

Narrator: Patrick Doherty (PD)

Company Affiliations: N. M. Paterson & Sons Ltd., Paterson Steamships Ltd.

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Summary: Retired vice president and general manager of N. M. Paterson & Sons' steamship division Patrick Doherty discusses his move through the company ranks from junior clerk to the grain desk, then to ship traffic management up to vice president. He details the changing tasks and growing responsibilities involved in each of these positions, as well as some of his colleagues and bosses along the way. In the grain side of the business, Doherty describes unique features of Paterson's terminal elevator in Thunder Bay, their focus on dust control and explosion prevention, and the elevator's eventual demolition. In the shipping side of the business, he describes the growing sizes of ships, laying ships up for the winter, the use of Paterson ships during the Second World War, and changes to crew and staffing due to union changes. Doherty tells several stories of shipping accidents, including the *Labradoc*'s near-capsizing and the sinking of the *Edmund Fitzgerald*, and he explains the unpredictability of the shipping business due to weather. Other topics discussed include growing and shrinking the Paterson fleet, constant communication with other industry players, friendly competition among rival shipping companies, major customers in grain and iron ore movement, interactions with the Wheat Board and its demise, the introduction of self-unloaders, and the Paterson family's affinity for working in Thunder Bay.

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Time, Speaker, Narrative

NP: It is February 27th in the afternoon, and I'm conducting this interview in my apartment in Thunder Bay. And I will have our narrator introduce himself and his connection to the grain trade.

PD: Hi, I'm Patrick Doherty. I work for N. M. Paterson & Sons Ltd. starting in 1953, and actually retired, I guess, it was '91 after 38 years in the industry. I left high school and started out as a junior clerk—another word for a gopher—and basically worked on the grain side of the business from then, moving up from various desks. And I don't remember the year I moved over to the steamship division, but I moved over to that side of the division, and that's where I retired from in 1991. And I retired as the vice-president and general manager of the steamship division.

Yeah, a lot of changes through the years. I mean, we went from a one-storey office and expanded eventually. Expanded the bottom storey and then added the top storey, and it became a two-storey office, et cetera. The grain elevator was pretty active when I started. It was a 4-million-bushel house, and they moved a fair amount of grain. It was up the river, and that limited its lifetime because of the expense of getting up the river. The boats were getting bigger. The old 400-foot boats weren't around anymore, so they eventually just phased it right out and tore it down. I can't remember the year they tore it down, but I guess, you know, it lived its lifetime over.

NP: Since you started telling us about the elevator that you started at, was the other elevator that was the smaller one inland, had it--?

PD: Elevator K was gone by then.

NP: By then.

PD: I started in '53, and I'm not sure what year it went, but it went quite a while before I started with Paterson's. Because it was during the war years when they built what they called the annex—the large tanks—and they were 140,000-bushel tanks. I don't know if--. I guess you've seen pictures of the elevator, but basically, the office was in between the tanks along the river—which were ranging from about 22,500 bushels up to around 40,000 bushels—and then they had the big workhouse in the centre. During the, I guess, it was--. No, it was actually at the start of the Depression back in 1930, if I remember correctly, that they actually built the annex. It was one of the few projects that actually went ahead, and that people were spending money on at that time. Let's see. So--.

NP: They built what--. We talked before we went on tape that I know Victor Bel, and you're familiar with him as well, and he referred to the synagogue.

PD: That's the annex.

NP: That's the annex.

PD: Yeah. They called it the synagogue. And it was--.

NP: Was it there then in '53, did you say?

PD: Oh, yeah. It was there right until they tore the elevator down. And I'm trying to think of the year they tore it down.

NP: End of the 1960s?

PD: No, later than that.

NP: I wonder if it's in our book.

PD: I don't know if it is or not.

[Audio pauses]

PD: '41 when--.

NP: Okay. I haven't turned it back on yet.

PD: Okay.

NP: Okay.

PD: Okay. In 1941, looking back through the records, I see that that was when they built the distress storage. That's when ships were busy in wartime at that time and carrying essential cargo, so there was excess grain. So what they did is they built on a slab right next to the synagogue what they call distress storage. It was just a large building, and that's where they put the surplus grain

until such time as they could move it. Just a great big flat bin is all it was. But it was—by the time I started with Paterson's—it was gone. It wasn't there anymore. So I think once the use was over sometime just after the war years, they tore it down.

NP: I had heard through-- My husband and I lived in Winnipeg for most of our working career, and we lived in a development built by Burke Construction, and I did work on a history book for that development, which was built right after the war. And supposedly, the houses were built with wood from the distress storage in Thunder Bay.

[0:05:09]

PD: Amazing. [Laughs] Small world, isn't it?

NP: I know. And I always felt comfortable in that house.

PD: Yeah. Well, Burke Construction was originally out of Minneapolis, weren't they?

NP: I'm--.

PD: Yeah, I think so.

NP: I'm not certain. I don't know that much about their history. So I'm still trying to track that down. I don't know if I'll ever come across anybody that would know.

PD: I think so because did they build the synagogue, et cetera? I'm not sure. But I know it was a Minneapolis firm that did it, that actually took and did a lot of work on the elevator, and particularly the synagogue that they built.

NP: Yeah. Fegles?

PD: Oh, Fegles. That's it.

NP: Yes, that's--.

PD: Now that brings it back. Okay, that's Fegles Construction, sorry.

NP: Mmhmm. Now--.

PD: That was before my time.

NP: Yeah, it was. [Laughs] The records from Paterson's office went down to the Library and Archives Canada, so if there were any records about the dismantling of that elevator—the distress storage—would that likely have made its way down, or it could possibly have?

PD: I don't know. I don't know how much of the grain stuff they kept. They kept the senator's correspondence for years and years, and of course, the steamship correspondence went right back to the *Drummond* and *McKee* when they used to just go around the harbour and move grain around the harbour. But I'm not sure that they really kept a lot of the grain records.

NP: Okay.

PD: Payrolls and that they would keep, but the rest of it is most likely gone.

NP: Well, when I have lots of time maybe I'll go and check it out. Before we get too far off track—and at my fault, not yours—I want to go back to your early life. Were you familiar with the grain trade at all before you started working for Paterson's?

PD: Not really. I mean, I was born and raised in Thunder Bay—in Fort William, actually—and I had a parttime job at a shoe store, delivered newspapers, you know? All the usual things. Then I left high school in the middle of high school and went down to the Unemployment Insurance Office, and they said they needed a junior clerk out at Paterson's. So I went out, and in March of 1953 they hired me. I forget how long I was junior clerk, but I guess it was a couple years of catching the bus, going downtown. Was it bus? Yeah, it was buses then. Catch the bus and go downtown and go to the bank at noon, et cetera. In the morning, I used to start out, and I'd go to Lake Shippers Clearance Association, which was the one that controlled the shipments of grain out of Thunder Bay. Then I would go to the CN [Canadian National Railway] office, which was in the Chapple's Building—the same building—and I would pick up what was called the freight sheets. That was for all the freight costs on the cars that we unloaded the day before.

Then I would go down to the CPR [Canadian Pacific Railway] office, which was underneath the subway right by the CPR station, and they had a freight office down in there. I used to go through there and go there and pick up their freight sheets, and then go back out, catch the bus to go down to Westfort to the office. Then at noon, I would go, and I would actually come into town. Oh, I also picked up the mail as well in the morning. That was another one of my chores was at the post office to get the mail. Then at

noon, I would take and do the banking. I would take anything that had to go to the bank, and I would drop it at the bank. At that time, when I started, it was the one right near where the Odeon Theatre used to be. There was a Toronto Dominion Bank right there. So I would go in and take in any deposits and pick up anything that I had to—not picking up a lot of cash. You know, it was cheques, et cetera. I wasn't carrying around \$20-30,000 payrolls.

Then at night, since I was the junior clerk, I'd have to take the mail and basically take all the mail and stamp it or run it through a postage machine, and then I would drop it off on the way home. I'd catch the bus downtown and then drop it off. And then, I guess I was—I'm trying to think—about '54 or '55, I got a car. So then I could drive back and forth and not have to play with the bus. But I still made the same stops. I didn't get car allowance, by the way. I mean, I got bus allowance, which doesn't nearly cover a car, but you know, when you're 20 years old, having a car is extremely important. So I did that for a couple of years, and then I started moving up on the grain desk.

[0:10:26}

NP: Can we just sort of stop there for a moment? And then we'll move on to the grain desk because I'm--. One thing I find interesting about what you've just said about your job is that it wasn't a desk job. You did a lot of--.

PD: Well, I used to go to the elevator and pick up all the--. Like at 2:00 in the afternoon, I'd go to the elevator and pick up all what they call the grain sheets of everything of the cars that were unloaded the day before. And I'd bring them back to the office, and then the people that were working on the actual grain desk at that time, they'd process it all and get it ready to be shipped off to Winnipeg, et cetera. Then we had the steamship division. We owned Western Engineering. Western Engineering did a lot of work for us, of course. You know, we employed our own company to do ship repair. At that time, there was a fellow named George Scott. He was the manager, and George had to okay all the invoices that went through for ship repairs. So no matter where they were—whether it was his invoices or whether it was from out of town—so I used to go and take those over as well, and I'd have to sit there with George. He'd go through them and initial them and so on. Very great fellow. I mean, he was very personable. He chatted with me. He'd chat and be doing invoices. And of course, I'd go through it about every second day. I knew all the fellows and the machine shop, et cetera, because basically we were all employed by the same company. So it was quite an experience. Yeah, I spent a lot of time drifting around.

NP: And who--.

PD: I don't know if I was the world's greatest junior clerk. I said at certain times, "If I would've been my boss, I think I would've fired me." [Laughs]

NP: Why?

PD: I don't know. Well, you get lackadaisical. You know, you're on the same job, a little bit on that type of job too long, and then you start goofing off because there's not a lot of incentive.

NP: Well, somebody might have considered it that you were learning a lot about the business.

PD: I don't know. [Laughs]

NP: In an informal way.

PD: Well, you learn a lot by the seat of your pants, I guess. Then people die or retire, and so then I moved onto the grain desk. But basically, I was the gopher, and I spent a lot of time elevator, Western, downtown, post office, et cetera.

NP: When you started your first job with Paterson's then and showed up at their office first day of work, was that the first time you'd ever been close to or in an elevator?

PD: Yeah. I had no reason to go in an elevator.

NP: Yeah. What did you think about them when you first got in them or near them?

PD: Well, actually, I don't know that the elevator as such--. I mean, it was there. I think when you first walk in, what you're doing, you're going to sit down and talk to somebody, and you're going to see about getting a job. And that's where your focus is. I walked in and a fellow named Harry Sinfield was the office manager at that time. Sat down and talked to him for about 20 minutes, and the amazing part was he hired me. [Laughs]

NP: On the spot?

PD: Hm?

NP: On the spot?

PD: Yeah.

NP: Oh, good!

PD: They needed somebody, and it wasn't too an important position. I guess they were used to going through people. You'd have a junior clerk for a year and then they would move on and do something else, or they'd be moving up on a desk and be gone from that job. Yeah. I was recommended by the Employment Insurance—Unemployment Insurance Office they called at that time—and that's where I went to see about getting a job. They said, "Well, we've got this job at Paterson's. Why don't you go and talk to them?" And I did, and they hired me, and then I spent 38 years there. [Laughs]

NP: Was there hustle and bustle around the site because the elevator was right next to the office?

PD: Well, don't forget we had--.

NP: Trains coming, ships.

PD: Well, actually, all the cars were moved in at night. The grain cars come through at night. In fact, if you remember young Larry Berglund—I don't know whether you know Berglunds—but anyways, he smashed up hitting a train that was crossing going into Paterson's, and there was no lights on the crossing. He ended up quite crippled up because of it. That was, I don't know, midnight or something like that coming in. By the time he saw the boxcars--. You know they're big brown boxcars. Smash up. The cars were shifted in at night, and they put them on the tracks, and they'd just pull them down during the day because they had big winches, and they used a winch to move the cars down. They would take and unload the cars, and then as they were empty, they'd just shift them out, and then the railway would take them away and put new cars in for the next day.

[0:15:49]

So, yeah, I would think after I got started, and then of course, I had to go out to the elevator, and I had to meet the guys out there and so on. Oh, I used to go to the government office as well. There was a government office there, and I would get all of the--. Like the elevator had the weight sheets, the government office had the grade sheets, and they all went together to make up the reports you're going to do on the car. Like [No.] 1 Feed barley, whatever it was, whatever the dockage was, which is the chaff that they take out of it. And that was the basis for doing all the grain work. I'd go back and forth. I'd be in the elevator at least twice a day. Mmhmm.

NP: And who was in charge at that time? You mentioned--.

PD: John Paterson, he was in charge. The senator was in Ottawa. John Paterson was here, and he was basically in charge of the steamship division. And Donald Paterson was basically the grain division, and he was in Winnipeg. We used to have a fellow come down from Winnipeg about once a year to run over things and so on and talk with our elevator superintendent and make plans for what's going on. So the grain was primarily in Winnipeg, but we did the initial work and then shipped it off to Winnipeg.

NP: You moved on then from the junior clerk position up to the grain desk, have I got that right?

PD: Well, yeah. The starting grain desk.

NP: And what was that job?

PD: Basically, what I did was take in, make up large sheets with all the details on each car of grain unloaded. Whether it was wheat, oats, barley, rye, and the grade. Well, you needed the car number, the grade, the amount, also how much dockage was in it. In other words, if they said it had--. They would take and scale it out, and they'd say, "Well, it's got two percent dockage." So you would take and reduce the amount of actual grain by that amount. Then when you got the freight sheets from the CN and CP the next morning, you would then take and fill in all the details for that, and then basically, put it together and ship it off to Winnipeg so they'd have a complete record of what happened to that car and how much the railways charged you to get it here. We'd do up to 45 cars a day. That's the desk I started working on.

Then doing drying reports because at certain times during the years that they had a lot of rain out west and then the grain would come in damp. They would literally put it in dryers and dry it out, heat it up and dry it out, and you could see the steam coming out of the elevator. Then you'd have to do drying reports because when you take moisture out of grain, you change the weight. So you take the moisture out, so then you've got to recalculate. So if you had 12 percent moisture and you cut it down to six percent moisture, then you would take and you'd make a deduction for it. So you'd end up with a net figure that you have because that's loss. It's gone out the window. You can't do anything about it.

NP: [Laughs] Almost literally up in smoke, but in this case up in steam.

PD: Yeah. Well, they used to do the same thing with the cleaners. When they clean grain, they—don't mind if I sort of skip around—but when they clean grain, they run it across a cleaner, and they run air over it as well. It picks up the real fine chaff, the stuff that they don't want floating around the elevator because that's what causes explosions. They take and they bring it up, and

they bring it up in through what they call cyclone cleaners, and it filters out the chaff that comes up with the air. Then the excess, the air is going outside. But in the meantime, they've got these, basically, it's just a container that they save those in—save the chaff in—and then they put it into a screenings bin. But, well, like I say, they're very careful about dust in the elevator because that's what causes all the explosions that's happened over the years.

[0:20:34]

NP: You bring up the topic of explosions. Were you old enough to remember the '45 and '52 explosions?

PD: Oh, yeah. Yeah, I remember about them.

NP: Any--.

PD: Not really.

NP: Not much?

PD: I mean, it happened over in Port Arthur, and when you're that age, that's a long ways away, right? I mean, I didn't have a car then. I was going to school. I knew about it. One of our, well, a fellow that lived over on Vickers Street—which was next to Harold Street—he got killed in one of the explosions. It blew off, and he went down into the lake underneath cement. So he was gone.

NP: Hm.

PD: Mmhmm.

NP: That's when people started being more careful.

PD: Well, it's hard to say. We had--. Like I know at Paterson's, Mr. Waters—the elevator superintendent—was--. [Coughs] Excuse me. Very careful to try and keep the dust down, and he had one fellow, and that's all he did was sweep. He went around and swept the floors and kept the dust down because we knew what a disaster that could be. Because what happens is you get a minor explosion and the dust spreads, and then you get a major explosion. That's the way those things go. So he was very, very careful. Also--.

NP: Before you go on, what was that fellow's name again?

PD: Waters.

NP: Okay.

PD: And I'm trying to think of his first name. Sometime in the distant future. Anyways. [Laughing]

NP: That's okay!

PD: But he was the elevator superintendent, so he was very fussy about keeping it clean. Also, one of the major problems with elevators is the screenings bins. Like you keep screenings, and that's that chaff and so on. Maybe it's got a little bit of dampness, and it compresses. Well, when you take something and compress it hard enough, it'll get on fire. And I mean, I did hear that one explosion was that. Somebody opened the screenings bin and flames come out, and instead of just leaving it, they closed it. So then, it was a 50-foot piece of dynamite, and that blew the elevator up. I don't know that we ever—I think maybe in my time there—I don't think we ever had the firetrucks out maybe twice. It was because a bearing got hot or something like that, never because of any real minor explosions or anything that went like that. And that was basically good housekeeping.

NP: Were accidents much of an issue other than--?

PD: Well, things were a little bit different back then compared to nowadays. I don't think--. You know, you tried to be safe, but it wasn't the same level, I don't think, in lots of ways. You had safeguards in place, and you wanted people to operate safe because you didn't want to injure anybody, and on top of that it could be expensive for the company. But yeah, there were accidents in the track shed. I mean, you had to watch it very carefully because it was dangerous. And we actually had a fellow caught between two cars, and he lived through it. Amazingly, yeah. It bounced, and those couplers come together, and he lived through it. How he did it? I don't know. We had another fellow that actually had a leather jacket on, and it got caught in a chain on a cleaner, and he literally tore the sleeve out. But the elevator, you learned, I guess. You always watch the track shed and watch the winches because those big cables, they were like, "Oh, they're going to cut you in half." I think the boats were a little bit, in some ways, more deadly. There was more fatalities on the boats.

[0:25:05]

NP: What kind of fatalities on a boat?

PD: Going up and cleaning the stack without a safety rope on and falling down 35 feet or falling into a hold. You'd tell people not to do it, but the captain would be sending in or the mate would be sending somebody into the hold and unloading--. We actually had a guy going in and unloading. They were unloading corn. And what they've got is they call it a leg, and it's got buckets on it on a belt, and they're scooping the corn out. Well, he went in to clean off the ledges around so that you don't have that stuff sitting there which eventually collects bugs, et cetera. He literally drowned in the corn. Literally drowned in it.

NP: Just because of the action of the buckets, I guess.

PD: Well, he went down just like quicksand, and they just didn't get it stopped in time. Of course, as you move on in later years, people become more conscious and more safe in safety, and government impressed it as well. And companies impress it because it's not only loss of life, it's—as I said before—it costs a lot of money, and you don't like to be the ones to give the news to somebody that their son has been killed in an accident. So basically, people started stressing safety more and more. The elevator itself, outside of the explosions, that was the main part, and of course, they've had them through the States. I've read about more like Kansas and so on, elevator literally blows right apart. So you're most aware of that.

NP: I've been in a few elevators now as a result of this project.

PD: Okay.

NP: What seems to be to be quite unsafe are the stairs. Were they? Because they seem to be unsafe. People sort of took care on stairs. [Laughs] But you know, I just came down a set of stairs from the top of a bin down to the bottom, and I thought, "Oh, boy. People going up and down these every day."

PD: Well, depending on where they were, they could be rather steep, but in the workhouse what they had was just an area like a hotel. You'd go down the stairs like this, or you ran on a man-belt, and that's the belt that went around and had a place to put your feet on, and you'd put your hands on, and you would ride down for three floors. I never liked using it because I considered it very dangerous. [Laughs] And you had a cable, and the guys would get on there, and they'd stand there, and they'd put their feet on the platform and hang on, and when they got to where they're going, they'd hit the cable, and it would stop the belt. And they'd get off and go on that floor. Well, I don't think you could run those things nowadays. [Laughs]

NP: No. But probably not a lot of accidents as a result of it. I've never heard of one.

PD: Well, no. I was on one in Sarnia, and it was about 60 feet, and I didn't realize it when they did it. And I thought, "Oh, boy. What am I doing standing on this thing?" And I vowed never to run on those things again. [Laughing] So. Yeah, I guess some of the stairs. Same as on the ships, like, it's a crowded environment, and these stairs are a bit steep. But you learn to put your feet sideways, and you go down carefully, and you keep your hand on a railing all the time. Well, the same in the elevator. You would do the same thing because room was at a premium, and it cost more money to build more space. Not quite the same regulations that they have today.

NP: Mmhm. Well, we have pictures from the Paterson collection of the building of the elevator that you're talking about, and they have guys standing at the top of the elevator on structures not quite finished yet. You know, just sort of perching on them. And I thought, "Boy, things--." [Laughing]

PD: Well, it's a different attitude.

NP: Certainly, a different attitude. Yeah.

PD: Yeah. Paterson's lost quite a few during the war on the ships. I mean some ships, they're just gone. They never did know where they went, or they knew the area, but once a U-boat knocked them off, and they're gone, and the whole crew was gone. They had to fight that. And that's where Paterson Park came from, and that's what they dedicate it to the ones that were lost during the war.

NP: Yeah. Now, I don't intend to be rude when I say this, but I thought your job as a junior clerk was probably a bit more interesting than your job on the grain desk where you were filling in this form. What did you find interesting about that job?

[0:30:00]

PD: It was a steady progression. When you got in in the morning, you were busy, and you just kept going until noon, and then after lunch you'd be there until about 1:30 getting all the previous day's work done, and then at 2:00 you're going to get the new stuff coming in. Plus, in that little interim in between, you've got to catch up with the other little duties that you have. So I think if you get stuck there for too many years you get pretty bored with it, but--.

NP: Were you the only one doing that work or were you working with--?

PD: No. What I did, I did all that work and the large sheets with the girls. One girl was assigned to typing up what they called the outturn, and they were forms she typed up, and there were multiple copies, and it was all the information that was on these big sheets. Line per line, she'd do one outturn for each entry on the large sheets. Excuse me. Then there was a fellow when I started on that desk, a fellow named Ed Van Hatten, who was behind me. In fact, he carried me for about three months because he was a crackerjack. He did the keeping track of the actual grain in the elevator. He actually had a large sheet, multiple copies, and he would take and have what grain was supposed to be in the elevator the day before, how much we put in that particular--. Oh, sorry.

[Audio pause]

NP: I think it's great. I don't want to put any dampers on you.

PD: So actually, what he did was he kept track of the grain that was in one day, added whatever we unloaded, and then took and had a final balance for the day. This large sheet of all the grain that's in the elevator of particular grades would then--. A sheet goes off to Winnipeg along with the outturn forms, along with that big sheet that I did, and we would actually send a copy of it down to Lake Shippers. Lake Shippers, each day, would get in other words a summary of the grain in our elevator and what's available. They would then talk to either the elevator superintendent or the assistant superintendent, and they would find out, "Okay. You've got all this grain in the elevator. How much is cleaned? How much is not cleaned? How much is in position for shipping?" And their job at that time was to take and keep the--. It was a collection of grain companies that really ran Lake Shippers, and it was their job to keep the shipments in percentage. In other words, if you had ten percent of the storage in Thunder Bay, you should at the end of the month—or two months, whatever—you should have ten percent of the shipments. So that was part of their job was to take and make sure that the shipments were even and that you kept up with your quantity. And of course, the elevator superintendent watched it very closely, and if it started falling behind, he'd be on the phone saying, "Hey, we're falling behind. I've got grain to move. I need space."

Of course, being up the river, it was always a little more difficult because you had to bring ships up. Well, see, in the days of the 400-footers, there was really two classes of ship at that time. There was canallers, which was up to a maximum of 253 feet, and then you had upper lakers, which were about 400 feet. They carried around 250,000 bushels of grain. The reason I say bushels is because at that time that's what we used. A bushel is a matter of space, not a matter of weight. A bushel of oats and a bushel of wheat weigh differently, but they take up the same space. At that time, the 400-footers, they could come up the river, they would go through the swing bridge at Paterson's, go up to the turning basin, and come back down again. They were a size that they could do that. But when you started getting up to the 600-footers and the 730-footers, no, you couldn't do that anymore. So if you wanted to take and load one of those ships, they had to use tugs, and they would bring it up backwards. The steamship company would say, "Yeah, we don't mind going to your elevator, but maybe you should pick up the cost." [Laughs] So you'd be spending extra money

to bring the tugs up, but you've got to move the grain. And then eventually, of course, it became completely inefficient than the other house to where they basically just tore it down. That's all. They actually amalgamated with Richardson's, and Richardson's took over the employees along with the grain that we normally shipped to our elevator in Thunder Bay was then shipped to Richardson's. Yeah.

[0:35:19]

NP: Now, when you were working on the grain desk then, was Mr. Van Hatten the supervisor of that desk?

PD: No, he was one step up from my job. Not really supervisor. I mean, I did my job, he did his job, and it was considered a step up, but he wasn't really my boss. My boss was basically the officer manager.

NP: Who at that time was--?

PD: Ah. At that time when I started, it was Harry Sinfield. Then a fellow names Davis Coles took over from there, and then another fellow name Jim Elvin took over from there. Harry retired, and then Dave, he died in office, I think it was. Then Jim Elvin, he retired and so on.

NP: Who was superintendent of the elevator at that time?

PD: Oh, that Mr. Waters. I can't think of his first name, darn it!

NP: That's okay. We'll find him.

PD: Yeah. Pretty well all the time I was there, he was the superintendent. He was originally from Winnipeg, and he came down here to run the elevator. They shipped him down here to run the elevator. He was a good guy. Funny guy though. You couldn't leave anything on your desk you didn't want him to read. [Laughing] If you didn't want him to read it, you know. And another thing too was that—going back a little bit—was that we had communications between Montreal, Ottawa, Thunder Bay, and Winnipeg. We had teletype machines, and messages would be sent on the teletype, and all the various offices would receive them. They'd receive a copy of it. That's how we kept in touch. Prior to that, the senator was an old-time telegrapher, and we had a fellow named Tom Shackleton was his name. At that time, they didn't have the teletypes. Tom was a telegrapher, and what he would do, he would send the reports, the outturn reports. He would send them by telegraph to Winnipeg, and they had another fellow in Winnipeg, and he'd be copying it.

Of course, I mean, he could sit there and do that all day. It was funny because after they got the teletypes and so on, so they put Tom in charge of them, which was sort of a make-work project. I know. I always felt that Harry would have liked to retire him, but he was a telegrapher, and the senator was an old-time telegrapher, so Tom had a job as long as he was going to be there. [Laughs] That's the way they used to pass the traffic. Then of course, they moved up into teletype, and of course, that was a big step. Then everybody got in touch. Then you would put messages back and forth, and Winnipeg would see it, Ottawa would see it, and Montreal would see it. Basically, it was a basic part of communications.

NP: And they were using a codebook.

PD: Oh, but the codebook was basically for--. [Telephone rings] Go ahead.

[Audio pauses]

NP: Before the phone rang, we were talking about the code book.

PD: Okay. Basically, all it was, was ships would give their positions—where they're at—and of course, they're doing it over public airwaves, et cetera, at that time. They would take and call into various wireless Coast Guard stations, and they would take and have these codewords to tell them where they're at and when they expect to be somewhere, which was kind of malarkey anyways because the government published all this stuff. You could go really look it up if you wanted to, but at that time it was very religious. They had to do codebooks, and they'd send it by code. Then even at that time, our telegrapher would send it out by code off to Winnipeg. In later years, of course, what you find out is that government's keeping track of the ships anyways, and we used to get a daily report. You could track any ship you wanted to. And you're too busy keeping track of your own anyways and doing your own business, but at that time--.

[0:40:12]

NP: And there is a grain codebook too I saw at the--.

PD: I don't remember that one.

NP: Lake Shipper's Clearance.

PD: Oh, they may have had one, but--.

NP: Same thing? Everybody knew it and everybody had the codebook, so.

PD: Same thing. Well--.

NP: Other than being a shorthand for--.

PD: Well, basically, I guess in case somebody intercepted, but I don't think it was a great problem. I think it was slightly overexaggerated, and in fact, they finally just said, "Forget about it!" [Laughing]

NP: Maybe it came out of the war when they really did have to have some secrecy about where they were.

PD: Well, I think when the senator started, it was a pretty hand to mouth existence, you know, with building Elevator K and getting grain in Thunder Bay and moving it back and forth. He ran what they call a hospital house, and he rejuvenated grain. Don't ask me. I guess he was picking up grain, and he'd dry it or whatever and then move it around to various elevators. That's what he started the business. Of course, I guess in Winnipeg and so on, very competitive as well. People were buying and selling grain all the time and that's where a lot of dollars were, so I guess that's the reason for the codebooks at that time. But everything changes over the years.

NP: Yeah. Since we were talking about communications, we went from the telegraph to the telex, and then for the rest of your career we moved into--?

PD: Telephone.

NP: Telephone, of course.

PD: Yeah, yeah. Basically, it went into the phone. I mean, when I started in the steamship division, I started out as an assistant traffic manager and became traffic manager, et cetera. Basically, it was--. Even on the grain desk itself—going back to the grain desk—I had a certain number of people to call every day. I would have maybe two dozen numbers in my head that I called all the time because to get information and so on. I'd get information from Lake Shippers. They'd tell me, you know, "We've got ship coming in," when it's supposed to be there, how much they're planning on shipping on it, and then you have to let the elevator know. So that part of it.

NP: Who else would have been on your list? Like did you have contact with the railways?

PD: Basically, the government, et cetera. Yeah, the railways because I have to talk to them about freight and so on. It was--. Yeah. And then, of course, I moved up into the steamship part of the business.

NP: Straight from the grain desk?

PD: I went from the grain desk over to doing payrolls. I was never good at bookkeeping because I made too many compensating errors. [Laughs] I never really did ever work on the actual bookkeeping end of it. I worked on--. I was actually payrolls, and then I went to in charge of all the benefit plans, you know, for the office and for the boats as well. Then from there, I went and got into the traffic end of it. Then I was the assistant traffic manager and became traffic manager, and I eventually became vice-president and general manager.

NP: What does a traffic manager do?

PD: Ah. Keep track. Write up a daily report. In other words, first thing in the morning, you take all the information off—at that time—of the teletype and also phone calls, and you get position reports on all the boats. So then you write down, you know, where it is, when it's expected, and what's the next trip it's going to do? In other words, you've got a log that you're doing for each ship, that you're tracking to see what it's doing and where it's going to, when it's going to be there. Plus, I kept a ledger on every--. Oh, sorry. Every trip of the boats so that I could see what cargo it had, et cetera, and also all the various port charges so that when we went to a particular port how much it costs to load that boat. What did it cost to go up and down the Seaway? What did it cost for tugs going in and out the port? What did it cost for pilotage? You tracked all this so that you could take--.

Then the manager could take and look at that book, and he could talk to Winnipeg and say, "Winnipeg's putting a deal through on some grain cargo, say, out of Chicago." And they say, "Well, we've got to raise the rates because they charge too much to load grain out of Chicago." So that was your--. And then you could know outside of your operating costs and your administration costs—like your crew and your fuel and everything else—you knew what it cost to actually--. How much you had left to pay the rest of those costs. You could tell whether you were making money or not.

[0:45:37]

NP: From what you recall from keeping those records, was there a substantial difference between the cost of loading at various ports around the lakes?

PD: Oh, yeah. American ports were very expensive.

NP: Oh, were they?

PD: Oh, yes.

NP: And what do you think created that? Other than the exchange rate, I guess.

PD: Well, no. That wasn't really the problem. The problem was that they had stevedores, and you had to hire a minimum number of people and pay a minimum number of hours or whatever it is. In other words, you'd have maybe eight people when you only needed two or whatever. In Thunder Bay, we had what we called the Thunder Bay Grain Trimmers, and they had a flat charge per bushel of grain loaded. Whether it's in the middle of the day or whether it's in the evening or whether it's at night, you paid the same charge. You didn't pay extra to do it. But in the States, you had to pay overtime, and then you had to pay overtime to the elevator, and their charges were quite high. The charges were at least twice of what it would cost you in Thunder Bay or more. Two to three times more.

NP: I don't know if, sort of, lore of the trade included anything about charges that you would get charged that were illegitimate charges. Was that ever an issue?

PD: No, no. No, no. You knew when you were going to an elevator what it was going to cost. See, we had agents in Duluth. We had agents in Cleveland, and we had an agent in Chicago, and we one in--. What did I cover? Cleveland, Chicago, Duluth. What am I missing? I think that pretty well covered it. And we had an office in Montreal, of course. We would use other agents as we needed them, but these people would work for a few steamship companies. They kept their business separate. In other words, they didn't tell us what the other ones were doing. And they, basically, when the ship come in, they went down and made sure they got through customs and everything else properly and set up for loading the grain. They would talk to us about how long it's going to load, you know, how many hours of overtime we're going to have to put in, and what it's going to cost us and so on. So, they were our agent. They acted for us.

NP: As fate would have it, I was interviewing Sandy Henderson this morning.

PD: Yeah.

NP: So he does that for foreign ships.

PD: He's an agent for saltwater ships, yeah.

NP: Yeah. So when a Paterson ship came into Thunder Bay--.

PD: We were here. We didn't have an agent.

NP: So did you have--? If you were--. Did you contract out to, say, Richardson's, and if you did, did you just handle any issues from your office?

PD: No, no. Oh, no. The ships—as far as the ships coming into Thunder Bay—I mean, we handled ourselves. We were employees, and we were the agents. We had an office in Montreal, and they took care of that. We had an office that was Paterson's office in Cleveland, and there was two people employed there for most of the years. They were directly employable by Paterson's. Then we had agents in Toledo. Oh, yeah. Toledo, Chicago, and Duluth. They would be employed by various companies, and they would handle our ships when they went in. Otherwise, we'd have to send somebody down there to do it.

NP: How many ships were--?

PD: I think the top number we had was 41.

NP: And was that at your beginning of your time with the--?

PD: Pretty well. Pretty close to that. At one time, I remember we were down to 12 ships, and those 12 ships made up more tonnage than when we had 41 because they were the larger, eh? The 600-footers and so on. Then eventually we built the *Paterson*, which was a 730.

NP: When you think about relative costs of ships, and if we look at--. The canallers were still operating when you were--?

[0:50:03]

PD: Oh, yes.

NP: Yeah. Just the operating costs of various ships, was there—I mean of the same size—was there much of a difference, or did it pretty well work out to be the same?

PD: Well, a lot of it—more as we got into the diesels and so on—fuel costs could be--. Like crew? Basically, crew costs were running fairly close to the same because you had so many crew members. Fuel costs, repair costs depending on the age of the ship and so on. But it's amazing. You can have ships, like we had the *Canadoc* and the *Mantadoc*, and those were supposed to be sister ships. And yet, the *Mantadoc* was that much more expensive to run fuel wise. It just didn't handle the same. [Laughs] And nobody knows why! Apparently, it's not unusual that certain designs, you copy it again, and it doesn't work the same.

NP: Hm!

PD: Yeah.

NP: Strange.

PD: Yeah. It's just the *Mantadoc* was always slugging to go along, and the *Canadoc* sort of cut through the water. And nobody knew why. [Laughs]

NP: Now, did you say who was the manager of the traffic before you?

PD: Ah, let's see. Before I was there--.

NP: When you moved in as sort of the assistant.

PD: Let's see. I'm trying to think. Jim Sutherland was the traffic manager, and Jim Sullivan eventually became the vice president general manager. Jim was born in Thunder Bay, and then was in the merchant navy during the war, come out of there, and then went to work in Montreal. He was in Montreal. They had a fellow named Fred Dunwall here who was the traffic manager, and at one point they transferred Fred to Montreal, and they brought Jim Sullivan up here. Jim Sullivan became the traffic manager and eventually the vice president and general manager. And when they made him the VP and GM, I went up, and I became the assistant traffic manager. There was no traffic manager. I was just the assistant because I didn't have enough experience. Then eventually they called me the traffic manager. What I did was I basically kept track of the ships. I talked to the ports where they were loading

or unloading. I talked to all the people. In fact, I had a whole network depending on the ports. In the cases where we had agents, I would talk directly to the agent, otherwise, I'd talk directly to the dock that they're at. It was a combination of everything. Just basically keeping track of the ship.

NP: What did you learn about ships that you didn't know?

PD: A lot. [Laughing] I mean, I didn't know anything about the grain business when I started. You learn a lot. I can't say that, like, the mechanics--. I learned sort of an overview of the mechanics of a ship, but what I learned was the administration of running ships. You know, because that's a whole different ballgame. So you learn that by doing. There's no course out there. There's no college you can go to and learn how to--. Well, maybe there is someplace, but it certainly wasn't here. You learn by doing, and you just did it. You made your mistakes, and you just moved on.

NP: What kind of mistakes can you make? Not that you did, but what kind? [Laughing]

PD: Oh, sure, I did. I mean, it's a question of whether you repeat them again.

NP: mmhmm.

PD: All of a sudden, you spend \$10,000 loading a ship, and you realize that you shouldn't have done it because it never got you out any sooner. I can remember a spring where I was the traffic manager at that time, and Jim Sullivan was in the hospital. He went in for a bladder operation. And at that time, they kept people in for quite a while. And it was a beautiful spring week. It was like this, you know? Beautiful days, and all the steamship companies were getting crews onboard. We had after-end crews on, and we're getting ready to put the forward-end crews on. At that time, of course, ships had an after-end and a forward-end. And the mates and the captain and so on, they stayed up forward, and the engineers were all aft, and that's where the engine room was.

[0:55:00]

So the engineers, they'd get off, say, at Christmas, and they'd get back on in March, and then they would start doing the overhauling of the ship and getting it ready for another season. Well, the weather was beautiful, and everybody got excited and everything else. I wasn't the only one, but CSL [Canada Steamship Lines] and the rest of them were all putting crews onboard, getting ready to roll out. The next week, it dropped down to 20 below. Everything froze up, and so we sat there for a week doing nothing. And of course, you're paying all these people. You know, I think each spring, Jim used to say to me, "Remember

Doherty.” [Laughs] But he was a great boss. I don’t think he ever told me I was wrong. Never told me I was wrong. He’d sit down and discuss the different ways to do things, but never said I was wrong. You blow a few things.

I mean, you can’t do much about weather, and that’s one thing that shipping is really subject to. We got caught one December, and we had ships sitting in the system not going anywhere. You know? And they’re costing \$50,000 a day. And what are you going to do? You just try and slug it through and get them put away. See at one time—getting back to putting them away—was that at one time, all the ships used to be away by November 30th. End of November, they were all put away, and if they weren’t, the senator would be asking, “What’s going on?” Because you haven’t got them scheduled to be put away. And then, of course, you ran into December, and now they run into January. Mmhmm.

NP: Now, when you put them away--.

PD: That’s lay them up in ports.

NP: And--?

PD: And generally, what you do is you take and butt them up, put a ship keeper onboard, and like the engineers have to--. Because you’ve got to keep them heated. You can’t let them freeze up. So you put a ship keeper onboard. And the ship keeper onboard, he takes care of it until the after-crew gets back on again in March, and they start doing all their overhauls so that there’s people onboard, so you don’t have the ship keeper anymore. You never leave the ship alone.

NP: That ship keeper has to be there 24 hours a day, or he has a--?

PD: Oh, yeah. He’s 24 hours a day, seven days a week.

NP: He must have some relief?

PD: No.

NP: No?

PD: He eats and sleeps onboard, and just--. The only regular duties he’s got is to go around and sound the tanks. In other words, you’ve got to sound the bilges. There’s pipes that go down so you can put a rod down, and you can actually see how much water is

sitting down there. And if the water starts to build up, then you know you've got a problem. So then you've got to get somebody over to repair it. He's got to make sure that the furnace keeps running, et cetera, et cetera, and do all that stuff. He's onboard 24/7. I mean, he can get off for a couple hours during the day and go downtown and back, but, no, he's--.

NP: Was it usually a member of the crew? Or were there like ship sitters like you have house sitters?

PD: Well, most of the time it was a member of the crew—an engineer or somebody or whatever—and you had some people, like we had a fellow named Herman Hutt in Thunder Bay, and we always used him as a ship keeper because he was very reliable. Like he worked on the ship, and he would ship keep. We had another fellow who worked for Richardson's, and he'd get laid off in December, and we specifically put him on the *Paterson* because it was a nice new ship in great shape, and he did a wonderful job. The ship would be just as clean when he got off as when he got on. So we actually used him for that boat almost exclusively, and we would take--. If the ship was in Montreal, we'd send him to Montreal to ship keep. Then as sort of--. When the after-crew back on, rather than taking and laying him off, we would use him for fire watch. In other words, the engineers, they worked 8:00 to 5:00, and then they'd pack it up for the day. Well, John's job was to go around and make tours periodically and make sure that there was nothing going on, that the ship was safe, and there was no fires and stuff like that. So we'd keep him on pretty well until the forward-end crew got there. So that was his winter job. He'd get laid off in the elevator, and he'd go ship keep the *Paterson*.

NP: What was John's last name, do you remember?

PD: Oh, boy. Can't think of it. He's an amateur radio operator too. [Laughs]

NP: I know that there were ships kept here during the winter. There must have been ships elsewhere. How did you decide where the ships went, and was cost a large--?

PD: Wherever the final cargo worked out and the closest ports you could go to, to have room enough to put it away, or a lot of the grain ships would carry storage cargos. What would happen is that you would take, and you'd go down and they'd--. The Wheat Board, at that time, was a main cog. In fact, I mean, they just took away a lot of their privileges—which was a good thing for Thunder Bay, by the way.

[1:00:29]

NP: We'll come to that.

PD: Yeah. You would take and they'd load up the elevators down below—Montreal, Quebec, and Three Rivers, and Baie-Comeau. You didn't leave storage in Baie-Comeau because it was too dangerous. It was down on the--. Basically, it was almost like a saltwater port. You would take and load various ships with grain, and then you would take and run them down and park them next to the elevator on the elevator dock. And sometimes you'd have a couple ships sitting there. And basically, what it was is that's extra storage. In other words, they would take that--. Like the *Paterson* would carry about 28,000 tonnes of grain. That's when we--. As we got along, we started talking tonnage rather than bushels. Anyways, they would take--. During the winter, we would have to send people down there—say a captain or a mate—and he'd hire a crew, and he'd shift the vessel underneath the unloading leg, and they would start unloading the ship. And they would unload the ship during the winter and fill up the elevator again. That was their supplies to keep operating through the winter.

NP: The elevators paid you to store the grain?

PD: The--.

NP: Or you sort of a traded off the--.

PD: The owners of the grain paid the storage.

NP: Okay.

PD: In other words, they're the ones selling it, so the owners of the grain took care of it. In other words--. Yeah. That would be like Cargill, Dreyfus, et cetera, or the Wheat Board. In other words, we would take and bill the Wheat Board for storage charges for that grain. Of course, the storage charges would be enough to pay for the crew and make a profit. So you'd make a few dollars, and you'd pay your expenses during the winter—your heating and your power and so on—and a few bucks in your pocket for that ship sitting during the winter.

NP: So they were--. I'm not quite sure if I heard you right. The ships would be docked as close as possible to their last load, and then--?

PD: Well, the ships would—if they had storage on—would be docked at the particular elevator down east where the grain was going to be unloaded, and they'd be at that dock. Now, they may have to shift them slightly because of having--. They may have three or four ships there waiting, and so they'd have to move the ships around to take and unload one at a time. That was a cost that, I believe, at that time, that they absorbed. Anyways.

NP: I noticed there's two or three ships parked—moored—at Keefer right now. So--.

PD: They're there because they're mostly doing work on them.

NP: Okay.

PD: They won't have storage on. I mean, they bring them up the same as we did. We used to park at, say, at the shipyards, and the ship would be in there for the winter, and we'd schedule work. In the old days, we would take and park it there, and we'd go to Western Engineering to do all the repair work. Fix up cargo holds, you know? The many things that go on. When you're talking the heavy machinery that they use for unloading ships, I mean, sometimes they bang it around pretty good. So there's a fair amount of repairs to do. And of course, wear and tear, old rust. When you're going from saltwater to freshwater and then back into saltwater again, rust is a problem.

NP: Hm. If you stayed in one versus the other, rust is not so much of a problem?

PD: Well, the saltwater ships, they're supposed to be painted, but what happened--. You could get 50, 60 years out of a ship that never went down, really, into saltwater. And at one time, the upper lakers couldn't go down below. The biggest you could get down below was 253 feet because of the Lachine Canal. That's the biggest they could handle. So the 400-footers couldn't go down., so they were always in freshwater. And those ships were good for 50 or 60 years. But once you started going into saltwater—you know what salt does—it starts to rust away. Your ship eventually, you don't get 50 or 60 years. You get maybe 20 or 30, and that ship is getting in pretty rough shape.

[1:05:15]

NP: Following your career along, you were working as the assistant traffic person, and then--.

PD: I became the traffic manager after a number of years, yeah.

NP: Traffic manager was doing the same thing but just in a more advanced level? What changed with moving up the ladder?

PD: Well, I think what changed was that Jim Sullivan realized that I was getting much smarter in the business. [Laughs] Getting more experience. So with the more experience, I could then take and make the decisions necessary without having to give him a

call all the time and clearing it with him. I could schedule overtime, et cetera, talk to the ships, see what's going on. So it got to the point where I worked seven days a week when the ships were running. I would take and be on the phone Saturday morning, Sunday morning, and I would be tracking the ships. I would keep a line up on the weekend just like I kept during the week. They I would talk to Jim each day and give him a little recap of what's going on. I'd spend about four hours on the phone and 10, 15 minutes with him. So what it got to be, when I first started as the assistant traffic manager, Jim was working weekends, and he'd track, and I'd be there but not capable of making those decisions. As more experience came along, then he would let me do more and more. Very good that way. Then eventually, well, then I took over weekends. Then he got to not worry about it. If he wanted to take off on a Sunday, he could do it. Whereas that was me—a Saturday and Sunday, that was my time. So that was part.

And of course, I used to get evening phone calls. Early morning phone calls you don't want to get because that's trouble. In fact, I remember 3:00 one morning I got a call on the *Labradoc*, and it was our agent in Cleveland. And he said, "One of the docks has just heard a 'Mayday' from the *Labradoc*." What happened, the *Labradoc* had a load of grain on, left port, got hit with a monster wave and went over, and the cargo shifted. They thought it was sinking—going to sink—so at 3:00 in the morning, they called me. This was when I was the manager. Then out to the office and start running things from there, getting everybody onside, et cetera. Fortunately, the ship did not sink. They tried shifting the ballast in the tanks, but the grain was wet, and it would just flow back again. It was on the verge of capsizing, but it never did. In fact, they kept a generator running with some lights on, and when the tugs picked it up later, the generator was still running, the lights were on, and that was the last thing the chief engineer did.

They took the crew off by helicopter, and I think there was only one person slightly injured doing that. The ship, of course, the Americans said it was going to hit in a certain area, but it didn't. It went someplace else. And the ship wasn't handed any damage at all, except the tugs tried to take it through a spot that they couldn't get it through, [laughs] and they dinged it real good. We always wondered, "Were they getting a commission from the shipyard or what?" [Laughing] But anyways, the ship was recovered, repaired, the cargo taken off. Ship repaired and put back into service again. So that was a 3:00 in the morning phone call, which you didn't really want to get. And of course, during the war years, they got a few of those back then because ships were lost during the war. That was canallers, by the way. That was the 253-footers that they lost, not the upper lakers. They couldn't get down to that trade anyways.

NP: Did the--. I know that the government sort of commandeered or strongly encouraged ship owners to donate their ships to the cause or they used them in the cause.

PD: They commandeered them.

NP: Did--.

PD: They supplied all the war-risk insurance.

NP: Okay. But it was still managed out of Paterson's?

PD: Yeah.

NP: Like the crews and everything were still managed? They weren't--.

PD: No.

NP: Okay.

PD: They were still managed out of Paterson's. But the war-risk insurance, up until--. We used to have meeting in Montreal, and there was always a government rep there, and it was insurance meetings. He was in charge of the war-risk, and in fact, the war-risk went on for years afterwards.

[1:10:07]

NP: Why would that be?

PD: Mines and everything floating around. There's still--. I guess there's countries that could create problems, so war-risk insurance, I don't know if ever really stopped. The government used to carry the war-risk insurance.

NP: Hm! A question about the staffing. Were you, then, responsible for hiring crew?

PD: At one time, we were responsible for hiring crew, but eventually, they farmed it out to the union, which I always thought was a mistake anyways because the loyalties changes. But anyway--.

NP: Seafarers?

PD: Yeah. Seafarers, and there was a mate's union and an engineer's union. We--. The engineers and mates, we assigned. The captains and chiefs, we assigned. The SIU [Seafarer's International Union], we would actually get them from the hall, and the hall would ship people down.

NP: And those halls, were they, like, in each port?

PD: There was one in Thunder Bay, and there was one in Montreal, and I think there was one in St. Catharines.

NP: Did that shift from choosing your own to turning it over to the unions occur while you were working? Or was it already--?

PD: No, that was before then, before I started, that they went and had the union hiring halls.

NP: And this is--. Was that Hal Banks' operation?

PD: Ah. Oh, Hal Banks was--. No. Hal Banks was the union that they ran out.

NP: Okay.

PD: As far as I know. Yeah. He was the union that they ran out. Roman Gralewicz was the SIU, I think, at that time. In fact, there was quite a battle going on, apparently, in those years. I mean, I heard stories about it, of them putting mattresses up in the wheelhouse to keep the men hidden from .22 bullets they'd be firing at the ship. [Laughs] You know, so it was quite the thing going on back then, but that was before my time.

NP: So is there a representative of the union here?

PD: Should be still, as far as I know.

NP: Okay.

PD: But that's 20 years since I've been in the game.

NP: Yeah. Interesting. My question was going to be far more mundane, though, and that was, was it difficult to keep crews happy?

PD: Well, at that time when I started, the turnover was not, I would say, excessive. On the canallers particularly, we would find that you'd only turnover, at that time, maybe two or three people in the season. That somebody would get off or have to get off for some reason, and their cousin would come on aboard to take the job. It was sort of like a family onboard. You'd have the same crew pretty well year after year. On the upper lakers, there was more turnover, but there was still not a lot. Then things eventually changed more, and people wanted more time off. So you found people getting off more regularly. And now I believe the way the set up is that they have as many days off as they work so that--. And most of them, like, 15 days on or a month on and a month off and stuff like that, and they get paid for that time when they're off. A lot has changed. Before, like the captain would get on—excuse me—in the spring, and except for a short haul, they'd be there right until the boat laid up. And now, of course, they take a month on, month off. They take and rotate them. So it's a whole different ballgame the way they do it nowadays.

NP: Now you had mentioned that you thought it was not a good thing when they turned over the hiring of crews to the unions. What difference did you find that it made that makes you say that?

PD: Well, where's the loyalty? Who are you loyal to? Who gives you the job? That's the same for anybody. The unions around here—like millwrights' union, carpenters' union, and so on—an employer calls in and asks to get a carpenter. So the carpenters' union sends out a carpenter. Or the millwrights' union send out a millwright. You may go work for somebody, but who gives you the job? I think that's a mistake.

[1:15:01]

NP: And if you liked someone--. Because, let's say, well, everybody knows different people work differently. Some actually worked better than others. So you got who you got, not necessarily who you wanted is what you're saying?

PD: That's right. Who's next on the list? Yeah. So I think it was a mistake, but it was done before I was around.

NP: You weren't dealing with foreign crews, so you weren't worrying about people jumping ship and so on, but were you ever called in to handle any issues related to--?

PD: Montreal got involved a little bit with the foreign deal with some foreign crews.

NP: But your crews were well behaved, and you never had any cause for--?

PD: Well, the usual sailors.

NP: [Laughs]

PD: But no, we got involved through Montreal office with some foreign crewing when we were taking and actually going from foreign port to foreign port with a couple of our smaller ships. You would go through an agency, and they would supply the crew, and they would actually take care of all the details. I never really got tied up in that, and we didn't stay in it that long anyway because there was no money in the saltwater ship business anyways at that time. Nowadays, it's a different story. It's apparently quite profitable to be in saltwater shipping.

NP: Now, traffic manager. Then you move up into--?

PD: Into vice president and general manager after Jim Sullivan.

NP: Okay. What **change** did that make in what you did?

PD: Well, that's a whole new ballgame. At that time, you started making decisions in conjunction with everybody else. We had a chartering officer in Winnipeg called Winnipeg Charters, and we had two fellows who worked there along with a girl at that time when I started there running the ships. That was--. Just Kurt was there, and the girl was there. Kenny Jones--.

NP: Kurt?

PD: Kurt Bennett. Ken Jones, who used to run the office, he'd retired by then. So, Kurt and I used to work together, and Kurt was the one that put together the grain contracts. He did all the work with the Cargill, Dreyfus, American Cargos, along with the Wheat Board, et cetera. That was Winnipeg Charters. So basically, we were in communications almost every day, and we'd discuss what's happening with the ships. What's happening, et cetera. Like, we would send him a lineup every day. He'd have a lineup that we sent him every day, and at that time we'd send it over the teletype. But he would take and be talking with the Wheat Board, be talking with the American companies, and we would discuss what the rate's doing, when our ships are going to be there. You know, he'd want to get in and wants to load some cargo out of Duluth, and I'd say, "Well, this is what we need. If you can't get that money, then we're not going to do it." Sometimes, of course, you wanted to take and you wanted to run the ships back down to get ore anyways, so if you break even going one way, you can make some money coming back the other way. Otherwise, if you've got to run down empty and pick it up, well, then it's still going to cost you \$50,000 a day to get that ship down there, and it's going to take five and a half days to get there. So you might as well carry a cargo.

But that's all part of scheduling. Of course, the ideal situation was to--. And then, of course, I'd be talking with Kurt, and then Robert and I worked very close together. In fact, we did a lot of travelling together because we'd go see customers in Cleveland, et cetera, Chicago, and try and do business. Say hello, and a lot of it was personal contact. I remember Bethlehem Steel. We started with them. The first time we went to see them, Robert and I went to the wrong office, [laughs] and we were a half an hour late getting there. We were going to invite them out to lunch, and he said, "Well, sorry. I can't make it." We walked out of there and thought, "Oh, boy. We really blew this one." [Laughs] But anyway, we put a bid in, and we got a contract with them, a couple-year contract. We went along, and in the second year of the contract, Duke come along and ran up for another three years just like that. Him and Robert got along extremely well.

In fact, it got to the point where if you were in the office for more than three and not going somewhere, then you weren't doing your job. Back on the plane to go see customers again. Not only, sort of, being the office environment being part of what you do—I mean you got an office manager and so on—but all that staff is still your responsibility anyways. You've got to go out, and you've got to meet customers, wine and dine if necessary. We'd have a breakfast meeting with somebody, and we'd have a luncheon meeting, and then we'd have an evening meeting. I can remember flying into Cleveland--. Or going into Pittsburgh. Fly into Pittsburgh, see somebody, fly out of there, go to Cleveland, take people out for supper that night. Next morning, on to Chicago and do some work there and then back to Thunder Bay again. In fact, one trip we took—that was when Gary and I were working together—we--.

[1:20:59]

NP: Gary?

PD: Woodbeck. Gary Woodbeck took over as traffic manager after I moved up.

NP: Okay.

PD: We actually left here in the morning, flew to Chicago, had lunch with a customer, and come back that evening. So. [Laughs] \$1,200 and we never did get a contract!

NP: Did you enjoy that or was it fun to begin with but--?

PD: Oh, yeah. I don't know. I think as you get more experience, you get more comfortable. Kurt and I worked together so closely, and I worked very closely with Robert and other customers, that you get an experience. You get a feel for it, and you get much

more comfortable. I mean, the first time I had to make a bid on an iron ore contract or put something together just straight out of my head, it was a little bit shaky because, you know, “Did I do it right? Did I make a mistake?” You don’t know because you haven’t done that before, but you’re diving into it anyways. And after a while, then you get so you learn the trade, and you know if you miss a contract with so-and-so, you don’t burn that bridge. What you do is you put it back in your head again and say, “Next time around, I’ve got to change what I’m doing. I either bid too high or whatever.” So, then that gives you a background to what you’re going to do to--. How are you going to bid that next contract? How are you going to take and keep that customer happy? So that’s a matter of experience. It’s like any other job. You sit there--. After a while, you get more comfortable. Now it can still get scary, you know?

NP: Scary as in under-bid?

PD: Well, I mean, when things are tight. Like I can remember one summer coming along and grain cargos were down, et cetera, and we had ships laid up. We had the *Quedoc*, and I talked to Kurt, and there was a cargo available. I had said, “We think there’s another one. We can use ore, et cetera. We’ll put it all together.” We said, “Okay. Let’s bring it out.” Now, there’s a cost to bringing it out. You’ve got to put a crew on, you’ve got to do all the work, et cetera, and then you’ve got to run it. And you’ve got to run up for a while to recover that cost. Somebody said to me, “Pat, you know, you brought out the *Quedoc*. Are you going to make any money?” And I said, “That’s my intention.” [Laughs] It did work out that it ran fine, but you had to make those decisions that you’re going to bring that ship out, there’s a cost to doing it, and you’ve got to have the cargos to carry it.

NP: Were there situations that really ended up not working out very well? Not necessarily because of your guesstimates, but just circumstances?

PD: Yeah. When you got ships frozen in the ice going down to Montreal, and you’re spending a week sitting there doing nothing, and \$50,000-\$60,000 a day is going out the window, well, you’re not making that money. So all of a sudden, instead of making money in December, you’ve got a major loss involved. And what are you going to do? You can’t change nature, so you bite the bullet, and You say--. You’re telling everybody, “We’re going to do the best we can. We’re going to try to get them put away. Any port we can put them in, just get them out and get the crew off.” That’s a decision you have to make. You just take your beating and go on, and next year you try and remember. But you can’t do much about nature. It’s like they always used to say, “How’s the grain going to be this year?” You know, “How busy are you going to be?” I’d say, “If they have a good crop out west, have a major crop out west, we’re going to do real well. If they don’t have a good crop out west, the cargo’s not going to be there, and it’s going to be a whole different ballgame.” Same with, “Are the steel mills busy in the States?” “If they’re busy, that means we’ve got ore to carry up.”

[1:25:06]

NP: Do you recall what year you started as the general manager?

PD: Not really. That was about nine years, I guess. Somewhere around there. Somewhere in the early '80s.

NP: Okay. Good years, then, for shipping out of Thunder Bay.

PD: Good years and bad years, yeah. I mean, Thunder Bay had a fair amount of grain in them. But there was times it was pretty--. In the summertime where you'd lay ships up because--. I can remember when I started with Paterson's, and they put together a schedule for a month and never change anything. Then it got to be, yeah, you did a lot of changing, you did a lot of scrambling to make sure, and you would move ships around to try to utilize it the best you can. And eventually, you'd say, "Okay. Sorry, can't run you anymore, but I have to tie you up." And you'd find a port and put them away for a couple of months and bring them back out in the fall again. Yeah.

NP: When you think of from the time that you were operating in the traffic area and then into the more senior positions, was the operation like up and down and up and down? Or was it sort of steady?

PD: Oh, no. There was up and downs. I was involved in Western Engineering somewhat as well, and Robert and I spearheaded when Hall Corporation went under. We spearheaded it along with CSL to buy those ships and really expanded the fleet by three ships because we bought them at what we thought was a good price. Because Hall Corporation went broke. But that was quite a negotiating process, and we had to sell it to the board. Mmhmm. [Laughs] So we went down to Toronto and put a deal together. And so, then we bought these ships. The *Windoc* was one of them, by the way, the infamous one that got smashed up in the canal. Okay, that was one of them that we bought. Two of them were basically saltwater ships that the aft end was saltwater ships, and they put a new bow on them at that time, and then Hall ran them. Then we bought them and CSL bought. So, we split the fleet with CSL. Upper Lakes was involved originally, but they had checked out and decided not to do it. That was a major move at the time. When I started in the traffic end and so on, that was when we built the *Paterson*. That was a big step for Paterson's.

NP: That was built in Collingwood?

PD: Collingwood. It was the last side launch that they made on the lakes at Collingwood, and that's what they did. It was a side launch. They actually took in the ship in the drydocks there, and the ship was--.

NP: I think we had a picture of it at the display this summer.

PD: Okay, yeah.

NP: Yeah. That must have been very exciting.

PD: I guess so.

NP: Were you there at the launch?

PD: Oh, yeah. I guess somewhat exciting, but I don't know.

NP: Oh, you were jaded by then.

PD: Not really. It was sort of exciting, but I was traffic manager, and I was just a cog in the wheel. John Paterson and so on, they were all busy on the deck and smashing the bottle and so on. Where, I mean, I was just a cog in the wheel, and I was just there observing. So yeah, it was a nice trip. [Laughing]

NP: A couple of things that come out of just points that you made. Competition in the industry over the period of your career, just any comments that you have to make about competition in the--.

PD: Well, actually, when you look back over the years, and you think about it, you find that there was competition in the industry, but you knew your competitors. You were relatively friendly with them. I mean, one thing, like CSL set up--. Like workman's compensation, we were what they called a schedule-two employer, and a schedule-two employer was a federal responsibility. But workman's compensation, they would take and charge us whatever cost plus a commission. So that money would come directly out of our pockets, and they would take and bill us for whatever the costs were. So we actually set up a--. Canada Steamship Lines, a fellow from there, set up in Bermuda. They set up an insurance organization to take care of compensation, and he put all the shipping companies together to go ahead and make this pool to run compensation, because then--. And the government agreed with it once they'd seen the set up because you could go to Bermuda and invest your money and not pay any taxes. [Laughs] So the money would stay in your pocket instead of going to the government. And this was an insurance pool that we used to take and pay compensation costs for all the shipping companies that were on the lakes.

[1:30:33]

So that group was put together to do that. We would meet twice a year in Bermuda to discuss where we're going to, what it looks like, what are the payments going to be in the following year, et cetera. And then eventually, they disbanded it because CSL was closing down the shipyard, and they were going to lay a whole bunch of people off in Collingwood, and they said--. And they were part of the group. They said, "We better shut it down because we're going to have more back complaints and ankle complaints and everybody's going to try to get on compensation rather than being laid off." But yeah, so it was competition. You knew the people you were dealing with. You knew the people who your competitors were, and they talked together. They negotiated with the union together, et cetera, and you knew everybody. It was pretty friendly. It wasn't, "I hate that--." You know? [Laughing]

NP: That S. O. B.

PD: Well, you always had to think, yeah, you're going to get beat out on contracts. I don't care what business you're in. You're going to take, and you're going to win some contracts, you're going to lose some contracts, and you never get ticked off. You never say--. And you never burn that bridge. You say, "Look it, we're happy that you've got a deal going that you like. We're here. We're going to be talking to you in the future, and certainly we would more than enjoy getting back to your business again." And you would find, all of a sudden, it would be three or four years are gone, and first thing you know, they're back in your bailiwick again. So yeah, never burn your bridges, and everybody treated it the same way.

NP: Who were your most loyal customers?

PD: Well, of course, the Wheat Board was always the big customer because they moved a lot of grain out of Thunder Bay. At one time, when we moved, what, 17 million tonnes of grain out of Thunder Bay? They were, actually, sometimes our biggest detractor too because they actually promoted the West Coast. They took and set up the West Coast to make it more efficient than Thunder Bay.

NP: In what way?

PD: Well, they shipped limited grades out there.

NP: Oh.

PD: In other words, the elevators out there didn't handle as many grades as they did in Thunder Bay. Infrastructure. What did they spend? \$300 million setting up Prince Rupert. They spent a couple billion dollars upgrading the infrastructure going to the West Coast—the rail lines and so on.

NP: Was that the Wheat Board or were the companies--?

PD: That was the government in conjunction with--. You know? The Wheat Board was the great God at that time, okay? And I can remember a fellow here in from Cargill—there was a transportation dinner here—and he stood up and said that 4 million tonnes went out of Vancouver that should have went out of Thunder Bay. But they deigned to ship it through Vancouver. And then, of course, they always supported Churchill. This Churchill was Manitoba's port, and we could never find the details of what did they sell their grain for, or how did they subsidize the shipping, et cetera, et cetera. We never knew that, but that was another 3 or 400,000 tonnes that could've come out of Thunder Bay. And of course, in a bad year, that hurts you because you--.

So they were, in some ways, our biggest customer and not always our best blessing, let's put it that way. They dictated pretty well, and I certainly don't regret seeing the monopoly taken away from them. And I think this year in Thunder Bay, it shows it that our grain shipments were up this year, and now private enterprise has the option to ship where it's the best way to go. If the sales are best to work through Thunder Bay, they will. If they're best through Vancouver, they will. I think the Wheat Board was a great big piece of overhead that chewed up a lot of money, and in fact, it's better for the farmers as well because when Dreyfus or Cargill and them buy grain from the farmer, they pay them. They write the cheque. When the Wheat Board got grain from the farmer, they would take and limit the amount of so many bushels per acre that you could ship. Then they would give you a down payment, and then they'd give you another payment, another payment, another payment. Well, I mean, that's a heck a way to run a business. [Laughs] But that's the way they were doing it, and of course, you had to pay all of their expenses for going. Whereas private industry comes along and says, "Okay, we'll give you this for the grain, so much per tonne," and that's it. The farmer's got it. He knows what his price is right there.

[1:35:31]

Bethlehem Steel out of Bethlehem, Pennsylvania was one of our better customers. I'm trying to think. A fellow out of Pittsburgh, Bill Bechtel. I'm trying to think of the name of the company. He was one of our good customers. At one time, we used to take a lot of ore up the river in Buffalo, and that's why we limited at that time--. They built a couple boats 600-feet long because that's the largest you could get up the river. We used to take ore up into Cleveland as well. They eventually shut everything down in Cleveland and cleaned the river up. In fact, they say at one time the Cuyahoga River actually caught on fire. [Laughing] So. But

they cleaned it all up anyways. I guess through the years in the latter part of my career was, I guess, Bethlehem Steel would be our largest ore customer.

NP: I was talking to Denis Johnson yesterday, and he was saying to ask you about the newsprint shipments.

PD: Oh. That was back with Great Lakes and the *Gaspedoc*. The *Gaspedoc*, that was its job was taking newsprint to Chicago. But we also--. People don't realize we had canallers, our small ships, that were taking newsprint down to Colombia as well, going down into South America. Yeah. That was part of the trade. And of course, it really had to be packed differently, like, very, very solid because you don't want those things moving around. They're so many tonnes. But yeah, the *Gaspedoc* used to take and move it into the *Chicago Tribune*, and it would go up there on a regular schedule right from spring right through until fall, and they would actually build up storage in the fall. In other words, an inventory for the winter.

[Telephone rings]

[Audio pauses]

NP: Okay, so we're continuing. Let me just say that. Apologizing for the phone call.

PD: It's okay.

NP: Thank you for letting me take that. You were discussing the *Gaspedoc*.

PD: Oh, the *Gaspedoc*.

NP: Going into Chicago.

PD: Yeah. It was a regular routine going in. [Laughs] One of the funny incidents was that John Paterson got a call on the Sunday morning from the head of the *Chicago Tribune*—the newspaper we would bring the newsprint to—and he says, “Call your captain, and tell him to quite blowing the whistle.” Apparently, what happened was that he was going up the river, and they weren't opening the bridges. I guess Sunday morning, and everybody slept in. I don't know what was going on. But he's in the middle of Chicago, and he's got the whistle going. I guess he's waking up half the town. [Laughing] So John Paterson had to get whoever was in charge at that time to call him and tell him to quit blowing the whistle. We kept that trade until, I mean, after I started, of course, and then it went over, and they made a deal. If you remember, they had a ship here called the *Incan Superior*. Anyway, you may

not be aware of it. Anyway. But they built that ship specifically to go from Thunder Bay—oops—Thunder Bay to Duluth, and it was to carry the paper from here to there, and then it would go by rail. See, one of the problems of shipping paper by rail was having to take and route everything through Fort Frances. You had to go up through Fort Frances to come back down again for some reason. It wasn't the least bit economical.

NP: Why couldn't they do it--. Oh, because they had to get to Chicago.

PD: It adds distance and everything else. You've got to go up there, and you're going to Chicago. So they built the *Incan Superior*. They ran it for a few years, and then eventually they just went over to complete rail anyways. And I'm not sure the path they took, but they moved the *Incan Superior* out of town. Of course, the *Incan Superior* took over our business, and so we didn't have the *Gaspedoc* running that trade anymore. Then eventually they lost it as well, and the railway set up a deal that they made sure that they kept the business.

[1:40:10]

NP: Who built the *Incan Superior*?

PD: I'm not sure. Was it built here in Thunder Bay? I think it was. I'm not sure. I remember a fellow named Bill Scott. He used to run it. He was fellow in charge of running it here. But I'm not even sure who owned it.

NP: Yeah. You've mentioned a few times as we've gone through a John Paterson.

PD: Yeah.

NP: So were you working then when he passed away?

PD: Yes.

NP: What can you tell me about John, and how things changed or stayed the same?

PD: Well--.

NP: Continued on after he passed away.

PD: Yeah. I don't know that things really changed that much. It changed somewhat of my perspective of having Robert come in. See, when I started there, John was in charge of--. He was in Thunder Bay, and when I moved up to be the assistant traffic manager and traffic manager, John was still there. We were working on the same floor, but he had his office in the corner. Yeah, we said a few words, but not a great deal. I mean, he was operating on a different level than I was. He always loved to travel, and he would be there a while, and first thing you know, you have to go again, and he'd be going somewhere. I think Robert got the travel bug just like he did. I can remember when my boss was in with a gallbladder operation, and he said, "Pat, don't worry. I'll be around." And he was there about two and a half weeks, and he says, "Jeez, things are pretty good. I think I can go out of town." [Laughs] And away he went.

Yeah, he was, you know, he had his--. Talked with the customers and so on. He worked at a different level, and he was back in organizations like the Dominion Marine Association and various things. He was very much involved there, not necessarily in the day-to-day operation of the ships. Of course, when he became ill with bone cancer, and of course, he died, young Robert, well, he was in Montreal. So he moved back here to take over the reins of the steamship division. I was traffic manager at that time, and Jim was the general manager, and then when Jim retired, I became the VP and general manager. Well, then I worked very closely with Robert, and we did a lot of travelling, et cetera. But I ran the day-to-day operations of the ships along with Winnipeg and so on and various people involved, along with, at that time, Gary Woodbeck, who was our traffic manager. So Gary got to work Saturdays and Sundays, seven days a week. [Laughing] But that comes with the territory. That's part of what you did.

Robert and I did a lot, like I said before, we did a lot of travelling together. And it's funny how it works out is that we can remember the ore business, and we had ore going into Buffalo and so on. We were pretty busy carrying ore, and then things were changing. The steel industry was changing in the states. There were more self-unloaders involved. And we were travelling, and then all of a sudden realized we had a year where we didn't carry a pound of ore. We said to ourselves, "We're busting our butts running around trying to get business and here it's going downhill. What's wrong?" And things turned around again, and then we did our travelling and so on, and we built the customer base back up again, and then we were carrying cargo both ways again.

Yeah, it was a different relationship, and Robert was more direct customer oriented than John was in lots of ways. John was working at a different level between the organizations, whereas Robert was much more directly involved with customers. Dealing with, like, Duke LeCompte from Bethlehem Steel, who was in charge of moving all their ore. We'd go down once a year to Cleveland, and they're have the Coal and Ore Exchange golf tournament, and Robert, he'd golf with Duke all the time. I didn't golf. I went down there anyways, and I'd just, you know, I was there, but I wasn't a golfer. So what we did, we just went out and sold the company and what we were doing.

[1:45:02]

NP: Marketers.

PD: Well, yeah. You can say what you want, but you're a salesman. You've got to sell the company. You find you get to the airport on Monday morning, and you'd have your bag, your carry on, and your suit bag, and you'd be getting on the plane, and you'd see another half dozen people doing exactly the same thing. Yeah, you had decisions to make in regards to staffing, et cetera, et cetera. You had contracts to work on, various things to put together, but marketing was one of your big things because, hey, you've got to put cargo on the ships. You know? You've got 4 or 500 people out there working, and you've got to keep them employed. On top of that, you're trying to make some money at the same time.

NP: Now, while you were working then, the elevator disappeared.

PD: Yes.

NP: What impact did that have on the shipping operation?

PD: Nothing.

NP: Hm.

PD: Nothing. If our elevator superintendent talked about bringing a ship up to get some cargo, load the cargo, our manager of the steamship—who was Gordon Hawk—ahead of Jim--. Gordon Hawk was the general manager ahead of Jim Sullivan. He would say, "Okay, who's going to pay for the tugs?" And he'd be talking the elevator into paying for them--. Well, it's the same pocket **in** lots of ways, but the elevator would have to absorb the cost for the tugs to bring the ship up. As far as the ships go, no it didn't really make a difference. It was a 4-million-bushel elevator that was inconvenient. You had limited draft, so you'd have to load at one place and complete at another. In the long term, no. We moved the grain through Richardson's, and it was no problem with the rest of the elevators in town handling whatever the Paterson house had.

Now, consider, getting back to the elevator, the ideal situation was to turn it over about four times. You would take and bring grain in, ship it, clean it, ship it, and then you would take and fill it up for the winter and park it. In other words, you'd take and cut down to basically just the watchman and some repair work and then open up in the spring again. In the meantime, you'd make storage charges during the winter. But the ideal situation was, in other words—a 4-million-bushel house—the ideal situation was to carry

about 16 million bushels through the house during the season. In its day, it made many dollars, but then it just ceased to be because the ships were getting too big to come up.

NP: With the switchover then in delivering grain to Richardson, making an arrangement with them, did that come along with an agreement that anything they shipped out was going to go on Paterson ships?

PD: No, no. You couldn't do that.

NP: Okay.

PD: That was Lake Shippers' job. Now, saying that, Upper Lakes took over one of the elevators here—the old Searle Elevator—and Upper Lakes runs that elevator under their auspices, but they also buy and sell grain. And they do ship their own grain through that elevator on their own ships. One of the few that does. But normally it goes through Lake Shippers, and it's assigned so that all of the elevators get their share. I would assume it's still staying that way.

NP: So then I would guess that--.

PD: Paul Kennedy is the fellow who runs that elevator.

NP: So I would guess then that in the time between when the Wheat Board disappeared and when the elevator disappeared, that the percentage that Paterson's--.

PD: Well, the Wheat Board just disappeared.

NP: Yeah. The percentage that Paterson handles through their agreement with Richardson, the Wheat Board would have determined what percentage was due back to Paterson's based upon what they delivered from the country.

PD: No, what happens is that Lake Shippers then revises their percentages.

NP: But if you don't have an elevator, you don't get any.

PD: No, but the grain is coming down to Richardson's. Richardson's, instead of being ten percent of the capacity is now all of a sudden 12 percent of the capacity, so that makes up the difference.

NP: And then they pay back to Paterson?

[1:50:01]

PD: And then they have a deal that Paterson's that they get a kickback on the grain that goes through them.

NP: Yeah. Okay.

PD: So it's basically just profit sharing. But, you know, the Wheat Board has just disappeared now.

NP: Yes. [Laughs] I know all about that controversy.

PD: Okay. [Laughing]

NP: I'm a staunch reader of the *Western Producer* and the *Manitoba Cooperator*, so.

PD: Well, I always thought it should have been gone long ago.

NP: Yeah.

PD: That's always been my thought. I was certainly--. I had my feelings about the Wheat Board. I think it's been good for the harbour for them gone, and I think it will be good in the future too. Yeah.

NP: Now, when you worked with shipping and the Wheat Board, there's—what do they call it—a traffic manager with the Wheat Board. The one I'm familiar with and have interviewed is a fellow by the name of Denis Portman. So would you be dealing with--?

PD: No, our fellow in Winnipeg would deal with them.

NP: Oh, okay.

PD: Yeah. In other words, you know, we'd taken--. The Wheat Board would sit down in the spring and tell us approximately what tonnage we were going to get depending on the crop and what rate we're going to get. And they did it with input from customers as

well. We were carrying the grain, and we had to make some money. If we didn't make any money, then where are we? But you were sort of the--. They sort of said, "This is what it's going to be, and that's it." You didn't have a lot of room to negotiate because there was always somebody willing to get in there and grab more.

NP: Was--. Like when the Wheat Board was a big shipper of wheat, did they have some kind of formula for splitting it? I know they did with the elevators, but what about with the shipping companies?

PD: Well, I don't--. It was never their intention to shut shipping companies down. I mean, you don't want to take and run companies out of business because then all of a sudden, you've got less people out there, and if you get down to one shipper, then the shipping company sits down and dictates what's going on.

NP: Did they pay one rate?

PD: Basically, yes. Yeah. Everybody got the same rate. In fact, the Wheat Board, they were into--. They were building ships in China to come over here and--. I just read about it, what was it, last year?

NP: Mmhmm.

PD: That they had contracts out to build ships.

NP: Two.

PD: And I think, was it Upper Lakes going to run them, or Algoma?

NP: Not sure. Can't remember.

PD: Neither am I. Anyways, because--.

NP: That was before they were--.

PD: Well, the ships are still there as far as I know. They must be coming over.

NP: They decided to go ahead, I think, with that, and maybe because it was too costly to cancel out. I don't know.

PD: Yeah. They've already committed, and the contracts, they'd have to pay it anyways. What they do with those ships, are they going to bring them over here? Are they going to sell them? Are they going to try and run them? But if they've got their own ships, it also means that they can take and schedule those ships to run full cargos all the time depending on the amount of grain they get to handle. So they're in the ballgame of playing just the same as everybody else. In other words, they're the same as Cargill and Dreyfus and so on. They've got to encourage the farmers to give them the grain to take so that they can carry it. They've got to operate like private industry, and if they don't get efficient that way, they're not going to be around any longer.

NP: It's going to be very interesting, and that's sort of what the conclusion was of everybody about the whole controversy about the Wheat Board or no Wheat Board is, "The only thing we can agree on is it's going to be very interesting to see how things play out."

PD: Oh, I think in the long run, I think, it's better for us. There's no question about it as far as I'm concerned. I would've scrapped them years ago. [Laughs]

NP: Okay. Let's--. Have we finished your steps up the ladder then?

PD: Yeah. Basically, I retired in '91 as vice president and general manager. That's what I did. See, things are going through--. Grain shipments were down in Thunder Bay. Business was getting tougher. I know that we talked about amalgamating. We met with Misener Steamship Company. We met with CSL. We looked at taking and merging. Economies of scale, like anything else. In other words, you take and use the same administration to run a greater number of ships, et cetera. The only problem being is that the way everybody wanted to set it up was that, when you looked at it in the long run, the only thing that Paterson's could do was go out of business. At that time, that was not an option. Now, eventually, of course, they did go out of business, but that's quite a long time after I was gone anyways. Q

[1:55:33]

So we looked at it, and we could just see that, yeah, there was downsizing going on, there was ships being scrapped—older ships being scrapped—et cetera. We looked at it and said, "No, it's not the way we want to go because there's nowhere to go but out of business." Robert wasn't ready to give up the business, and Donald, et cetera. Paterson's kept running on its own and carried on that way. We did, later on, do some restructuring and so on. We had to sit down and decide. We had a lesser number of ships and, "What are we going to do? What staff do we need to do it?" Et cetera. I can remember saying to Robert, "Well, I'm not going to be around forever. There's young people here and so on." I guess two years after the merging, we talked about it, and we decided it was a good time for me to retire. And I thought it was a good time. I had spent 38 years working—started at 18, and I was 56 at that

time—and I was ready to move on. I put enough working years in, I thought. Basically, it was a very agreeable situation. It was fine with them. It was fine with me.

I must say that I don't think I've ever regretted a day of retirement. Not one. I've enjoyed every day that I've retired. Sometimes you miss it, but then you see, I went on from there, and I spent six years on the Port Authority. I guess I was chair for, what, four years? Anyways, I spent six years in the Port Authority, so I had a hiatus as far as a steamship business went from when I retired to when I joined the Port Authority. And I'm trying to think the year it was. Anyways, they'd asked me before if I wanted to do it, and I said, "Yeah," and I gave them a resume, and I never heard about it for quite a while. Then all of a sudden, I got a phone call and said, "Are you still open for appointment?" I said, "Sure." So, I was in there representing the steamship companies. They decided, you know, I knew a little bit about the business, and I could do it. So I spent six years on the Port Authority. Of course, that's where I got to know Denis and everything much more. Denis and I are not on always good terms, let's put it that way. [Laughs] But I would explain that off camera. [Laughing]

Anyways, so I got back in there, and I sort of kept in touch with the steamship business and got to meet all the old friends through the business and so on. It put me back in the groove again. Then after six years, that was the limit of your terms, and I really had no desire to go on. I mean, I'd been in the steamship business, the grain business, long enough. I thought I was long enough in the Port Authority. In fact, we built Shed Four when I was chair. It was a \$5 million investment that we put in and apparently turned out extremely well for them. They paid it off in a relatively short time. You know, Tim Heney's there now, and I think he's been very progressive in expanding and aggressive in building up business and doing a good job. I mean, I was pleased with my time there, and I was glad to see that at that time that we built Shed Four and expanded what's going on rather than just tearing buildings down and not doing the business. As far as I know, it's worked out very well.

NP: Now, one of the interviews—and it may have been with Denis, again—he was talking about the packet trade, and the impact of the--.

PD: That changed things a lot for the terminal. If you remember, at one time, they used to take and actually go to the shed on the Kam River. Underneath the subway, there used to be sheds down there, and the packet freighters used to work out of there years ago. Then eventually, with Keefer Terminal, they eventually started moving stuff there. But you weren't going to keep going because truck and rail. I mean, truck put the death to the packet trade because you had to take large amounts, you had to store it, and then you couldn't run in the wintertime. So what you did was you put trucks on the road, and they ran night and day. They delivered on the basis of--.

[2:00:30]

NP: Just in time?

PD: Loads in time. Just in time. Overall, you didn't have to store anything, you didn't have to carry inventory, so that made up more for the shipping costs. In other words, it may have been more expensive to ship, but you didn't have to carry it to a great big warehouse. You needed enough just to accommodate, just to distribute. Nowadays, you take all these big stores like Superstore and the rest of them, they've got their own trucking companies bringing it in every day. So their inventory is on the road. It's going back and forth all the time. You go there, they don't have inventory. There's nothing in the back rooms. It's all out on the floor, and it comes in the next day and there's more on the floor again. That's what killed the *Gaspedoc* was that nobody wanted to carry that big inventory during the winter of all that newsprint because it's I don't know how many millions of dollars it would be to carry it through. So they arranged to get it on time as you need it, same as the auto industry and the rest of it.

NP: Jumping a little bit back now because it reminds me of something that, again, I learned from Denis was with the *Gaspedoc* going into Chicago, they actually unloaded right into the plant.

PD: Right into the *Chicago Tribune*.

NP: That's amazing.

PD: Yeah. But then they had to take, and they warehoused some of it in the wintertime. They didn't have enough capacity to go through the winter, so they would take and warehouse it elsewhere and build up the inventory.

NP: So the *Chicago Tribune* was actually built in order to--?

PD: It was downtown, and it was built on the river so that they--. Yeah, the ship would bring the cargo in, and he'd have to go through the various bridges to get there.

NP: You know, it's interesting because we took a tour, a river tour, of Chicago—it's their architectural tour—and I remember going past the *Chicago Tribune*. Never dawned on me though that it was rather unusual for-- [Laughs]

PD: A very close link to Thunder Bay, yeah.

NP: That there was a close link there or that it was sitting on the river for a reason.

PD: I don't know if they built it for that reason, but I mean, they must have because they have the facilities—the dock and everything else. Mmhmm.

NP: Let's review the questions that are here. I think you've touched on a lot of them, but I've got some questions about your connections with other aspects of the grain industry. So in any of your jobs, did you ever come into contact with the actual producers, the farmers?

PD: No. No. Basically, that was--. See, Winnipeg handled the grain end. They did the country elevators and so on, and they had the people that ran the inland--. They were inland elevators not inland terminals. There's a difference in size. And in fact, they've been building inland terminals out west. In fact, even Paterson's built them and so on, got into building them. The people out there, they had the contact with the farmers. At one time, they ran the fertilizer business. Like, they used to sell fertilizer to the farmer and all the rest of it. And then they had superintendents had areas. Like, they'd have, I think, three or four superintendents that would take and they had a particular area that they would work and keep in contact with the elevators, what they're doing, what's happening with the farm crop and so on. But that was Winnipeg. We were primarily--. We just did the basic groundwork to get the information to Winnipeg here. Of course, we had the elevator and had to do all the treating of the grain, but we just did the basic groundwork to get to Winnipeg, and then from then on, they'd carry the rest of it.

NP: Did any of your jobs—I remember your first job did—put you in touch with the railways at all? But you were just picking up stuff from the railways. [Laughs]

PD: Once I got off the grain desk, no. Where Ed Van Hatten was, once I got into his job, I didn't have contact with the railways and so on. It was when I was the gopher and on the grain desk, then I would--.

NP: So it would be the elevator manager here, the elevator superintendent, who would have been in charge of those contacts.

PD: Well, actually, the assistant superintendent. He basically ran the day-to-day operating of the plant. A fellow named John Hay, at that time, was the assistant superintendent, and he actually did the basic function, day-to-day function, of the plant.

[2:05:22]

NP: Canadian Grain Commission [CGC] then too, no, other than picking up stuff or dropping off to them?

PD: I used to take and have to--. They had an inspection house at the elevator, and I would have to go up and pick up the sheets, and they would grade all the grain that came into the elevator. Plus, they would weigh all the grain. I would get the scale tickets along with the grading information directly from them to take up to the office.

NP: Now, when you were in charge of traffic then and shipping, would--. Let's say something was supposed to be put onboard one of your ships, and then when it came off there was some question about whether it was in the condition that it went in on. Would you ever have to deal with the Grain Commission in a situation like that?

PD: Well, the only thing that you have is, like, as far as the grain goes for the elevator when you're shipping out of here, it's all graded when it goes out. That's what it relies on. In other words, it gets down below--. Now, if you have water leakage or something like that or damage, well, that's what the insurance is for, and you'd have to take and make a claim through insurance. But it wasn't the usual things. Winter storage, basically, it was up to the elevator to get the grain or the corn--. In fact, corn was one of the worst cargos because corn would heat. It's moist. They were the ones responsible to get it off in time so they didn't burn the ship up or ruin the cargo. So we really didn't have much liability in that way. But basically, I guess, if our ship went down, we lost the cargo, well then, the shipper is supposed to have insurance to take care of it. The cargo is the shipper's responsibility all the way. Mmhmm.

NP: That was the usual way the contracts were made up?

PD: Yeah. It was the shipper's responsibility. In other words, don't come crying to me because you lost 20,000 tonnes of grain. Go talk to your insurance company.

NP: Yeah. The other side of that is not the Grain Commission, but the food inspection people, the bug guys.

PD: Oh, yeah. Well, we never had a great deal of problem with that because--. The smaller ships, you had to watch them because they had the extra ribbing on the inside, and it was more pockets for grain to collect in. But the lake ships, basically, they had this big blank hold. They had a ladder on one end, et cetera, but basically there wasn't a great deal. And some deck beams that have to be cleaned off every once in a while. But there wasn't all those areas to take and collect grain to collect bugs. I mean, we got hit once in a while, but nothing of any consequence.

NP: What--?

PD: We actually had to take a shipment and park it and take the crew off for three days.

NP: What was--?

PD: Well, because then they took chemicals in to kill all the bugs, and it would've killed the crew at the same time, so. [Laughing]

NP: I was thinking what were the bugs? Because was it a Canadian shipment?

PD: God only knows. And because we carried American grain, and we carried Canadian grain and--. American grain was never as clean as Canadian grain or as well taken care of. I can remember hearing stories about rats coming out at the same time as the American grain. [Laughs] Well, and of course, rodents, rats and so on, they're all around the grain business. Like the elevator and back in the old tunnels and so on. They were there. And even that synagogue had the big tops that were wide open, and I can remember Reg Rose talking about going up there and shining a flashlight, and you can see all these eyes. So you know, that was just a fact of life because any time you've got food around, animals are going to learn how to get it. It's like putting a bird feeder up. You put a bird feeder up, they're going to be there. [Laughing]

NP: Ah. Yes. I have a special interest in the wildlife of the elevators. [Laughs] So some coyotes were the last ones I heard about, but Vic encountered a bear in one of the tunnels.

[2:10:11]

PD: Oh, I hadn't heard about that.

NP: Yeah. Just interesting.

PD: Yeah. Of course, and then they had to do all those saltwater ships. Go out and do them all the time too because saltwater ship always had to be inspected before they would load it.

NP: But yours didn't need to be?

PD: No. No. Occasionally.

NP: Well, if you can only think of one situation where you had an infestation.

PD: We had a couple times. They got down where they just used malathion, and they would spray it, and it was fine. They didn't have to take the crew off. But one was pretty infested, and they actually had to take the crew off to get it done. It's not unusual.

NP: So in that instance, do you recall what happened as far as who was liable? Like who--?

PD: Us.

NP: Oh. The shipper or the elevator?

PD: No, no. No, no. Because we were empty at that time.

NP: Oh, okay. So it wasn't a--.

PD: No, no. There was no cargo. It was a buildup of bugs on the ship.

NP: Okay.

PD: The grain had sat there for so long and never been cleaned off, and of course, you know, there's bugs in the grain all the time. It's a case of how long.

NP: It's a question of how many.

PD: Yeah. [Laughing] Well, and the--.

NP: Extra protein.

PD: See, one of the things that I didn't mention like the elevator—and I'm getting into the sort of operation of it—is in the wintertime they would turn, if they could, turn all the bins over and freeze the grain. So it goes back into the bin and it's cold. In fact, you can bring out grain in September and it's cold just like winter because it's in there and it's been turned over. So they used to turn it over in the wintertime to cool it down, make sure it's cold, and put it back in the bin again.

NP: What I think about when you say that is global warming as another potential impact then on the--. Like that would really help with storage to have your product frozen, right?

PD: Oh, yeah.

NP: And if you don't get freezing temperatures, then you get--.

PD: Yeah, but we do get freezing temperatures anyways so. Like parts of the States, I guess they don't get that real cold temperatures, but I mean--.

NP: They probably do a lot more bug work.

PD: Well, when you look at it, like, we talk about our grain business as being big, but it's nothing compared to the States. We're not in the same ballpark by any means.

NP: Mmhmm. Okay. Have you already discussed what the major changes were that you saw over the years? And I think particularly in your shipping roles.

PD: Well, less cargo. I mean, less grain cargos. Self-unloaders came into being, and self-unloaders, I guess, were one of the biggest changes on the lakes because it meant that--. At one time, they always thought self-unloaders were too expensive carrying ore. Self-unloaders were basically carrying like limestone and gravel and so on, and they would swing from port to port. They'd make a circle of, say, four or five different ports. The way to make a self-unloader profitable is to not have any down time. In other words, you just go a short distance, pick up another cargo, and then you'd carry it, dump it off, and go. And since they have the capacity to unload themselves, they can drop it right on the dock in a relatively short period of time and kick on to the next one. They don't have to have stevedores and everything else to do the job.

NP: But grain didn't lend itself to that?

PD: Oh, grain became part of it. Yes, they do because at one time, they didn't have the facilities to handle grain from self-unloaders. You've got to have a place to put it into because you just can't dump it on the dock. So eventually the elevators down in the St. Lawrence started adapting so they could run self-unloaders. They have to be more careful to seal the doors when they're loading grain because otherwise, it would just seep through, and they would have more loss, cargo loss. And then it got into the ore business as well, and the steel companies found out that employees on the dock and unloading and all the equipment you need got to be a real pain. In other words, it was expensive, it was hard to maintain, and employees could be a real problem in a unionized environment, et cetera. So they eventually decided they were better off to bring in self-unloaders. Then all they had there was one

piece of machinery on the dock and somebody with a Hough loading the iron ore that the self-unloader put on the dock, transferring it. They didn't have these--. What did they? They were Hullets, and they would come down in a big clam. They'd go down in the cargo hold, grab it, and pull the ore up, and swing around, and run back and drop it on the dock. They didn't swing around. They just went back and forth like this.

[2:15:27]

So self-unloaders cost more money initially to take and carry it, but in the long term, getting rid of all the employees on the dock and everything else more than made up the difference. Self-unloaders, extremely expensive. I imagine it's got to be \$100 million to try to build one nowadays. I mean, when I was there, it was about \$35 million to build a self-unloader, and unfortunately, Paterson's didn't get into the self-unloader business so, you know, they eventually ran out. Then when the *Windoc* had the accident, that was sort of the kiss of death. I think Andrew in Winnipeg sort of bought everybody out, and they've taken the money from the *Windoc* and run, I guess. I don't know. It's too bad it's gone, but it's like anything else. It just phases out.

NP: Changes in the ships other than the self-unloaders, the grain ships, largely a question of size?

PD: Oh, yeah. Yeah. I mean, particularly now when you've got less water underneath you going through the lakes, these ships now—like the new ones they're building—they're carrying 28-29,000 tonnes. A big difference from 10-15,000 tonnes. Same number of people, most likely just about the same expense, fuel costs, and so on. The new ones are much more efficient. So in the long run, yeah, it's the size of the ship that makes the difference, and they build them as big as they can to go through the Seaway.

NP: Which is the limiting factor.

PD: Yes. 736 feet is the biggest you can go. The limiting factor is really the water because you take and put a ship in the lock, you've got to have room to displace the water. It's got to be able to come up the side and the front and back. So you can't fill the whole thing because then you don't have anywhere to displace the water. Because the ship has to stay at its normal draft. It doesn't change its draft. The water comes up, and it rises up with the water coming in.

NP: I think we've talked about the changing role in Thunder Bay. When Thunder Bay went from handling 17 million tonnes at the height, which would be '83, I think.

PD: Somewhere around there.

NP: And then from then to time that you retired, there was a steady decline. It must have been a challenge to replace, or were ships retired?

PD: Well, there was old ships out there that were being retired, that were going to the boneyard anyways, and they were just too expensive to repair. So they eventually, just, they left the marketplace. If you can see that nobody was replacing that particular type of ship--. They weren't replacing what they called bulkers—not self-unloaders—and that's why the Wheat Board and so on was going into building some bulkers because they wanted to have those ships available because the other ones were all disappearing. Like the *Comeaudoc*, I mean, it eventually just got to the point where it wasn't salvageable anymore. You just couldn't spend the money. It wasn't going to be seaworthy. Too much money you couldn't afford to spend with it. Yeah, that's the change, I think.

The grain cargos went down. Unfortunately, the never amalgamated the elevators, never made them more efficient. Also, the city never set up, you know, to change the tax base. The tax base, I always thought, should have been on the throughput. In other words, so much a tonne. Throughput is what the elevators should have been paying as taxes rather than say--. Yeah, that elevator, if you want to build it today, it's going to cost you \$100 million, but it's not worth \$100 million. If you charge them \$9 million, they can't afford to pay it, not enough cargo going through. The lesser amount of grain going through raises the price per tonne that you pay in taxes. Whereas in American ports, some of them, it's on throughput, and they pay on throughput. In other words, it's \$10 a tonne or whatever it is, and they pay that as taxes. If they have a banner year, the city grabs a lot more money. If they don't have a banner year, they grab less.

[2:20:38]

NP: That's a provincial, unfortunately--.

PD: Yeah, I guess so. Now it is, with MPAC and so on. But I imagine that the city could have made industrial agreements a long time ago.

NP: Yeah. A long time ago. But things were different a long time ago. The elevators weren't even necessarily complaining about the taxes because things were good.

PD: Well, the city--.

NP: Although, I can't remember any elevator person ever saying they didn't complain about taxes. [Laughing]

PD: Oh, they all complained about taxes.

NP: Now, that you say that. Right.

PD: The city is like any other government. They don't have a revenue problem—they have a spending problem.

NP: Labour relations. Things change over time or pretty much the same?

PD: As I said, I wasn't around when the unions changed over to the Seafarers, and it was a bit of a difficult time, and I understand that it was quite lawless in some areas. But I wasn't there at that time, so that was ahead of my time. But you know, I think it's like any other labour relations. I think there was good times, bad times. We never had that many strikes. We had a few, but I don't know. It certainly didn't seem to impede us. I remember one that lasted a month or two, et cetera, but I don't know. We just lived around it.

NP: Memorable captains?

PD: Yeah. We had a fellow named Lindy Burns who spent, what, 52 years? Yeah, I think it was. He started when he was 12 with his mother and father, and they were cooks, apparently, aboard the ship. He eventually rose up to be a captain. He retired at 65, so that's 53 years. He had seniority, et cetera, and he always had the flagship. Like a new ship come out, Lindy got to run it. He started off on the small ships like a lot of them did, and then moved up to the upper lakers and so on. I don't know. There were characters back in the old days. Like, when you had 40 ships running, you'd have sometimes quite a few of our ships sitting in Thunder Bay. And of course, the guys managed to get together. [Laughing] They generally had a good time. They were old-time sailors, eh?

NP: What did it take to make a character, do you think? Like what was characteristic of a character? [Laughs]

PD: I mean, to be a captain, you've got to be fairly responsible anyways. I think some of them hated to drop anchor, some of them didn't, at any excuse would drop anchor. They ran their crews differently. Some of them were sort of party guys, but back in the old days, that was not untypical for a lot of people. Nowadays, it's a whole different business as far as I know. Not quite the same thing. I don't know. I can remember that—talking about one of the canallers and that—what was his last name? Lesperance. French fellow. His nephew come into his room and said, "Captain." He says, "I'm the steward, union steward." The captain punched him, laid him out, and said, "And I'm the captain." [Laughing] But that was back in the old days. Now he'd be sent off to jail. Yeah. I don't know. I think it's like any other. There's characters in every--. What makes a character is because they have a good time or--.

I mean, some of them, like, hated to drop anchor. You always knew they would run come heck or high water. They'd be steaming down the lake when nobody else would.

[Coughs] Excuse me. In the long run, they were pretty responsible people. They moved up to that because they worked as a deckhand or whatever and moved up through the various classes-third mate, second mate, first mate, and captain. Had to write all of the government tests and so on. So they had a pretty responsible position, and maybe they got ashore and they partied and so on, but all in all, they were pretty responsible.

[2:25:33]

I can remember K. C. Clark. He was one that was a bit of a character. He had a shotgun in the wheelhouse, and he always said it was for shooting birds. We didn't quite believe him anyways. At one time, the Unemployment Insurance said, "Captains are paid daily, so they have to pay Unemployment insurance." And of course, you know, a captain, he's making good money and everything else. Yeah, he's off for a couple of months in the wintertime but that shouldn't matter. So he said, "Okay, I've got pay it. I'm going to collect it." So he used to drive down in full uniform to get his unemployment insurance. He'd park his big car outside and go in in full uniform just to rub it in. [Laughs] Yeah, he was a character. But--. He loved to take and if he had passengers on to see if they'd get seasick, another great chore of his. [Laughs] But he was quite the guy.

NP: Did you find that almost all of them were long-term and also respected?

PD: Yeah.

NP: As opposed to feared or maybe a combination of both?

PD: I think in the old days, you know, the captain considered himself God, but that changed. I think in lots of cases the captains were respected because the crew depended on him making the decisions that kept them safe. I mean, if he made bad decisions and took them out where they're not supposed to go to, then they have a problem. So yeah, I think so. The captain had the experiences. It's like I said when I moved into being GM. You start off inexperienced and then you go from there. Then you get more experience, and of course, you get better at what you're doing. And it holds true for them as well. I think in any particular occupation.

NP: Were you in the traffic department with the--. When did the *Edmund Fitzgerald* go down?

PD: Oh, I can't remember what year that was. I know I've talked to the various things and various people, and I know that a lot of our guys figured they hit the Lake Superior shoal, and they actually punched a hole in the bottom. They didn't know because it was rough weather. Somebody said, "Well, he was a mile and a half off-course." But how true that is, I don't know. It's just speculation because nobody knows because the ship went down, never heard a word from him. The weather was such and the problem was such that it just sank. I guess by the time it was going down, by the time they realized, they never had a chance to do anything.

NP: The reason I ask that is where, other than the one you talked about—I think it was Cleveland where the--.

PD: *Labradoc*.

NP: Yeah. Was that the closest call you ever had with a--?

PD: Yeah, in my experience.

NP: Yeah. That's good.

PD: I mean, we had groundings and everything else. [Laughs] I remember Jim Sullivan sitting across from Nort Frances. Nort Frances was a relative of John Paterson's, and he did our insurance through a company in Montreal. Jim was busy extolling the virtues of our record, and how good we were, and how little problems we had. And the phone rang. And Jim handed it over to Nort, and he said, "Nort, this call is for you." [Laughs] The *Senator of Canada* had come out of Kingston, got into snow squall, lost bearing, and put it up on the rocks about 400 feet. [Laughing] He said, "That's the end of my sale's pitch." [Laughing]

NP: One of the things that I like to ask is related to your positions in the overall scheme of things relative to Canada's success as a grain trader. Canada—to my mind from my reading of it and talking to all kinds of people—has done very well as an international grain trader given geography and climate and even just location of where we take things out.

PD: Right.

NP: How do you think that your work in your positions contributed to Canada's success as a grain trader?

[2:30:07]

PD: Well, I think that--.

NP: Or didn't. I should not bias the answer. [Laughs]

PD: I mean, our company contributed to the success because we had to move grain. Back in the old days, you had to take grain, and you had to take it down to Port Colborne, you transshipped it, and you moved it by small ships down into Montreal, and then it went into saltwater ships. And then eventually, they took and put the Seaway in place in 1959, I believe it was, and all of a sudden, the whole picture changed again. I think, yeah, the lake ships—and I'm talking about all of them—made a big difference. I mean, I just ran a few of them. But the lake ships made a big difference because they could take and take it all down out to Baie-Comeau, Montreal, Quebec, Three Rivers, and so on, and put it in place directly for the salties to get it. Then saltwater ships started to come up here, and they would bring cargo into the States, and then they would get cargo here and take it down. So I think the Seaway made it much more efficient. I think we were just a cog in the wheel, and we had ships available. Yeah. We moved grain, and we moved it fairly economically. But then of course, the picture changed, and they started shipping through the West Coast, et cetera, and moving more grain that way, which I didn't agree with because they were eating into a rice economy rather than a wheat economy. But no, I think it was all the grain ships that were available and the Seaway. I think the Seaway was a big change. That was--.

NP: So--.

PD: That was in the ore trade and in the grain trade.

NP: If you hadn't done your job well, would Canada's grain trade have suffered?

PD: No. They would've put somebody else in. [Laughing]

NP: So, yes, in fact, it would have made a difference if everybody like you did not do a very good job. If nothing else, costs would have been not contained, and Canada would have been uncompetitive.

PD: Well, yeah. But there was enough competition. I mean, it wasn't as if you just had two companies. You had numerous companies, and they're all fighting for the same--. They're all trying to get a bigger slice of the pie.

NP: That's supposed to be the advantage of competition.

PD: Well, it is. I mean, it's like if you want to have a fast-food place, where do you build? Right next to McDonald's.

NP: Yeah.

PD: That's where the traffic is, and that's where the competition is, and it will pick your business up. [Laughs]

NP: That brings up a question that came into my mind a little while earlier—and I forgot it—was what was the impact of Paterson's being operating out of Thunder Bay where everybody else was operating out of closer to the--.

PD: Well, I think for the family, it was more comfortable too because, you know, the senator liked Thunder Bay, liked Fort William and Port Arthur. And his motto was where he could, he dealt in Thunder Bay. In other words, you would take and do purchases in Thunder Bay. In other words, Thunder Bay was—Fort William and Port Arthur—was always a priority with him. As you can see from when he took and--. He's the one who started the whole cancer clinic here with the Cobalt Bomb and so on, made the appropriate donations. He was one of the prime funders for the Lakehead University. He believed in Thunder Bay. He spent his last number of years living in Ottawa as a senator, but Thunder Bay was a strong presence in John and Robert and Donald. Alexander, not so much. He's not as well known here, but they were a well-known family here. Whereas in St. Catharines and Toronto, who would they be, you know? So they were quite an influence, I think, around Thunder Bay. They had a good presence.

NP: Did it make a difference to how they operated or how long they operated or how successful they were because they were located at the end of the lakes rather than the other end of the lakes? Did you see that as a factor either way?

PD: Well, somebody thought that maybe St. Catharines was more--. Be there, be more efficient down there. But in the long run, I don't think so. I mean, we weren't really into the computer age when I started, et cetera, et cetera. We got more into it, but I mean it was communication. You know, the ships, most of them were coming to Thunder Bay at one time or another anyways, and then we had the office in Montreal which handles the ships on that end and also the smaller ships as well. Yeah, it wasn't a detriment being in Thunder Bay, and I think for the family, it was a plus. They were well-respected in Thunder Bay.

[2:35:31]

NP: Still are!

PD: Yeah, very much so.

NP: You know that we are--. Or maybe you don't know, so I'll tell you briefly. I'm going to turn this off.

[Audio pauses]

NP: Feature.

PD: I'm not really sure.

NP: Let me just ask that question on tape. So if we do get a centre established in Thunder Bay, given that you worked for a company that is so closely a grain company most closely tied to Thunder Bay—and the fact that you were involved in shipping—what things do you think we should feature, celebrate?

PD: Well, what you're going to--. You've got to celebrate the years when it was really going well. I think, yeah, there's been a slide, and it's changing, and it's world markets and so on, but there was a time that Thunder Bay was an extremely important port. And in lots of ways, it still is. There's no question about that. I'd go back to that and really stress that, you know, how many elevators did we have and how busy were they? The amount of grain that we moved through Thunder Bay and so on. Ships? Basically, you know, we did build ships here. The Port Arthur Shipyards is still there, even though they, at one time, were going to close it down. But I don't think they ever really did. We're not building ships in Canada except on the East Coast, and those are all government ships being built down there. The rest are being build offshore. At one time, we had a huge lake freight, but we don't have that anymore. We have lots of tonnage available.

So I don't know. The boom years. I mean, I think any place--. It's like the Gold Rush. I mean, there's no use featuring, "Oh, the gold is all gone and forget it. We've just got some dark pits sitting here." [Laughing] You've got to say, "Hey, this is the way it was. Things have changed. The market has changed, but this--." And Thunder Bay is still a good community. It's not as big as it used to be, but still, it's still a pretty vibrant community as far as I'm concerned anyways.

NP: Well, the--. [Camera shutter clicks]

PD: Oops. I think I blinked.

NP: That's okay. I'll take more than one. It's interesting that you say that. It's something that I just read recently, and I think it was—hm, I can't remember where it was—but it says, "The character of a community is reflected in the credit that they give to others for getting to where they are." And Thunder Bay was the world's largest—world's largest, not Canada's largest—but the world's largest grain port from about 1920 to 1985.

PD: Remember, we're still 25 percent of the Seaway's shipping. Okay? We're still a very large percentage of the Seaway's shipping, so you've got to remember that, that the Seaway doesn't talk much about us, but we're one of their major customers whether they like it or not. You can't discount that. We're what's helped keep them going. Yeah. I don't know. I guess, yeah, I would feature when it's good, and I think that's when people should see it and go from there. Ships? I mean, how do you--? I mean, you can display the number you have and so on or something to do with the amount of tonnage and how things have changed over the years. But as I said before, we got down to 12 ships, and we had more tonnage than when we had 42, but it was a whole different realm then. It was a case of two different things going together to accomplish an objective which was to move grain down into a place to market it.

NP: And people love ships.

PD: Yeah.

NP: A lot of people are attracted to ships.

PD: You haven't talked Robert into any of those models? They're all gone now, I guess.

NP: No, actually, the models were left because Paterson Foundation still works out of the upper office there. I think part of their arrangement with TBT Engineering was, "Can you leave all your stuff up?" Because the owners really love the--. Yeah.

[2:40:11]

PD: Oh, yeah. They look great.

NP: Yeah.

PD: Yeah. I haven't been in the office for God knows how many years. [Laughs]

NP: Well, probably it's not too much different I don't think.

PD: No, I don't imagine. I mean, it was nicely set up. You know, I had--.

NP: And very solid.

PD: Yeah. I had a nice big office there.

NP: Which one was yours?

PD: When I left, it was the one you go up the stairs, around the corner, just around, and then turn into the right. That large office with the board table and everything. I don't know if the board's table is still there or not.

NP: The board table is at the very--.

PD: Well, there's--. I had a board table in my office along with the big one that was in the open area. Yeah. So in other words, I could look out the window, and I could see the stairs and so on. That area there. There was a corner office, secretary's office, and then my office. Well. Okay.

NP: So, we'll shut this off. Thank you so much. I want to take a couple of pictures. [Telephone rings] I'll just let that ring. I'm not expecting anything.

End of interview.