

10,300,000 h.p. by the end of 1946. In the last six years it has been increased by an average of 700,000 h.p. a year and is now 14,200,000 h.p. The projects now under construction and being planned are sufficient to maintain this rate of increase to the end of 1960. The power works associated with the projected St. Lawrence Seaway would alone add three million horsepower to the installed capacity, and the Kitimat project being developed in northern British Columbia by the Aluminum Co. of Canada, which calls for an investment of \$600,000 million is scheduled to add a further 2,200,000 h.p. within the next few years.

On the other side of Canada, three thousand miles from Kitimat, another of the large investments in the development of Canadian resources is due to begin bearing its fruit in the summer of 1954. This is the mining of iron ore in northeastern Quebec and Labrador, involving a total capital cost of some \$300 million. The reserves of iron ore already proven exceed 400 million tons, and further exploration work is currently taking place in the same area which indicates far greater ore in place. The ore is high-grade and lies beneath an overburden with an average depth of only 8 feet, so that mining will be opencast or in very shallow workings. The initial ore output will be 10 million tons a year. If and when the St. Lawrence Seaway gives direct access for ocean-going vessels by water from Quebec to the United States mid-western blast furnaces, it is anticipated that the volume of shipments should materially increase.

Other imagination-stirring projects in the mining field are the building of a new railway to Lynn Lake in northern Manitoba, 147 miles long, to tap an important discovery of copper and nickel concentrates, and also the finding of large-scale lead-zinc ores east of the town of Yellowknife in the Northwest Territories.

There are three basic reasons which have made possible the development of the Canadian North now being carried out: (1) the aeroplane; (2) modern geophysical methods of detecting ore bodies - particularly the air-borne magnetometer; and (3) high prices. It now appears likely that the Canadian North within a generation will be feeding the industrial heartland of Canada and the United States with important raw materials.

I turn now to the question of oil production in Canada about which so much has been said and written. If one event created a Canadian boom in the minds of the public, it was the flow of oil on February 13, 1947, from the Imperial Leduc No. 1 well in Alberta. This was the first important result of 25 years' patient search, and it was followed quickly by more wells being brought in. Extensive drilling has proven reserves of some two billion barrels of oil and exploration work in Alberta, Saskatchewan and part of Manitoba is still increasing in intensity. The present output is approximately 175,000 barrels per day.

Oil and the large reserves of natural gas associated with it are providing the raw materials for an important new chemical industry in the Edmonton, Alberta, district. The American Celanese Corporation is building, at a cost of some \$50 million, a large plant that will