



## MINERAL PRODUCTION

# High Nonmetal Prices Help Push Canadian Mineral Production<sup>1</sup> to Over \$45 Billion in 2008

In 2008, Canadian mineral production reached \$45.3 billion,<sup>2</sup> an 11.7% increase from the \$40.5 billion reported for 2007. This increase was due to significant growth in the values of nonmetals and coal production. Metallic mineral production in 2008 fell to \$21.0 billion, a decrease of 19.9%, while nonmetallic mineral production soared by 72.7%, to \$20.0 billion. The 2008 value of coal production reached \$4.3 billion, a significant 56.9% increase from \$2.7 billion in 2007.

### Metals

The overall value of metallic mineral production dropped 19.9% in 2008, down from \$26.2 billion in 2007. Most metal commodities experienced a loss in value in 2008 with only a few exceptions, including gold, platinum group metals, and cobalt. Due to fluctuations in commodity prices over the past two years, both nickel and uranium had shown great gains in value in 2007, but saw large declines in 2008.

The value of nickel production declined by 40.2% to \$5.9 billion in 2008 while the quantity produced rose slightly by 2.5%. The major factor contributing to this decrease in value was the drop in the price of nickel from \$40.06/kg in 2007 to \$23.21/kg in 2008. Even with this decline, the value of nickel production ranked second out of all mineral commodities in the country and accounted for about 13.0% of Canada's total mineral production.

Uranium saw a significant drop in its value of production, down 41.1% from its record high of \$2.5 billion in 2007 to \$1.5 billion in 2008. The price of uranium dropped from \$235.37/kg to \$145.02/kg U<sub>3</sub>O<sub>8</sub>. Its production volume also decreased 4.4% from 2007, but Canada continued to rank first in the world for mine production of uranium.

The production value of zinc decreased 38.7%, from \$2.1 billion in 2007 to \$1.3 billion in 2008. Its price dropped from \$3.484/kg to \$1.998/kg. However, the quantity produced in 2008 increased by 5.9%.

Due to a 24.1% increase in its price, the value of production of gold showed a solid increase of

14.7%, from \$2.5 billion to \$2.8 billion. On the other hand, the volume produced decreased 7.2%.

Copper production, in terms of both volume and value, increased marginally, yet still comprised over 9.7% of Canada's total value of mineral production.

Metals that posted increases in value of production for 2008 were cobalt (39.7%), platinum group metals (11.4%), and tellurium (249.4%). Metals that showed significant decreases in their value of production in 2008 were antimony (34.2%), bismuth (56.6%), cadmium (38.7%), and silver (11.3%).

### Nonmetals

Nonmetallic mineral production by value soared in 2008, reaching \$20.0 billion, up from \$11.6 billion in 2007. Potash, diamonds, and elemental sulphur, which is used mostly for fertilizers, contributed significantly to the increase.

In 2008, potash was the top-ranked commodity by value of production in Canada due to higher prices, showing a notable increase in value, up 192.9% to \$8.2 billion, but a decrease in volume (5.7%). Potash made up 41.2% of total nonmetallic mineral production, and 18.6% of total Canadian mineral production. Canada continues to rank first in the world for potash production.

Canadian diamond production in 2008 recorded a 33.6% increase in value despite a 13.7% decrease in volume, to 14.8 million carats, compared to 17.1 million carats in 2007. Diamonds made up 12.0% of the total value of nonmetallic mineral production in Canada in 2008.

The largest percentage increase in terms of production value was in elemental sulphur. Due to record prices, the production value of elemental sulphur leaped 963.8% to \$2.4 billion in 2008, pushing it to the eighth-ranked commodity in Canada.

Other nonmetals for which the value of production increased were salt (21.4%) and barite (34.8%)

### Coal

In terms of Canadian mineral production, coal ranked fourth by value of output and, at \$4.3 billion, made up 9.5% of Canada's total mineral production. In 2008, the volume of coal produced dipped by 1.5%, but its value increased by 56.9%.

### Provincial and Territorial Perspectives

Six of the thirteen provinces and territories recorded increases in their overall value of mineral production in 2008.

Saskatchewan showed a sizeable increase of 76.6% (in its overall value of mineral production) and Alberta boasted an increase of 128.4%.

The Yukon enjoyed an enormous increase of 183.0% in terms of value of mineral production, primarily as the result of a full year of production from the Minto copper-gold mine, which opened in late 2007.

The following provinces and territory reported decreases in their overall value of mineral production: Newfoundland and Labrador (16.5%), Prince Edward Island (21.0%), New Brunswick (11.2%), Quebec (6.0%), Ontario (11.0%), Manitoba (31.6%), and Nunavut (63.7%).

The percentage increases for the rest of Canada were: Nova Scotia, 3.8%; British Columbia, 18.6%; and the Northwest Territories, 17.4%.

Saskatchewan led in the percentage share of Canada's mineral output in 2008 at 21.5%, with Ontario a close second at 21.3%. British Columbia kept its third-place ranking this year at 14.7% and Quebec stayed in fourth place with 11.5%. Alberta and Newfoundland and Labrador both accounted for a 9.1% share of Canada's mineral output.

<sup>1</sup>Canadian production of metallic and nonmetallic minerals and coal reflects the preliminary value of 2008 shipments.

<sup>2</sup>All values are in Canadian dollars.

## PRODUCTION OF CANADA'S LEADING MINERALS, 2008 (p)

	Production 2008 (p)	Change From 2007	Value 2008 (p)	Change From 2007
	(000 tonnes except where noted)	(%)	(\$ millions)	(%)
<b>METALLIC MINERALS</b>				
Nickel	250.6	2.5	5 856.2	-40.2
Gold (kg)	94 820.2	-7.2	2 823.6	14.7
Copper	581.3	0.7	4 438.0	0.4
Iron ore	31 273.1	-4.6	2 426.8	-3.0
Zinc	629.2	5.9	1 268.4	-38.7
Uranium (1)	8.7	-4.4	1 488.2	-41.1
Other metals	n.a.	n.a.	2 700.7	10.6
<b>Total metals</b>	n.a.	n.a.	21 001.8	-19.9
<b>NONMETALLIC MINERALS</b>				
Diamonds (000 ct)	14 802.7	-13.7	2 403.6	33.6
Potash (K <sub>2</sub> O) (2)	10 455.0	-5.7	8 243.2	192.9
Cement (3)	14 028.1	-3.0	1 792.1	0.4
Sand and Gravel (4)	235 646.0	-2.1	1 496.1	0.9
Stone (4)	145 824.7	-2.8	1 373.1	-2.1
Sulphur, elemental	7 971.1	6.9	2 388.5	963.8
Other nonmetals	n.a.	n.a.	2 287.1	10.8
<b>Total nonmetals</b>	n.a.	n.a.	19 983.6	72.7
<b>FUELS</b>				
Coal	68 106.0	-1.5	4 292.3	56.9

n.a. Not applicable; (p) Preliminary; (r) Revised.

(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.

## TOTAL VALUE OF CANADIAN MINERAL PRODUCTION, 2007 AND 2008 (p)

	2007	2008 (p)	Change
	(\$ millions)		%
Metals	26 213.2	21 001.8	-19.9
Nonmetals	11 573.6	19 983.6	72.7
<b>Total non-fuels</b>	37 786.8	40 985.5	8.5
Coal	2 735.2	4 292.3	56.9
<b>Total production</b>	40 522.0	45 277.8	11.7

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

## PERCENTAGE SHARE OF CANADA'S MINERAL OUTPUT IN 2008 (p)

Saskatchewan	21.5
Ontario	21.3
British Columbia	14.7
Quebec	11.5
Alberta	9.1
Newfoundland and Labrador	9.1
Northwest Territories	4.7
Manitoba	3.7
New Brunswick	3.0
Nova Scotia	0.8
Yukon	0.5
Nunavut	...
Prince Edward Island	...

... Amount too small to be expressed;  
(p) Preliminary.

## MINERAL PRODUCTION BY PROVINCE AND TERRITORY, 2008 (p)

	Metallics	Nonmetallics	Coal	Total
	(\$000)			
Newfoundland and Labrador	4 080 863	52 461	—	4 133 325
Prince Edward Island	—	3 252	—	3 252
Nova Scotia	43 356	x	x	340 214
New Brunswick	769 319	x	x	1 367 180
Quebec	3 565 394	1 643 073	—	5 208 466
Ontario	6 593 031	3 044 823	—	9 637 854
Manitoba	1 547 739	141 291	—	1 689 030
Saskatchewan	1 529 200	x	x	9 734 347
Alberta	1 667	x	x	4 139 127
British Columbia	2 611 883	997 303	3 043 413	6 652 599
Yukon Territory	203 865	5 461	—	209 326
Northwest Territories	55 510	2 094 903	—	2 150 413
Nunavut	—	12 654	—	12 654
<b>Total</b>	21 001 828	19 983 627	4 292 333	45 277 787

Sources: Natural Resources Canada; Statistics Canada.

— Nil; (p) Preliminary; x Confidential.

Notes: Numbers may not add due to rounding. 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 catalogue no. 26-202-XIB.

## LEADING MINERALS BY VALUE OF OUTPUT IN 2008 (p)

	(\$ billions)
Potash (K <sub>2</sub> O) (1)	8.2
Nickel	5.9
Copper	4.4
Coal	4.3
Gold	2.8
Iron ore	2.4
Diamonds	2.4
Sulfur Elemental	2.4
Cement (3)	1.8
Sand and Gravel (4)	1.5
Uranium (2)	1.5
Stone (4)	1.4
Zinc	1.3

(p) Preliminary.

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

### For more information:

Further details on the most recent production survey results are available on Natural Resources Canada's Minerals and Metals Sector web site at the address below, or by contacting:

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Additional information is available on the Internet at:  
[www.nrcan-rncan.gc.ca/mms-smm](http://www.nrcan-rncan.gc.ca/mms-smm)

