

# information

## BULLETIN

### MINERAL PRODUCTION

MARCH 2005

## Increase in Metal Prices Gives Boost to Mining Industry in 2004

*Canada, a nation rich in mineral resources, ranks among the top five global producers for more than ten major minerals and metals.*

In 2004, Canadian mineral production was valued at \$24.2 billion, representing a 20.4% increase compared to the \$20.1 billion generated in 2003. Metal production increased by 29.6% to \$12.5 billion from \$9.7 billion in 2003. In 2004, nonmetals accounted for \$10.0 billion and coal accounted for \$1.6 billion. Canadian mineral production reflects the production and value of minerals produced in Canada from Canadian mines and quarries.

Most metal prices rose in 2004, causing the value of metal production to increase by 29.6%. The most significant increases in value of production occurred for nickel (+56.8%) and copper (+56.2%). However, the actual volume produced for most metals either decreased or marginally increased, as in the case of copper production, which grew by 0.1%. Nickel production was an exception with a 17.0% growth rate in volume of production. Iron ore, on the other hand, had a 15.6% decrease in its volume of production, but this was offset by the increase in the price of iron ore, which caused its value to increase by 7.0%.

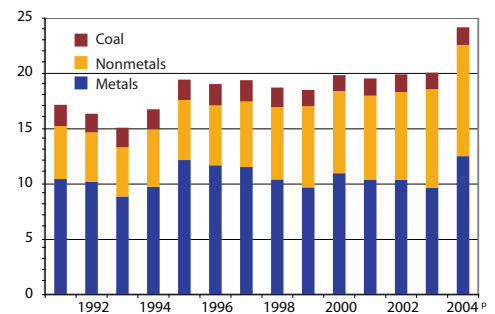
Nonmetallic mineral production rose 12.6% from 2003 with diamonds and potash leading the group. While diamonds did not experience the same growth in production as in 2003, sizeable increases of 17.3% in volume and 34.8% in value of production were reached in 2004. Potash showed a substantial increase of 20.0% in value of production

and a 16.9% increase in volume for 2004 due to an increase in international demand for the product.

Once again, Ontario led the provinces and territories in the total value of mineral production, accounting for 29.9% in 2004. Due to rising nickel prices, Ontario showed a 68.4% increase in its value of nickel production over 2003. The rising copper prices in 2004 had a positive impact on production values from coast to coast. As a result, New Brunswick, Quebec, Ontario, Manitoba, Saskatchewan and British Columbia all showed substantial increases in value, even though the volume of copper production in each of these provinces decreased. New Brunswick also experienced a decrease in its volume of lead and zinc production, but achieved an increase in the value of these commodities due to rising prices. Quebec's copper production decreased by 17.9%, but its value increased by 28.0%. Finally, the Northwest Territories experienced a \$33.9 million decline in its value of gold production due to the closure of two mines, one in late 2003 and one in 2004.



**Value of Mineral Production (Including Coal), 1991-2004<sup>P</sup>**  
(\$ billions)



Note: Excludes petroleum and natural gas.

**Total Value of Canadian Mineral Production, 2003 and 2004<sup>P</sup>**

	2003 (\$ millions)	2004 <sup>P</sup> (\$ millions)	Change (%)
Metals	9 669.8	12 529.6	29.6
Nonmetals	8 915.2	10 039.9	12.6
<b>Total non-fuels</b>	<b>18 585.0</b>	<b>22 569.6</b>	<b>21.4</b>
Coal	1 492.2	1 598.1	7.1
<b>Total production</b>	<b>20 077.2</b>	<b>24 167.6</b>	<b>20.4</b>

Sources: Natural Resources Canada; Statistics Canada. <sup>p</sup> Preliminary.

### Production of Canada's Leading Minerals, 2004<sup>P</sup>

	Production 2004 <sup>P</sup>	Change From 2003	Value 2004 <sup>P</sup>	Change From 2003
	(000 tonnes except where indicated)	(%)	(\$ millions)	(%)
<b>Metallic Minerals</b>				
Nickel	181.9	17.0	3 348.1	56.8
Gold (kg)	128 732.9	-8.6	2 206.5	-4.4
Copper	541.8	0.1	2 030.7	56.2
Iron ore	28 131.1	-15.6	1 370.6	7.0
Zinc	735.7	-2.9	996.9	12.9
Other metals	n.a.	n.a.	2 576.9	46.2
<b>Total metals</b>	<b>n.a.</b>	<b>n.a.</b>	<b>12 529.6</b>	<b>29.6</b>
<b>Nonmetallic Minerals</b>				
Diamonds (000 ct)	12 618.1	17.3	2 140.1	34.8
Potash (K <sub>2</sub> O)	10 791.7	16.9	1 930.0	20.0
Cement	14 884.1	4.9	1 623.4	8.5
Sand and gravel (1)	248 159.3	1.5	1 078.8	-3.9
Stone (1)	127 558.8	2.4	1 070.6	4.6
Other nonmetals	n.a.	n.a.	2 196.9	5.9
<b>Total nonmetals</b>	<b>n.a.</b>	<b>n.a.</b>	<b>10 039.9</b>	<b>12.6</b>
<b>Fuels</b>				
Coal	66 019.0	6.3	1 598.1	7.1

(1) Excludes shipments of sand and gravel and stone to Canadian cement, lime and clay plants.

### Percentage Share of Canada's Mineral Output in 2004<sup>P</sup>

Ontario	29.9
Quebec	16.5
British Columbia	14.9
Saskatchewan	11.7
Northwest Territories	8.9
Manitoba	5.1
Alberta	5.0
Newfoundland and Labrador	3.4
New Brunswick	3.1
Nova Scotia	1.2
Yukon	0.3
Nunavut	0.1
Prince Edward Island	...

### Leading Metal and Nonmetal Commodities by Value of Output (billions) in 2004<sup>P</sup>

Nickel	\$3.3
Gold	\$2.2
Diamonds	\$2.1
Copper	\$2.0
Potash	\$1.9
Cement	\$1.6
Coal	\$1.6
Iron ore	\$1.4
Sand and gravel (1)	\$1.1
Stone (1)	\$1.1
Zinc	\$1.0

(1) Excludes shipments of sand and gravel and stone to Canadian cement, lime and clay plants.

### Mineral Production by Province and Territory, 2004<sup>P</sup>

	Metallics	Nonmetallics	Coal	Total
	(\$000)			
Newfoundland and Labrador	773 860	37 650	-	811 510
Prince Edward Island	-	3 658	-	3 658
Nova Scotia	635	x	x	278 282
New Brunswick	502 337	x	x	759 992
Quebec	2 643 349	1 354 399	-	3 997 748
Ontario	4 775 422	2 446 896	-	7 222 318
Manitoba	1 127 496	105 118	-	1 232 614
Saskatchewan	719 398	x	x	2 818 176
Alberta	1 200	x	x	1 199 579
British Columbia	1 886 920	575 723	1 127 025	3 589 668
Yukon	54 455	7 178	-	61 633
Northwest Territories	8 956	2 147 890	-	2 156 846
Nunavut	35 612	-	-	35 612
<b>Total</b>	<b>12 529 640</b>	<b>10 039 934</b>	<b>1 598 063</b>	<b>24 167 636</b>

Sources: Natural Resources Canada; Statistics Canada. - Nil; ... Amount too small to be expressed; n.a. Not applicable; <sup>P</sup> Preliminary; x Confidential.  
Note: Numbers may not add to totals due to rounding.

### For more information:

Further details on the most recent production survey results are available on Natural Resources Canada's Minerals and Mining Statistics Division web site at [http://mmsd1.mms.nrcan.gc.ca/mmsd/production/default\\_e.asp](http://mmsd1.mms.nrcan.gc.ca/mmsd/production/default_e.asp), or by contacting:

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**Additional information is available at these Internet sites:**  
**Minerals and Metals:** [www.nrcan.gc.ca/mms/topi-suje/met\\_e.htm](http://www.nrcan.gc.ca/mms/topi-suje/met_e.htm)  
**Mining in Canada:** [www.nrcan.gc.ca/mms/topi-suje/min\\_e.htm](http://www.nrcan.gc.ca/mms/topi-suje/min_e.htm)