

PETROLEUM INDUSTRY ORAL HISTORY PROJECT
TRANSCRIPT

INTERVIEWEE: Bobby Sparrow

INTERVIEWER: Nadine Mackenzie

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NM: This is Nadine Mackenzie speaking. Today is Friday, the 26th of October, 1984. I am interviewing Mrs. Bobby Sparrow. Mrs. Sparrow, thank you for having accepted to participate in our project. Can you tell me, when and where were you born?

BS: I was born in Toronto, Ontario in 1935 and I spent my formative years there and was educated in Toronto. I went to a school called Haverhill??? College, which was an English boarding school and then went on and took a nursing degree at Wellesley and was married actually, in 1956 and came to Calgary in 1956. Following moving to this great city I worked in the operating room at the Holy Cross Hospital, which I enjoyed very, very much, it's a very fine institution and then raised a family.

NM: What did your parents do?

BS: My father was a dentist. He was in the First World War and fought for the RAF and came back and put himself through university, through the University of Toronto in dentistry. My mother actually was a dental nurse and I guess they got married and that's how that happened.

NM: And what about your husband, when you married him, what was he doing?

BS: My husband Bob was born and raised in Toronto as well and he went through UTS and received an engineering degree from the University of Toronto, a mechanical engineering degree. He then went on and worked 4 years with Shell in the Niagra Peninsula area and resigned from them and came out west in 1955 with Peter Bawden of Peter Bawden Drilling. On his way west he stopped in Virden, Manitoba and was a roustabout there to learn the drilling industry, which Mr. Bawden had just initiated and gone into. After spending some months in Virden he came out to Calgary and also went on to be a roughneck up in. . .it was north of Edmonton, on rig 6. I gather, it was probably in the Pembina area where Bawden Drilling was working then. And he did spend some time learning the industry from the ground roots up and then went into the office and worked as a Vice-President with Mr. Bawden until approximately, I believe it was 1968 or '69, when he then went on his own and formed Argus Drilling. Of which we had I believe, it was 6 shallow rigs, rigs that would go to about 6,000' and one deep hole, to 10 or 12 thousand feet. Bob unfortunately passed away in a car accident in 1973 and I stepped in to become President and CEO of the company at that particular point in time. I've been fortunate enough to have been exposed to the drilling rigs and the drilling industry because my husband had a small company and felt that team work was very necessary and one must get to know their employees. So we did have a small company but a tremendous feeling of togetherness. So I had visited the rigs and knew many of the tool pushers and the drillers and the crew members and when I went on to assume the duties as President it

was very beneficial to me to have been exposed. My husband was also the type of man that brought home the financial statements every month and insisted that I would go over the P&L, the profit and loss statement because as you well know, we were mortgaged to the hilt and had loans from the banks. It was very, very tight, come and go and there were certain pay periods where we had a tough time meeting the payroll but Bob knew that one must pay the employees and pay the men because without them and without them being on your side, you certainly wouldn't be successful in business. So it was always the employees that came first. So just after Bob died, I did make a point of visiting the rigs with a gentleman called Swede Black, who was my superintendent. Swede had worked with Bawden Drilling and came on stream with Bob and did a superb job as superintendent. He lived in Edmonton. We did visit the rigs as much as possible. The one I remember the most was rig 10, which was our deep hole rig that was working for Aquitaine out at Rocky Mountain House. Most of our drilling in those days was done on a footage bid. Of course, bidding, business was tough and you know, you had to sharpen your pencils and when you got a job you wondered how much you'd left on the table and you were paid by the foot. Well, my goodness sakes, the drilling industry did take a slight downturn in '74, '75 with the new royalties that came out from the province. Then of course, the feds got involved. Provincial royalties were no longer deductible and in came the National Energy Program of Marc Lalonde's and it was disaster, so our industry did suffer a great deal and we lost a lot of personnel and we lost technology and we lost equipment to either, south of the border or out of the country. But as I go back to the years when I was involved, we put our bids out, we were paid by the foot. Now when the industry was sort of running up on top there it all became day work and almost guaranteed day work. How things change. Now we're back to footage. So it's a very tough industry because it's almost like playing roulette.

#062 NM: Gambling or. . .

BS: Gambling. Nothing is taken for sure. You work very, very hard. Yes, you should benefit in certain areas but you never know what's below the ground. Of course, I was just the contractor, I wasn't the operator. We did the best job we could. One thing that's interesting, being in the oil and gas industry here, the people that you work with are extremely honest, are extremely sincere and want to help their colleagues. This is quite a phenomenal experience. It does not happen in other industries and I think it's something that the oil patch has going for it. They're honest citizens and they do care about their colleagues.

NM: And hard workers.

BS: Yes. So I think that they certainly deserve a great pat on the back because they are the people that have stood behind this industry. As a matter of fact, this is why I've become involved in the political arena, because I do believe that the government of Canada and the National Energy Program raped the industry, not only the oil and gas industry, it raped Canada too. It's a disaster and I'm down there to support the people of Calgary South, the people of Alberta and the resource industry, to turn it around and put it on the same ground basis as any other industry. We, the resource industry aren't out there for gimme's

or grants, we're just saying, treat us equally and we don't want any more government intervention. And I agree with that completely.

NM: What was the reaction in the business community here to see a woman heading a drilling company?

BS: I suppose they were amazed. I've been an independent person, I guess all my life. There were certainly some people who were perhaps in awe. There were also certain places that women couldn't go into, such as the Pete Club and the Ranchman's Club. This didn't bother me because I believe in tradition very much and if that's the way they so wanted to operate, fine. It didn't hold me back at all. I respect them. As you see, the Petroleum Club now allows women in at certain times and under private invitations and great. But that's evolution. Women are becoming more involved in industry and are becoming more respected and if they can do the job and do it well, they'll be there.

NM: What's happened to Argus Drilling?

BS: Argus Drilling I sold, I believe it was late '74, '75 and I stand to be corrected on those dates, to a gentleman called Graham Ross. Graham Ross has done a superb job with Argus and kept on most of the staff and I believe has enlarged and has just done a fine job. I'm sure he too has suffered due to the National Energy Program but he'll be looking for better times in Canada.

#093 NM: Can we talk about the National Energy Program?

BS: Yes, Nadine. Having just come off an election this summer, and won the right to be the MP for Calgary South, it was one of my main issues in my platform. The National Energy Program that the Liberal government came down with in the fall of 1980 was absolutely disastrous. Here's a unilateral decision made by the government which set forth all rules and regulations on an industry that they were not knowledgeable about and they did not communicate with the industry and they, to me, were very, very greedy. They set forth taxation that was simply impossible to live with and they set forth taxation that was based on the theory and the basis that oil would always go up in price, a barrel of oil. Naturally we have seen what's happened in the last few years and oil has come down and it may continue to come down. I hope not, I hope it stabilizes. But the industry here was, quote, taxed on upfront revenues at the wellhead, on what was called the PGRT, then we had PIP grants given, certainly in favour of Canada lands, which were controlled by the feds and not in provincial lands which were controlled by the province and worked with the industry. So a great deal of discrimination there. We also couldn't get world prices and I believe in any walk of life in industry you must have world market prices, you must go with the supply and the demand. We couldn't, the government controlled it and naturally, this caused a disaster too. We just ran into too many problems, Canadianization. I believe in Canadianization but it's something that we certainly could not acquire in such a short period of time. They allowed a 25% back in, in all successful findings on Canadian lands and that's not fair, that's indiscriminatory, you just can't do that. They also told a lot of our foreign friends, too bad, then they just absconded with their assets and you can't do that either. FIRA??? became a tremendous stumbling block as well and as you well know, under the new government we are going to change the name of FIRA to Investment

Canada, to attract foreign investment, foreign equity into this country. Which I hope will enhance the national resource industry and increase productivity and obviously, help the unemployment situation. So I'm very much against the Liberal National Energy Program and am looking with great anticipation to what our new federal government can do, the Conservatives. And I think Pat Carney is now working with the industry and with the provincial government, and that's the way it should go.

NM: It's nice also to have a woman for a change.

BS: Yes. But there again, it's great to see Pat there but she's a very credible woman who'll do a good job. She as I said, is working with the province and with the industry, which is most necessary.

NM: So there is good communication.

BS: Good communication.

NM: So how do you foresee the future of the oil patch here in Calgary?

BS: I would have to say personally how I see it and hopefully the government will come on stream and that's why I'm in Ottawa. #1 is definitely to improve the communications with the province and with the industry. #2 is to deregulate the price. We must go at market prices and I think we have the greatest opportunity to do that today, as we see England and Norway start to cut their spot prices on a barrel of oil. This is the best time for Canada to move into that. I very much want to see foreign investment in here, and Canadianization, I believe in but let's put it on the back burner, let's get foreign investment in here and get people back to work and get the industry going. I'd like to see more opportunity for exploration and production in provincial lands. I do think the frontiers are great but PIP grants have been discriminatory and I think it's time that we, the government, got out of the industry and let the industry do their own thing.

#139 NM: What is your opinion on nationalized companies, for example, a company like Petro Canada?

BS: Oh, you're talking about Crown corporations here in Canada. I am very much against Crown corporations, I'm a private enterpriser and believe in that whole heartedly. I think private enterprise can run a corporation far superior to any government agency. I do not think the Crown corporation should be in competition with private enterprise and this is where we've got a problem. But I have just been elected into the parliament of Canada and there are a few problems. Petrocan is a huge Crown corporation and I guess its assets would run between 6 and 8 hundred billion dollars and for the Crown corporation to be sold, Canada just doesn't have enough money so therefore you'd be looking to foreign investment, which would really be in opposition to Canadianization. So I would like to see Petrocan being put under the same rules as any private corporation. If they need capital they'd have to go to the marketplace, they'd have to open their Board of Directors to more diversification, they're going to have to be responsible to a Cabinet Minister and the parliament of Canada. They're going to have to open their books to the Auditor General and they're just going to have to operate as any other Crown corporation. I'd like to see Air Canada behave the same way, it's another large corporation. To sell it off, not today. I think there are a lot of small Crown corporations that certainly could be sold back

into private enterprise and let's start with the small ones first and then solve the major problems within Canada. And then we'll get down and see how our large Crown corporations operate.

NM: You are in politics now, what were the reasons for that?

BS: I've been very fortunate to have been exposed to provincial politics since '67 and federal politics since '71. So I have certainly worked my way up and been on various committees. I've also sat on a great number of Boards, both private and public. Boards involved in the oil and gas industry, in the finance industry, financial institutions, in education, in health care, with the Chamber of Commerce here and have been sort of diversified in my experiences. I've been very, very unhappy with the government during the last 16 years, thought there was too much government intervention, too much government spending and the people of Canada didn't know really what was going on. I believe they were being, a) lied to or b) smoke screens were being sent up and people weren't aware of what Ottawa was doing. So when Mr. Thompson chose to retire in 1984, this spring, I let my name stand as a candidate to represent Calgary South, to represent Alberta and to represent western Canada in Ottawa.

NM: It seems also the oil patch was behind you.

BS: Yes. I'm very fortunate and of course, I have a very soft spot for the oil patch, mainly because I am a Calgarian and a western Canadian, but also because you can see that what's good for Alberta is also good for the rest of Canada. And you walk up on the rigs and all the cable and everything comes out of Mississauga, Ontario, and the whoopees??? in the vehicles that we drive are either from Oshawa or Sarnia and the chlorine??? that we work in comes out of Quebec. So we need them, they're secondary industries to the oil and gas, and they need us. So what's good for us is good for all of Canada.

#186 NM: Let us go back to your career, who were the most influential persons in your career, helping you?

BS: Are you speaking specifically of the election?

NM: Both.

BS: I received tremendous support from a lot of business people here in town. And it goes, either be it in the area of oil and gas or be it in the area of finance, I have a list of maybe 20 or 30 people who've been very, very influential. Also in the political field people have helped me. I don't know whether I could really name one person Nadine. There just isn't one person, as I said, I've just been very fortunate to know so many people. And a number of people that are on your roster there that you have visited with are old friends of mine and if I needed information I would feel very comfortable phoning any one of them.

NM: What are your plans now for the oil patch here, what are you going to do for that?

BS: Oh, I'm certainly going to communicate, a) with the industry here as much as possible. And I hope that they feel that that's a 2 way street. I also am going to be representing western Canada as much as possible in that particular portfolio in Ottawa, and communicate with the minister who is Pat Carney today and represent the concerns of the oil patch here. And also the Alberta caucus within the federal government meets approximately once a month and I'll be certainly representing the concerns there at that

particular level as well. I hope to, and I will be communicating with the provincial government as much as possible and they do have a representative in Ottawa and I will be communicating with his office constantly.

NM: Could you comment on the contribution of Alberta to the development of the Canadian oil industry, the role of the province?

BS: Are you speaking of history or today?

NM: History.

BS: I think there is a tremendous history but it's based on human resource. If you take a look at what's happened since the late 30's, I'm just mesmerized because there are a lot of tales and sagas out there but so many of them are very, very true. And those people could be far more beneficial to you. I have to believe that a lot of it goes back to some American citizens that came up here to work with the industry, develop the industry probably and associated themselves with Canadian people and have gone on to make it grow. And it was foreign investment and it was American citizens that came up here and showed us the way and we should be very, very pleased. They don't want to abscond with our industry, they want to work with us. It's called working together for the betterment of the world. And for an industry that's so very, very important. So I can't add too much to it except to say what great people that I've been exposed to since the 50's, 60's and 70's here and say, thank you for them for coming and being what they were. I do think the Alberta government has worked with them, oh we see most of the revenues for the government were directly coming from the natural resource industry. So it's got to be a 2 way street with the government too.

#236 NM: Can you comment on the ups and downs of the oil business? You have been a witness to that.

BS: I've been a witness to see, perhaps since '68, '69, which was very poor for the drilling industry. We certainly did see an increase of activity in the '72, '73, '74 and I think it was because of the discoveries that were made and the enthusiasm of the people and the anticipation that we were going to find more. There were some governmental changes in the royalty structure in '74 and quote, I may say, a bit of government intervention. There proved to be hardships for the industry and we did see a few people move south or move out of the country. Then things seemed to gain momentum again and suddenly we took off again in the late '78, '79, and '80. And obviously, the federal government under the regime of Pierre Elliot Trudeau just, and Marc Lalonde, brought out the Energy Program and Mr. Lougheed, who was Premier and still is but was Premier of Alberta at that particular time dug his heels in to protect the province. So we had the province absolutely fighting with the federal government and then we had the industry to whom no one was listening. So it just became a Mexican standoff. So things just fell. I think the government today, both the provincial and the federal government recognize that they must work with the industry so I anticipate a great future.

NM: Can we talk about your professional affiliations?

BS: In oil and gas.

NM: And also in the community. You have been very active.

BS: Yes, I've been very active. I've been very fortunate too because my activities have been very diverse and in many fields. It's very nice to learn a bit here and be able to apply it there. I became involved in a lot of volunteer work when my family was young, of which I benefited a great deal. I then moved out and did the United Way residential campaign in 1971 and that was very, very rewarding. In '73, 4, and 5, when my husband died, I went in as I say, and ran Argus Drilling and did become very much involved in the oil and gas industry. Involved with the Canadian Oilwell Drilling Association and found it absolutely fascinating and very rewarding. I think I better take you chronologically because that's the best way for remembering it. I also was doing a lot in regards to provincial politics as well as federal. And went on the Council of the College of Physicians and Surgeons in Edmonton, which is a council that regulates the medical profession in the province and sat there until my election to federal politics and of course, resigned due to a conflict of interest. So I became involved in health care there and went on the Board of the Calgary General Hospital and chaired that Board for some years. Became a Director of Norcen Energy Resources Ltd. from '79 - '84 and kept up my communication and knowledge of the oil and gas industry. Had some trips to the east coast with them and also up to the new Gulf-Conoco rig in Tuk, which was fascinating. I also was on the financial advisory committee of Royal Trust here in Calgary and became very aware of the high interest rates, mortgage rates and people walking away from their homes and the problems that the public were truly suffering due to the financial institutions and the high interest rates. I have been a Governor at the University of Calgary from '75 - '78 and a Senator at the University. Also sat on the Advisory Board in the faculty of management up at U. of C. from I believe it was, '78 to about '82 or '83. And have been a Director of the Chamber of Commerce since 1980 and chaired a few committees for them which I found very rewarding and very stimulating. And then I think all of us have our pet Boards that we sit on in the volunteer capacity and I certainly have sat on the Juvenile Diabetic Research Board and a few things like that, which interest me personally.

NM: This is the end of the tape.

Tape 1 Side 2

NM: And this is the last question, what do you consider your achievements?

BS: Personal achievements? I have been very fortunate to be where I am today. I am very proud to be the Member of Parliament for Calgary South. I also am very proud of the accomplishments that I've had in regards to the Boards that I've sat on. But I think the best thing is working with people. The people I've met, the people that I have worked with, the people that I now can call my friends, I think that's the greatest resource and the greatest accomplishment that I have, the friends that I have.

NM: Thank you very much for this very interesting interview, Mrs. Sparrow.

BS: Thank you Nadine.