

CRUDE OIL/PETROLEUM PRODUCTS

II. Structural Characteristics

The Canadian oil industry, while it has many participants, is also quite concentrated. According to the PMA, its 115 reporting companies accounted for 89 percent of the crude oil produced in Canada in 1984. The 14 companies comprising its group of "Integrators and Refiners" accounted for 99 percent of downstream revenues.

Over 80 percent of the upstream production activity occurs in Alberta (see annex for details by province), although exploration activity is relatively dispersed. Refining is also spread across the country from Halifax to Vancouver, although several refineries have been closed in the past few years.

A list of the top 25 crude oil producers in Canada is attached. Of the refiners, Imperial Oil, Petro-Canada, Gulf Canada, Shell and Texaco account for much of the activity, although regional refiners such as Irving, Ultramar, Turbo and Chevron are important in their respective markets.

The foreign ownership of the combined upstream and downstream petroleum industry was estimated by the PMA at 60.5% at the end of 1984. Based upon downstream revenues alone, the foreign ownership is 62.2% while a comparable figure for crude oil production alone is 60.7%. There are no known policies or constraints governing where Canadian-based producers obtain their inputs or sell their output, other than profit maximization to the Canadian profit centre.