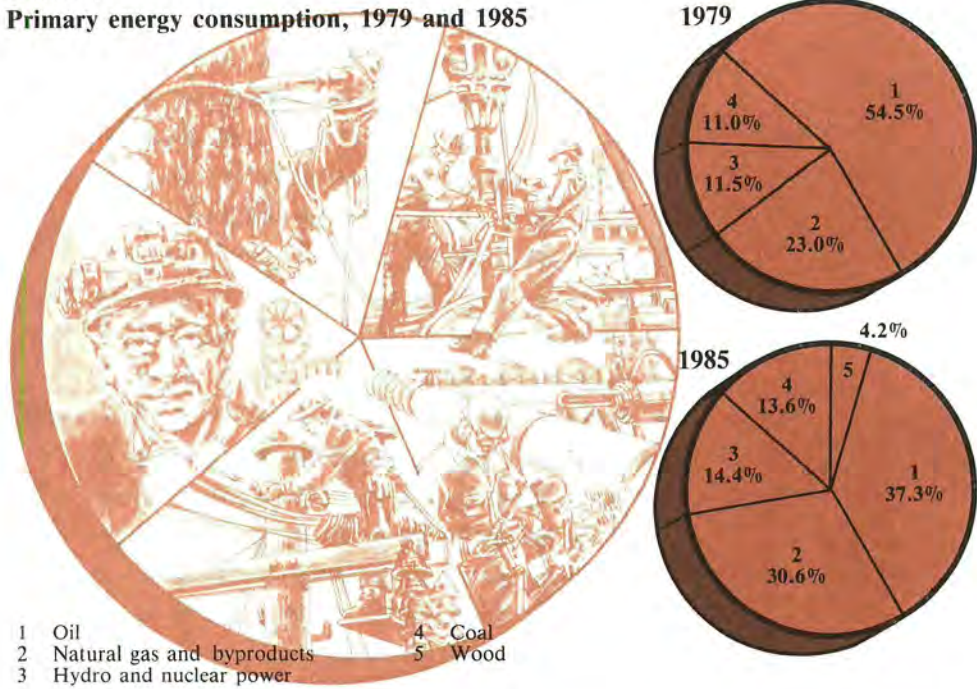


Chart 11.1

**Primary energy consumption, 1979 and 1985**

3.7%. For 1978, the corresponding values were 52.4%, 24.5%, 15.6%, 3.8% and 3.7%. In the early years of this period, world oil prices were still rising and measures to conserve energy were not as extensive as they are today.

## 11.4 Oil and natural gas

### 11.4.1 Production and consumption

**Crude oil and equivalent.** Over the last four years, the production of crude oil and equivalent in Canada has fluctuated from a low of 84.0 million cubic metres in 1983 to a high of 91.4 million cubic metres in 1985; these figures represent the aggregate which includes conventional light and medium crude, heavy crude, synthetic crude, pentanes and condensate. The production of synthetic crude oil from Canada's two oil sands plants rose from 7.7 million cubic metres in 1984 to 10.7 million cubic metres in 1986.

Demand in Canada for crude oil and equivalent has continued to fall during the last four years, from a level of 82.3 million cubic metres in 1983 to 78.4 million cubic metres in 1986. During this period the export of Canadian

crude has risen from 16.6 million cubic metres in 1983 to 34.0 million cubic metres in 1986.

The fall in world oil prices from US\$180 per cubic metre in 1983 to US\$94 per cubic metre in 1986 has resulted, due to the increased competition from imported crude oil, in lower wellhead prices in Canada and a depressed exploration and development activity.

**Natural gas.** The supply of marketable natural gas in Canada has increased from 65.1 billion cubic metres in 1983 to 71.9 billion cubic metres in 1986. Exports increased substantially in 1985, then fell again in 1986 to near their former level, from 20.2 billion cubic metres in 1983 to 26.2 billion in 1985 and then back to 21.1 billion in 1986. Canadian consumption increased from 45.6 billion cubic metres in 1983 to 52.6 billion in 1985, then fell to 50.1 billion in 1986.

Following the trend in oil pricing, natural gas has been greatly affected by market shocks: in 1983 natural gas was \$3.84/GJ (gigajoule) at the Toronto city-gate, while in 1984 the average price was \$2.099/GJ. The value of export natural gas has also fallen over the last few years from \$195 per 1 000 cubic metres in 1983 to \$122 in 1985.