

velop technology to increase the percentage of oil that can be recovered. Heavy oil represents a large portion of Saskatchewan's oil-in-place, with 4.59 billion barrels termed "established" and an estimated ultimate potential of 18 billion barrels. Saskatchewan is second in Canada in crude oil production, accounting for 10 per cent of the national total. Recovery projects will give industry and government a good idea of the total reserves that can be tapped. Attention will then swing to economic considerations affecting the building of upgrading plants. It is estimated that the long production life of heavy oil will bring Lloydminster a stable 40 to 50 years of economic activity.

Uranium

Radioactive minerals were first discovered in the Beaverlodge district of northern Saskatchewan in the 1930s during exploration of a gold property. In 1969-70, uranium production was 621,988 kg (1,371,225 pounds), valued at \$9,598,575. Saskatchewan has large unproven reserves as well as proven reserves of economic value. The recent energy crisis has prompted increased exploration. There are no precise estimates for exploration expenditure but up to \$100 million could be spent. The largest committed and approved projects to date are the Cluff Lake and Rabbit Lake operations. The provincial government, through the Saskatche-

wan Mining Development Corporation (SMDC), is actively involved in the uranium rush. Since 1975 SMDC has been able, by law, to obtain up to 50 per cent equity in any mineral project. SMDC's biggest activity last year was increasing its equity in the \$300-million Key Lake mine-mill project from 33.3 to 50 per cent.

Potash

The Crown-owned Potash Corporation of Saskatchewan (PCS), which had almost no holdings four years ago, is now North America's largest potash producer. A \$10-million expansion program is already under way. PCS has completed its acquisition program and plans to reach its desired goal of 50 per cent of the industry's capacity through expansion. At least 90 per cent of the world's potash production is used for fertilizer. The remaining output has many industrial applications, including use in the manufacture of explosives, detergents, photographic chemicals, pharmaceuticals, and insecticides. In Saskatchewan, potash mineralization was first recognized in ore from an oil exploration well in 1943. Identification of potash from well data was later facilitated by the development of borehole gamma-ray detectors about 1950. Early attempts at commercial production were plagued with difficulties, especially from water flooding in shafts and mine workings. First