

- As the dual trends of reduction in energy-use intensity and a switch to non-oil energy sources are expected to continue, overall Canadian oil demand is likely to increase at moderate rates, with transportation likely to remain the largest user of oil. Significant increases in the consumption of transportation fuels (motor gasoline, aviation fuels and diesel) are expected to contribute to an increase in Canada's reliance on light oil imports, which will be somewhat masked by exports of heavy crude oil. In the post 2000 period, over 25% of domestic light crude requirements are expected to be met by imports.
- In 1992, Canada was a net exporter of crude oil and equivalents to the extent of 44 thousand cubic meters per day. Net imports of 31 thousand cubic meters per day of light crude oil were more than offset by net exports of heavy crude oil and petroleum products of 75 thousand cubic meters per day. The net export position of total crude is expected to decline during the 1990s. Both NEB and DRI expect Canada to recover to remain a net exporter of crude during the following decade. EMR, on the other hand, expects that Canada will become a net importer of crude by 2010, when net imports on the order of 8 thousand cubic meters per day will be required.
- Developments in the world oil market have implications for the sourcing of Canadian light oil imports and the possible destination for heavy oil exports. In recent years, we have seen a modest increase in the share of oil imports from Latin America. With projected declines in North Sea production, one can expect a continuation of this trend toward more Latin American oil imports into Canada (particularly Venezuelan and perhaps some Colombian oil; Mexican oil is heavy). Venezuela does have great production potential and perhaps could prove to be a more secure source of supply than the Middle East OPEC countries.

Heavy crude oil exports are projected to increase marginally during this decade, but to increase substantially in the post 2000 period. In addition to opportunities for further penetration of Canadian heavy crude into Northern Tier U.S. markets, the other alternative market that has scope for Canadian heavy oil exports would be the Pacific Rim (e.g., Japan, Korea, Thailand).