

record low of 128,475 in 1961. Final 1963 returns are expected to be higher than a year earlier in all provinces except Nova Scotia, New Brunswick and Alberta.

Despite the increase in marriages in 1963, the marriage rate (for 1,000 of the population) was estimated at 6.9 down slightly from the 1961-62 rate of 7.0 and the lowest rate on record in recent years. The marriage rate has been declining steadily since the record 10.9 set in 1946.

DEATHS

The 1963 estimate for deaths was 147,700, up 4,000 from the 143,700 reported in 1962. This would cause the annual crude death rate (per 1,000 of the total population) to rise slightly in 1963 to 7.8, after declining steadily since the War from 9.5 to a record low of 7.7 in 1961-62. Final returns are expected to be higher in all provinces except Prince Edward Island.

The number of vital records filed in each province up to the end of December 1963, and on which the national estimates for 1963 are based, as well as summary figures for the past 14 years, are given in detail in the report.

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OIL AND GAS PRODUCTION IN CANADA

(Continued from P. 2)

and marketers have all been called upon to participate. The National Energy Board has had some role as an informal co-ordinator to assist the individual companies in reaching their respective decisions to help fulfil the Policy, and people in the industry tell me the Board has been useful in this function....

RELATIONS WITH U.S.

During the first year or so of operation of the Policy, the opportunities for export sales expanded much more rapidly than had been anticipated, while the "conversion" of the Ontario market to the use of Canadian crude oil and products derived therefrom took rather longer than might have been hoped. The rapid increase in our exports - which has since levelled off - was of some concern in the United States both to the domestic producers and to the

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officials charged with the administration of the U.S. oil-import programme. Fortunately, we have always been able to discuss oil problems constructively with the responsible officials and Cabinet Secretaries. While we do not always see eye to eye, as can be readily appreciated, each side has so far been able to understand and respect the other's problems and we have been able to reach accommodations which have given us considerable scope for growth, to the mutual benefit of the economies of both the United States and Canada. We have every reason to expect that this will continue to be the case, but it is a necessary condition that we continue so to conduct our export trade that this steady growth is not put in jeopardy by actions on our part that would cause serious disruption in any United States market. It continued to be our firm desire to conduct our external trade in oil without formal restrictions on either exports or imports, and we regard continued access to the United States market as vital to the health of our oil industry and highly important in our trading relations with the United States....

Because of the complexities of the export market and also some in the domestic markets, we have come to the view that it would be inadvisable to commit the industry at this time to fixed-production targets for any considerable period of years. My reluctance to do so at this time should not be taken to imply any weakening in our Policy. I have every confidence in the future and our objectives remain unchanged. The Canadian Government expects the industry to maximize the use of Canadian crude in Canadian markets, and to foster exports to U.S. markets in a reasonable and non-disruptive manner. Concerning 1964, I do believe that it is feasible and desirable to establish a target figure. After considering the prospects for growth in the domestic market, for additional displacement by Canadian oil in the Ontario market, and for exports, we think average production should reach about 850,000 b/d. This assumes an all-out effort on the part of industry - and a little bit of luck. That level would provide a greater increase in 1964 than we had in 1963, and would be more than 50 per cent above average production for 1960....

Our growth in oil production since the inception of the Policy has been due to exports to the extent of about 56 per cent, domestic use about 44 per cent. By the end of 1964, given maximum effort to complete the Ontario supply transition, the proportions should be close to 50-50....