
JOHN BARR

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2 **Date and place of birth (if available):** July 13, 20113 **Date and place of interview:** Tsawwassen, British Columbia4 **Name of interviewer:** Robert Bott5 **Name of videographer:**6 **Full names (spelled out) of all others present:** N/A7 **Consent form signed:** Yes

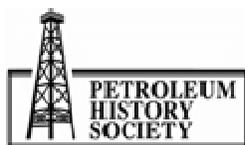
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9 Initials of Interviewer: BB

10 Last name of subject: BARR

11 BB: This is interview on the 13th of July with John Barr, in his home in Tsawwassen, B.C. and John,
12 if we could just start by, sort of the three minute biography.

13 BARR: Sure, I was born in Alberta, in Edmonton, I went to high school in Edmonton, went to the
14 University of Alberta, did a Masters Degree in Political Science, I graduated in 1965, I had a brief
15 career with the Edmonton Journal, I started as a junior reporter with them, in the summer of '63,
16 and I joined them as an editorial writer full-time in '65 and I was there as an editorialist until the end
17 of 1968 when I got an offer to join the Social Credit Government as Executive Assistant to Bob
18 Clark, Minister of Education and I was with Bob and part of, this sort of, inner circle of policy
19 advisors of that government until we were defeated in August 1971, a black day in the history of
20 Alberta, so I spent about seven or eight months, I guess, cast adrift after that election, doing
21 consulting and other short-term jobs until I was hired by Syncrude as their, it was called, the
22 Manager of Corporate Relations if I remember right in April or so, maybe it was February of 1972, I
23 was with Syncrude until April 1986 when I left to go into consulting and I moved to Toronto and I
24 worked for the Marklyn Group and then subsequently Burson-Marsteller, which was one of the hot
25 international PR Consulting shops, I learned the consulting business in Toronto and I was there for
26 just about five years when I persuaded them to transfer to Vancouver in November 1990 and I've
27 lived here ever since, I've either for Burson-Marsteller or for a period of six years, I had my own
28 firm, after Burson-Marsteller and since that time, I affiliated my firm with Fleishman-Hillard, a big
29 international firm and I've been officially retired since November 2009, so that's kind of an
30 overview.



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31 BB: The three minutes. Now, growing up in Edmonton, and working at the Journal as GCOS was
32 being built, how aware were you of the oil sands at that time?

33 BARR: Well when I was in high school, I remember my chemistry teacher in Grade 11, Mr. Olson,
34 there was a unit about oil in the chemistry program, and he said, among other things, he said and on
35 top of all this conventional oil, we have the Athabasca Oil Sands and he said, and if they ever learn
36 how to extract the oil, don't ever leave Alberta. So that line struck with me and I guess became
37 aware of GCOS when I was at the Journal actually, there was a lawyer, a young lawyer I knew in
38 town, who came around flogging, GCOS had floated some convertible debentures that Mailing?
39 Mayling? had extracted from them as a condition of the go-ahead and everybody in Alberta
40 remembered, oh dear what was it called the gas company...

41 BB: AGTL.

42 BARR: AGTL, everybody remembered AGTL which had similarly issued convertible debentures
43 back in the 50's and made a legendary amount of money on it, and if I remember right, they came
44 out at \$5.00 and lots of people sold them at \$20.00 and \$25.00 and so on, so everybody remembered
45 that and everybody figured oh, GCOS, must be something like that, so a lot of people bought the
46 shares and I think, I probably signed mine over to this lawyer who thought he was going to make a
47 whole lot of money, and who didn't as it turned out, the shares didn't do particularly well and so on,
48 but that sort of, I think increased everybody's awareness of it. At that point in time, I don't think
49 anybody spent a lot time thinking about it, conventional oil was huge, GCOS was a little start-up
50 project up in the middle of nowhere, and interesting, but you know, nobody thought about it too
51 much.

52 So really flash-forward from there, when I was in the government, and this would have been
53 between '68-'72, just towards the end, when we were actually planning the campaign, the re-election
54 campaign in the summer of '71, a rumour went around that Japex was going to go forward, and
55 there had been rumours for quite some years that this was the Japan Petroleum Exploration
56 Company thingy and that they had some big project in mind in the oil sands, and so this rumour
57 swept through town that Japex was going to be announced and it was going save the government,
58 actually, because we desperately needed some positive news at that point, however, it disappeared
59 without a trace, and then we had the election and we lost and so that was kind of the end of that.
60 And really, I never thought about oil sands a whole heck of a lot until I got a call from Frank
61 Spragins, actually, in the late winter of '72, saying that Syncrude was starting to staff up and was I
62 interested in doing public relations for them, so that's how my entre into the company happened.

63 BB: What were your first impressions of Spragins?

64 BARR: He was a very quiet man, for somebody from Texas, he was nothing like the stereotype, he
65 was very quiet, kind of reserved, friendly enough but in a very low-key sort of way. Bald, completely
66 bald, and he would have been only 35 or late 30's at that time. Fit, trim, had a beautiful wife, lived in
67 a big house out in...I forget the name of the community, its out by the Derrick Golf and Country



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68 Club there, and I knew of him, I guess maybe the reason he called me was, I knew of him when I
 69 was in the government, he was intimately involved with a number of native training programs,
 70 including Alberta NewStart, and he was sort of a corporate friend of the native community in those
 71 days, and had a genuine interest in seeing good things happen as far as Indians were concerned, and
 72 so I knew of his kind of social concerns, and that sort of thing and he got a lot of point. In fact, I
 73 think I had written about, certainly I wrote about Alberta NewStart.

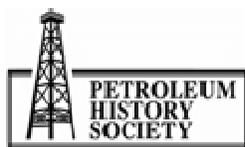
74 BB: Was that New Start, two words.

75 BARR: It was one word actually, if I remember right, it was capital “N”-E-W, capital “S”-T-A-R-T.
 76 It was a great project, actually, and if I remember right it was one of the things that Lougheed shut
 77 down as quickly as he could once he took power. There was a number of social activist type
 78 programs that the Social Credit Government had put into place, the Human Resources Research
 79 Council, the Human Resources Development Authority, NewStart and there were a few others and
 80 for whatever reason. So Lougheed shut a lot of those projects down as fast as possible when he took
 81 power, I don’t know why, because all of them made good sense, but I don’t know, maybe he was
 82 trying to new broom sweeps clean and put his own stamp on everything. Anyway, so that’s how I
 83 joined Syncrude. Now my first impressions well of Frank, like I say, he was reserved, courtly, had a
 84 strong social sense and Frank was a back room guy basically, he was very good at one-on-one
 85 dealings with other people, he a nice ability to get along with everybody, he was a real gentleman.

86 The Syncrude organization at that point had fewer than a hundred people and was operating in fairly
 87 crummy surrounding, in a relatively cheap rent part of the downtown Edmonton, so I was there for
 88 the ramp-up basically, the hiring of what became the modern Syncrude organization and Frank and
 89 Brent Scott, who at that time had joined him as his executive VP, really took charge of that and
 90 Brent soon became the dominant influence. Frank eventually stepped up to be chairman, the non-
 91 executive chairman of the board, and so on, but Frank put his stamp on the culture of the company
 92 as far as its external orientation was concerned.

93 BB: Now at that point, had you received the ERCB approval or?

94 BARR: Yeah we had, it came in, if I remember right that spring, or maybe it was that winter of ’72
 95 and that left the negotiation of the final royalty agreements with the government, that was going to
 96 be the big stumbling block, we had our permit in hand but it meant nothing until we could carve out
 97 a royalty regime, so I was there during that whole negotiation period with the Lougheed
 98 Government, most of the negotiation was carried out by the owners, frankly, Syncrude were just
 99 kind of told about it but didn’t really actively participate in it, tried to and in fact, Brent pushed
 100 Frank hard to be a little more assertive in terms of trying to get to the table and may have had some
 101 success in doing that, I remember one meeting, at a crucial point in the negotiations where it didn’t
 102 look, it wasn’t going well and the government was taking a very hard line and it looked like the
 103 owners were about to walk and Brent finally slammed his fist on the desk and shouted at Frank,
 104 Frank you’re going to fuck it up, you’re going to lose the whole thing! You know, get on the
 105 telephone! And I was kind of shocked to be honest with you, most of the time Brent kept his



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106 temper well under control but was one of those times when it flared up and he was a pretty strong
107 character when he chose to be, so anyway, I don't know what happened, did Frank make some calls,
108 did it make any difference to the negotiation? I don't know. At the end of the day, they came to a
109 settlement. Lougheed was, I mean shaped by the Mannix Organization, and Lougheed, as we
110 discovered in the Social Credit Government was a very tough, sophisticated customer, he was much
111 more sophisticated than the Socrates, and as it would be with somebody with his money and
112 connections and education and so on, I mean, he really was coming to the fore of the Calgary
113 business community in the Province's politics, so, Lougheed knew how to do negotiation and he
114 knew how to bully these oil companies and he probably knew how far he could push them and I
115 guess he probably deserves credit for essentially coming up with a formula that they went for, which
116 was a net profit royalty formula as you know.

117 BB: Yeah.

118 BARR: And that was a big break for him, that was a big breakthrough for the oil sands industry
119 because that created a kind of economic rationale for oil sands plans, prior to that, I don't think they
120 would've had one. Especially, you've got to remember, in the summer of 1972 oil was \$3.25 a barrel;
121 it didn't leave a whole lot of incentive to go a build something of the scale and size and riskiness of
122 Syncrude.

123 BB: At that time was, City Service initially was sort of the lead.

124 BARR: Yeah.

125 BB: But by that time, had Imperial taken the more dominant role amongst the...?

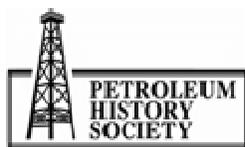
126 BARR: Imperial was always kind of the power behind the throne I think, by virtue of its size, its
127 Canadian-ness, which Cities didn't have, Cities had no organization in Canada of any significance,
128 and ARCO did, the guy named Sam Stewart down in Calgary, who was a kind of good old boy, nice
129 fellow actually, from the conventional oil industry, but then, Sam basically retired, there was no
130 other ARCO presence in Canada. Cities had no presence in Canada, and Imperial had 25% of the
131 company, Gulf only had 10%, so Imperial, by default, really became the dominant element, in their
132 quiet way, they were never anybody to make a big fuss about things but, that was probably a good
133 thing because at least they were Canadian and they were oriented around Canadian interests.

134 BB: I can ask Brent, but had he come out of the Imperial organization?

135 BARR: No, Gulf.

136 BB: Oh Gulf.

137 BARR: He was with refinery, he built refineries for...he was an engineer and he built a refinery in
138 Moose Jaw for them, and then he built a refinery in, the one in the Maritimes, port something or
139 other, right near the Canso Causeway there.



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140 BB: Oh yeah.

141 BARR: And he built that and that was his major accomplishment when he was hired to come to
 142 Syncrude. Brent was a tremendous executive, I have to say that, he was, I mean just, I just have
 143 boundless respect for what he was like as kind of moral leader and forceful personality but he knew
 144 how to hire good people and then to leave them alone to do their job, he hired some terrific people
 145 and he built a really, extremely, competent, smart management organization.

146 BB: Now a lot of the engineering, of course, was done by Bechtel.

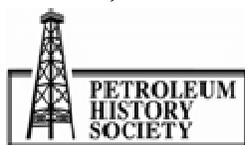
147 BARR: Yeah, you could get into an argument about what the dividing line was between Bechtel and
 148 our own engineering people, but most of the major conceptual engineering decisions had been made
 149 by that 1972 ERCB application, actually that application was made in 1969, if I remember it took a
 150 long time to wind its way through the system. There was still some outstanding engineering issues
 151 when I joined, one of them was, they had thrown out, or they were about to throw out thermal
 152 dehydration and cycloning as a means treating the bitumen that came out of the extraction plant and
 153 they were still talking about, there's still some question about what kind of hydra-feeding they were
 154 going to use to upgrade the bitumen. But the big change was that the initial concept was that they
 155 were going to two 150 yard draglines that would do all the mining, and take off the overburden and
 156 dig the oil sand and that led to these huge battles in the Syncrude's own engineering group. I never
 157 sat through such long meetings in my entire life, in my whole career, as I sat through their meetings
 158 that went regularly for about six and seven hours with these guys duelling over what was the best
 159 size of dragline and were draglines the way to go or not and it should it be truck and shovel, and
 160 blah, blah, blah. Anyway they finally settled on four, 80 yard draglines but the rest of the design
 161 stayed intact for awhile anyway.

162 BB: Of course, your role would have been dealing with public and media and maybe tell me a little
 163 bit about your role during that period.

164 BARR: Well I attempted to shape my role as much as possible, I had a fairly interventionist, activist
 165 conception of what my role should be and sometimes that was a little more activist than the
 166 management wanted but generally speaking, I had a lot of support from Frank and from Brent Scott
 167 in what I wanted to do and in particular, two areas, well three areas: one, was that I wanted to have a
 168 strong community outreach, community relations component, and I brought on board a guy named
 169 Terry Garvin, who you probably have heard of...

170 BB: Yeah.

171 BARR: ...who I knew from when I had been in the media actually and then later when I was in the
 172 government, Terry was an ex-mountie who worked in community development for the Alberta
 173 Government and I always liked him and he was very, he had a high acceptability to the native
 174 community and he was a really idealistic kind of guy and so I brought Terry in as our community
 175 development, community liaison guy. I also wanted to have a strong public outreach and education
 176 function, because I realized that long-term that we had to build public understanding and support



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177 and the best way to do that was to, in addition to media relations and all that sort of thing, was to
 178 get into the schools, so I inaugurated a program to develop curriculum materials for the Alberta
 179 schools and they could be used in other Provinces too and we were successful in getting a number
 180 of very good social studies and science units that dealt with oil sand into development, they were
 181 very high quality materials and we got those into the schools and that was, I think, the first time any
 182 natural resource industry had ever done that. The other thing I wanted to was to push envelope a
 183 little bit in terms of what kind of technologies could we use to tell our story, so we commissioned a
 184 couple of films and one of which, the first one of which, I got Gordon Pinsent to narrate, and that
 185 was a coup, because Pinsent had a well-known antipathy to doing “commercial” work and I had to
 186 persuade him that this was really, something quite a bit higher level than that and that it was a big
 187 project that was going to change the country, so anyway, he narrated that and he was terrific, he was
 188 a great performer.

189 And so apart from that, yeah we had an aggressive media relations effort. I saw myself as the
 190 guardian of Syncrude’s reputation and did a lot of things to try to get our story told and when we
 191 were under attack, as we were frequently, I mean we were targeted by the Waffle Caucus of the
 192 NDP, David Lewis who was then the leader of the NDP singled out Syncrude as a “Canada’s worst
 193 oil industry welfare bum”, and so on and they came to Edmonton for their hearings and I even
 194 persuaded Frank to go to the hearings and testify which didn’t buy us any support from the NDP
 195 but at least established that we were not going to take just anything laying down from them and of
 196 course, during that whole time, we had Larry...

197 BB: Larry Pratt.

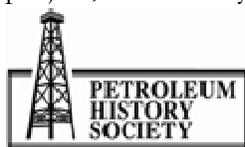
198 BARR: Larry Pratt, exactly, who was a resident, self-appointed critic of oil sand development and he
 199 wasn’t the bad guy, he wasn’t especially bright. I mean a lot of his critique of the oil sands was just
 200 recycled schlock, but he was a constant voice and of course he, had a direct channel into the CBC
 201 and so on and so, but actually, in many ways it was a good thing, I said to my staff people frequently,
 202 that if Larry Pratt didn’t exist I would have had to invent him, because he gave us a foil against
 203 which to push and he also created a rationale for what we were doing in public relations, you know,
 204 and there were people in our engineering group especially, I mean who had no conception of what
 205 public relations was all about and didn’t like it much and thought the whole thing was a waste of
 206 time and money and so on. So the first couple of years I spent more time fighting them than I did
 207 external critics.

208 BB: Then we get up to winter of ’74, ’75.

209 BARR: Right, serious construction.

210 BB: ARCO, you’re already under construction...

211 BARR: We’d started construction, mostly just site clearing and stuff, but officially we were under
 212 construction and that’s of course when ARCO dropped the boom on us and walked away from the
 213 project, which they had a right to do, I guess, under the contract, but nobody ever though they



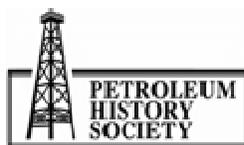
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214 would. That precipitated an instant crisis because the other owners weren't prepared to pick up
 215 ARCO's share, which was 25% of project. I mean there was already a feeling that it was already a
 216 very risky, very big stakes play for them, so they just weren't in a position to do that, so they wanted
 217 the stability and the risk reduction that would come from having a government stake in this and so
 218 the...there was a period of about what about four and a half, five months if I remember right, where
 219 there was this frantic search for new partners and which finally concluded with the feds and Alberta,
 220 and Ontario coming in at, if I remember right, 15%, 10% and 5% to pick up ARCO's share of the
 221 project. A lot of scrambling behind the scenes because initially the governments weren't real anxious
 222 to do that, Alberta wasn't totally opposed to it, but the feds and Ontario were, but I mean, Buffalo
 223 would buy it, they had no idea what to do. The feds leaned on Petro Canada to advise them on how
 224 this should be done and so Petro Canada picked up the federal share of this and came to the table,
 225 and actually, they proved to be an excellent partner, at the end of the day they were mostly run by
 226 guys with a good conventional oil industry background. Ontario had to create a crown corporation
 227 to do this so, and they sent a variety of different people to represent them and I think it finally
 228 settled out okay again. Alberta just institutionalized it into the Department of Natural Resources.

229 BB: But that crisis period, the media relations must have been fairly intense.

230 BARR: It was pretty bad because I mean, up until that time that media had paid a modest amount
 231 of attention to the project going ahead but there was little understanding of it, really, in any depth
 232 and no understanding of how risky it was. So the media went from probably taking the riskiness of it
 233 not seriously enough, to taking it way too seriously and completely over-compensated, they made
 234 the crisis seem about three times as bad as it actually was even and, you know, brought the whole
 235 thing under the spotlight with lots of breathless news stories in the media and so on. But, oh and of
 236 course, we had Mel Hertig in the piece at that time too, along with Larry Pratt, the other, the two
 237 regular commentators from the left, essentially. All suggesting reasons why the thing shouldn't go
 238 forward and all the rest of it. We lost some people, I lost two staff people, good people actually who
 239 bailed out before the settlement because they thought the company was probably going to go down
 240 the tubes, and I'm sure we lost others as well, but once the settlement happened, which was, if I
 241 remember right in August or September, then it settled down again and we were off and running
 242 and then of course, before too long, we had our own problems, huge cost inflation, which I'll talk
 243 about in a second, because in some ways it wasn't really cost inflation, what it was, was very poor
 244 front-end cost estimating, it was what happens when you try to estimate the cost of something really
 245 big and really complex that has never been built before and you put out initial cost estimates based
 246 on very little information.

247 I mean, to tell you just how bad it was, in the fall, I guess it would have been, or maybe it was the
 248 winter of 1972,'73, I wanted to put out a brochure about Syncrude and you want to put out a
 249 brochure, you have to have some drawings, so I went to our engineering department and I said, can
 250 you give me some idea of what this, I can hire an artist, but you got to give the artist some idea of
 251 what the heck this thing is going to look like and they said, well we have no idea what it's going to
 252 look like and I said, beg your pardon? I said, you know, you said its going to have fluid cokers and
 253 its going to have hydra-traders, and it's going to have this and the other, I said, can you...and they



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254 said, well we don't know how big they're going to be, and I said, holy crapes. So this was the kind of
 255 level of understanding that went into those initial cost estimates, so they were wildly inaccurate and
 256 under, or vastly too conservative. So as you get more information about what the plant's going to
 257 look like and what it's going to take to build it and so on, and then the reliability of your estimate
 258 gets better and better but of course, the cost, the "cost goes up and up". I often used to say, all we're
 259 really doing is discovering what the cost was going to be, all along, if we had just known everything
 260 that we'd do later, you know, it wasn't really inflation. But it appeared to inflate, if I remember right,
 261 from about \$400 million dollars, initially when I first came in, to about \$2.1 billion by the time we
 262 finally settled on that was really going to be the cost estimate, so it looked like 500% inflation and so
 263 on. Anyway, much was made of that in the media and so on, and then a lot of stuff that fell out of
 264 that. The actual challenges of getting it built, one of the ironies was that we actually got lucky on one
 265 thing.

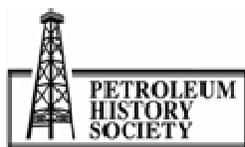
266 We had three consecutive warm winters in Alberta, '74, '75 and '76, when it was extraordinarily
 267 warm, I don't know, but they had built a huge tent over what was going to become the utility plant
 268 because they were going to pour the concrete for the foundations and they didn't think the concrete
 269 would set if it was normal temperatures up there, like 30 below zero, well they built this thing and
 270 they heated it up and everything and then we probably had one of the warmest winters in the last
 271 100 years, it was determined that they didn't even need to have a tent over, so that was lucky for the
 272 construction. And then we had, I mean, the other challenges were along the way, things like fatalities
 273 during the construction, we had a couple of very bad, nasty accidents with loss of life that reflected
 274 very badly on the construction management and all going rumble in the background about wild cost
 275 inflation and had the price of oil gone up fast enough too that this project could possibly ever make
 276 any money and it was it doomed to be a white elephant, etc, etc.

277 And then start-up, and as luck would have it, and you can probably relate to this, I had planned this
 278 big set of start-up ceremonies and celebrations and all the rest of it in Fort McMurray, we were
 279 flying in people from all over the world and the media was going to be there big time, and of course
 280 the plant chose that exact moment to catch on fire, about four days before the plant opening. So we
 281 had to deal with that, "it was only a minor fire". And there were the other problems for the next two
 282 years, that the place leaked like a sieve and we had fire after fire, most of which had been contained,
 283 then we had one really bad fire a couple of years after the plant opening, that nearly burned half the
 284 whole plant down and cost us half the upgrading plant but despite all of that, production steadily
 285 increased and then we benefited hugely from the rapid inflation in oil prices so that we were actually
 286 making money a year or two into the process, at least by the way some people calculated making
 287 money.

288 BB: Well yeah, because you got world price.

289 BARR: Yeah, exactly. Without world price, we would have had a rough time.

290 BB: That was probably, at least partly, thanks to the government ownership.



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291 BARR: Probably in part, yeah, that's right, it was in effect the governments interest to give us a price
 292 regime which would at least enable their investment to pay off, and because it was a fairly big
 293 investment of capital, really. So it's ironic, if we had known, you know, in 1972 or 1970, how the
 294 world was going to go, would anybody...it's a little bit like having children, I often thought that, you
 295 know, for most people if they knew what kids were like, what being a parent was going to be like,
 296 many of them might have had second thoughts about ever becoming a parent. That wouldn't be
 297 such a good thing for the human race, so maybe it's also been a good thing for the oil industry that
 298 nobody really knew all the risks they we were taking, they only thought they did and we managed to
 299 come out of it ahead of the game anyway.

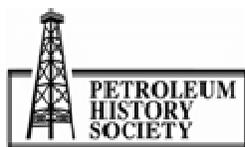
300 BB: Now what about the labour, the operation itself was team concept.

301 BARR: Yeah, the operation was team concept and that's a great success story. We turned back, the
 302 last time I looked, six different organizing attempts were turned back by the vote of the workers
 303 because we had been successful in creating a highly participatory, collaborative, kind of, team
 304 management organization where people felt that their rights were protected, they were looked after,
 305 they were well compensated and they were listened to and that's largely Brent's contribution, I mean,
 306 that was a radical thing to develop in an organization like that. We were only able to do it because
 307 we were starting with a clean sheet of paper, you know, we weren't Imperial Oil, we didn't have any
 308 precedents that we had to conform to or anything else we could do, we could do whatever made the
 309 most sense.

310 And we brought back, I mean it's a big story, I won't say too much about it but, we brought in this
 311 big time consultant from the States, a guy named from Phillip Jury, J-U-R-Y, and he did a survey of
 312 every single employee in the company at that point, we had like about 3000 people and everybody
 313 had to come in on company time and fill out this questionnaire, if you can imagine, including all the
 314 blue collar guys in the plant and basically what it did was it surveyed all their concerns and needs as
 315 far employment was concerned and gave us a picture of what kind of organization people wanted to
 316 work in and we built around the findings of that survey, a very open, communicative kind of
 317 organization, we had a big internal communication program, which my department ran, and for its
 318 day, very ambitious, multiple channels of communication to employs, a lot of two way stuff, we
 319 were very open with employees about problems and concerns and all the rest of it and consequently,
 320 that, plus the team management thing which was right down to the shop floor, everybody belonged
 321 to a team, teams had an active role to play in every decision that was made in the company. That
 322 really created a non... what's the word I'm looking for?

323 BB: Confrontational.

324 BARR: Non-confrontational kind of approach to running a company, and I think for a brand new
 325 company like that, we figured that in a plant, 40% or 50% of the guys that came to work for us
 326 carried a union card. They came from somewhere else, whether they were the utility plant or the
 327 mining part of the operation, a lot of those guys had been union members somewhere else, so we
 328 had to convince that they didn't need a union and we were successfully doing that.



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329 BB: Do you remember about when, during...

330 BARR: It would have been about '75 I thinking, maybe early '76, something like that.

331 BB: So this was before start-up?

332 BARR: It was before, oh yeah, long before start-up.

333 BB: Yeah.

334 BARR: In fact, would it have been? It would have been probably, well it was either in the last period
335 just before ARCO pulled out or it was just after the settlement I thinking, or in there somewhere
336 and he would be a really interesting man to... the other fellow was, there was a human resources
337 consultant named Herb Shepherd, no relation to Ralph Shepherd, and Herb Shepherd was from the
338 Ivy League, east coast, Boston kind of thing, had a big consulting practice, some people thought that
339 he was kind of a touchy feely, you know, sort of guy, he was but he was also a very smart, strategic
340 thinker and he helped design this whole team approach that Syncrude put into effect, but again, you
341 know, you can get all the great ideas you want in life from people like me and from advisors like
342 Herb Shepherd but if you haven't got managements that are smart enough to adopt them and then
343 to follow them through, nothing much ever happens, so Brent deserves a lot of credit for getting on
344 board with this stuff and steering and driving it and making it happen.

345 BB: Well and selling it to this management group there, I gather that each of the owners had a sort
346 of team assigned to Syncrude?

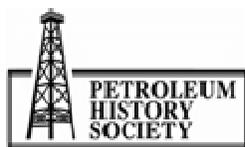
347 BARR: Precisely, yeah. And most of the dealings that we had with the owners were through those
348 teams, once in a blue moon, the big shots from the owners would come to town, and you know, for
349 a powwow but mostly it was their appointed representatives, and I think probably, in the case of
350 team management, probably what happened is that the owners heard the part of the story that said
351 no unions, they liked that so they bought the rest of it, they didn't realize probably that this came
352 with other implications.

353 BB: Commitment on the management side.

354 BARR: Exactly, yeah.

355 BB: Now Frank was there until start-up? Or just before?

356 BARR: No, well, he didn't live until start-up unfortunately. If I remember right, he died in, now I
357 could be wrong about this, I'm trying to think. He had moved into this executive, non-executive
358 chairman role, oh it would have been about, oh I'm thinking about '76, somewhere around there. He
359 had health problems, as you know, he was having vision problems in one eye and upon examination
360 they found that he had a tumour, so he had that eye removed, this would have been like say '75-ish



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361 and but then, it was obvious that they didn't get it all because it spread to the rest of his brain and he
362 only lived another, I think maybe, 14, 18 months, something like that, after he had his eye removed.

363 BB: I remember he was dead by the time start-up.

364 BARR: Yeah, yeah and he was, Frank wasn't an attention hogger, you know what I mean, he had
365 stepped back already at that time.

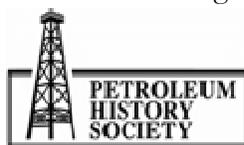
366 BB: Now did you have much interaction with the aboriginal communities up there?

367 BARR: Yes, we had lots and most of it we initiated, and this was where Terry Garmen played a big
368 role, he basically spent a lot of time, he knew the area well, because he had worked up there for the
369 Alberta Government as a Community Development Officer, so he already had some network of
370 contacts in places like Fort Chipewyan and Fort MacKay and so on and he built on that, he started a
371 program where we actually flew our executives and our senior managers out to these communities
372 or drove to them, when you could, for meetings where they talked about, well they, the communities
373 told us about themselves and we told them about us and blah, blah, blah and that was pretty, for its
374 day, pretty aggressive and coming out of that, we started a native employment program that had two
375 parts, one part was maximizing Indian jobs with Bechtel during construction and that's an
376 interesting story because Bechtel's original plant manager, whose name I remember but I'll draw the
377 shade across that for the sake of his reputation, was not in favour of hiring the Indians, in fact, at
378 one point he shouted down at a meeting, they can have jobs, they can start with mine and walked
379 out of the meeting.

380 So we realized we had a bit of a problem with Bechtel and knowing the kind of place that Bechtel is,
381 or was, in those days, which is to say, you get the attention of Bechtel senior managers and then they
382 make things happens right, top down. So we flew to San Francisco and we had a big meeting with
383 the top dogs and Bechtel, Brent, Ledid and Chuck Collier, myself and one or two other people and
384 we basically confronted them about this and so they fired him and appointed a new guy, a Canadian
385 who was much more supportive and so that program drove forward and eventually had, oh I think
386 at one point we had 750 native people, have to talk in a second of how we defined native, that were
387 working construction and earning good jobs, and in many cases enrolled in apprenticeship programs
388 so they could increase their skills.

389 And in parallel with that we had Syncrude's own native hiring program, Terry had a lot to do with
390 that and we finally found a guy named Alex, oh dear I can't remember his last name, who was
391 actually appointed to run the Syncrude program, who was Métis from the north somewhere,
392 northern Saskatchewan I think it was or something, but very entrepreneurial, very bright guy and he
393 spear-headed that program and it eventually had, oh I have lost track of numbers but 400 or 500
394 people who were probably defined as native working for Syncrude in permanent jobs, and at the
395 time, between construction and our operations, it was the largest number of native people who were
396 working in any industrial project in the country.

397 BB: Oh for a long time, and maybe still, the largest private sector.



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398 BARR: Yeah, and it was the only and we made it all happen, despite some rather humorous attempts
 399 by Harold Cardinal who at the time was the head of the Indian Association of Alberta, who after all
 400 of this stuff had been done, Harold...and they had had no involvement whatsoever in it, Harold
 401 came riding out on his white horse in the public and said, we've got to have an agreement, we've got
 402 to have some to force the company to do all these things. So we all went through the charade of
 403 signing an agreement that essentially ratified things that had already been done for the last seven
 404 years and Harold could go back to sleep.

405 BB: Now you mentioned the definition of native or aboriginal.

406 BARR: Right, at the time of course, and even more so today, you're not allowed to ask anybody but
 407 their ancestry is and so we had to have some kind of a way of measuring whether what we were
 408 doing was making a difference or not, we called together a kind of roughen system for doing that,
 409 based on just knowledge of the communities and we knew that anybody from Fort Chipewyan was
 410 by definition native, right. We defined by native, broadly, to mean anybody with some Indian blood,
 411 ideally coming from a native community, so we were able to probably capture 85% of the people
 412 who qualified that way and the rest you could capture through things like names, you know, a lot of
 413 the people out of the northeast, a lot of the native people all have the same family names, so if
 414 somebody was called Cardinal there was a fair chance that they were from the area, so it was a rough
 415 and ready number, but a good number and it wasn't a soft number at all and that's really as well as
 416 we could do in the circumstances, if we'd tried to probe people any further than that, we would have
 417 been hauled up on some human rights charge, I suppose.

418 BB: Had Keyano College been established at that point?

419 BARR: Yeah, I don't remember exactly when but it was up and running and was a good viable
 420 organization in Fort McMurray and it was heavily supported by Syncrude, in fact we put money into
 421 their big art center there and we sponsored all kinds of training programs and things at the college.

422 BB: And I guess it was around, must have been some point in the 70's Fort McMurray Today started
 423 publishing or became daily, or...

424 BARR: Yeah, it did, and that became and of course, that was part of my challenge was that in a town
 425 where there's only two stories, Suncor and Syncrude and Syncrude's the new story and Suncor's the
 426 old story we were pretty well expected to contribute something to their pages every day, so we did
 427 our best to collaborate. I don't know if I should tell you this story or not, but I will, just for the sake
 428 of human interest, we had at one point 3500-4000 employees and you know, everybody, and there's
 429 nothing else to talk about in Fort McMurray if you live there, than Syncrude, so Fort McMurray
 430 Today got a lot of stories that came out of the rumour mill, some which were accurate, and many
 431 which weren't and there was no way that I could, "stop this", so although there were probably
 432 people who thought I should have, so I said look, here's what we could do. Let's set up an internal
 433 communication of hot line, where we'll put out news everyday about what's happening inside the
 434 company and it'll be a telephone you call, this is before the internet and before blogging and all that



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435 sort of stuff, and we'll just tell employees what number to call but we'll make sure we tell them and
 436 do not share this number with anybody else, this is only for employees and their families. Well of
 437 course, it took about two nano-seconds before it was in the hands of Fort McMurray Today who
 438 called it every day and faithfully reported [laughs]!

439 BB: [laughs]

440 BARR: So, as I say, it was a simpler time but a good time. So anyway, we had a pretty good
 441 relationship with McMurray Today and with the Edmonton Journal. Tom Campbell, when he was
 442 the oil and gas writer at the Journal was, you know, always in touch with this and stayed on top of
 443 developments and he was a very well-informed, balanced kind of a writer.

444 BB: You were in Edmonton for all this time, how did you keep your finger on the pulse up on
 445 McMurray?

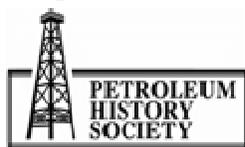
446 BARR: Well after a certain point in time, most of my people were up there and I had **Bob McCroy**,
 447 who was an old time PR guy that I had hired to run media relations and Bob spent a lot of time in
 448 Fort McMurray. **Tudor Williams**, who I hired to basically develop the educational program, spent
 449 some time up there. And Terry was there all the time, so we had a pretty big presence in Fort
 450 McMurray, and I was up there every week, I mean I flew on the company airplane to Edmonton to
 451 Fort McMurray and back every Monday morning, 52 weeks a year, so I was reasonably plugged in.
 452 Having said that, when we had our big fire, what year was that...70?

453 BB: '79 or '80?

454 BARR: '79 or '80, I think it was '80 and I've extensively about this, from the heading of crisis
 455 communication because it's one of the classic cases in crisis communication. I got a call at home, at
 456 about ten o'clock at night if I remember right, from CHED News, on Friday night, saying we
 457 understand your plant is burning down and so okay, they had my attention, I said I wasn't aware of
 458 that, tell me more. They said they had a source, a live source on the scene, and of course it was some
 459 guy, in the construction camp who could see the fire out his window and he was there live on the
 460 scene source. So we had to scramble desperately to try and find out what the heck was happening
 461 and we learned it was a very bad fire, it burned down half of the upgrading plant.

462 BB: It was one of the cokers, right?

463 BARR: Yeah. And it was really bad and it was only by heroic exertions stopped from spreading to
 464 the rest of the plant, in which case it would have burned the place to the ground. So it was a
 465 catastrophe, so we had scrambled to get on top of that and one of the things we did in the aftermath
 466 of that, because it was a huge amount of publicity, if you can imagine, including a lot of speculation
 467 about what caused the fire, was it sabotage, was it incompetence, was it...the real big concern was
 468 does this demonstrate that the whole plant is technically non-viable, that it just leaks like a sieve and
 469 it will never operate reliably and so on and overcoming that was our biggest challenge. So one of the
 470 things we did is we instituted a policy with the media that we would, going forward first of all, that



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471 we would give them regular reports, like weekly, on our progress towards repairing the damage and
 472 getting the plant back on full production and we would as a policy, we would tell them whatever was
 473 happening, whether it was bad or good, and so that, as I said to the media at time, if you don't
 474 believe I'm telling you all the facts, including the bad ones, you won't believe me when I give you
 475 the good ones. And so basically, we'll tell you exactly what's happening and you can take it to the
 476 bank and we did that, probably for about a year, a year and a half, as they gradually rebuilt the plant
 477 and brought production back and we had to use it to address issues like what did cause the fire, you
 478 know, which was a nasty business, as it turns out it was incompetent construction. Some guy that
 479 was in a rush, welded a piece of non-heat resistant steel pipe into a network and it melted, and its
 480 that simple. I think they eventually identified which worker and which piece of pipe and so on, by
 481 forensic examination, but then we dealt with all that so, we've really instituted a policy of as
 482 completely close, of what is close to complete openness as you can get, I think, in media relations.

483 BB: What about fatalities, that's always a really difficult task.

484 BARR: Well we had several, and they were bad, they happened in the construction and particularly
 485 there was one, or two guys who were killed, this was during the construction period, probably would
 486 have been about '77 I'm thinking somewhere around there, or maybe it was...oh, it was before the
 487 plant opened, and they were dealing with a vessel that had be purged with nitrogen and hadn't been,
 488 I guess, ventilated properly and a young guy who just started work literally, I think he was 18 or so,
 489 and reported for work out in construction at midnight, on his first day, and hadn't gone through
 490 safety training, walked into this vessel, passed out and then his buddy went in behind him to try and
 491 rescue him and he passed out and they both died. That was a very tough time, because we were
 492 totally at fault and there was no way to deal with it except just completely openly, you know, in
 493 terms of statements of regret and you know, everything involved with their families and all the rest
 494 of it and we were completely open about why it was our fault, but that was tough. I guess the good
 495 news is that it forced some badly needed improvements in things like construction management and
 496 we didn't have any more incidents like that, but it's a high price to pay.

497 BB: Do you want to take a break?

498 BARR: Yeah, sure.

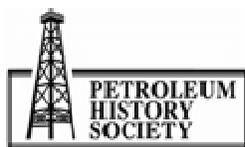
499 [Second Part]

500 BB: Resuming.

501 BARR: Yeah.

502 BB: Oh I was going to ask you about...?

503 BARR: [over-talking]?



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504 BB: Oh yeah, [over-talking], preferably [mumbles]. I was going to ask you about your relationship
505 with GCOS Suncor, the other operator there, and a rather different operation, smaller, unionized,
506 single owner.

507 BARR: Yeah. It was cordial; I mean we weren't competitors in any significant sense. There was lots
508 of market for both of our oil and I think we viewed the GCOS guys as pretty good guys, you know.
509 There was probably a bit of snobbishness towards GCOS at the beginning of Syncrude for a lot of
510 guys who, all they saw was this dirty old plant that you passed on the way to Syncrude and I don't
511 think there was maybe as much respect as there should have been for everything GCOS had been
512 through, you know. Because, I mean, they had a tougher road than Syncrude did, they built that
513 plant in the middle of nowhere really, no supply lines or anything else and it was a dirtier plant than
514 ours but that's just because it was older and it was old technology, you know, so.

515 BB: And what about the relationship with the conventional industry with CPA and IPAC and I
516 guess through your owners, you were sort of CPA.

517 BARR: That's one way of putting it, the owners did not encourage Syncrude to play a broad role in
518 these industry organizations, I think they're view was that they would represent whatever interests
519 Syncrude might happen to have and this came down to actually, the owners, probably their view of
520 Syncrude itself was that it really was an entity formed purely in order to carry out their will. It didn't
521 have any mind of its own, or any ambitions of its own, or anything else, of course that wasn't the
522 case. They hired people to run Syncrude who were strong, assertive individual and who definitely we
523 had evolved our own culture and our own desire to shape the world and sometimes we were allowed
524 to do that and sometimes we weren't. The whole history of Syncrude has kind of been a fluctuation
525 back and forth between those two, those two periods.

526 BB: Are there any instances that come to mind?

527 BARR: Well I'll give you one that's kind of glamorous but not that important perhaps, 1977, '78
528 somewhere around there, we were having a real hard time recruiting people to work for Syncrude.
529 Not construction, but for Syncrude people and there was a huge boom on in projects that required
530 engineers across the country at that time, so I said, why don't we advertise on television and
531 everybody said, well that's crazy, nobody's ever done that before and I said that's exactly why we
532 should do it. So I hired the Jerry Goodis Agency, in Toronto, which was then the hot shop in
533 Toronto and they came out and we worked on a strategy with them and finally produced a series of
534 television commercials that were really mind-blowing and then I said okay now we've got to find
535 that venue for these commercials right, and I shopped around and found that Hockey Night in
536 Canada was available, because for some reason or another, Imperial Oil had dumped it and for the
537 life of me, I don't know why, except I think they had just grown bored with it and tired of it because
538 they'd been a sponsor for a thousand years, so I grabbed it. Well about... and we started advertising
539 like that again. Turned out to be the absolute perfect venue for us, all the kind of guys that we were
540 looking for were Hockey Night in Canada fans, right, so I got hauled up in front of the management
541 committee to review this after the ads had been running for about two months, and Ardon Haynes,



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542 who was then the head of Imperial Oil and who was coming up to visit his royalty, loftily informed
 543 me that he didn't see that, Imperial didn't think that this was a very good advertising venue. And I
 544 said, well Mr. Haynes, maybe we should let the results speak for themselves, because of course we
 545 had a huge response to it, and response in other places like Sarnia, where there were lots of
 546 engineers who would never otherwise have come, so I thought it was pretty cool that Imperial
 547 figured we'd stolen a march on them with their own program but they're the ones that left it on the
 548 table and I was the one that picked it up and so it worked very well and that, as it turned out, the oil
 549 price collapsed the next spring, 1981 I guess it was, brought that to a halt, all of sudden we weren't
 550 recruiting people anymore and we were under huge pressure to start cutting costs, and one of the
 551 first places they chopped was my advertising program. But during its brief springtime, it was
 552 tremendously successful and very innovative program for recruiting people.

553 One small irony about that, when we were planning the advertising the Goodis people, one ad they
 554 came up with was going to be a commercial about Fort McMurray, and the idea behind this
 555 commercial was that Fort McMurray is actually a great place. The people who are out there love it so
 556 much that what they've done is that they've created this mythology of what an awful place it is
 557 because they don't want anybody coming up there to get in on a good thing, right. So we actually
 558 filmed a trial advertisement like this and it was a news program taking place in a Fort McMurray
 559 television studio and the announcer was saying, well here's the weather report for today, July the
 560 26th, further snow flurries and so on and we had some guy shaking feathers down on top, from
 561 above, and so it was very funny, we pre-tested this commercial in places like Sarnia with a bunch of
 562 engineers and they didn't get it. They absolutely didn't get it, they thought, well that's not funny,
 563 does it actually snow there in July? So we never went with that commercial, but it was a learning
 564 experience.

565 BB: Engineers often live in an irony free zone.

566 BARR: [laughs] well put! Yeah, they just don't get irony!

567 BB: Yeah, it puffs up!

568 BARR: They're idea of something really funny is probably the Three Stooges, you know, guys
 569 getting hit the face with caramel pies and stuff.

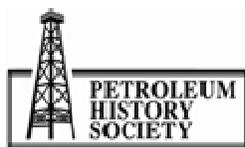
570 BB: Banana peels.

571 BARR: Yeah, that's right.

572 BB: The 80's, we move into a different period, you're up and running and after recovering from the
 573 fire, then the price collapses.

574 BARR: Yeah.

575 BB: And I suspect that last five years is a very different environment for you.



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576 BARR: Well put, yeah, the price collapsed in '81 and of course, I left in '86 and that five years was a
 577 period of entrenchment and an ugly time in many ways because the pressure was on from the old
 578 companies to cut, cut, cut anything to get expenses down and, I mean, understandably, the fact that
 579 they had enjoyed the benefits of prices far higher than anybody ever thought they would ever get in
 580 the 70's, was kind of like, that's very interesting that that's yesterday's news, all we're concerned
 581 about is today. And projects were going down the tubes, left, right and center, including the Shell
 582 Oil Sands Plant.

583 BB: And OSLO.

584 BARR: And OSLO and Cold Lake, and so on, which they pulled the plug on, in the next I guess 18
 585 months or so after the oil price collapsed. So Syncrude couldn't be closed, but they could do
 586 everything possible to reduce its costs, cancel projects, post-pone investments and so on. And that's
 587 never a happy time. I'm no expert about what was Syncrude able to save during that time, what did
 588 they have to cut, and frankly, much of my memory of that is now faded. But, something like Don
 589 Thompson, would probably be a lot better advised than me to, because he was there then and then
 590 later, whereas I wasn't. But it was not a great time, they sent in a, after Brent retired, he went off to
 591 London actually, to work for Bechtel and they eventually appointed a guy named Ralph Shepherd
 592 from Imperial Oil, I think he'd been a refinery manger in Sarnia, to come in and, "straighten things
 593 out" and he was a single-minded, cost cutter, bean counter kind of guy, he wasn't really interested in
 594 talking about anything that didn't involve immediate short-term cost reduction and so on. So I
 595 determined pretty quickly that, I could still have a future at Syncrude if I could get along with Ralph
 596 Shepherd, but really it would be a bleak one.

597 They then announced that they were closing the Edmonton office and moving everybody to Fort
 598 McMurray and that wasn't on as far as I was concerned, I had raised the issue of Fort McMurray
 599 back when I was first hired in the 70's and had been assured that this job was Edmonton based, not
 600 Fort McMurray based, I didn't want to live in Fort McMurray. So they said that well that's very
 601 interesting but that was then and this is now but we have a great job for you in Fort McMurray, in
 602 fact, we'll pay you more money and all the rest of it and at the end of the day, I just thought, it's
 603 going to be painful separating myself from this, but there's no future doing this job in Fort
 604 McMurray, reporting to Ralph Shepherd, that would just be a fate worse than death. So I put out
 605 some feelers and got an offer on a job in consulting in Toronto and I left the company.

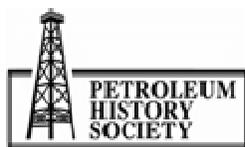
606 BB: Now was Terry Garvin still there during the 80's?

607 BARR: I'm trying to remember when Terry left, he, seems to me he did leave before I did, I think,
 608 I'd have to ask him.

609 BB: Well he's on our to-do list and we'll get to him, but the...

610 BARR: Because then he went off and did consulting.

611 BB: He's done a lot of interesting work.



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612 BARR: Yes he has, actually.

613 BB: Yeah. What about some of your, you know, this period, this '81-'86 period, how did these things
614 fair like the aboriginal program, the team concept and so on.

615 BARR: Well my sense is that they all faired reasonably well, now you'd have, that would be subject
616 to confirmation by people who were still in operations, especially in operations up in Fort
617 McMurray, the Carl Sherman type people who were there. My sense that they survived fairly well,
618 the native program did I know that, the numbers were high and stayed high. The only problem that
619 the native program suffered over time, apparently, so I've been told, is that as the Federal
620 Government's contribution to Indian education increased and more and more Indian kids went
621 onto University, most of those kids didn't want to come back to Fort McMurray, let alone to their
622 little communities that they may have come from. So basically it tended to bleed people off our
623 employment roles. One of the things that happened in native employment though, was that we were
624 able to put together some deals with some native communities and in particular, there was a place
625 called...

626 BB: [unsure]?

627 BARR: No, it was something lake, where they put together a project to build a dry-cleaning plant
628 and we needed a contract to dry-clean all of our plant uniforms and clothes, which was a pretty big
629 deal, actually, it was three or four truckloads of stuff a week and the last I noticed, at least, that plant
630 was still running just fine and employing people on the local reserve, and making money for the
631 natives and all the rest of it. And I think there were other projects of that kind, but I'm too far away
632 from it now.

633 BB: I think the truck wash was the Gengaye, but anyway...

634 BARR: Oh okay, I didn't know about that. That makes sense.

635 BB: Anyway, I know they were, and then there was that big welding company that's aboriginal
636 and...

637 BARR: Okay, see that's after my time. Well I'm glad to hear that, that's good to know, that's good
638 news.

639 BB: Yeah, well they ramped that up again, I think, under Newell in the 90's.

640 BARR: Did they? Good for them!

641 BB: Because like Spragins...

642 BARR: Yeah, he was into the community.



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643 BB: Yeah. Oh, one thing that would be in Edmonton still and you probably had something to do
644 with it, is the research center.

645 BARR: Yeah, I guess sort of the shell of the former research center, at least, I don't know what its
646 like know, but they kept it open on a reduced basis when they closed the Edmonton head office,
647 there was still I think a cadre of people who were employed there, but it wasn't, my sense is that it
648 wasn't the operation that it was before that, before that it was one of the major R & D operations in
649 Edmonton, really, and a lot of the developmental work around extraction, especially that came out
650 of that plant, that research lab.

651 BB: Well I remember they had to deal with problems, like just the metal loss, you know...

652 BARR: [over-talking].

653 BB: ...with those bucket wheels and draglines and stuff, you were losing tons and tons of metals.

654 BARR: I'm not surprised, no its pretty rough, I do remember hearing about GCOS long before I
655 was ever in the oil sands, I'd heard the stories from my first wife's uncle, was a purchasing agent for
656 Mannix, Mannix had a manufacturing operation of some sort and he told me all the horror stories
657 about the high replacement costs at Suncor, everything from tires, they were going through,
658 originally when they first started they were using scrapers at Suncor, and they were going through a
659 set of tires something like once a week and these tires were like \$13,000 a piece, so that was just
660 beginning of the industries experience of how erosive oil sands is.

661 BB: Yeah.

662 BARR: And you probably know this, I mean, in the winter time when it freezes its just like
663 pavement and it's just about as easy to rip up as pavement is too.

664 BB: One of the reasons they went in with the truck and shovel was to, that they discovered that
665 dragline/bucket-wheel mining left the sand exposed long enough that it would start to oxidize and
666 become actually more difficult to work with.

667 BARR: Oh I didn't know that, that's interesting.

668 BB: Plus, of course, you had the requirement of having these huge flat...

669 BARR: Surfaces, yeah, exactly. Well that's interesting to know that, because they looked at, in the
670 early days, when the design basis memorandum was still being developed. They looked at truck and
671 shovel and some of the old time mining engineers that were on our staff, were very strongly inclined
672 to go with truck and shovel and they were talked out of it for reasons that are beyond me, but it had
673 to do with, I think, the idea was that it would require way too many trucks and way too many
674 shovels and it was much more efficient to go in with a couple of gigantic draglines, you know.



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675 BB: Well I looked it up, the biggest trucks in the 70's were 60 tonne, and they're now using 400
676 tonne.

677 BARR: Wow, geez.

678 BB: So it would've required.

679 BARR: A whole lot of 60 tonne trucks, yeah.

680 BB: Yeah.

681 BARR: And high maintenance costs, I'm sure, and all the rest of it.

682 BB: Yeah.

683 BARR: Yeah, it was probably a decision that made sense at the time, but not later.

684 BB: And Carter and Newell, both mentioned that the limiting factor in the 70's wasn't how big a
685 truck you could build, but the tires. It wasn't until Michelin got these tires that could handle 400
686 tonnes.

687 BARR: Well I believe that because in Suncor's era, when it was scraper tires, it was Michelin that got
688 into the tire business that finally enabled them to get their tire replacement costs down, I remember
689 that, because I remember my uncle-in-law, telling me that the tires that were made Good Year and
690 Goodrich and things like, they were just shredded, they didn't, especially in the winter time, when it's
691 so cold.

692 BB: The right environment.

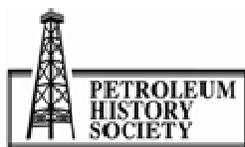
693 BARR: Oh yeah.

694 BB: I think that that...

695 BARR: Want to have a bite of lunch.

696 BB: Yeah, let's go have lunch, and if we think anything more, we can come back...

697 [END OF RECORDING]



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