



information

BULLETIN

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MINERAL PRODUCTION

High Metal Prices Spur Mineral Production to a Record \$34 Billion in 2006

In 2006, Canadian mineral production was valued at \$33.6 billion, a 22.7% increase from the \$27.4 billion reported in 2005. This increase in the overall value of mineral production was due to significant growth in the value of metallic mineral production. The value of metallic mineral production for 2006 reached \$21.2 billion, an increase of 45.4% from \$14.6 billion in 2005. The value of nonmetallic mineral production decreased by 2.7% to \$10.2 billion from \$10.5 billion in 2005. The 2006 value of coal production also decreased, dropping from \$2.3 billion in 2005 to \$2.2 billion in 2006, a 5.3% decline. Canadian mineral production reflects the shipments of minerals produced in Canada from Canadian mines and quarries.

Metals

Overall, the value of metallic mineral production showed a significant increase of 45.4% in 2006.

Nickel production in 2006 reached \$6.2 billion, a 75.9% increase from 2005. This growth meant that 18.4% of Canada's total mineral production was accounted for by the value of nickel production. The volume of nickel production in Canada rose by 17.0% from 2005.

The value of copper boasted a significant increase of 78.8% over 2005, whereas the quantity produced showed a marginal increase of 3.1%. The average price of copper, in Canadian dollars, increased over 70% during 2006, causing the value of copper production to soar.

In 2006, iron ore saw its volume increase by 12.2% and its value by 10.5%.

Although the volume of gold produced in 2006 decreased by 13.5% from 2005, its value saw a respectable increase of 8.4% to over \$2.2 billion.

Uranium also showed a sizeable increase in its value of production, which rose from \$1.1 billion in 2005 to \$1.4 billion in 2006, a 26.4% increase. The volume produced fell by 22.4% over the same period.

The largest percentage increase for metals in 2006 was the value of zinc production, which grew by a remarkable 101.5% from 2005. Its value of production reached \$2.1 billion, up from \$1.0 billion the year before despite the fact that the volume of zinc in 2006 decreased by 4.0%. The average price of zinc more than doubled during 2006.

Nonmetals

In general, the value of nonmetallic mineral production declined slightly by 2.7% in 2006. Potash and diamonds, having the largest declines in value, were primarily responsible for the decrease. However, the quantity of diamonds produced increased in 2006.

In 2006, potash production decreased in both value (9.2%) and quantity (15.9%). This decrease saw potash drop from being the second leading mineral by value of output in Canada in 2005 to being fifth in 2006.

Canadian diamond production in 2006 registered a 7.2% increase in volume and a 9.7% decrease in value compared to 2005. The 6.4% appreciation of the Canadian dollar versus the U.S. dollar contributed to the decline.

The volume of sand and gravel in 2006 dropped by 2.8% from 2005, but the value remained stable with an increase of 0.8%. Stone showed a small decrease in volume of 0.3%, but its value grew by 4.3%.

Coal

Coal saw a decrease of 5.3% in value of production and a comparable drop of 3.6% in volume for 2006.

Provincial/Territorial Insight

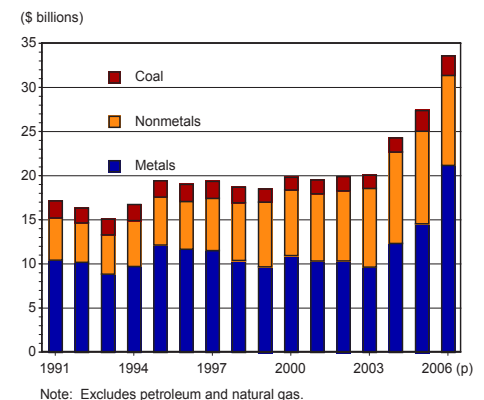
Ontario continued to lead the country in its percentage share of Canada's mineral output in 2006 at 27.9%. British Columbia was in second place with a 16.7% share. Saskatchewan and Quebec switched places in 2006 with Quebec third at 14.1% and Saskatchewan fourth at 11.4%. Moving up from ninth to fifth place was Newfoundland and Labrador with a percentage share of 9.3%, principally due to the opening of the Voisey's Bay nickel mine late in 2005.

New Brunswick showed a 63.8% increase in its total value of mineral production. As a result of rising metal prices, its value of metal production rose dramatically by 103.2% over 2005. The value of production for copper rose by 136.7% and for zinc by 121.0%.

Manitoba's increase of 67.0% for its value of mineral production can be attributed largely to the increases for copper (167.7%), gold (50.9%), nickel (50.4%), and zinc (111.2%).

Nunavut had a 674% increase in value of mineral production due to the opening of the Jericho diamond mine.

Value of Mineral Production (Including Coal), 1991-2006 (p)



Production of Canada's Leading Minerals, 2006 (p)

	Production 2006 (p) (000 tonnes except where indicated)	Change From 2005 (%)	Value 2006 (p) (\$ millions)	Change From 2005 (%)
Metallic Minerals				
Nickel	225.7	17.0	6 176.4	75.9
Copper	595.1	3.1	4 600.1	78.8
Iron ore	34 093.5	12.2	2 584.2	10.5
Gold (kg)	103 402.4	-13.5	2 246.8	8.4
Zinc	594.2	-4.0	2 087.3	101.5
Uranium (1)	9.8	-22.4	1 430.5	26.4
Other metals	n.a.	n.a.	2 074.0	8.0
Total metals	n.a.	n.a.	21 199.3	45.4
Nonmetallic Minerals				
Potash (K ₂ O) (2)	8 528.1	-15.9	2 212.1	-9.2
Cement (3)	14 570.6	-0.6	1 702.9	2.5
Diamonds (000 ct)	13 206.4	7.2	1 590.7	-9.7
Stone (4)	140 840.3	-0.3	1 267.1	4.3
Sand and gravel (4)	236 504.7	-2.8	1 189.2	0.8
Other nonmetals	n.a.	n.a.	2 236.9	0.3
Total nonmetals	n.a.	n.a.	10 199.0	-2.7
Fuels				
Coal	62 986.5	-3.6	2 205.1	-5.3

(1) Uranium value is calculated using spot market prices. (2) Excludes shipments to potassium sulphate plants. (3) Includes exported clinker minus imported clinker. (4) Excludes shipments of sand and gravel and stone to Canadian cement, lime and clay plants.

Mineral Production by Province and Territory 2006 (p)

	Metallics	Nonmetallics	Coal	Total
		(\$000)		
Newfoundland and Labrador	3 075 404	46 511	–	3 121 914
Prince Edward Island	–	3 905	–	3 905
Nova Scotia	–	x	x	309 062
New Brunswick	1 185 271	x	x	1 485 208
Quebec	3 213 429	1 515 059	–	4 728 488
Ontario	6 898 764	2 492 160	–	9 390 925
Manitoba	1 958 971	127 138	–	2 086 109
Saskatchewan	1 474 990	x	x	3 834 083
Alberta	1 304	x	x	1 321 908
British Columbia	3 297 812	672 674	1 649 947	5 620 433
Yukon	37 663	5 442	–	43 105
Northwest Territories	55 660	1 573 337	–	1 628 996
Nunavut	–	29 201	–	29 201
Total	21 199 267	10 198 966	2 205 105	33 603 339

Sources: Natural Resources Canada; Statistics Canada.

– Nil; ... Amount too small to be expressed; (p) Preliminary; x Confidential.

Notes: Numbers may not add due to rounding. Mineral production is based on shipments. For full details of the methods used in computing the mineral production of Canada, please refer to the Appendix in Statistics Canada cat. no. 26-202-XIB.

Total Value of Canadian Mineral Production, 2005 and 2006 (p)

	2005 (\$ millions)	2006 (p) (\$ millions)	Change (%)
Metals	14 582.6	21 199.3	45.4
Nonmetals	10 485.5	10 199.0	-2.7
Total non-fuels	25 068.1	31 398.2	25.3
Coal	2 329.0	2 205.1	-5.3
Total production	24 397.1	33 603.3	22.7

Sources: Natural Resources Canada; Statistics Canada. (p) Preliminary.

Percentage Share of Canada's Mineral Output in 2006 (p)

Ontario	27.9
British Columbia	16.7
Quebec	14.1
Saskatchewan	11.4
Newfoundland and Labrador	9.3
Manitoba	6.2
Northwest Territories	4.8
New Brunswick	4.4
Alberta	3.9
Nova Scotia	0.9
Yukon	0.1
Nunavut	0.1
Prince Edward Island	...

Leading Minerals (Including Coal) by Value of Output (\$ billions) in 2006 (p)

Nickel	6.2
Copper	4.6
Iron ore	2.6
Gold	2.2
Potash (K ₂ O) (1)	2.2
Coal	2.2
Zinc	2.1
Cement (2)	1.7
Diamonds	1.6
Uranium (4)	1.4
Stone (3)	1.3
Sand and gravel (3)	1.2

(1) Excludes shipments to Canadian potassium sulphate plants.

(2) Includes exported clinker minus imported clinker. (3) Excludes shipments of sand and gravel and stone to Canadian cement, lime and clay plants. (4) Uranium value is calculated using spot market prices.

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 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

Mining in Canada: www.nrcan.gc.ca/mms/topi-suje/min_e.htm



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