

## RECOMMENDATIONS AND CONCLUSIONS

### The Industry

The Committee supports the deregulation of crude oil prices. (page 8)

1. The Committee recommends that the National Energy Board allow Canadian crude oil freer access to export markets provided that the needs of the domestic market are first met. (page 9)
2. The Committee recommends that the National Energy Board allow Canadian natural gas freer access to export markets subject to a protection formula which anticipates future gas requirements for oil substitution, for upgrading heavy hydrocarbons and to meet expanding consumption in non-energy uses. (page 9)
3. The Committee supports the introduction of market-sensitive pricing for natural gas as rapidly as feasible and recommends that all transportation subsidies be phased out. (page 11)

The Committee supports a phased withdrawal of the Petroleum and Gas Revenue Tax. (page 11)

The Committee supports a phased withdrawal of the Petroleum Incentives Program. (page 11)

4. The Committee recommends that special incentives for both petroleum exploration and development on Canada Lands be established to encourage Canadian participants. (page 12)
5. The Committee recommends that petroleum development on the Canada Lands continue to carry the requirement of 50% Canadian participation which includes the Crown share. (page 13)

### The National Interest

6. The Committee supports conservation efforts by the Federal Government and recommends that these efforts be expanded, and that the Federal Government continue to encourage the substitution of other energy forms for oil. (page 16)
7. The Committee recommends that the Federal Government support alternative energy research and development at a level sufficient to maintain and enhance the leading position that Canada has achieved in this field, and in recognition of the export opportunities which it represents. (page 17)
8. To ensure security of supply, the Committee recommends an interim floor price for oil sands and enhanced oil recovery production in the event of a sudden large decrease in the price of oil. (page 18)
9. The Committee recommends interim protection for consumers against a sudden large increase in the price of oil. (page 18)

The Committee supports the continuing Canadianization of the domestic petroleum industry. (page 19)