

The domestic market has always been the major outlet for Canadian crude oil, although the substantial markets in the United States in areas easily accessible to Canadian sources may assume a greater importance in the future. Refineries in Western Canada have, since 1955, used Canadian crude oil exclusively while plants in Ontario have been taking a greater share of their requirements from domestic sources. In 1959, Ontario met more than 97 p.c. of its demand from domestic sources. Ontario is now the major market for Western Canadian crude oil and in 1959 took almost 50 p.c. of the 150,000,000 bbl. of Canadian crude oil delivered to refineries within Canada. British Columbia refineries received over 22,000,000 bbl. and those in the Prairies over 54,000,000 bbl.

The progress made in the marketing of Canadian crude oil in Canada and the extent of the use of foreign crude oil are indicated in Table 3.

3.—Crude Oil Received at Canadian Refineries, by Region, 1940, 1950 and 1959

Region	1940		1950		1959	
	Domestic	Foreign	Domestic	Foreign	Domestic	Foreign
	bbl. per day	bbl. per day	bbl. per day	bbl. per day	bbl. per day	bbl. per day
Quebec and Maritimes.....	—	56,040	—	133,364	—	296,608
Ontario.....	507	41,918	681	68,630	198,165	7,340
Prairie Provinces and Northwest Territories.....	22,367	1,867	71,422	633	151,727	—
British Columbia.....	—	16,805	—	21,458	64,085	—
Canada.....	22,874	116,630	72,103	224,085	413,977	303,948

Exports of crude oil, all to the United States, were slightly higher in 1959 than in 1958 when 31,679,429 bbl. were exported. In 1959, pipeline deliveries to the United States amounted to 33,800,000 bbl., 13,296,000 bbl. of which were consigned to refineries located in the Puget Sound area of Washington and 20,504,000 bbl. to plants in the Great Lakes region.

Natural Gas Marketing.—Domestic markets as far east as Montreal were using Western Canada gas during 1959 and distribution companies were expanding their facilities to meet market requirements. By the end of 1959 approximately 100,000,000 cu. feet of Western Canada natural gas were being used daily in Ontario. This domestic gas, which first entered Eastern Canada in 1958, supplanted the large imports of gas made at Niagara and Windsor in Ontario.

Domestic sales of natural gas reached an estimated 280,000,000,000 cu. feet in 1959, equivalent to a 35-p.c. increase over 1958. Exports totalled 83,583,000,000 cu. feet. Domestic sales in 1959, by provinces on a percentage basis, were as follows: British Columbia 6.6 p.c., Alberta 48.9 p.c., Saskatchewan 10.8 p.c., Manitoba 2.9 p.c., Ontario 28.9 p.c. and Quebec 1.9 p.c.

The rapid build-up of reserves of natural gas in Alberta and British Columbia in recent years has attracted the attention of companies interested in supplying substantial markets in the United States. During 1959, the National Energy Board was set up by the Government of Canada with one of its prime responsibilities designated as the regulation of the movement of natural gas across interprovincial and international borders. The establishment and activities of the Board up to mid-1960 are outlined in Chapter XXI, Part IV, Section 2.