

PETROLEUM INDUSTRY ORAL HISTORY PROJECT
TRANSCRIPT

INTERVIEWEE: Bill Stuart

INTERVIEWER: Nadine Mackenzie

DATE: June 1984

NM: This is Nadine Mackenzie speaking. I am interviewing Bill Stuart. Mr. Stuart, thank you for having accepted to participate in our project. When and where were you born?

BS: I was born in May of 1931 in Vancouver, British Columbia.

NM: What did your parents do?

BS: My father was in the printing and stationary business. A firm that had been developed by my grandfather and is still in existence, but of course, no connection with the family at this time.

NM: Where were you educated?

BS: Vancouver, University of British Columbia.

NM: And what did you study at the University of British Columbia?

BS: I graduated in May of 1954 with a Bachelor of Commerce degree.

NM: Why did you choose this subject?

BS: I thought commerce would be a course which would give me a broad understanding of business.

NM: Did you have any summer jobs while you were at the university?

BS: Many.

NM: What did you do?

BS: Well, I worked in construction, on the Cleveland Dam. I worked at the racetrack as a cashier, as a seller and as what they say in the back of the wickets, a take-off man and I was a naval cadet, in that I was attached to the university naval training division in the university and for 3 years of my university time I was at naval training.

NM: And what did you do after university, when you graduated?

BS: The day after my convocation I left for Calgary and joined Imperial Oil Ltd.

NM: What did you do for Imperial Oil?

BS: I was in the land department.

NM: And you kept this post for a long time?

BS: Not really. From May of 1954 to December of '55.

NM: Do you remember who hired you at Imperial?

BS: Oh yes, ????. As a matter of fact it was kind of an interesting story. As you'll appreciate Nadine, in university they have huts, and I use the word huts because, that dates me a bit but there was the war time service huts in which they'd set up any interviewers coming to the school, companies wishing to interview students. And they'd set them up in these huts under various names and of course, there's Imperial Oil, Gulf Oil, Inco, you name it. And they were all set up in this hut. I'd had appointments with 3 or 4 of the companies in the hut. As I was leaving there was a name I didn't have an appointment with but I felt I'd go

and talk with and that was Imperial Oil Ltd. I knocked on the door and I walked in and I introduced myself. The person at the other side of the table said, my name's Jack Armstrong, I'm chief geophysicist of Imperial Oil Ltd. Then he proceeded to ask me how I became interested in geophysics. I proceeded to reply that Mr. Armstrong, I can't spell geophysics, I'm interested in Imperial Oil Ltd. And I go on to say that really the first offer that I received my graduating year was from Imperial Oil Ltd. And they were not looking for commerce students.

#051 NM: What did you do as a landman?

BS: First of all, I'm basically a trainee so I'm doing a number of things but I guess the most significant I was. . .at the time in Imperial Oil, they had an acquisition section and a retention section. That is, acquiring leases and retaining leases. I ended up involved in the retention end of things. Now I'm dating myself because I'm going back a little bit now. But I had to ensure, I was one, I don't say I had to, I reported to persons that were responsible for ensuring that our leases did not run out. In other words, offset obligations. Any obligations we had, we had to ensure that we met those obligations so we wouldn't lose our lease. So from that point of view I was on the retention section, vis a vis, the acquisition section, which was the landmen out on the road, acquiring the lease. On the other hand I did, on a specific land play, search titles. One of the most amazing experiences of my life I guess, was Arcola, Saskatchewan. There was a land play going on in Saskatchewan and we went down and we searched titles, in Arcola where the land titles office was. We had a form, Imperial had forms for everything and we sort of started from the current title and worked backward to the deed. And you got into a town site which we were having great fun with. It was a wonderful experience, searching titles for 4 weeks in Arcola, Saskatchewan.

NM: With whom were you working?

BS: By with whom, I'm sorry, who was my immediate boss per se?

NM: Yes, and who. . .

BS: Merv Crockett at that time was chief landman for Imperial Oil. Merv is now. . .I'd better be careful, I'm not sure but I know he left and ended up in C&E, Coordination and Economics in Toronto with Imperial, and then down to Jersey in the transportation end. I don't know where he is now, whether he's alive.

NM: And after this post as a landman what did you do?

BS: I've got to be very careful, I'm a little grey as to one or two people here but I think Vern Taylor at the time, called me up to his office, when I started Don Mackenzie ran the western operations for Imperial Oil, the exploration and production department of Imperial Oil. It seems to me Don had gone to Toronto and Vern Taylor was running E&P. The Canadian Petroleum Association went and saw him before they offered me a job. Then they offered me a job as a statistician. It would have been effective Dec. 1, 1956 and I recall calling Mr. Taylor and asking for an appointment with him, because he was on the Board of the Canadian Petroleum Association. Now obviously everything had been cleared prior to my being approached. I recall him saying to me, he said, Bill, there's nothing we could offer you that could give you the same opportunity that the Association

can give you and that you'll be meeting with so many people in the industry that gave you a cross section of what's going on. I remember another comment which never came to fruition but he said, perhaps someday you'll be back with us. At this time this was very impressive to a young fellow in the business.

#106 NM: So then you went to work for the Canadian Petroleum Association.

BS: That is correct.

NM: And what did your post entail?

BS: What did the post entail? I was as I mentioned, a statistician. It was anything from, well, basically it was a public relations job. But also, kept track of numbers right from the E&P side to the downstream side. You tried to build up statistics on the industry, you worked with committees, such as the reserve committee, which I guess, to this date is the only recognized reserve number in the country is that provided by the Petroleum Association. I was secretary of that group. There were some wonderful people on it, my gosh, people that are renowned in the industry.

NM: Who was the President at the time you started working there?

BS: We didn't have a President per se, there was a Chairman of the Board and Directors. The Chairman of the Board, I'm just having a little difficulty. I think it was George Knox of Chevron Oil and Gas but I can't be sure. I know the following year it was Art Ditmar??? of Mobil and I know a few of them. But I think George Knox was Chairman when I joined the Petroleum Association.

NM: Can you give me some of the names of people you worked with?

BS: Worked with or associated with?

NM: Both.

BS: Worked with first of all, there was John Proctor who ran the Association. And I'm talking Association now, I'm not going into Imperial, you didn't ask me those questions. But John Proctor was the General Manager. There was Doug Turner. Doug has since come east I believe but he was the Manager of the Alberta Division. A boy named John McCoven??? who was perhaps one of the more interesting ones because John has done very, very well with Mobil Oil Corporation. He was kind of geophysical advisor I think. Jack Peach, who was the PR man. I can name all the secretaries. Jim Corbett, who became General Council and more or less took over the Alberta division after Doug left. I hope I haven't left anyone out but I think generally, they come to mind. I just haven't thought of this in so long Nadine.

NM: How long did you stay with the CPA?

BS: Well, as I mentioned to you I joined the CPA in December, actually January 1, 1956. I left the CPA in September of 1967. I might add, no pension. I guess it was June of 1958 and I was down in Ottawa on a trip. I flew back on the Hudson's Bay Oil and Gas plane. It was a Lodestar, I'll never forget it being the worst flight of my life.

#165 NM: Why?

BS: We took off from the Ottawa airport at 8:30 in the morning and we hit a thunderstorm a half hour out. And you've got to appreciate now what we're talking about. A Lodestar's

operation to Ottawa, was in the order of, from Ottawa to Calgary would be 12 hours. I think that was roughly right. It was an awfully long trip. I can recall there was R. C. Brown, who was at the time, running Hudson's Bay and a wonderful man. He slept and Carl Nickle was aboard, Dick Cruikshank, I can recall we set down in Saskatchewan and let Dick off. He was Canadian Devonian at the time, Canadian Devonian is that correct, I think so. Ed Lewis who was legal advisor to Imperial Oil and myself who was white-knuckled. But in any event, the flight was just awful and we set down in Thunder Bay for breakfast, which was around 11:00, weather clear, ???, and we took off for Regina and boy, did we hit ice. And we lost the starboard engine. In the old Lodestar there were 2 engines and the pilot fortunately gave it a little alcohol or whatever it was and started it up again and we sort of made it and we got set down in Regina and let Dick Cruikshank off. I think Dick was the only one from Regina and then we went on to Calgary. We got to Calgary and I said to the pilots, you had a 3rd pilot all the way because I had flown that plane from the time we took off from Ottawa to Calgary and he said, well, we needed it because I didn't think we'd make it for awhile. Well, that's something a pilot shouldn't say. In any event, all the speed lines of the aircraft were torn off, the ice had just. . . it was just a mess.

NM: You are lucky to be alive.

BS: Oh no. No, no, obviously. . .well, yes, I'm lucky to be alive, I'm always lucky to be alive. But no, I don't think others saw it the way I did. I was a relatively young man. But I must say I didn't fly for a long time after that. On that flight I was offered the Ottawa job.

NM: Who offered it to you?

BS: I think it was R. C. Brown and Carl Nickle.

NM: And what was this Ottawa job?

BS: To open an office in Ottawa which would be primarily, "low key", and offer an information service to parliamentarians and anyone else from the east that wanted it.

NM: About?

BS: The oil and gas producing segment of the industry.

#214 NM: So were you working more or less with the National Energy Board or not at all?

BS: Well, that's an interesting question because the National Energy Board, when I moved here, was not passed by legislation. I followed the Borden Commission, in 1957, before I moved to Ottawa and then I moved to Ottawa in the fall of '58, in August of '58, sort of studied up in September of '58 and the Borden Commission's final report, if my recollection serves me correctly and I can certainly be corrected, was October, we'll say 1st or 2nd or 1958. It was the same day that the Jackson Building, which was just down the street here, Nadine, blew up from a natural gas explosion. And that was when the oil report came out. The gas report came out in '57. The bottom line, not getting into detail but the bottom line of the Borden Commission report was the establishment of the National Energy Board, at which time the bill was passed. . . Again, I'm subject to correction by a month or two but I think August of '59. The first hearing of the Energy Board commenced the 6th of January 1960 and that was the Trans Canada Pipeline, major export. . .no, it wasn't just Trans Canada, it was a major export proposition, West Coast,

Trans Canada and I think Alberta Natural. At which time I appeared on behalf of the Canadian Petroleum Association, I think on the first day of that hearing. And not being a lawyer, I stood up and made a comment for Jim Corbett, I can recall, that I'm appearing on behalf of Jim Corbett, who will be counsel for the Canadian Petroleum Association.

NM: What was the response in Ottawa, to you sitting at this office?

BS: Well, it's very difficult to assess the response. There was no, you know, my gosh, what are they doing here or this and that and the other. We had a good number of inquiries and I think the office was serving its purpose. What else can I say, I think it was, I think there were some . . .

NM: What type of inquiries?

BS: Oh, anything. Anything from you know, how does an oil well be discovered, how do the drillers operate, what price are you drilling for, what the cost of a barrel of crude, right down to the refinery end, of which we were not involved in, I might add at the time. But I was very fortunate in knowing a number of people who were able to assist me and assist other people if I didn't have the information.

NM: Did you have to go back often to Calgary or were you staying mostly in Ottawa?

BS: 2 or 3 times a year.

NM: And then what happened to this office?

BS: It's still operating.

#261 NM: Did it get bigger?

BS: It got bigger and bigger after I left. In 1967. . .between the time it opened I think it became more accepted, people would call, you'd get to know the politicians, the quote, low key, became a little higher key. And I can recall, and again, this is I'd like to say off the record but I know you've got it on the record, but one thing that always concerned me as a Canadian, and as an individual that's come out of university with his eyes wide open and looking for a quote, free enterprise, which I will say right here that I don't believe there is such a thing. Private enterprise yes, but free no, under the taxation system we've got. But I kept hearing from the industry, free enterprise, we've got to hold of it. And yet the first person, and on record somewhere you can find the speech I gave at the Petroleum Association as a young man, I still consider myself a young man mind you, but as a young man, I'm talking to my seniors and my peers. I can't understand an industry that is espousing free enterprise and they're the first one knocking on the door for assistance from the government. This upset me very much. Needless to say I wasn't too well received. But it's interesting that the oil and gas business in Canada, and I don't think wrongly in retrospect perhaps, they saw the openings, they made the move. And at that time we had the Canadian Petroleum Association. The Independent Petroleum Association really wasn't a factor. You had the independents and the majors arguing with each other and it was an interesting time. A great education for me and boy, I'll never forget my days with the CPA. I can honestly say that I knew more people whom I respected, to call my friends. I was the junior of all of them, but my gosh, they were good to me. Any time I needed to talk to them I could and they were wonderful people. And these were kind of the movers and the shakers of the western Canadian oil industry at the

time. I was just a young buck trying to get along.

NM: What were the relations between the CPA and the government of Alberta and the CPA and the government here in Ottawa?

BS: Well, the CPA and the government of Alberta was very good. First of all we had at the time, the Oil and Gas Conservation Board and of course, there was a direct relationship, it was in Calgary and Ian McKinnon at the time was Chairman. George Gauvier was Vice-Chairman and he was a professor at the University of Alberta in Edmonton.

NM: This is the end of the tape.

Tape 1 Side 2

BS: Ray Millard was secretary, who is now Chairman of the Board, the Alberta Conservation Board. Or pardon me, he's got a new fancy name now, I can't recall what the title is now. But yes, we had a very good relationship with the Conservation Board in Alberta and certainly with the Department of . . . I've got to think, Mineral Resources, I think, in Edmonton and Hubert Somerville, I think was Deputy Minister.

NM: That's right, yes.

BS: Now I'm testing my. . . maybe I'm getting senile, maybe some of this stuff will come through but I think Hubert was Deputy Minister. And we had a super relationship, I mean, it wasn't the scare tactics that are on today and you can't talk to this and you can't talk to that or you can't fly here or you can't fly there. Everything was done and we tried to have a communication that everyone would benefit from. And I think they did. There wasn't the . . . I guess, "money grab", from either the province or the feds, the federal government that we see now. Our relationship with the federal government was basically, Northern Affairs, EM&R was not a factor. EM&R at the time, and I'm talking before '64 I guess, was basically a technical, it was mines and technical surveys, that was the name of the department, it wasn't energy, mines and resources. Finance was a key department because completion was #1 on the list of concerns of the industry. Gosh, Nadine, you've got me buffaloes here, I'm afraid I might wander off. I guess taxation and the finance department was the key function of the Association down here, outside of the parliamentary system, where they didn't know what ??? The Trans Canada debate sort of created a lot of stir down here. Did. Saw a speaker resign, all sorts of upsets, the government fall. Largely perhaps, because of lack of information and knowledge but in retrospect, coming to know the political animal and politics, I don't think any amount of information would have staved off what was coming there.

NM: So how long did you stay with the CPA here in Ottawa?

BS: I moved to Ottawa in September of 1958 and I left Ottawa for Toronto at the end of August 1967.

NM: What were you going to do in Toronto?

BS: In Toronto I was going as assistant. . . let me put it this way, my title was Assistant to the group Vice-President of Trans Canada Pipelines, who at the time was Vern Horty, who as the title implies, was group Vice-President of Trans Canada.

NM: And what did you do? Your title sounds very nice but what was the work?

BS: I think primarily it was a job of public relations. One of my responsibilities was public relations for Trans Canada Pipelines. At the time there was pipeline being built through the Great Lakes. The Great Lakes Gas Transmission Pipeline Co. was being built, it had come under considerable controversy as to whether or not it should be built. There were journalists in Washington, journalists in Ottawa, all questioning the value of the Great Lakes system. Trans Canada had never. . . I have to be very careful here, I don't mean to be negative towards any individuals that had been involved in the public relations area of the company prior to my joining the company. That wasn't the point, the point was the change of direction I think the company felt it had to make at the time they hired me. In other words, god willing, with me they'd be a little more aggressive. I don't know whether it worked out or not, you'd have to ask Trans Canada Pipelines.

#060 NM: And how long did you stay in Toronto?

BS: I was in Toronto until 1971, I was assistant to group Vice-President and my group Vice-President and I use that kind of personally, in other words there were 2 group Vice-Presidents and the one I was assistant to became President. So then I got promoted to assistant of President, he kept me on. I've got 1 or 2 things I would say, and Vern Harty I respect very much, that I can't really put on tape. It's kind of interesting but no. There's been a lot of funny stories in the time. Being assistant to the President of Trans Canada gave me, again, like the Canadian Petroleum Association, I was a relatively young man and I still consider myself a relatively young man. However, it gave me the opportunity to meet some very interesting people. I don't think we really talked about the CPA and some of the people I met there. But Trans Canada had a wonderful Board of Directors, I mean, you could write a book on each one of them. Some of them have written books, well, you know, a few of them. But there's some experiences that, being as I mentioned to you, in the PR, and I don't like that very much, nothing against the public relations business but I've never thought of myself. . . more government relations, the rest is common sense to me. But I know some people that would get upset with that statement. I did get involved with organizing Directors meetings and attending Directors sessions, particularly the social aspect of it. And there have been some funny experiences with some names, like Bobby Brown, god bless him, rest his soul, Ian Sinclair who has since I think retired from CPR now. Some very, what you'd call, in our little industry, the movers and the shakers of the business. One story I think I could tell, and the reason I feel I can tell this is that Ian Sinclair I think laughed the hardest, was at a Directors dinner at the Tamahac Club at the retirement of Vin Scully, who at the time was Chairman and Chief Executive Officer or President, I can't recall, of Stelco. He was retiring from our Board. Trans Canada had a 70 year limit on the Board, has. And I think he'd reached the end of his tether. So we had this wonderful dinner down at the Tamahac Club. It was a funny night. Nadine, I might ask you to strike this from the tape. But in any event, after the dinner, first of all, everyone, I can recall Canadian Pacific had just become the major shareholder in Trans Canada and up to that point, Home had been the major shareholder in Trans Canada. So the dinner went on and there were speeches given on behalf of Mr. Scully and beautiful speeches, just wonderful and if you see the respect that these "industrialists" have for

each other, in entirely different fields of endeavour. It's encouraging. Some are, I'm not going to say bad, but naughty and some are straight-laced. Well, I'm sure you've heard of Bobby Brown, god rest him. Unfortunately after, or fortunately, it was an event I'll never forget but we opened the bar after the dinner. These people had come from all over and they'd toured the Stelco plant that had made the pipe and they'd gone to their research centre, which was a brand new research centre and this was the dinner afterwards and retiring Mr. Scully. I can recall being with Bobby Brown and unfortunately I forget his name but he was the Chancellor of McMaster University. Mr. Brown and Bill and the Chancellor of McMaster were standing together in conversation. Mr. Brown points across the room and he says, see that man there. And I start to turn a little green and the Chancellor of McMaster said, yes, Mr. Brown I see that man there. I wouldn't let him run an elevator in my building. I then turned completely green and the Chancellor says, Mr. Brown, and he was very polite I might add, shh, he might hear you. And Mr. Brown looked at him and said, and unfortunately I can't recall the name, he said, sir, I don't care if he hears me. And he immediately calls Mr. Sinclair over to join the crowd, the crowd of 3 of which I was 1. And he told him outright, I wouldn't let you run an elevator in my building. I must say I didn't know whether to laugh or weep because I'm just a fellow trying to make the party go nicely. But I'll never forget that, it was an experience. I've been fortunate enough to have talks with Mr. Sinclair and he respected Bobby very much and there was a mutual respect between those two that I don't think was ever known. Not only that time, I'd seen it another time in Calgary in 1969, there was something there. Of course, Bobby is gone now but he was a wonderful man.

#151 NM: In '71 you left Toronto.

BS: That is correct, I moved back to Ottawa.

NM: And what did you do there?

BS: I set up my own consulting business with Trans Canada as my principal client. Actually in my first year Trans Canada was good enough to keep me on their payroll, for lack of a better term, as permanent staff until I got established and then I acquired other clients with Trans Canada always being my principal client.

NM: And since '71 what has happened?

BS: Well, of course, I've had various clients. During the Canadian Arctic Gas situation we had people such as Standard Oil Company of Ohio and Atlantic Richfield Company, all interested in the north. And then as you know, we had the National Energy Board hearings. We had kind of amazing results from hearings, a decision. We had a Chairman that decided to sit, in spite of legal advice, on a panel which he sat on and was later ruled ineligible. We saw another Chairman come in, make up a panel I'm talking about now, on the Arctic Gas, which I think is perhaps one of the most significant events. This happened over many years and this. . . now, I've got to be very careful on this. . . it was a very unfortunate event which I think was brought on by a number of reasons. But in any event, my life in Ottawa, I like Ottawa very much, I've had a number of clients, diversified in interests as they may be. From the financial community through the pipeline business and then oil and gas primarily. The interesting thing Nadine, since really, I came here in 1958,

and then up to 1967 I left, came back in '71 and now I'm, my gosh it's 1984 and I'm still here. But we've seen Imperial, they really didn't have anyone of an executive calibre here, then Gulf moved in, and I'm talking now in the early 60's, Shell moved in, but no one else sort of came around in the Ottawa scene. I left in '67, the CPA grew, they changed. . . well, I think they had some growing pains but they tried to upgrade the office and then it changed. They've done, although. . . with some ups and downs, changed. But now you see Shell, you see Gulf, you see Mobil, you see Imperial, you see Texaco and lord knows, so many other companies from the west, represented in Ottawa, not to mention, the Independent Petroleum Association, who's taken an active role from Calgary. But all of a sudden the industry, and I say all of a sudden, within the last decade, and needless to say, prior to 1980, when the dear National Energy Policy came in, move in here because they . . . I don't know, the industry tends to close the stable door once the horse is out of the barn. And they've been moving in like gang-busters. I don't know, I don't think anyone knew what was coming out in October 30, 1980. Otherwise things would be entirely different as far as "the lobby" of the oil and gas business is concerned. And I think that one document has to be one of the most interesting studies that political scientists, economics people, will look at for years, and certainly politicians. Even now, we're going through, Nadine, within the next 6 days we're going to elect a new Prime Minister, or someone's going to elect them, the Liberal delegates. It happens to be he will be the new Prime Minister, regardless of who wins the next election. No one is expressing the National Energy Policy and the effects it has had on the economy correctly.

#228 NM: That was one question I wanted to ask you, what do you think of the National Energy Program, what is your opinion?

BS: The objectives I think, are fine. It's been the objectives of the oil and gas business since I think, its inception. Self-security, gosh I might leave one out, Canadianization, and revenue sharing. No one can argue these points, no one wishes to argue these points. But when I see politicians coming out or press, journalists coming out and saying, what are you going to do to change the National Energy Program, and they say, what do you mean about this. I wish they'd ask them one simple question, why did Marc Lalonde not get the Director General's job with the OECD. And they'd have their answer. That was in 2 words [the back in]???. George Schultz in the United States wouldn't put up with it and I, as a Canadian, again, I'm trying to divorce myself from the industry, all the actions we have taken in my life, in the oil and gas business, or on the fringes or. . . as a Canadian I was very embarrassed about that, very embarrassed about it. Because that was retroactive legislation if I've ever seen it. I just can't live with that myself, I don't like it. I think the intent may have been honourable but there's no way Mr. Lalonde can justify that.

NM: You have been a witness to the ups and downs of the oil business. What do you think of that?

BS: Well, the ups and downs of the oil business, I guess we've had really, 2 drastic ones. The downs. And the ups have been kind of in between. Oh no, we've had more, we had a down in '64. I can recall, I think it was 1963, '64, and you've got to appreciate, Leduc

came in in '47. I think, it was February 12th. And then, I think just before I joined the industry there was a little dip and then in '54 things went swimmingly to the end of the 60's. Then all of a sudden there were geologists walking the streets in Calgary like you couldn't see the likes of. I mean, there were just all sorts of them and they were unemployed. Then things picked up in the late 60's, then came '73 and we didn't have any gas, we didn't have any supply and we were right down. I can show you some atrocious statements that were made at the time, which were quite true. But you wonder who people would take faith in our security of supply because we had no security in our own supply at the time. Then the 70's of course, we know what rode up in the 70's to 1980. To the point where the federal government came in with the NEP and the NEP, not only was it designed to meet the objectives outlined on page 1 or 2, whatever it was, the 3 which we've mentioned. The 3 which we've discussed earlier, namely security of supply, Canadianization and revenue sharing. But I am convinced there was a feeling in the bureaucracy of the federal government that the Alberta economy was overheated and by implementing the National Energy Program it would not only have the affect of enabling a more equitable share of the revenue but also would cool down this overheated province, which was of such a concern to them. Nadine, I can assure you if you raise this with any bureaucrat they will deny it but I'm convinced it was there. I want to make one other point about geologists being unemployed, back in 1964. This year my son graduated in geological engineering from Queens University. He entered the school to take geology. I said, Blair, you get the iron ring because I've seen engineers, they're employable but the geologists without the iron ring are not and you've got to be awfully careful. Now don't tell any geologist I told you that.

End of tape.

Tape 2 Side 1

NM: How do you foresee the future of the oil business in Canada?

BS: Nadine, I think you just were going to ask my if I'm an optimist or a pessimist. I'm very optimistic. I'm very optimistic on not only the oil side, but also the gas side. I think the frontiers are very exciting places at the moment. Whether we go to Venture in the Sable Island general area for gas, whether we go to Hibernia, which I think it still just in its infancy or whether we go to the hard knock Beaufort, which has certainly had its bad share of luck. But by gosh, I think it's there and it's going to develop. But over and above the frontiers, we've got the domestic, onshore, south of 60 supply. We're finding new things every year. The last 2 or 3 years you've got some new geophysics coming into play, you're finding things on pinnacle reefs which a few years ago weren't sort of looked upon. Gosh, people had drilled around these things. There was a little play up in northeastern British Columbia with some shallow footage that had been missed. I'm convinced that the basin, whether it's Saskatchewan or Alberta, there's going to be more discoveries south of 60. One thing I would like to talk about a bit is gas. The quote, gas bubble in the United States, I feel so confident it's gone. From that I'm not sort of casting any nastiness on the United States, but I think it's going to assist our industry in that I think the markets in the United States for Canadian gas are going to increase substantially

within the next 2 years. I think a lot of people are just so pessimistic on the gas business now, it's unfortunate. I happen to be very optimistic that we're going to get a demand for our gas and we're going to sell it and we're going to sell it at a good price. That the flow back to the producer will be good and the producer is going to be rewarded for his efforts.

NM: Can you comment on the contribution of Alberta to the development of the Canadian oil industry? You worked in Alberta and then you came to the east.

BS: Nadine that's a very general statement but one point I would make is that I think Alberta, in setting up its oil and gas regulations, after the initial discoveries, utilized all the regulations that had preceded it. In other words they took advantage of all the past knowledge there was and I think, came up with a very sound set of regulations, which ultimately led to a very vibrant industry. Certainly there have been changes royalty wise and otherwise, which you're going to get pros and cons, certainly again, from the producer or from maybe Bill Davis in Ontario won't like it very much. But basically I think, from the oil and gas point of view, Alberta approached it in a way they should, taking advantage of the mistakes of the past.

#048 NM: Who were the most influential persons in your career?

BS: Well, the word career kind of scares me because I think it might be just beginning but I think one person I think of is kind of a wonderful man, he was the Director of the School of Commerce at the University of British Columbia, named E. D. McPhee. He wore a wing collar and bow tie to every lecture he gave. He was just a very positive man to his approach to business and he was a very, not right wing but had faith in the individual to accomplish the goals that he sets out to accomplish. And he had faith to do that. And then, in the industry itself, as I said, at a very young age, I had the benefit of being with the Petroleum Association and I was sitting around the Board table with the R. C. Brown's, the Vern Taylor's, the Don Mackenzie's, the George Knox's, Ned Bapson. Gosh, I remember, a lot of these people that said so many things that meant so much, they'd argue many hours which I felt should be solved within 10 minutes. Amazingly enough, after their discussions and things, the answer came down to what I in my innocence perceived as correct. In other words common sense I think, and perhaps I'm giving myself credit for more than I should. Then of course, you meet people in your life beyond your initial ones and there's one or two. . . I was associated with a man I consider very fine, Vern Horty. As his assistant in Trans Canada, when I went on my own, Vern was. . . gosh, he's still a very close friend. Roughly the same age. And a person I have great respect for is Gary Little, who is now a senior general manager with Mobil Corporation in New York. A world class executive in all respects. And I have a great deal of respect for my current principal client, who is Rad Latimer of Trans Canada. I think in different ways they've all added to what you might refer to as my career, but which I might think is a career about to begin.

NM: What was the most exciting experience?

BS: Nadine, that's a very difficult question to answer because, as a young man I was kind of moving in fast company. You might say I was in the fast lane for a young person. But I guess the most exciting experience I had was at the age of 26, being offered the job of

opening an office for the Petroleum Association in Ottawa.

NM: What do you consider your achievements?

BS: Nadine, as I suggested to you, that's a very tough question. I think perhaps my greatest achievement is fathering 3 wonderful children. And from then, as far as the industry is concerned I would think that to specify an achievement is very difficult. Particularly in the field of endeavour of which I am in or anyone in a job similar to mine has been in, whether it be public relations, government relations or what have you. What you do today might not bear fruit for 5 or 6 years. And so you can't really say, by gosh, I've done it. There are 1 or 2 specifics I can refer to that would be very . . . it would mean a lot to one specific company but not so much to the others, that's right. I only hope that some of my input, whether it be into the politician or the bureaucrat, to the industry which I served for so long and hopefully well, something came out that we are benefiting from today. I think that's about all I can say on that.

#110 NM: And this is the last question, on the whole, what do you think of the oil business?

BS: I think the oil and gas business is the most exciting, vibrant business that you can be associated with. Problems, yes, but that makes the game go. There are concerns, some of which I had mentioned to you earlier in the tape, I'm very concerned when I find the industry coming down and asking, on the one hand and on the other hand saying no government interventionism. It's very difficult for an industry that has been intervened upon not to go and try to protect their own interests. That is to say, if the rules of the game are set, take advantage of all the rules and get the most out of it. I feel that, as I mentioned to you, you said the future, I think the future is great for this industry. We're seeing problems in the other energy industries, such as the nuclear and electrical, which is gas's biggest problem today. I think from producing right to the downstream, I think the oil and gas business is a great thing and I think with security of supply, any stability in the Middle East. . . everything is positive as far as I'm concerned at this moment.

NM: Thank you very much for this interview, Mr. Stuart, it was very interesting.