

These include major new sources of nickel, copper, zinc, cobalt, uranium and asbestos, a new high-grade deposit of titanium ores and vast new reserves of iron ore both in Northern Ontario and in Northern Quebec and Labrador. The latter project has now proved up reserves of over 400 million tons of high-grade ore and is expected to give rise to an annual shipment of 10 million tons by 1956 and of 20 million tons with the completion of the St. Lawrence Seaway. We have been particularly fortunate in discovering, and finding enterprisers and investors willing to take the risks involved in developing new sources of such basic and strategic metals at a time when the world's need for them is great and when the United States has passed from the stage of net exporter to that of net importer of a number of them.

But most important of all for the stimulation and strengthening of Canada's economy have been the discoveries of oil in Alberta and the other Prairie Provinces and the indications they have given that Western Canada is, potentially, one of the world's major oil and gas producing areas. Some 225 million acres of oil and gas rights are now under lease or reservation and are being actively explored. Proven reserves of oil have increased from 65 million barrels to not far from 2 billion barrels - not counting the much larger reserves in the bituminous tar sands at Fort McMurray, the extraction of oil from which presents difficult but, we hope, not insoluble problems. Already oil production, which has been prorated to less than 60 per cent of the industry's potential, is nearly 40 per cent of Canada's requirements, compared with less than one-tenth of our much smaller needs a few years ago. While our oil consumption has been increasing twice as rapidly as yours, we expect to reach the stage of self-sufficiency by 1956, although a sensible international division of labour might suggest that we should always be exporters in one part of our country and importers in another. Discoveries of natural gas have been equally spectacular. Conservative estimates of our reserves show an increase to at least 10½ trillion cubic feet today, from 7 trillion in June, 1950, and perhaps 2 trillion six years ago.

Increased Capital Investment

The last of the factors fostering the dynamism of the economy, to which I shall refer, is the vast sums that have been spent on resource development and other types of capital investment. New capital investment, exclusive of inventories, has absorbed a steadily increasing percentage of gross national product rising from 14.2 per cent in 1946 to 21.6 per cent in 1951 and probably to something around 23 per cent in 1952. Since 1946 it has aggregated not far from \$25 billion and it has been estimated that in 1950 it was directly responsible for the employment of 800,000 people or about 15 per cent of our labour force. Since 1948 it has even exceeded exports as a mainspring of Canadian economic activity.

This investment boom has rested not only on the needs arising from increased population and the discovery of new outlets for investment but to a very considerable extent on the voluntary deferment of capital projects in the 'Thirties and the enforced postponement of expansion during the war. With needs great because of long deferment, with accumulated business and personal savings at a high