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Congressional Record S. 21972 - Reduced U.S. Imports of Canadian Oil Imports

Mike Mansfield 1903-2001
REDUCED U.S. IMPORTS OF CANADIAN OIL IMPORTS

Mr. MANSFIELD. Mr. President, in the Great Falls, Mont., Tribune of December 2, 1973, and also in the Missoulian and other Montana papers, the following story appears:

UNITED STATES TRIMS OIL BUYING IN CANADA

CALGARY, ALBERTA.—The Saskatchewan government has ordered oil companies to reduce their production in the province because the United States is cutting back on its purchases of Saskatchewan crude, the Saskatchewan mineral resources department says.

A spokesman for the department said in a telephone interview that the government has sent letters to oil companies ordering a 16 per cent cutback in production in southeast Saskatchewan (9,300 barrels per day) and a 40 per cent reduction in southwest Saskatchewan (29,200 barrels) for December.

Saskatchewan crude production normally averages 200,000 barrels daily.

The demand for crude exports to the northern United States will fall short of the province's production capacity next month, and because the province does not have adequate storage facilities, the government has decided to reduce production, he said.

The spokesman said U.S. buyers have created the situation by deciding to reduce crude imports from Saskatchewan. He did not say why U.S. buyers wanted to reduce their imports of Saskatchewan crude.

Yesterday I sent the following telegram to Mr. William E. Simon, the new Administrator of the Federal Energy Agency:


WILLIAM E. SIMON,
Administrator, Federal Energy Agency,
Treasury Building,
Washington, D.C.:

News story out of Calgary, Alberta, Canada, states that the Saskatchewan government has ordered oil companies to reduce production in that province because the United States has cut back on its purchase of Saskatchewan crude oil. According to story, letters have been sent to all companies ordering a 16% cutback in southeast Saskatchewan and 40% cutback in southwest Saskatchewan for December. The spokesman for the Saskatchewan government states that "United States buyers have created situation by deciding to reduce imports.

Would you please advise me if this is correct and if so why have we ordered cutbacks?

Thanking you.

Regards,

MIKE MANSFIELD,
Majority Leader, U.S. Senate.