

is now in a position to offer some resolution to the applications which are before it.

Dr. HIBBARD. I would be very happy to comment, sir. I cannot speak for the Department in this matter, because it is well beyond the scope of the Bureau of Mines. But significant progress is being made, I can assure you. And attention is being directed to the resolution of this problem. It is just not a simple one. And I am not a lawyer. But it appears to me that the greatest complexities by far are in the legal end and not in the technical end. And it is my personal opinion that if the oil shale industry is not in place by the year 1980 or 1985, it will be because of legal problems, not because of technical problems. And I really can't comment authoritatively on the status of the applications. It is just beyond the scope of my knowledge.

Senator HANSEN. I would like to underscore and reemphasize the importance of the development of the oil shale industry, as has been pointed out so positively here by Dr. Hibbard this morning. If I may, Mr. Chairman, I wish to have introduced into the record at this time an article from the Oil Daily of Friday, February 23, 1968, which describes the increase in daily production limits for the year, recently announced by the Alberta government for the Athabaska tar sands.

Senator GRUENING. It may be placed in the record.
(The material referred to follows:)

[From the Oil Daily, Feb. 23, 1968]

ALBERTA OIL SANDS OUTPUT LIMITS UPPED TO 150,000 BARRELS DAILY

EDMONTON.—Alberta oil sands production was raised to 150,000 barrels per day, more than three times what it is now to encourage development of the sands.

Premier E. C. Manning, announced this week in the legislature the new oil sands policy, raising production limits and redefining oil sands to include other heavy oil.

The new policy is designed to encourage growth in total crude oil markets.

The old production limit was calculated at 5% of the total market for Alberta crude.

Applicants assuring their marketing proposals will open a new market would be allowed to produce sufficient volumes to supply 50% of it. The government believes that applications under this modification of policy would provide the conventional industry with an immediate share of markets.

At present, the province has only one oil sands producer, Great Canadian Oil Sands at Fort McMurray in northeastern Alberta, which is restricted to 45,000 b/d of synthetic crude from the sands.

It is expected the new policy will dwarf the GCOS project through greater production from Athabasca as well as Cold Lake, also in northeastern Alberta.

A. R. Patrick, minister of mines and minerals and industry and development, said this could mean one new large plant or two plants similar in size to the one now in operation.

The minister said he believes there will be a start on some development this year but added that there is a lot of work to be done involving study of the lease to be worked on and that he is not at liberty to reveal details at this stage. Pilot plant work must also be carried out before construction of a commercial plant.

The minister predicted large development within a few years, larger in cost than St. Lawrence Seaway.

The Japanese have plans that stagger the imagination. But details could not be obtained. Japan Exploration Co., in which the government has an interest, has been reported as being interested in developing the oil sands in conjunction with a Canadian firm. At present, Japan is heavily dependent on Middle East sources for its imports of crude oil, to the tune of almost 90%, and is seeking more reliable supplies.