

ago; as yet there has been no commercial gas production from the field. In the Atlantic Provinces, only one well was drilled; this was completed as a dry hole at a depth of 9,853 feet near Pugwash, N.S. Exploration permits covering huge areas of the continental shelf were taken out by several companies. Two main areas are held—the shelf off Nova Scotia extending to just beyond Sable Island and the Grand Banks off Newfoundland. A Federal Government survey recorded a negative gravity anomaly near Cape Breton Island and permits covering the area were issued to a large oil company. During the summer of 1964, considerable seismic reconnaissance was done off Nova Scotia.

**Petroleum Refining and Marketing.\***—In no other phase of operations has the petroleum industry been more fully developed as in the refining sector. For years prior to 1947, when the Leduc oil discovery was made in Alberta, the refining capacity remained almost steady between 220,000 and 245,000 bbl. daily. Most plants were outmoded and much of the refined products were imported. Marked expansion of facilities followed the Leduc and subsequent oil discoveries, first in the Prairies and then in Ontario and British Columbia as pipelines were built to carry crude to these areas. During the decade of the 1950's modernization of facilities transformed the Canadian refining industry into one of the most modern in the world and expansion of facilities needed to meet the growing demand brought its aggregate capacity to the point where it ranked the third largest in the world after the United States and the Soviet Union. More recently, facilities in other countries such as Japan and the major nations of western Europe have been expanded so that in 1965 Canada's refining industry ranked eighth in terms of crude oil capacity. Table 1 gives, on a regional basis, the growth of the industry to its present size.

**1.—Petroleum Refining Throughput Capacity, by Region,  
as at Jan. 1, 1945, 1955 and 1965**

Region	1945		1955		1965	
	bbl./day	p.c.	bbl./day	p.c.	bbl./day	p.c.
Atlantic Provinces.....	34,250	14.8	18,300	3.0	125,500	11.9
Quebec.....	59,000	25.5	210,000	33.9	318,700	30.3
Ontario.....	75,450	32.6	148,800	24.1	306,900	29.2
Prairie Provinces and Northwest Terri- tories.....	41,515	18.0	174,850	28.3	199,910	19.0
British Columbia.....	21,000	9.1	66,500	10.7	101,500	9.6
<b>Canada.....</b>	<b>231,215</b>	<b>100.0</b>	<b>618,450</b>	<b>100.0</b>	<b>1,052,510</b>	<b>100.0</b>

Location has, understandably, a controlling effect on the sources of crude oil that are used. Thus, before large volumes of oil were found in the Prairies, refineries in provinces from Ontario westward depended for the bulk of their oil on the United States and those in the Atlantic Provinces and Quebec relied on the water-borne crudes from the Caribbean and Middle East regions. The eastern region of Canada still relies on the same sources but elsewhere the use of Canadian crude is predominant.

During the same time not only have refineries in Western Canada stopped taking United States oil, but Canadian crude oil has been finding export markets in a number of refining centres. Plants in the Puget Sound region took an average of about 137,000 bbl./day and those in the area east of the Rocky Mountains in the United States took about 141,000 bbl./day. Table 2 shows the regional demand for domestic and foreign oils.

\* See also Chapter XIX, Part VI.