

staff of geologists and engineers that led to the discovery of the Leduc oil field and indirectly to developments that have since followed. Many millions of dollars had been spent in the Prairies in a fruitless search for new sources of oil and then, when hope was all but abandoned, and with the aid of geophysical methods, the Leduc well found oil in a reef structure.

The oil in Western Canada occurs in close physical association with natural gas and so, as drilling for oil proceeded, tremendous quantities of natural gas were disclosed. Actually this has been a problem as well as a blessing, and will remain so until adequate market outlets for the gas become available. And speaking of Mr. Churchill's sweat and tears, I might add that we sweated it out for nearly two years awaiting the outcome of Westcoast Transmission Company's application before the Federal Power Commission in Washington to bring natural gas from the company's wells in the Peace River areas of British Columbia and Alberta into the northwestern United States. We had high hopes almost to the last that the application would be granted. Then our hopes turned to tears when we sadly learned of the turn-down.

With the disclosure of new sources of oil, in Alberta mainly, but also, as you have seen, in Saskatchewan and Manitoba, came the construction of pipe lines, the construction of new refineries in various parts of Canada, and the extensions of existing plants. Thus in the space of seven years a great and expanding, well-integrated oil industry has developed. Already, as offshoots of the oil and natural gas developments, numerous petrochemical industries have been established. An example of this is the use of natural gas by Consolidated Mining and Smelting Company as a base material in the manufacture of ammonium nitrate at Calgary, Alberta; a second is the production of elemental sulphur from natural gas by Shell Oil Company and Royalite Oil Company at Jumping Pound and Turner Valley, Alberta, respectively; and another is the use of natural gas by Sherritt Gordon at its \$24,000,000 chemical metallurgical plant at Fort Saskatchewan erected to treat its Lynn Lake ore and to make ammonium sulphate fertilizer. A much greater development of petrochemical industries is anticipated in the years ahead, and more especially following the construction of the natural gas pipe line to eastern Canada.

Perseverance also played a major role in placing Canada on the iron ore map of the world, and this pertains equally, but in different ways both to the development of the Steep Rock and the Quebec-Labrador deposits. Development of the Steep Rock deposits is considered one of the greatest engineering feats in mining history in any country, involving among other things the draining of a lake, and the scooping of many millions of cubic yards of material from the lake bottom. And who but men of vision and courage like Jules Timmins and his associates would have built a 360-mile railway into the Labrador-New Quebec wilderness. In the oil and gas developments and in the iron ore developments, we have some of the best examples to be found anywhere of free enterprise in operation.

The rapid rate of exhaustion of the Mesabi ores has played and continues to play a part in the growth of Canada's iron ore industry. The construction of the St. Lawrence Seaway will expedite and facilitate the