

to Newfoundland in the late 1700s and early 1800s. The pattern of settlement was mainly determined by the fishing industry, a population distribution that has persisted to this day. The Avalon Peninsula and northeastern Newfoundland, the traditional base for the fisheries, continue to be the most heavily populated areas.

St. John's, the historic commercial centre and capital of the island, is the province's largest city, with a population of approximately 172 000. Other major centres are Grand Falls, Windsor and Corner Brook. The smaller communities — called outports — remain, nevertheless, a major element in Newfoundland society. The twin towns of Labrador City and Wabush, which together form the largest urban community of Labrador, are based on the iron-ore mining industries of the area.

In the early 1800s, disease and conflicts with settlers reduced the Beothuk Indians to extinction. There were, and still are, a relatively large number of Inuit concentrated in the coastal communities of northern Labrador.

The Economy

Since its first settlement, Newfoundland and Labrador has been highly dependent on its resource sector. The province was initially settled because of its rich fishing grounds on the "nose" and "tail" of the Grand Banks. The mainstay of the province's fishing industry has been groundfish (primarily cod); however, other important catches are flounder, redfish, capelin, shrimp and crab.

Protection of the rich fishery resources off the coast of Newfoundland has been an ongoing concern which has intensified in recent years. In 1977, the Canadian

government extended its fishery jurisdiction to 200 miles around the coast of the province in an attempt to gain better control of fishing activity. This move produced positive results in the 1980s, but in 1989 scientific studies revealed that, due to a number of factors, some of the Atlantic's key groundfish stocks were in severe decline. Since that period, there have been successive reductions in quotas. The second prominent aspect of the provincial economy is the mining industry. This industry ships mineral products valued at approximately \$700 million a year, mostly iron ore from Labrador. Other minerals mined in the province are gold, asbestos, limestone and gypsum.

The third significant traditional goods-producing industry is the newsprint industry. This industry consists primarily of three pulp and paper mills located in Corner Brook, Grand Falls and Stephenville, which have undergone extensive rationalization and modernization over the past decade.

Recently, the discovery of offshore oil and gas reserves has added a new dimension to the marine resources of the province. The Hibernia discovery in 1979 was Newfoundland's first significant oil find; reserves are estimated at 615 million barrels. Currently under way, Hibernia is the largest construction project in North America.

The province's largest utility industry is electric power. The largest hydroelectric facility is located in Churchill Falls, Labrador, with a total installed capacity of 5 403 megawatts.

In addition to fish products and pulp and paper products, about half of the province's manufacturing gross domestic product comes from other resource and non-resource-based manufacturing. Numerous companies are engaged in the manufacture of items such as boats, lumber, chemical

and oil-based products, food and beverages, clothing and footwear. In total, the province shipped about \$1.4 billion in manufactured products in 1992.

Newfoundland's agriculture industry is small compared with other Canadian provinces. The output of the agriculture industry is mainly for domestic consumption, although some agricultural products such as blueberries and furs are sold to markets outside the province. Newfoundland's service sector has experienced substantial growth over the years: in 1992, the service sector accounted for over two thirds of provincial gross domestic product.

In recent years, Newfoundland's efforts to develop a solid tourism industry have intensified. The province's rich cultural and historical heritage and unique character are considered to be major selling features to other Canadians and travellers from around the world. It is estimated that between 265 000 and 300 000 people visit the province each year, spending an estimated \$400 million annually. 

