Mr. Churchill recalled that he led a mission to the United Kingdom in December 1957. While its purpose was to arouse interest in Canada as a market for Britain, it was evident at that time there was a keen desire to trade with Canada, and to restore the traditional pattern of commercial relations between the two countries. With the creation of new trading groups in Europe, such as the European Economic Community and the European Free Trade Association, of which the United Kingdom is a member, it is essential that Canada impress on its Commonwealth partners the importance of strengthening sources of supply across the Atlantic, which have contributed so substantially to their preservation in peace and in war. Canada's participation in the Ideal Home Exhibition last March, in London, revealed a live interest in foodstuffs and consumer goods of Canadian origin, which has encouraged Canadians to take advantage of the market opportunities that are now open.

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COPPER

Sustained demand for copper in the United States and Canada, a softening in demand in Europe, a reduction in purchases from the Soviet bloc and a strike--the longest in history--involving all the major United States producers were the highlights of the copper industry in 1959. At the beginning of the year it was estimated that, barring work stoppages, world production would exceed consumption by approximately 100,000 tons. Work stoppages did occur, affecting most of the major producers and custom smelters in the United States, and by year-end the estimated loss of production amounted to more than 250,000 tons.

During 1959, no work stoppages occurred at Canadian mines and, profiting from increased prices and continuing demand, the industry experienced moderate expansion. Production from Canada's mines, at 394,893 tons, was 14 per cent higher than in 1958. The value of Canada's copper output rose to $233,296,375 from the $174,430,930 obtained in the preceding year. Production of refined copper rose to 365,433 tons from the 329,239 tons reported in 1958. Consumption of refined copper in Canada increased as did exports of wrought shapes.

PRICES IN CHECK

Despite the great duration of the strikes at the United States plants, which induced a growing shortage of refined copper toward the end of the year, prices did not reach the high levels of 1955 and 1956, when strikes likewise disrupted production. Several factors combined to keep prices in check during 1959: fabricators had purchased large stocks of copper at the beginning of the year in anticipation of strikes in the summer; the 'soft' European market allowed copper to be diverted to the American market as needed; production outside the United States reached record levels, and overproduction threatened to result if the strike was of short duration.

Depletion of world stocks of copper owing to the prolonged strikes in the United States and sporadic strikes in South America and Africa, coupled with a steady rise in world demand, will provide a ready market for copper in the first half of 1960. It is expected that the supple of refined copper will equal the demand by the end of the second quarter and that it will be in excess of needs by the third quarter.

DOMESTIC PRODUCTION

Ninety-eight per cent of the copper and copper-nickel ores and concentrates produced from Canadian mines was reduced in the six domestic smelters, and the remainder was shipped to smelters in the United States and Japan.

The Copper Cliff and Coniston smelters of The International Nickel Company of Canada, Limited, in Ontario, treated ores and concentrates from the company's mines in the Sudbury district. Ores and concentrates from the Horne mine and most mines in Eastern Canada were treated at the smelter of Noranda Mines, Limited, at Noranda, Quebec. This smelter produced 141,500 tons of anodes from the treatment of 1,495,000 tons of ore, concentrate, refinery slag, scrap copper and scrap brass. Toll shipments to the Noranda smelter amounted to 756,500 tons of copper-bearing materials.

Ores and concentrates from the mine of Gaspé Copper Mines Limited and from the Tilt Cove, Newfoundland, mine of Maritimes Mining Corporation Limited, were treated in the Murdockville, Quebec, smelter of Gaspé Copper Mines, where 45,186 tons of anodes were produced during the year from 274,400 tons of concentrate and fluxing ore. At its smelter at Flin Flon, Manitoba, Hudson Bay Mining and Smelting Co. Limited treated 434,890 tons of copper ore, concentrates and residues from the company's mines in Manitoba and Saskatchewan. Copper-nickel matte produced from the treatment of 658,432 tons of ore and concentrate was shipped by Falconbridge Nickel Mines Limited to its refinery in Kristiansand, Norway. Falconbridge's smelter and mines are located in the Sudbury district of Ontario.

The blister copper and copper anodes shipped from Canadian smelters were treated in the two refineries operating in Canada and a total of 365,433 tons of refined copper was produced. Blister copper from the International Nickel smelter was treated in the company's refinery at Copper Cliff, Ontario. Copper anodes from the Noranda and Murdochville smelters and blister copper from the Flin Flon smelter of Hudson Bay Mining and Smelting were treated in the Montreal East refinery of Canadian Copper Refiners Limited, which in 1959 produced 232,500 tons of refined copper.