

The contributions of resources development to Canadian well-being are manifold. One aspect is the large capital outlay required to make effective use of resources in the twentieth century. Development of such resources as oil, gas, ores, timber and water has contributed significantly towards making the volume of investment in the post-war period the largest ever experienced in Canada's history. The other two major contributing factors were the re-equipment programme of Canadian industry and the housing boom. This year Canadians are spending a total of \$3.7 billion on both private and public investment, or 22 per cent of their gross national product. I am told that the United States is devoting a smaller proportion, about 17 per cent of her total output, to the expansion of capital facilities. In manufacturing particularly, where the United States is the leading country, Canadians are presently spending on plant expansion at a rate of about 20 per cent more per year in relation to total production than our friends to the south. Not that there is much prospect of overtaking the United States. But spurred on by the splendid example of achievements in that country, Canadians are certainly making efforts to catch up to the United States. In this endeavour we are greatly aided through making effective use of natural resources, the skill of our working force, the scientific and technical genius of our professional people, and the competence of our business managers.

#### Development Under Way and Future Possibilities

Since the end of the war Canada has entered a new phase of resources development, which in its intensity and promise has hardly any equal in the history of our country. The outstanding examples are: oil, iron ore and water power.

In 1946 only a trickle of our domestic requirements of oil was met from domestic production, about 10 per cent. By the end of 1950 when the inter-provincial pipe line from Alberta to Wisconsin on Lake Superior will be completed, Canadian crude will be supplying about half of our domestic consumption, which is presently running at 330,000 barrels a day.

In iron ore the most well-known discoveries are those in northern Quebec and Labrador. Nearly 400 million tons of high grade ore have been proved by drilling, and vast resources beyond it are indicated. Arrangements to develop these tremendous ore bodies are under way. Present plans visualize an annual output of 10 million tons to be realized between 1955 and 1960, increasing to 20 million tons per year if the St. Lawrence Waterway is built.

Encouraging reports have also been received about the existence of major ore bodies in the northern parts of the Ungava Peninsula in Quebec which because of their closeness to the sea may become an important source of low cost ores.

But this is not all. Large iron ore deposits are also being developed in Ontario north of Lake Superior. Annual production in this region has already reached 2 million tons. Further expansion up to 10 million tons per year is anticipated. Most of this ore as well as the ore from northern Quebec and Labrador is or will be going to United States steel mills whose appetite for imported iron ores is continuously increasing.