

compared with 258 300 in 1975. The United States produced almost half the world output. Exports of Canadian magnesium metal have entered the US duty-free under a Canada-US defence production sharing program but this program has recently operated on a reduced scale. The US duty on magnesium ingots and further-processed products has been reduced progressively in accordance with negotiations under the General Agreement on Tariffs and Trade. However, only in certain high-purity items can the Canadian product find a market in the US. Exports of Canadian magnesium ingots face a 20% tariff when entering the US domestic market whereas the comparable Canadian tariff is 5%.

The only Canadian producer of primary magnesium, Chromasco Corp. Ltd., has operated a mine and smelter at Haley, Ont., 80.5 kilometres west of Ottawa, since 1942.

12.4 Industrial minerals

12.4.1 Asbestos

Canadian shipments of asbestos fibre were 1.54 million tonnes valued at \$445 million in 1976, up from 1.06 million tonnes valued at \$267 million in 1975. Production returned to near-normal levels in 1976 following supply disruptions of the previous year. All Canadian production consists of chrysotile and in 1976 approximately 80% of this fibre came from Quebec, 7% from the Yukon Territory, 6% from Newfoundland, 5% from British Columbia and 2% from Ontario.

Canada is the world's largest exporter of asbestos, shipping approximately 95% of its production to more than 70 countries. The United States is the largest market, accounting for about 40% of Canadian exports, followed by Japan, the Federal Republic of Germany, Britain and France. These five countries consumed about 70% of Canadian exports, which totalled about 1.5 million tonnes in 1976.

World demand for asbestos fibre is expected to remain strong for several years, largely based on expanded needs in developing countries. Most companies are allocating large capital expenditures to environmental improvements to comply with stricter regulations both inside and outside of the work place.

United Asbestos Inc. near Matachewan, Ont., operated below capacity in 1976. Run-in problems, accentuated by a need to meet new environmental control regulations, meant inability to realize full capacity operation of 90 000 tonnes a year. Total asbestos production from Ontario, including that of Hedman Mines Ltd., was 27 000 tonnes.

At Cassiar, BC, Cassiar Asbestos Corp. Ltd. completed a waste-removal program and a footwall stabilization program to control the amount of groundwater in the mine. Fibre production was approximately 71 000 tonnes in 1976.

In Quebec, Abitibi Asbestos Mining Co. Ltd., a subsidiary of Brinco Ltd. situated 84 kilometres north of Amos, continued evaluation of its property. Feasibility studies were well advanced with ore reserves estimated at 90 million tonnes averaging 3.5% asbestos fibre. Similarly, Rio Algom Mines Ltd. continued feasibility studies on a deposit owned by McAdam Mining Corp. Ltd. about 32 kilometres east of Chibougamau, Que. In the Yukon Territory 103 000 tonnes of fibre were shipped from Cassiar's Clinton Creek mine. Production was expected to cease in 1978 when ore reserves were exhausted.

Advocate Mines Ltd., Newfoundland's only asbestos producer, produced nearly 90 000 tonnes of fibre in 1976.

12.4.2 Clay and clay products

Shipments of clay and clay products from domestic sources in 1976 were valued at \$92 million, up from the 1975 figure of \$86 million. Deposits of clay for use in the manufacture of papers, refractories, high quality whitewares and stoneware products are scarce in Canada. Consequently, many of these products, as well as china clay (kaolin), fire clay, ball clay and stoneware clay, are largely imported. In Canada, common clays and shales, being higher in alkalis and lower in alumina than the other clays, are used to manufacture brick and tile products.