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MINING DIVISION
ROOM 511
POSTAL STATION B-1

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The Industry and Its Future

In 1961, 13 companies contributed to Canada's shipments of iron ore from properties operated solely for the production of iron ore. One of these, Canadian Charleson, Limited, shipped from stockpile and did not operate its mine during 1961, although production was resumed in 1962. Of these companies, two produced direct-shipping iron ore, one direct-shipping ore and concentrate, four magnetite concentrate, three hematite concentrate, one sinter from siderite, and two pelletized concentrate. In addition, three companies produced iron-oxide pellets, calcine or sinter as a by-product in the roasting of pyrite or pyrrhotite concentrate. One company produced a special pig iron as a co-product of titanium dioxide slag from ilmenite. Six iron ore properties were also being developed in 1961 for production scheduled to start between 1962 and 1965. One other company is building a plant to produce iron oxide concentrate as a co-product from nickelferous pyrrhotite.

For reasons of geography, company affiliations and to a certain extent metallurgy, a large part (51 per cent in 1961) of all iron ore produced in Canada is exported to the United States. The remainder is exported to Britain, Western Europe and Japan, or is consumed domestically. In turn, about half the Canadian consumption (8.2 million tons in 1961) is imported, principally from the United States. The ratio of iron ore imports to total consumption in Canada is declining gradually but will remain relatively high for many years. This is because of participation by The Steel Company of Canada, Limited, in United States iron mining operations, location of steel plants and the necessity of blending various ores for efficient blast-furnace operation.

The growth of the Canadian iron ore industry will almost be entirely dependent on the export market, mainly in the United States but also in Western Europe, Britain and Japan. Canada will meet increasing competition in world iron ore markets:

- 1) in the United States from domestic ores, South American and African ores;
- 2) in Europe particularly from African and South American ores, and
- 3) in Japan from Australian, African, South American and Asian ores.

There is no longer a shortage of iron ore in the world. Regional shortages do exist, but the building of large ocean-going ore boats and dock facilities is doing much to cancel the regional advantages that present exporters have because of short ocean hauls in small carriers.

Several countries in Africa, Asia and South America have very large reserves of high-grade, direct-shipping ore. Canada possesses large reserves of iron ore but nearly all of it must be classed as medium or low-grade direct-shipping or as concentrating grade. As world iron and steel productive capacity increases and competition for steel markets becomes keener individual steel plants must strive continually to become more efficient. Two ways to achieve increased plant capacity are by installing larger units and by increasing output of existing equipment by mechanical or technical improvements. The desire to increase efficiency has resulted in a trend towards increasing demand for ores of higher grade with better physical characteristics. This demand for better quality ores is being satisfied either by developing orebodies which grade over 60 per cent iron or by beneficiating lower-grade ores to produce high grade iron ore