

intensive industries such as pulp and paper, oil refining, and the electric reduction of phosphate ore.

While numerous hydroelectric developments took place on the island during the 1960s and 1970s, the most impressive was the development of the massive power potential on the Churchill River in central Labrador. The project, completed in 1974, was the largest construction project in Canadian history and was, at the time of its completion, the most expensive project to be undertaken by private industry anywhere in the world. Most of the power generated by Churchill Falls is sold to Hydro Quebec and the development is an important supplier of electricity to eastern Canada. Meanwhile, considerable hydroelectric power remains to be developed in Labrador—notably at Gull Island Rapids and Muskrat Falls on the Lower Churchill River. Some of this may eventually be transmitted to the island through the construction of a tunnel under the Strait of Belle Isle.

Despite relative growth in other resource sectors, the fisheries continue to form the backbone of the over-all provincial economy. Until the 1930s the Newfoundland fishery was based almost entirely upon a single product, salt cod, which was marketed throughout the "hot countries" of the Mediterranean, the West Indies, and South America. Then, in 1937, the first side trawlers based in

Newfoundland ports went into operation and in the following year the country's first fresh-frozen fish plant came into production. By the mid-1950s salt cod production had been largely displaced by the production of fresh-frozen products intended for the American market. The necessity of ensuring a steady supply of raw material to the processing plants encouraged the growth of offshore harvesting, which made use of previously under-utilized species such as redfish, haddock, and flatfish, not normally found in inshore waters.

The 1950s and 1960s were marked by a very rapid build-up of foreign fleets fishing on the offshore banks surrounding Newfoundland. The result, after 1968, was a noticeable decline in the catches made by both Newfoundland and foreign vessels. By 1974, it was obvious that the fish stocks off Canada's east coast had been seriously depleted and, in January 1977, Canada implemented extended fisheries jurisdiction which provided control over fish stocks and fishing activity within 200 miles (320 kilometres) of the coast. The revival of fish stocks now taking place holds considerable potential for increasing food supplies, and with it, employment and incomes in the fishing industry.

With only scattered pockets of soil on the island, agricultural production is limited. There are only 400