we all do, the extremely close relations between Canada and our Government, it seems as if there has been great interest, not only by our Canadian friends, but by the American interests as well in the money they have invested, so I am told, in the Athabasca tar sands.

Could you tell us what has gone on up there as you understand it, what are the prospects for some real sources of supply coming from those sands?

Mr. CAMERON. Well, as you know, Senator there is a commercial tar sands plant which is in operation right now and is expected to reach full capacity of 45,000 barrels per day during this fall. There are applications before the Province of Alberta for two additional projects, each of 100,000 barrels per day. The Province has held back these others to see how this first one comes out and to protect its domestic oil industry.

But I get the impression that the Mideast situation has been reviewed carefully by the Province with the lessees of the tar sands lands in Alberta, and that there may very well be some change in policy in the wind which will essentially open up the tar sands for development. If we see this, and it would not surprise me, we can see 200,000 or 300,000 barrels a day of tar sands production developed in the reasonably near future, and the investment of well over a billion dollars to do this.

Senator HANSEN. Is some of that American capital?

Mr. CAMERON. I would say it is all American capital.

Senator HANSEN. May I infer from what you say, then, that this American capital is not necessarily going to be invested in the Green River Plateau unless the probabilities of a profitable return on investment would indicate that that has prospect and real possibility out there as compared with other areas; is this a fair statement?

Mr. CAMERON. There are two points. One is return on investment, and certainly punitive regulations which increase costs and reduces return on investment will hurt oil shale.

The second is—and I think this is important—that the North American continent needs new large sources of oil. The statistics we have heard here at these hearings indicate this very clearly. If the companies are foreclosed from moving ahead in oil shale, I think it is their obligation to go somewhere else to make sure that the North American continent has an adequate supply of oil. So they must go to the next available and most profitable operation, and tar sands may be this next one.

Senator HANSEN. Do they have substantial reserves insofar as present evidence indicates?

Mr. CAMERON. Yes. They are of the same order of magnitude as oil shale.

Senator HANSEN. I would like to ask, Mr. Chairman, if I may, that if Mr. Cameron has any additional information on this particular subject he would like to submit for the record, that you choose the manner in which you might wish to present that information.

Mr. CAMERON. Fine.

Senator MOSS. That will be granted. The record will be open for at least a week.

(The information requested is as follows:)