production in Ontario was 775,000 oz t (24 105 195 g) compared with 801,105 oz t (24 917 151 g) in 1974. Gold produced from lode gold mines accounted for 91.7% of the provincial total. In December 1975 Rengold Mines Ltd. began tune-up operations at its leased property near Misanabi, the former Renabie mine.

Virtually all gold produced in the Prairie provinces was recovered as a by-product from base-metal ores. Production in 1975 was 60,000 oz t (1 866 209 g) compared with 67,807 oz t (2 109 033 g) in 1974.

In British Columbia, with the exception of a small amount of gold recovered from the placer deposits in the central part of the province and in the Atlin district, all gold produced in 1975 was recovered as a by-product of base-metal mines, mainly from the treatment of copper ores. Total gold production was 144,000 oz t (4 478 901 g) compared with 162,081 oz t (5 041 283 g) in 1974.