

tion. Syncrude is a case in point. This important undertaking, which may become the first investment of our new petroleum company, is a large-scale step towards the commercial development of the oil-sands.

The road ahead is a long and difficult one. The mining technology, which is more developed than the unproved *in situ* technique, can sustain access to more than 20 billion barrels of much-needed reserves. The investment requirements are, however, very large -- and probably beyond the capability of any single corporation, or even group of companies, operating in our country. Also, the largest private entities which may be potential participants in oil-sands projects are necessarily the foreign-controlled internationals. The best way to secure a Canadian presence a rate of development consistent with our national interest, a proper share of the income generated by such activity and full access to new technology is by a direct Government involvement in key ventures through a corporation which can develop the necessary expertise. Our national petroleum company would then be in a position to act as a catalyst for succeeding projects, assisting in their planning and financing as well as participating ultimately in their revenues.

About four-fifths of the immense resources of the oil-sands can only be unlocked by successful development of *in situ* technology. It is clearly a matter of prime national interest to foster research in this area. Our national petroleum company should be the vehicle through which this federal participation in research is supported and monitored. It would thereby secure for the country the technology and access to patents needed for *in situ* commercial exploitation of the oil-sands.

Exploration, development and associated research are but the first important steps toward commercial development of our frontier oil resources. To bring them to market will involve the construction and operation of transportation systems of unprecedented size, complexity and cost. To bring these facilities "on-stream" threatens to strain the financial resources of private industry and capital markets. An alternative to even heavier reliance on foreign investment to finance these projects would be participation in them by a national petroleum company. This would seem a natural extension to its efforts, by assuring that the energy resources it helped to find and develop are brought to the Canadian consumer without undue delay and at least cost.

However successful our domestic resource-development is, over the next few years we are likely to remain dependent on foreign sources