

This new industry has gained some of its momentum from the discoveries of oil and natural gas made in Alberta since 1946. Just over six years ago Canada had only one important oil field, Turner Valley, and its production was falling rapidly. Turner Valley was capable of meeting only about 10 per cent of domestic oil requirements, and its remaining reserves were sufficient to provide only three months' supply at present rates of consumption. Since then the development of the new oil fields has increased Canada's production of crude petroleum seven-fold. Today Canadian petroleum provides almost 40 per cent of our much larger domestic requirements. Our proven oil reserves are about 40 times what they were in 1946, and our reserves of natural gas have more than trebled. Over the same period our oil-refining capacity has been enlarged by at least two-thirds. In that connection, I recall that it was just three years ago, almost to the day, that I had the privilege of attending the opening of British-American Oil's new fluid catalytic cracking unit. The introduction of new refinery capacity, of course, has meant that domestic supplies of the raw materials required in the production of petrochemicals have increased accordingly.

The story of petrochemicals in Canada has only begun. There is no telling what new chapters will be added to it as research in the chemistry of petroleum goes on. And it is, of course, intimately connected with the story of the chemicals industry as a whole, from which much of the demand for petrochemicals is coming.

The Canadian Chemical Industry

Let us therefore look at the Canadian chemical industry for a moment. If we take as our yardstick the number of people employed, we find that this industry has doubled in size since 1939. Today more than 1,000 plants across Canada are turning out chemical products. In 1951, which is the latest year for which we have full information, the industry produced goods worth more than three-quarters of a billion dollars. The expansion that its productive capacity has undergone in recent years has been an integral part of the expansion of Canadian industry generally. The chemical industry serves a host of others, which are becoming dependent on it more and more for the raw materials that modern technology requires. It has also been multiplying its contribution to our general health and welfare, as for example by providing us with a lengthening list of the new wonder drugs in the fight against disease.

I think it is correct to say that the development of our chemical industry has hardly reached the end of the beginning. I do not believe anyone here today would care to predict the course it will take over the next quarter-century. Whatever happens, however, the fortunes of Canada's chemical industry are bound up with the fortunes of Canada's economy as a whole. I should therefore like to have us look now at a broader picture.

The Expanding Canadian Economy

The Canadian economy is an expanding universe. Not only has our total production of goods and services doubled since 1939, but there is good reason to believe that