

SEEK TO BOOST PRODUCING RATE

Cottrelle Reveals Gas Consumption in Canada Up Over 20 Per Cent.

Ottawa, July 15.—(CP)—Oil producers of Turner Valley, Alberta, have been authorized to increase the price of crude oil to the refineries by 27 cents a barrel, G. R. Cottrelle, oil controller, announced here to-day.

Help Boost Production

This increase is being authorized as a means of encouraging greater production of crude oil and the announcement was made by Mr. Cottrelle in the course of his explanation of his appeal to-day for voluntary reduction in non-essential use of gasoline and other petroleum products.

The increase applies only to Turner Valley crude oil, the controller said, and not to any other Canadian oil fields.

Every effort short of public financing will be made to increase the production of crude oil in Canada, Mr. Cottrelle said.

"But if they want to take public money for drilling oil wells they had better get a new controller," Mr. Cottrelle added.

He expressed the belief that encouragement could be given the industry which would result in much greater production and he forecast that this year's Canadian production would be 900,000 barrels of crude oil greater than last year.

Gasolene and oil consumption in the western area had gone up 17 per cent. this year over last year, and in all Canada the average increase was about 20 per cent., the controller said.

At a press conference Mr. Cottrelle stressed the importance of Canadians co-operating with the oil control in an effort to meet "a crisis" in the petroleum supply industry.

The economic area for use of Alberta oil extends from "the western fringe of Ontario to the eastern fringe of British Columbia," Mr. Cottrelle said.

Restrictions Requested

He said the restricted hours of sales and distribution of gasolene and oil had been requested for the last six months by retail dealer associations all across Canada because of the cost of operation and the shortage of labour.

The increased price of gasolene will benefit the retailer, and Mr. Cottrelle said it might be necessary to give them a greater spread.

"If we are going to meet our crisis even the present steps will not go far enough," he said. "We really are in a crisis."

"Why don't you go farther now?" a reporter asked.

"We have got to go gradually," Mr. Cottrelle replied. He said the United States had not had oil con-

trol so long as Canada, but he prophesied they would "tighten up" soon.

Asked about the probable effect on the tourist trade, Mr. Cottrelle said "if we don't talk about that it won't affect it at all."

Similar restrictions would certainly follow in the United States, he said, and he was sure the Americans would be glad to co-operate.

Service stations will be permitted to grease, wash and service cars during the restricted hours, but will not be allowed to put in gasolene or lubricating oil.

If private consumers started to avoid the restrictions by filling cans with spare gas for week-end driving there would be no steps taken against it.

But that would not be co-operating with the spirit of the appeal, and if the objective of a 50 per cent. decrease in the use of gasolene was not attained by this voluntary method the more rigorous and expensive system of rationing would become necessary, Mr. Cottrelle said.

Britain Needs Tankers

The controller told of a recent conference he had with Interior Secretary Ickes, of the United States, and of charges he heard that Canada was not taking the lead in restricting oil consumption. Mr. Cottrelle said American authorities had been pleased to learn of Canada's prohibition on new oil burner installations and the earlier order against new filling station construction.

Transportation problems created the gasolene and oil shortage, Mr. Cottrelle said. Available tankers were needed by Britain, and were being given Britain by both Canada and the United States, but Canada had to take the lead.

He said two of the eight chartered tankers supplying Montreal were being released at once to serve the British Isles.

Canada's total requirement this year will be about 65,000,000 barrels of crude oil, and it is hoped, by voluntary effort, to reduce consumption by from 12,000,000 to 15,000,000 barrels.

"I wouldn't want to hazard a guess as to what anybody will have to do," Mr. Cottrelle said, when questioned as to the future. He believed the shortage would be of indefinite duration.

He would not say whether or not oil-heated homes would be embarrassed by the oil shortage, but expressed the belief that if all co-operated in the general effort to reduce consumption there would be less likelihood of embarrassment.

"We are trying to effect this saving by a patriotic appeal," said Mr. Cottrelle. "We would like to see each car carrying four or more persons instead of 1.7 persons, as statistics show at present."

Filling station proprietors approved the prohibition on use of credit cards, because they really lost money on them, Mr. Cottrelle said.

In addition, they were an encouragement to greater use of gasolene. It might penalize tourists to some extent, he said, but in the presence of a crisis he was sure visitors would understand the situation.

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