

Manitoba.—The 11 exploratory holes drilled in Manitoba resulted in only one significant oil discovery—near the Virden-Roselea field. Of the 66 wells drilled, 48 were successful oil development wells. The province has no natural gas production.

Northwest Territories.—Of the 23 wells drilled in the Northwest Territories during 1960 one important new gas discovery was made—this was at Celibeta Lake. In the Arctic islands, which attracted much attention in 1959 as a possible oil-producing region, there was some levelling off in activity but about 42,000,000 acres of the more favourable potential oil-producing lands were still held by oil companies at the end of the year.

Eastern Canada.—Exploration drilling in Ontario, mainly for natural gas, declined from 116 wells in 1959 to 98 in 1960. The average depth of these wells was considerably less than those drilled in Western Canada and averaged about 1,900 feet. The exploratory drilling resulted in two oil wells and eleven gas wells. Work in Lake Erie continued where 38 exploratory and development wells were drilled. In the Maritimes, four exploratory holes were drilled without success.

Petroleum Refining and Marketing.—In 1960, two large new refineries came on stream. In Saint John, N.B., a 40,000-bbl.-per-day oil refinery began operations in May, resulting in a sharp decrease in imports of refined petroleum products into the Atlantic Provinces but causing an increase of foreign crude oil imports to the area. In Montreal, the start of production of a new 25,000-bbl.-per-day refinery raised to six the number of oil refineries there. These two new refineries were mainly responsible for the 8.5-p.c. increase in Canada's refining capacity in 1960 to 950,260 bbl. per day. Canada now ranks fourth in world refining capacity, following the United States, the Soviet Union and the United Kingdom. The rate of growth of the petroleum refining industry from 1940 to 1960 is indicated in Table 2.

2.—Petroleum Refining Throughput Capacity, by Region, as at Dec. 31, 1940, 1950 and 1960

Region	1940		1950		1960	
	bbl. per day	p.c.	bbl. per day	p.c.	bbl. per day	p.c.
Maritime Provinces.....	32,750	15.1	22,300	6.2	96,800	10.2
Quebec.....	64,500	29.6	143,000	39.8	297,000	31.3
Ontario.....	57,500	26.6	75,200	21.0	260,820	27.4
Prairie Provinces and Northwest Territories.....	38,020	17.5	89,525	25.0	196,940	20.7
British Columbia.....	24,500	11.3	28,850	8.0	98,700	10.4
Canada.....	217,270	100.0	358,875	100.0	950,260	100.0

Domestic sources supplied 54 p.c. of Canadian refinery receipts in 1960, or 409,000 bbl. per day of the total of 759,000 bbl. per day received. Although Canada has sufficient producing capacity to supply refinery needs it has not been economically feasible for Quebec and the Maritimes to use domestic crude oil. All of the western provinces, most of Ontario and some of the northern United States use Canadian crude. The amount of domestically produced crude used in Canadian refineries in 1960 declined slightly from the 1959 total while consumption of foreign crude increased nearly 10 p.c. to 350,000 bbl. per day mainly as a result of the completion of the two new refineries in Eastern Canada. On the other hand, there was a 19.5-p.c. increase in 1960 exports to the northwestern and north-central United States which amounted to 110,000 bbl. per day. The growth in the domestic consumption of Canadian crude and in the consumption of foreign crude in Canadian refineries since 1940 is shown in Table 3.