

Oil sands project takes off

The federal and Alberta governments have given Esso Resources Canada Ltd. the go-ahead to invest \$300 million in a scaled-down version of its \$12-billion oil sands project near Cold Lake in northern Alberta.

Located 240 kilometres northwest of Edmonton, it is the largest project of its type since the collapse 17 months ago of the \$14-million Alsands oil sands project.

Federal Energy Minister Jean Chrétien told reporters in Calgary that work would begin immediately on the first two phases of the project, scheduled to begin production of 19 000 barrels a day of bitumen by 1985. The plant could ultimately produce 60 000 barrels a day.

He said the capital cost of the six-phase project would be about \$1.5 billion, although replacement wells over the 25-year life of the plant could add between \$4 and \$5 billion in additional economic benefits.



Energy Minister Jean Chrétien.

The project will be exempt from the petroleum and gas revenue tax — a form of production tax — until capital costs have been recovered. Alberta will levy only a nominal royalty until that time, including a 10 per cent return allowance on invested capital.

Imperial Oil chief executive officer Donald McIvor said work would begin immediately on site clearing, road construction and an extensive drilling program.

Completion of the first 60-well program is scheduled for December, with another 160 wells scheduled for completion by June 1984. Approximately 800 replacement wells will be drilled over the next 25 years, he said.

Zimbabwe Prime Minister Robert Mugabe visits Canada



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Zimbabwe Prime Minister Robert Mugabe paid a one-day visit to Ottawa September 16 where he met with Prime Minister Trudeau. During his visit, a development agreement was signed between his country and the Canadian government. Under an existing five-year agreement, Canada has already committed about \$50 million to Zimbabwe between 1981 and 1986 through capital projects and by supplying high school and vocational teachers. The new agreement reaffirms continuing Canadian development assistance at between \$10 million and \$14 million annually. The agreement also set down terms for matters such as housing and customs duties in connection with the estimated 150 Canadian teachers who now work in that country. In addition to his meetings in Ottawa, Mr. Mugabe visited Antigonish and Halifax, Nova Scotia; Regina, Saskatchewan; Montreal, Quebec and Toronto, Ontario. Above, Prime Minister Mugabe (left) talks with Prime Minister Trudeau.

US upgrades Canadian links

The US State Department has announced the appointment of a deputy assistant secretary for Canadian affairs, a significant upgrading of relations with Canada. The appointment of James M. Medas to the position marks the first time an American administration has put responsibility for Canadian issues into the hands of a special diplomat.

Previously, Canadian concerns at the State Department have been handled by the office of Canadian affairs, which reports to the much larger bureau for European affairs. But the appointment of Medas as one of five deputy assistant secretaries of state will give Canada a higher profile in the department and in the US capital. To reflect that, the name of the bureau will also be changed to bureau of European and Canadian affairs.

Pope to visit Canada

Pope John Paul II will make a ten-day visit to Canada next September that will include 11 cities in his cross-Canada swing.

Scheduled to arrive in Quebec City September 9, 1984, he will then make stops in Trois-Rivières (with a side trip to Cap-de-la-Madeleine); Montreal; St. John's, Newfoundland; Moncton, New Brunswick; Halifax, Nova Scotia; Toronto, Ontario; Winnipeg, Manitoba; Edmonton, Alberta and Vancouver, British Columbia. He will wind up his visit in Ottawa and Hull, Quebec.

Msr. Dennis Murphy of the Canadian Catholic Conference said that the visit will be given the theme Celebrate our Faith. Bishops expect between 5 000 and 8 000 journalists on the tour and crowds of at least 100 000 people at each function.