

gas increases in New England, it is clear that there is potential for significant growth in these volumes. I am aware of applications before the National Energy Board for the import into New England of approximately 1.5 trillion cubic feet of gas. I understand also that New England is interested in participating in the Sable Island Project. I might add that this would be the first east coast hydrocarbon development. These potential developments are of special interest to me as a Maritimer and I take a personal interest in them.

A number of important steps have been taken which enhance the prospect of gas exports to new markets in the United States. The National Energy Board has recently revised its formula for calculating the amount of gas that is surplus to Canadian needs. The overall effect of the new NEB approach will be to provide assured protection for Canadian needs, while opening up new opportunities for gas export. One of the basic attractions of Canadian natural gas is its long-term supply reliability. We have had an extremely successful natural gas industry which is currently hampered not by any inability to find gas, but by the difficulty in marketing it.

Recent experience has tended to confirm the longer-term outlook that Canadian natural gas will be discovered in roughly twice the quantities of oil in energy equivalent terms. Canada's long-term supply capability is clearly impressive, and it provides a strong base for confidence in our long-term ability to be a secure source of natural gas.

The gas and electricity projects I have mentioned are major projects with long gestation periods. Realizing them will require long term commitments on the part of federal, state and local authorities as well as private interests on both sides of the line. We, for our part, are prepared to consider such long term commitments. Our National Energy Board is authorized by existing legislations to consider exports of up to 25 years.

The New England-Canada relationship predates Confederation. We in Canada share much of the culture and heritage which have been so important to and so characteristic of this unique region of the United States. At times such as these when the citizens and governments of both our countries are taking a close look at the relationship, it is indeed fitting that a council such as the New England-Canada Business Council should come into being to further promote the dialogue between our two nations so that we can continue to enjoy a partnership which is without equal between nations anywhere in the world.