

THE CANADIAN MINING SECTOR (cont'd)

- ☞ In 1994, the mining sector represented 4% of GNP or C\$14.5 billion.
- ☞ In 1994, Canada was the fourth largest world gold producer and ranked third for aluminum production.

CONTRIBUTION OF THE MINING SECTOR TO THE GUYANESE ECONOMY

- ☞ The value of Guyana's mining output rose by 32% between 1988 and 1995.
- ☞ The 11% decline in the value of Guyanese mining output between 1994 and 1995 was due to the temporary (6-month) closure of OGML because of an accidental cyanide spill.
- ☞ The Guyanese GNP was G\$4,677 million in 1995 (1988 constant dollars).
- ☞ The mining industry's contribution to GNP remained stable at 10% between 1988 and 1995.

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THE BAUXITE INDUSTRY IN GUYANA

- ☞ The problems associated with the bauxite industry in Guyana are in the areas of high costs of production and transportation as well as inefficient government management of operations (Linmine and Bermine).
- ☞ Because the Demerara and Berbice rivers are fairly shallow, the maximum capacity of vessels for bulk bauxite shipments is 22,000 tons.
- ☞ A deep layer of overburden must be removed before reaching the ore deposit.
- ☞ China has become a major competitor in the bauxite industry despite very poor quality.
- ☞ International bauxite buyers now give greater importance to price than to quality.
- ☞ Other current and future international competitors: former USSR, Hungary, Africa.
- ☞ The bauxite mining companies were nationalized during the 1970s.