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Company Affiliations: Canadian Pacific Railway (CPR), Grain Transportation Agency (GTA)

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Summary: Grain coordinator Anthony Kaplanis discusses his role at the Grain Transportation Agency (GTA) in ensuring the smooth and efficient movement of grain into Thunder Bay on the two major railways. Kaplanis details the beginning of his career at the Canadian Pacific Railway (CPR), and the change to the grain railing system when grain pooling was introduced in the 1970s. He describes the increase in efficiency with the advent of the system, and the downturn that occurred with the more recent change to a free-market, deregulated system. Other topics discussed include grain cleaning and drying at the terminals and on the Prairies, the introduction of hopper railcars, elevator turnover ratios, the Canadian versus American grain systems, the size and daily operations of the GTA office in Thunder Bay, travel through the St. Lawrence Seaway, interactions with legislators, and Thunder Bay's grain handling records.

Keywords: Grain Transportation Agency (GTA); Canadian Transport Commission (CTC); Canadian Pacific Railway (CPR); Grain transportation; Railway transportation; Canadian Wheat Board (CWB); Grain pooling; Crow Rate; Canadian National Railway (CNR); Grain cleaning and drying; Grain marketing; Country grain elevators; Grain farmers/producers; Grain laws and legislation; Hopper railcars; Efficiency; Grain handling statistics; Terminal grain elevator capacity; St. Lawrence Seaway; Lake shipping; Lakers; Ocean-going vessels; Ocean shipping; Port Arthur; Fort William; Vancouver; Prairies; Baie Comeau; Quebec City

Time, Speaker, Narrative
EE: He's in charge. Well, it's a great pleasure to be here this afternoon, particularly in the context of the generosity you were just mentioning in regard to time. Let's start by my asking you to give your name and your place and date of birth so we get that on the card. I've got it on paper, obviously, but. AK: Ok. Anthony Kaplanis. I was born in 1936, July 20th in Fort William.

EE: Right. And can you tell us how you came to work in the grain industry? Perhaps your earlier schooling and so on and so forth perhaps, or did you get to it quite early in your life?

AK: Well, I started the railway when I was 16 years old in 1952. I worked various positions with CP [Canadian Pacific Railway] until I was the deputy general yardmaster in 1972, and that's when they opened up the Grain Transportation Agency [GTA] here. There was an opening came up, and the fellow named Menzes—I don't know if you remember him, Ernie—he was the first grain coordinator in Thunder Bay. He needed an assistant, and he asked me if I wanted to work with him, and I said yes. It was a better job. It was days. It was that sort of thing. So in '72, I went with the Grain Transportation Agency, and then it was later taken over by--. Well, originally it was Canadian Transport Commission [CTC], and then it was taken over by the Grain Transportation Agency, and I retired in '96.

EE: When things were--. Well, that's, we can get into changes later on, but it was in the mid-90s that a lot of things changed in transport, I gather.

AK: That's right. Yeah.

EE: Right. Well, that's how you--. The "when" of it and the "how" as well. Could you tell us something about your work for the CPR before this all began? The various things you did, especially those that related to the grain trade, grain movement.

AK: Yeah. Well, when I started the railway, I started at the lowest job that the CP had at the time was call-boy. And I used to have to go to the bunkhouses to wake the fellows up to go catch their trains out of Thunder Bay east. And west, I had to go and call them. We had some employees living in a YMCA and that sort of thing, and in those days, we never had telephones, so we had to go knock on their door and wake them up and tell them to be at work at a certain time. Then I became a car checker, then a car crew clerk, then a chief clerk, and I worked my way into the yardmaster position, which was basically the operating end of a railway.

EE: Sure. And your office was--?

AK: On Hardisty Street. We worked out of the little building there. They ripped it down now at Hardisty and Bethune.

EE: Right. I see.

AK: If you remember. We went through some great times at the--. We had those days, everything was--. There was no diesel. It was all coal. A tremendous amount of trains carrying coal. It was just amazing how busy we were. Well, diesel came in in the early ‘50s with the passenger train, and then later on in the ‘50s, they went all diesel. That, of course, made the trains became longer. Grain trains, they went up to 100-120 cars, that sort of thing.

Again, in those days, every grain train that came into Thunder Bay had to be humped. The cars had to be separated. A car of wheat for Pool 1, a car of wheat for Cargill, a car of wheat for Pool 7. It was all separated, and they operated that way right until the Grain Transportation Agency—or Canadian Transport Commission at the time—took over. In accordance with the Canadian Wheat Board [CWB], they changed the system to pooling, so that a car of grain—if it was a car of wheat—came into Thunder Bay, it could go to any elevator that handled wheat. That eliminated all that individual humping and switching. So a whole train of wheat could go to any elevator. But then the companies that owned the grain in the first place or had--.

[0:05:25]

EE: Taken delivery of it?

AK: Taken the grain in, they wanted their share at Thunder Bay, so we had to develop a formula for each grain company. So Sask Wheat Pool was the largest. They handled about 50 percent of the grain in the country. Therefore, we had to give them 50 percent of the grain in Thunder Bay.

EE: That came in here, right.

AK: Manitoba Pool was about 18 percent. Cargill was about 6 or 7 percent. Richardson was around 12 percent. Grain Growers was 15 percent, and P&H [Parrish & Heimbecker] was about 1.5 percent.

EE: Paterson’s?

AK: Paterson’s wasn’t part of it then. They had shut down all their elevators. In 1972, they didn’t unload grain cars.

EE: What were they moving then? Or had their elevators ceased operation here? Because they took it down in ’84—or sorry in ’78—when I came to Thunder Bay. They were just knocking the elevator on the Kam down.

AK: Well, they had shut down their operation. They were still in the transportation business, but only with their vessels.

EE: They were buying grain on the Prairies, the elevator. My father, until—I don't really know what he did after 1960, probably still sold to Paterson's in Culross—but up to that point--. On the first farm. He bought a second farm, so I guess that--. And I was off to university and so on, so I really did not observe that. But he would have been selling to Paterson's, and I'm wondering then, through the '50s. Well, they would have had their elevator in operation then, I guess.

AK: Yeah. Yeah.

EE: So how--. If they were buying on the Prairies but not operating an elevator here, then were they taking delivery of grain for the Paterson ships from other elevators?

AK: They might have made a deal with one of the grain companies.

EE: Yeah, they must have.

AK: It could have been Cargill. It could have been Richardson's. It could have been UGG [United Grain Growers]. As far as I can remember, they were only involved in shipping it out of Thunder Bay, and then that was a different contract altogether. That was they were operating their vessels.

EE: Sure. Yeah. And your concern, your focus, was on movement to the port. Others were involved with organizing delivery, shipping from the elevators.

AK: Right. Yes.

EE: Yeah. Well, that's an interesting sketch of activities. Did you work yourself with the organizing the humping, the separating of cars and so on?

AK: When I worked at the railroad, of course, that was part of my responsibility was the handling all the cars, not only grain. Everything that arrived into Thunder Bay was handled by our department.

EE: Right. Our very first interview was with Roy Lamore who worked for--.

OM: Was it CN [Canadian National Railway]?

EE: CN, oh, yes. That's right.

AK: CN?

EE: It was CN because he was out in the Rosslyn yards, come to think of it. So he would have been a kind of partner, if you will, but in the other railway.

AK: Yeah, well, they used to hump the grain in Neebing, and we used to hump our grain in Westfort, but then that all changed.

EE: Sure. And that, of course, is where we begin to focus. The Canadian Transportation Commission was a longstanding organization which had been in existence for some time when you came into it, I guess?

AK: Yes. The Canadian Transport Commission was the regulatory authority for the railway, and I think it's changed now. It's Transport Canada, I believe, now.

EE: Part of the Department itself, I suppose.

AK: Yeah. They don't--. I don't think they have the same emphasis today that we had in those days. The Canadian Transport Commission made sure the railways were operating safely and to some extent economically. Could be--. Without the railways, we couldn't move the grain, so.

EE: No. Well, the whole deregulation mania that began to develop in the '80s, I guess. I remember with Iain worrying about the removal of the cabooses from trains, for example. They began tying, fastening something rather of an electronic sort, is it? to the tail of the trains so that it sort of is supposed to warn them if anything goes wrong or whatever. But there aren't any people back there any longer. That happened sometime in the mid-'80s, I think.

[0:10:23]

AK: Well, they still had cabooses when I retired, and that was in '96. So they still had some of them. They were operating trains without cabooses. I personally didn't think that was ever going to work, but I guess it did.

EE: And rail safety has had its low spots, low points, and otherwise, I guess, the grain has moved. Well, let's focus then on the organization of things for the railway companies and the elevators. You've already mentioned the move to pooling, which--. That took place while you were--?

AK: Yeah. Pooling came into effect in 1972.

EE: Right at the time you began?

AK: That's right. That was in conjunction with the opening of the Canadian Transport office in Thunder Bay. And it was entirely--. Nobody knew how this was going to work. It was proposed. I remember the first meeting we went to. We had all the grain elevator superintendents at the meeting, managers. The Canadian Wheat Board employee made the presentation that effective so-and-so date, everything was going to be pooled. And one of the managers said, "Well, what does that mean? That my car of wheat, my good wheat, is going to go to Cargill, and I'm going to get somebody else's less--?" And the answer was, "It's the luck of the draw," [Laughing] But as it turned out, it made the port tremendously more efficient.

EE: Sure.

AK: Everybody--. I mean, whatever a grain elevator did prior to 1972, they tripled it after that. And the records indicate that we, in one year, I think it was '83/'84, we handled over 19 million tonnes of grain through the port of Thunder Bay. Now the best they can do now is maybe 5 million.

EE: Yeah. It was a glorious era.

AK: It sure was.

EE: I was running in the summer of '84, and Frank Mazur—president of the grain handlers' union—had nominated me and so on, and he was very proud of the 1,800 guys up and down the waterfront in the elevators helping to handle that grain. So it's a dozen good years that followed on this decision. The companies previously had depended on supply from their elevators. Paterson's maybe were outside this, but the elevator I know, of course, in Culross, Manitoba would presumably have been loading wheat that made its way to the Paterson Elevator on the Kaministiquia, to use maybe an anachronistic example now. The quality of the grain, as you've suggested from one of the questions, would remain of concern always. Was there anyone from the Grain Commission at this meeting?

AK: Oh, yes. Definitely. Grain Commission--.

EE: Because it would be grading that would be very important.

AK: The Grain Commission was there, but as it turned out, it really didn't--. If you talk to an elevator manager, he will tell you, Ernie, that the only way they can really make any money is to clean the grain. And so it didn't matter if they had dirty grain or damp grain or whatever. They would clean it, and they would upgrade it. They could take a car, let's say, of [No.] 1 Red/12.5 and by cleaning it make it [No.] 1 Red/11.5. And [No.] 1/11.5 would receive more money per tonne than 12.5 or 13.5 or whatever. And that's the way the system went. [*Note: this is grading and cleaning information is incorrect.*]

Now, everybody--. The way the grain would come out of the country, the Wheat Board would make an agreement to sell so many tonnes to, let's say, Italy. So they would ship it out of the country from various grain elevators to Thunder Bay, and then when they had enough for a boatload or two boatloads, then that's the way it left Thunder Bay. But it was cleaned here, and that's the way the grain elevators made their profit.

[0:15:53]

EE: In terms of the service they charged for the cleaning? In terms of the fee that they charged for the cleaning service, or what else? How would they make the profit from that?

AK: Ok. Well, they would get a fee or a charge for cleaning the grain, but if they took, let's say, 1 percent of everything they handled and could work that 1 percent through the rest of the system, they could make a lot of money. One year in Thunder Bay, Sask Wheat Pool paid the federal government $55 million in taxes. Just Sask Wheat Pool alone. So then you could double that and say that the grain industry paid the federal government over $100 million of taxes that one year. Plus the taxes that they paid to the city, almost $1 million each grain elevator. So the city had tremendous revenue from the grain elevators.

EE: It certainly did, but those are costs for the companies. I understood you to be suggesting that the cleaning service was a source of profit for the companies. And I was curious as to how that would work.

AK: Well, what I'm saying is if they were able to pay all these taxes, they were making the money to do it is what I'm saying. They paid a tremendous amount of taxes and all related to the amount that they could handle through the port.

EE: I was wondering if maybe you were talking about dockage, but maybe that's the question that Owen wanted to ask.

OM: No, no. You finish. I just had a question on the Pool itself, but you go ahead.

EE: Were you thinking of dockage as well and what they pulled out in the process of cleaning?

AK: Well, yes.

EE: Because they could make money with that.

AK: I don't know if anybody understands how the grain industry operated, but they could take dockage and put a little bit back into another boatload. You know, they could have a 1 percent dockage and then they could add--. They even, I understand, they even added a little water in now and then to make things a little heavier. But the final analysis was the inspection by the Canadian Grain Commission [CGC], and if they certified that there was 25,000 tonnes of [No.] 1 Red/13 on that boat, that's what was there.

EE: Sure. And there was a vital service that existed for 100 years that is now gone from public employ as well as changes on the waterfront.

AK: Yes.

EE: You were going to ask a question as well?

OM: Just to go back to the pool system, that big change in the 70s that you said really sharpened their pencils here in town, but--. Who's idea was it? Did they borrow it from another country's grain system, or was it something that was developed in Canada?

AK: The pooling system?

OM: Yes.

AK: My understanding was that it was something that came right out of the Canadian Wheat Board. When the question was asked, "Why is all this grain coming and why are we sorting all this grain at Thunder Bay? Why can't all the elevators handle the same amount?" And the question was, "Why not?" The ownership was the big thing. Ownership was, as I said before, not only did they want their quality grain, they wanted their percentage of grain.

EE: Of course.

AK: So that's where our office came in. We had a pretty good system of accounting to make sure that each grain company received their share of grain. Now the only reason why a company wouldn't, is if they didn't want to unload cars, or if they were full, and maybe because of their own inability to handle grain they wouldn't. That's when they would lose their cars. But they always had the opportunity to make it up at a later date as well. That was in our agreements.

EE: So they could sort of bank entitlements if they couldn't use it at the moment?

AK: That's right. Yes.

EE: I guess to--. One further last question in regard to the background for the pooling. Sask Pool's elevators, of course, would be in Saskatchewan. Did any issue of differences in the quality of the grain grown, let's say, in Saskatchewan as against in Manitoba or Alberta, was that raised by anyone? That we're going to be getting a better quality of grain now if we get some of the Saskatchewan grown stuff? [Laughs] Or was there no real difference?

[0:20:17]

AK: No, I don't think there was because the only problem they would have in--. The northern part of Saskatchewan and the northern part of Manitoba tended to have more of a tough and damp type of grain, but that was all resolved when the grain was handled at Thunder Bay, and they would clean it, dry it if necessary, and put it up to the standard.

EE: The elevators all had drying capacity?

AK: Every elevator had drying capacity, yeah.

EE: I guess they just had to have that. And harvesting when it's a little damp, tough, as you say, certainly is one of the things that can happen. Say I, as a farm boy, when you decide when to start the combine in the morning and how dry is the swath. Yeah.

AK: And the drying capacity at Thunder Bay was an issue. We would find that if a grain company unloaded 16 hours a day, it would take 24 hours to clean that amount. So it didn't make sense to unload 24 hours a day because their drying capacity would fall behind on that.

EE: So two eight-hour shifts and you've got enough grain to keep the equipment running through the night?

AK: Right.

EE: So would there be workers on at night, do you know, then?

AK: Oh, yeah. Definitely. 12:00 to 8:00 shift.

EE: So they worked around--.

AK: 24 hours a day, seven days a week too. Yeah.

EE: Yeah. It was a real process industry wasn't it.

AK: And then the other thing—I don't know if we're going to get into this—but by pooling the grain and working six days a week and 16-hour unload shifts et cetera, the railway cars turned around much faster. And our turnaround time from a point equal distant in Saskatchewan to Thunder Bay was 14 days. Complete turnaround. That same car going to Vancouver would be 29 days because we were way--. We were twice as efficient as Vancouver. Now there was fundamental reasons for that.

EE: Sure.

AK: One of them was Vancouver didn't have the capacity we had. They didn't have 2 million tonne capacity. But our turnaround was excellent. And that 14-day turnaround meant that the railways could get two trips a month instead of one going to--. This always amazed me why the railways themselves would have wanted to abolish the Crow Rate and the pooling system. To me, they're not as efficient today as they were in the '70s and '80s.

EE: And the move for that was underway by 1980, wasn't it? It's a little while now since I read the account of all of this, the work in the early '80s to do away with the Crow Rate, but they were angling towards it in the last Trudeau Ministry already.

AK: It actually started in the late '80s is when I was notified that--.

EE: When it really took effect?

AK: Yeah. That they were, somewhere down the line, they would be closing our office. I retired in ’96, and I think the office only operated another year and a half or two after that, and then they shut it down. Mike Amos looked after things after I retired, and I--.

EE: We had the pleasure of interviewing Mike a little while ago.

AK: Yeah.

EE: Well, the question of government, the Ministry—what’s his name?—Jean-Luc Pépin, who was the minister in the early ‘80s who was meeting with farmers and trying to persuade them, meeting with the Pools because it was first of all work on the Prairies to persuade the farmers and the Pool elevator companies to abandon the subsidy system which the federal government didn’t think they could afford for the long haul. It may have been the federal government that pushed most of all, more than the railway companies did.

AK: Possibly. That’s quite possible. I seem to recall that the subsidy was somewhere around $600 million a year, and that the government wanted to get out of that.

[0:25:11]

EE: Yeah. They certainly did.

AK: But the railways and the grain companies thought that it would be better if we went to a totally free market system, no pooling. And that’s what they’re doing now. They’re cleaning the grain in the country. I don’t know how they could be making profit like they would at--. They don’t have the elevator capacity in the country like they would at a port.

EE: Well, they built all these inland terminals.

AK: Yeah.

EE: That was beginning in the ‘70s as well, was it not?

AK: Well, there’s, you’ll see in one of the documents I gave you, the amount of elevators that we had in the ‘80s and then how it came down through the years. I think when I left, there was maybe 1,200 elevators left in the Prairies. I don’t know how many they have today.

EE: Well, it would be far fewer than that. Elm Creek was one of the first of those sort of inland terminals that Cargill built. Culross was next to Elm Creek, and I went to high school in Elm Creek. I think the first time I saw a Cargill name on an elevator was in, what was it, Sintaluta in eastern Saskatchewan, which is where one of the great pioneers of the Prairie farm movement lived. And as I said to my friend in the history department of the University of Saskatchewan, it was the first time in my life I was tempted to arson. It just seemed an abomination to have an American elevator in this particular town. [Laughs] I was tempted to burn the thing down! But then to see--. And that was a regular one. It's gone. I've looked around Sintaluta when I went by the place more recently, but they built this one and others have followed suit across the Prairies. So at intervals you see these much larger facilities, and I guess their primary use it cleaning and drying there.

AK: I think what you should do is talk to a former elevator manager and ask--. Did you remember Don Trost? He was the manager of--.

EE: I do. I've heard the name.

AK: Of Sask Wheat Pool. I remember him telling me they could never do in the country what they do at the ports, cleaning and drying.

EE: Is he still with us?

AK: He's still--. I don't know where. He doesn't live in Thunder Bay anymore. He moved. He moved out of Thunder Bay. But there's other managers that are still in Thunder Bay that--.

EE: It would be interesting to find some people from the Prairies who're involved with these inland terminals.

AK: To see what they're doing there.

EE: To see what their perspective is. And I don't know that we've actually found anyone. That's a fairly recent phenomenon, and our first intention—more or less main intention—has been to get people who are retired from the trade such as yourself. But sometimes in these latter months we should be thinking of people who are still in. Just because they are not yet retired is no reason they can't be a resource for us.

AK: Absolutely, yes.

EE: Now, so the pooling system comes in. Was this the time as well--. Or by this time, better put, were the hopper cars already in operation?

AK: The hopper cars started in the ‘70s. They weren’t all--. They weren’t there in ’72. They started later on. And I gave you the information.

EE: Statistics.

AK: It’s in one of these here, the amount of hopper cars. That was another reason why we had to have the government involved in the car unloading process because more than half the fleet was owned by the federal government. And of course, the government owned 15,000 and the Wheat Board 2,000 hopper cars. Alberta had 1,000 and Saskatchewan had 1,000. Now Manitoba in those days decided to put their money into boxcars so that they could be handled to Churchill because Churchill couldn’t handle hopper cars. They oscillated on that, and that created operating problems.

EE: On that rail line across the muskeg?

AK: Right. So it was boxcars only, to Churchill.

EE: Right. So that’s the better part of, what is that, 19,000 hopper cars?

AK: That’s right.

EE: Adding them up.

[0:30:01]

AK: Yeah. 19,120 to be exact, Ernie.

EE: Were they all built in Nova Scotia, or did they come out of Hamilton?

AK: I think they came out of all--.

EE: A number of different places.

AK: Hamilton and there might have even been a couple of other places too because they came on awfully quick. They--.

EE: Yes. Well, I'm wondering whether it was part of the Cape Breton development and so on and so forth keeping the Dominion, the old DOSCO [Dominion Steel and Coal Corporation] facilities going there for a time.

AK: That could be. That could be.

EE: So that it was a kind of a federal make-work project.

AK: I'm sure it was.

EE: 15,000 is a lot of cars, isn't it?

AK: That's right.

EE: I'm going to--. I'm in the *Canada Year Books* these days pursuing Canadian fiscal history, and I'm getting into the '60s, and I'll soon be in the '70s. I'm going to have my eye open for subsidies for construction. I was noticing the amount being spent on transportation already in the Diefenbaker days. I don't know offhand now what those transportation expenditures went for. Some millions of dollars obviously, but--.

AK: Well, I think another reason why they had to build the hopper cars, the railways said they weren't going to spend any money on equipment as long as the Crow Rate was in effect. So the government supplied the hopper cars.

EE: So the hopper cars made the port much more efficient too?

AK: It sure did. Yes, it did.

EE: How did a hopper car compare to a boxcar in terms of capacity?

AK: About a third more.

EE: A third more?

AK: About a third more.

EE: And the trains could be longer with hopper cars?

AK: And--. That's right. I mean, the trains, they were 100 cars trains. Now you've got at least 30 percent more grain in the train, in each train.

EE: Without adding any cars?

AK: That's right.

EE: Yeah. And I suppose at this end, in terms of the facilities—the unloading at the elevators and so on—the hopper cars were more efficient as well. Did you notice, then, an increase in the flow through year by year? Although, I guess, that depends ultimately on what the Wheat Board hand managed to sell.

AK: Well, the railway still--. We had 19,000 hopper cars, but the railways still had in excess of 20,000 of the boxcars, so we had to handle both. And one company I won't mention asked me one day if they just ask for hopper cars and no boxcars, what would be my response be to that? And I said, "You would only get your share of hopper cars based on your percentage in the country." So anybody that had a dumping facility maintained a dumping facility for boxcars.

EE: For the boxcars.

AK: I think today there aren't any more boxcars.

EE: I suppose not.

AK: I haven't seen any boxcars with grain in them in the last ten years.

EE: Well, it was quite a business. And from the time you started with the change in rolling stock and so on, were there changes in the way in which your work was carried on after the Wheat Board got the pooling arrangements accepted by the elevator companies? Were there changes over the next--? You were there for about 15, 16--? No, sorry 14 years. '72 to '96.

AK: Well, I was actually 24 years with the--.

EE: Oh, right, of course. ’72 to ’96. I’m dropping a decade in there.

AK: Yeah, 24 years. A lot of things changed when the pooling agreement required upgrading and manipulating things to make everybody more efficient. But in addition to that, we had to have what we called a proportionate car placement agreement with the two railways because CP historically brought in 60 percent of the grain into Thunder Bay but only handled 40 percent of the grain elevators–only serviced 40 percent of the grain elevators. Conversely, CN, they only brought in only 40 percent of the grain—this was based on a yearly basis—because they went to Churchill as well. But they handled the exact figures was 57 percent of the grain elevator operations.

EE: This was a matter of the location of the main lines and the elevators I suppose?

AK: That’s right.

EE: Those that were close to CP main line and so on.

AK: Yes. And--.

EE: So there had to be interchange then?

AK: So we had to have an agreement between the railways that CN would place so many CP cars every week, and not only that, furthermore, starting on Monday instead of leaving them until Thursday and Friday. We had to have them agree to handle the cars starting on Monday so that everybody would get a quick turnaround.

[0:35:24]

EE: Sure.

AK: And it made the port more efficient. I looked up some letters there from CP and CN officials saying that the best thing that ever happened was the grain coordinating office at Thunder Bay. Made them more efficient. And it also made the vessels more

efficient. You know, there's lots of times when you'll see five, six, eight ships sitting. That's not good! That means they're waiting for grain.

EE: No, they may rest in the bay, and people may enjoy seeing them, but you're right. That's wasted time and money, isn't it?

AK: And some of them ships are $10,000 a day sitting idle.

EE: Sitting there.

AK: And so if they sit there for a week, that is $70,000. Two weeks? A lot of money.

EE: From your knowledge, they have arrived as a result of a sale by the Wheat Board to whomever. The country had presumably chartered those ships to come here and pick up that grain. Why would the delay occur then? The grain wasn't here for--?

AK: The grain wouldn't have been--. They probably sold it before they had it transported and loaded in the country, and they make a deal. Or else, the vessel could arrive a day or a week earlier than they anticipated because--. Ocean shipping is not like lake shipping. Lake shipping is predictable. Ocean shipping isn't.

EE: Well, it's a question of where the ship is, I guess, and with radio and whatnot they can charter it wherever it was.

AK: That's one of the reasons they have trouble in Vancouver. Vancouver historically has barley in the elevators and ships waiting for wheat, and vice versa. They'll have wheat in the elevators and ships waiting for barley because they don't have the storage and they don't have a specific arrival time for the ocean shipping.

EE: So we had, when you said 2 million tonnes capacity earlier, that's what all the elevators could hold if they were full, eh?

AK: Right.

EE: And so that's, for a 12-million-tonne season, that's six fills and empties is it actually?

AK: Well, the--.

EE: I mean it operates over a longer period of time, of course, but--.

AK: Well, we always measured elevator efficiency on the basis of their turnover ratio. And if we had 2 million tonnes of storage and we handled 19 million tonnes, that's eight and half--.

EE: Eight and a half. Nine and a half.

AK: Nine and a half times turnover ratio. Now, if you go to any elevator in America, they'd be lucky to turn themselves over twice.

EE: In a season?

AK: In a season.

EE: Good grief!

AK: They have a big elevator in Hutchinson, Kansas. I think it has almost a million tonnes capacity in one elevator.

EE: This is on the Mississippi, I suppose?

AK: Yes. I have never been to Hutchinson, but I would suspect if it's--. It's got to be on the Mississippi.

EE: I'll check the map when I go home.

AK: But anyways, they handle maybe 2 million tonnes of grain there.

EE: So there's a lot of times when the bins are either empty or they're full and there's no boat, no barge available to move this, eh?

AK: Yeah.

EE: Well, the Lakehead obviously was designed to move things quickly. The exchange between the two railways, was there one particular point where they'd shunt them over from their line to the other company's line? Or are there a number of places where they can do that here in the city?

AK: There was three places where they interchanged at the port: in Mission area, the Intercity area, and Current River.

EE: Ok.

AK: It wasn't complicated as long as everybody knew ahead of time what had to be done.

EE: And the companies were pleased—I suppose they might not have liked the way I'm going to put it now—but they were pleased that someone had imposed this kind of order on them? Or persuaded them to take on this kind of operation, eh?

[0:40:04]

AK: Exactly. You know, I remember going to Duluth and interviewing some of the managers there, and their system was entirely different, again, because they don't pool their grain. And I asked one manager, I said, "Do you know how many cars you're going to get, railway cars next week?" He says, "No." I said, "Do you know how many trucks you're going to get?" He says, "No." Well, that wasn't the case in Thunder Bay. We could tell the grain elevators exactly how many cars they're going to get in the subsequent week so they could govern themselves accordingly for staffing.

EE: This is the point in which we might celebrate the system that developed and prevailed for decades, in which, I suppose, the Wheat Board was quite central. Because the companies owned the elevators, they took delivery from the farmers, but the farmers were actually delivering to the Wheat Board, weren't they?

AK: Exactly. Yes.

EE: And the Wheat Board then had an overall picture of what was coming in. They knew how much they had. On the selling side, they were making the contracts with the buyers in other countries, and they were involved in organizing all of that system.

AK: Exactly. They--, Well, the Wheat Board--.

EE: I should let you expand on that because it's all gone.

AK: The Wheat Board was the kingpin in all of this, and as you said, they would--. First of all, they knew how much grain was going to come out of the country. Then they would sell it, and then when they sold it, they'd have estimated times. And most of the selling was out of the St. Lawrence, not out of Thunder Bay. That's why we had our lakers. So our lakers would take the grain to Baie Comeau, Port Cartier, Montreal, and the grain was shipped into salties from those lake elevators there.

EE: Would you have any comment on, from your observations, of the arrival of salties here rather than their taking delivery in Montreal or down river, down the St. Lawrence? Why were some of them here?

AK: Well, most of the salties when I worked, when they came here, wasn't for wheat and barley. It was for--.

EE: Specialized crops.

AK: The specialized grain. The rapeseed, the oats. And that was not marketed by the Canadian Wheat Board. That was--. The only thing the Wheat Board marketed was wheat and barley.

EE: Right. And that was all you were involved with as well, I guess, then. Or did you manage all of the cars, everything flowing in?

AK: Well, we managed that as well because that became part of their percentage. If they handled 6 percent of the grain in the country, that would include their rapeseed and oats and other commodities. So we made sure they got 6 percent of the grain. They would get their--. We didn't pool their grain. So the rapeseed that belonged to Cargill, they loaded it up at their elevator and so on.

EE: So the humping would have to allow for the fact that some of those were still specialized cars?

AK: Well, they didn't hump anymore. They would just, they would have to switch it out.

EE: Yeah. And so as far as the cars were concerned then, were they computer, digitally marked each of the cars? I presume there was something on every one of the cars that had the history of the grain.

AK: Yes. Every car had a list of the car number, the weight, and the contents. It would say, "Wheat, [No.] 1 Northern," or whatever.

EE: Right. These were the initial gradings at the delivery points, I guess, by the elevator agents?

AK: That's right. When it comes out of the elevator, they grade it there.

EE: Did it indicate from whose elevator it came or was that no longer part of the system then? This wasn't from a Richardson's Pioneer Grain from wherever, that wasn't part of what was on the car, eh?

AK: Well, I think the origin point was on the car, but it didn't make any difference when it came here.

EE: When it got here.

AK: Once the car arrived it became part of the pool.

EE: Sure. If it were a specialty car--.

AK: Then, then--.

EE: How were the cars separated? Was there an automated reader on them as cars rolled by, or was it done manually? Someone on foot walking along? [Laughs]

AK: Well, usually they would--. The way they would pick them up in the country, let's say, they loaded six cars. So there'd be six Cargill cars of rapeseed would be in a block. So they would either be in the head of the train or the end of the train. And it was relatively easy because what the railways would do, if we had to move 50 cars to the Mission, they would take the six rapeseed and 44 wheat or others. So it eliminated switching. Pooling was an amazing aspect of railway operations. It was.

[0:45:49]

EE: Yeah. It would be. Yes. The marvellous thing about it is this had to be based on a kind of a uniformity in the product. The wheat had to be reasonably similar. I suppose farmers were growing the same variety of wheat during any--.

AK: Well, the Wheat Board would put out a document each week telling the farmer what to deliver and how much they were going to get per bushel.

EE: Ok.

AK: And that basically was the rule of the land.

EE: Yeah, and farmers with any size of operation would have some idea and would respond accordingly.

AK: That's right. The farmer wasn't able just to load anything he wanted and bring it to an elevator. There would be times when the grain elevator would say, "We're not accepting that."

EE: Yeah, I suppose so. I hardly remember my father's decision making. He may well have telephoned the agent at the Paterson Elevator and asked whether he could bring something in. I guess it would come down to that. They'd have to do that kind of checking.

AK: Exactly. Because the--.

EE: This is of course a long time ago and back through the '50s that I'm thinking of from my own observations.

AK: But once pooling came into effect, the system had to--. There was no use bringing barley into the system when the Wheat Board was looking for wheat.

EE: No, I daresay.

AK: And I have to tell you, Ernie, I have no idea how they're operating now. I can just--.

EE: No, I've--.

AK: It's all individual company and--.

EE: Well, I'll say something about that after this interview. [Laughing] I'm trying to get some information. I won't put it on the card, but. Yes, Owen, a question about this?

OM: No, just an update. Hutchinson is the largest, longest grain elevator in the world.

EE: Which one?

OM: Hutchinson Elevator.

AK: Hutchinson, yes. It's over a mile long.

OM: Yeah. And built in 1961, Cargill has an interest in there because of the salt mines in that area as well.

EE: Is that right? Salt mines.

OM: And it's on the Arkansas River. It's just north of Wichita.

EE: Well, I was thinking to myself, I don't know my geography well enough to say that Kansas reaches the Mississippi. I'd rather thought not, actually. [Laughing]

AK: Yeah, that's that.

EE: Instant information!

AK: I always wanted to go there.

EE: On the Arkansas, eh?

AK: I've been in Wichita, and it's about an hour's drive away from Wichita, I think. And I never got around to it, but it is a huge facility.

EE: Yeah. I've been through Topeka, Kansas, I think. I think through the corner of Kansas driving south actually a long time ago. This would be further south then. So the Arkansas, it wouldn't be that large a tributary I would think of the Mississippi. That may one of the problems too that the barges are of a limited capacity that can carry grain down. But it would allow--.

AK: But they would truck to the Mississippi.

EE: Oh, I see.

AK: They could do that too. Which wouldn't be that far.

EE: Yes. In the era of climate change and carbon economy concerns, I wonder how much it will change in the grain industry. Well, I'm thinking that a typical day is probably--. Was there a typical day in the job?

AK: A typical day? I think every day was different, but ended up, you could say, being the same. If we were going to unload 1,000 cars, there was always two or three different issues to contend with, but in retrospect it was very, very efficient.

EE: How large was your office? How many people?

AK: Four. Four.

EE: And each of you--. And you became the manager, the head of--?

AK: Yeah. I was the manager, and I had an assistant, and I had two girls working.

[0:50:03]

EE: And how much--. Was there a lot of paperwork? Record keeping in your--? I guess there would have been. Yours was the central record.

AK: We kept track of all the car unloading, everything that left the port as well. All the shipping information, we recorded that. Daily unloads, weekly unloads, monthly unloads.

EE: Which is--.

AK: Formulas for everything.

EE: Yes. Digitized in computers or paper records?

AK: No, no. We went into computers. The girls would say this computer didn't have enough gigabytes.

EE: Enough capacity.

AK: And we had to upgrade every three or four years. We had to get new computers and that sort of thing. But no, it ran very efficiently considering only four people. And they had the same amount in Vancouver.

OM: Five days a week?

AK: Five. Well, we operated six days a week. What we did, I had Saturday and Sunday off. My assistant had Sunday and Monday off. So he would work Saturday and one of the girls as well.

EE: And were you actually under the authority of a piece of legislation? Was there a Grain Transportation Agency act?

AK: Yes, there was legislation. Yeah. We worked for the Minister of Transport.

EE: In Transport Canada.

AK: Report to him.

EE: And so that gave you the authority then that was necessary. Companies all accepted the fact that you had been created by legislation and you were there doing the job.

AK: That's right. Yeah.

EE: And it was--. When would the act have been passed? Sometime in the early 70s? Mid-70s?

AK: Well, the original Canadian Transport Commission introduced the amends in 1972, and it--. I don't think it was an act of parliament was even necessary. The railways had the authority to do these--.

EE: Ok so it will have been under the Commission then, or the Department.

AK: Right. Yeah. And then of course, it all changed when it went to the Grain Transportation Agency. And originally, the Grain Transportation Agency was established in Winnipeg, and it was maybe two years later that they convinced the government to transfer our office to them and then have everything under the one roof.

EE: So you came under the central office in Winnipeg.

AK: Under the--. That's right. And we ended up working for Thomson. I don't know if you remember him. His name was Thomson.

EE: Not the Minister?

AK: No, no. He was just a--. They appointed him to the Grain Transportation Agency. He was a friend of Mazankowski. He went to school with Mazankowski.

EE: Oh, this is in the ‘80s?

AK: Yeah.

EE: Ok. No, I don’t think I had the good fortune to meet Mr. Thomson. I did visit the Wheat Board once in the mid-’80s. An interesting experience. Well, there are opportunities for you to tell us, for example, what would you like people to know about the work that you did in this office here?

AK: Well, I always kid my friends that I always thought I was grossly underpaid when I think back [laughing] at the amount of grain that went through Thunder Bay. But I’m just kidding.

EE: I’d like to tell you this story. There’s a story about a party leader who’s visiting Winnipeg 100 years ago, and he’s being driven along Wellington Crescent. And as he sees the mansions of the grain merchants, he begins to mutter under his breath, “One cent a bushel. They got all of this out of one cent a bushel.”

AK: Exactly. Yeah.

EE: Now if you’d been paid one cent a bushel--. [Laughs]

AK: I would have been all right!

EE: [Laughs] You would indeed. But you were saying.

AK: But it was an interesting job. I always told my friends and relatives I had the best job in the world. And it was interesting. You had to like mathematics.

EE: Numbers.

AK: And the girls that worked for us had to have that aptitude, too, to be able to handle numbers.

OM: Almost like you should be a baseball statistician. [Laughs]

AK: Yeah.

EE: Yeah, I daresay they would have to enjoy numbers because they were entering them, inputting them after a while, and that takes care as well transposing numbers.

AK: And it was interesting. I was fortunate enough to be--. I had the kind of people that I worked for that promoted the idea to travel. And see, I went down the St. Lawrence Seaway three times.

EE: On a ship?

AK: On the lakers. I went to every grain elevator on the St. Lawrence. We went to Baie Comeau. We took a trip out of here to a grain--. To Baie Comeau, then to Port Cartier for a load of iron ore, over to Chicago, and back to Thunder Bay in 17 days. [Laughs] Now I don't know how you can get more efficient than that. And to see the way they--. They can unload a laker faster than we can load it, if you believe. They have these huge, huge vacuum cleaners that go in and just suck the grain up into the--. Fast. They could unload a 25,000-tonne ship quicker than we could load it.

[0:55:37]

EE: Really?

AK: Yeah.

EE: What do they call those things? I've seen pictures or heard of--.

AK: They're just, all they are is big vacuum cleaners, and then they put a little front-end loader in to clean up the end, then they wash it all out, and there it comes back.

EE: Yes. And you've been on the ship. That's and interesting point. If the ship has carried iron ore to Chicago or Indiana Port or whatever it may be, it has to be cleaned out before you can put grain in it, I presume.

AK: Right. It would be washed out.

EE: It would be washed out again?

AK: Yes. It would unload the iron ore and clean it out. And the water is hot too because it's the water they use to generate their system.

OM: Strictly water?

AK: Yeah.

EE: And the water would be dumped, or would it remain on the ship? Is it--?

AK: When they cleaned it?

EE: When they clean.

AK: They just dump it.

EE: Dump it into the harbour or whatever.

AK: Yeah. Yeah. All it would be is--.

EE: A certain amount of iron ore dust or rock would--.

AK: Dust, right. Yeah.

EE: Rocky dust would be in there. Yeah. Because I've wondered about that, using a ship or bulk-carrier to move I guess oil could be moved as well conceive--. Although that would be trickier, I think, cleaning a--.

AK: It was mostly iron ore. **[telephone rings]**

EE: Want to shut us down for a moment? Oh, it's already been grabbed. Good. Yes, on the lakes it--.

AK: Now that was, as I said, extremely important to understand what a vessel had to go through through all the locks. It's all in one of the pages that I gave you there too, Ernie. That's very interesting. All done with gravity. The whole St. Lawrence Seaway system is gravity. It's amazing.

EE: It's a joy to watch locks at work because the gravity-based flows of water isn't?

AK: And then another thing, my boss would say, "How are things going in Thunder Bay?" "Good." "What about Duluth? What are they doing there?" I'd say, "I don't know." "Well, why don't you take a trip and go and see what's going over there." And that's what I did. So by doing this, you could see what they did wrong and what we were doing right. It just magnified my understanding of the system.

EE: So we might for a moment celebrate this part as well. You'd think--. One can think of the American system as exemplifying private enterprise, competition between companies, and so on. In the Canadian case, there really—by the say 1980s with the well-established system—there really wasn't any kind of competition left, but it was all the efficiency of--. The railways each had its network of lines and elevators. They were bringing it in and sharing appropriately. The grain companies were all working for the Grain Commission in effect in terms of providing the services. Everything is organized here, and the end result is a system that is just incredibly efficient.

AK: Efficient. Absolutely.

EE: Low cost and so on and so forth.

AK: Yes.

EE: So you have any comments on cost factors? That would not be something you'd be as familiar with because you had an office of a few people who were organizing all of this. Others were bearing the costs or saving the money because of the efficiency.

AK: Well, there was a few times when somebody would say, "It's more costly to move grain out of Thunder Bay because of having to handle it twice." Whereas when the grain went to Vancouver, it would go into the elevator and then into the saltie. And going east, it had to go to Thunder Bay, into an elevator in the St. Lawrence, and then into a saltie. But when you took in all the factors of

how much grain we moved and the short turnarounds, it was--. And the mileage. I mean, we're talking 1,200 miles to Montreal and Baie Comeau. To do that by rail—if we had to rail it all there—when you considered it, we were more efficient.

[1:00:12]

EE: Sure. Well, you were doing it in a sense, as far as the rolling stock is concerned, for half the cost. If you're getting double the turnaround the delivery total out of the fleet, you're saving a vast amount of money.

AK: Exactly. Right. Yeah.

EE: In the winter there was a certain amount of railing to the St. Lawrence, were you involved with that at all?

AK: Yes. But it all had to come here first. The grain had to be cleaned. It was loaded here. They tried a couple of trains direct out of the country.

EE: Northern CN line, I suppose, Winnipeg to Quebec City perhaps?

AK: Quebec City was the only one that really could handle hopper cars on a--. There was no rail facilities to Baie Comeau or Port Cartier. Quebec City and Montreal was the only ones that unloaded. Yeah.

EE: Ok, yeah. Right. Well, let's--. What might interest or surprise people—I think you may have been on the brink of that with these last comments—in terms of what you'd like people to know? But what might surprise people about what you were doing?

AK: Well, I really don't know how to answer that. The one thing that's always puzzled me is that industry thinks that government regulation is, you know, is no good. I think that our office helped industry, made industry more efficient, made all the private industry more efficient, and certainly they would welcome government involvement. Like we--. I think that if you talked to some of the managers, they still would say they would rather that they operate their elevator on their own and not have government involved. And that always just puzzled me to no end. [Laughs]

EE: You ran into people saying that?

AK: Oh, absolutely.

EE: Including Jim Simpson?

AK: Oh, Jim Simpson probably would have liked to seen our office closed, but--.

EE: [Laughs] I should explain, of course. Jim managed the Richardson facility and ran against me in ’84 as the Conservative candidate. So. [Laughs]

AK: But--.

EE: So Jim, Richardson’s, would have been happy to have been running their own Pioneer Grain through their terminals?

AK: I think. But on the other hand, Don Trost who ran Sask Wheat Pool, if you asked him, he would say there was nothing better than our office because we could tell them what to do in the following weeks.

EE: Yes. Well, you indicated the business they were going to have, and he was happy to have that information.

AK: That’s right.

EE: So this would relate all the way through to scheduling of work, wouldn’t it? Whether to call guys in or conceivably--. Would there have been short-term layoffs if there was a slow week? Or did they have them puttering around waiting for the--.

AK: No, they would--. Once navigation started, Ernie, there was no slow weeks. It was just--. As a matter of fact, we always could have done a little bit more, you know? There was always that 10 percent buffer there. We could have. If we had an extra ship or an extra shift, we could have done a little bit more all the time.

EE: The season would begin, when, already in late August?

AK: What?

EE: Well, the main. I’m thinking of the crop ripening and the grain beginning to move. Or is it into September that it really--?

AK: No, it moved in August. Late August is when it--. And the Wheat Board year was August 1st through July 31st.

EE: Sure.

AK: Yeah.

EE: And it would run, certainly, through December, would it then? Was it busy all the way through until Christmas or--?

AK: Right until December.

EE: Until the port shut down for the winter?

AK: That's right. And there was years when they loaded ships and they stayed here loaded, you know?

EE: Sure. Yeah. Did you have any dealings with Frank Mazur or with the grain handlers' union?

AK: Oh, yes. Frank and I--. Yeah. Frank, we had lots to do with Frank. He was a supporter of our office, and again, because we could--. By being associated with the Canadian Wheat Board the way we were, they were obligated to tell us not only what their short-term plans were, what their long-term plans were. So we could tell the grain elevator, "It's going to be a busy year. It's going to be a bad year," or whatever based on the information that the Wheat Board would supply us with.

[1:05:29]

EE: This would be ultimately the quality, the kind of year that the farmers were having.

AK: That's right. And based on what surplus. There was always a surplus. Canada used, well, still today--. The average production in a year in Canada would be about 55 million tonnes, and of that 55 million, 15 to 20 million was always kept for domestic use.

EE: That much, eh?

AK: And that meant that there was 30 million or so, 35 million, to export.

EE: And this is wheat?

AK: Wheat. Wheat and barley.

EE: Wheat and barley.

AK: Yeah. And all the grains.

EE: Oh, ok. This is total for all the grains.

AK: And Thunder Bay would handle 18-19 million, the West Coast would handle 15 million, and the rest would be some of it went into America by truck and that sort of thing.

EE: Sure.

AK: But now if there was a surplus, the Wheat Board would know where it is and what it is, and then they would know what's coming. So they'd say, "Well, it looks like we're going to have a heavy wheat movement this year."

EE: The domestic use of wheat would involve the milling of flour, I guess, first of all. Did that industry--. Do you know much about the flour milling industry through the years of your employment?

AK: Not too much. Whatever--. They didn't do too much of that here.

EE: No.

AK: They did a lot of it in Winnipeg.

EE: There was quite a bit of flour.

AK: Yeah.

EE: I remember in the '50s when the market for wheat wasn't so good for a time, the mill in Winnipeg was taking delivery of wheat from farmers and handing them the flour in return. There must have been a bit of a charge for it because obviously they'd be milling it.

AK: I'd think so.

EE: So they will have taken a certain quantity of wheat would buy you a certain amount of flour, but--. I remember my father's doing a little bit of that business with one of the flour mills in the city.

AK: And then on the other side, the barley was handled—the malting barley was handled—at Canada Malt.

EE: Yes.

AK: And that, of course, was all done separately. We didn't pool their grain. Their grain went to their elevator.

EE: Yeah, I really have no feel. My father didn't grow barley other than for feed purposes. Malting barley, I--. But there were farmers, I guess, who specialized in that. I don't know whether he did it because of a temperance attitude, you know. [Laughs] He wasn't going to be involved in the production of beer, that's quite possible. He's gone, so I can't ask him why he wouldn't grow malting barley. But there were others who were obviously happy to achieve that grade because that does require a certain quality, doesn't it? Well, I hardly need to ask you what you're most proud of in your work, but if you want to put it in some more focused words. That's another of the questions in this questionnaire.

AK: Only that I know that I was part and parcel of the largest grain port in the world. And--.

EE: Yeah. And the next question is about whether you contributed to Canada's international grain trade! [Laughing] Yes, sir!

AK: It always--. It's interesting now when I see what the port is doing in the last couple of years. And they're pretty proud of it, [laughs] but it's nowhere near what we used to do. You know five, six million tonnes and that, that would have been an ultimate disaster in the '80s.

EE: [Laughs] Yeah, you wouldn't have been proud of that.

AK: The other thing that I always try to relate to, for some reason, our city never seemed to understand the importance of the grain industry in Thunder Bay. You know, the city should have supported the Canadian Wheat Board and the pooling system, and they should have been doing things to try to keep it instead of ignoring it.

[1:10:05]

EE: Why do you think that was? Because I would add to what you just said, I got to know a woman who worked on the boats. She did some work in history at the university, so it was a kind of academic knowledge of her, but she became a mate on a ship and so on. Part of the crew, officer on the ship. And she was quite pointed about that, that she didn't think that the people of Thunder Bay appreciated the fact that they had a port. Now, why is that?

AK: That is a good question. I remember Mayor Hamilton, remember?

EE: David Hamilton?

AK: David.

EE: Oh, yes.

AK: And they were having an issue with the grain companies. They wanted to have their taxes reduced.

EE: The companies wished to--?

AK: The companies. It was like $1 million to $1.5 million per elevator. It was three times higher than Duluth and twice as much as Vancouver. And I asked David, and he said, "Well, tell them to appeal it." Well, the appeal process in those days didn't work too well on their behalf. So what happened? They end up closing an elevator. They sell it for $1 to somebody who doesn't pay the taxes, and the city is responsible for demolishing it. I don't understand why they didn't see this happen, see this coming, and taking the necessary stance on trying to keep the grain industry going in Thunder Bay.

EE: Would you have any comment on the contrast to, let's say, to the forest or the mills? Do you think the city was sensitive to the needs of the paper mills in the city? Or is there a just sort of some overall unwillingness to appreciate the importance of what builds the city?

AK: I'll put it this way. We're having quite a debate right now about the new complex they might build.

EE: The event centre.

AK: $100 million or whatever. And of course, who's going to pay for it? The government, the federal government, the provincial government, and the Thunder Bay taxpayer. Now had we had those elevators still paying there, this wouldn't even be an issue.

EE: No, I suppose not.

AK: And certainly, I don't understand where that all fell down, Ernie. If we had it to do all over again, I would think that they could do a much better job of supporting the grain industry and the paper mills too. They're all dead.

EE: Yes, they certainly are. Through the years of your involvement—your professional involvement, if you will—was anyone from the grain trade involved in local, municipal politics at all? I mean, Jim ran against me in '84, so he was a federal party candidate, so that would be one instance. Were there others, say, of the municipal seed particularly? Were there people from the grain trade involved in municipal politics? Because they could certainly--.

OM: McKinnon might have run, but that would be later on, eh?

EE: Brian McKinnon.

AK: Brian McKinnon?

EE: Well, he came out of education.

OM: Yeah. But his family was--.

EE: Yeah, his family did. I guess we can go checking to see who they were, but you don't--. No one comes to mind as coming out of the trade?

AK: No. No one comes to mind. Certainly not. I--.

EE: Lawrence Timko came out of the paper industry, right? He was at Great Lakes?

AK: Yeah, Great Lakes. Lawrence was Great Lakes.

EE: That could be part of it, but it makes one wonder what the city does know. What is important to the city? Sports, obviously. None of the sports teams, I guess, by your time was sponsored by any industry. They had been back in the 30s, I guess, from what Joe Greeves told me once upon a time. Anyway. Well, let's press on here. I won't ask about the connections you see between your

work and the work of farmers growing the grain handled in the grain trade. [Laughs] Of course, there are questions that have become rhetorical. We've talked to some extent about major changes. Would it be worth sort of listing the changes that you saw over the years in the grain trade and your involvement with it? You've recognized the changes in rolling stock and the efficiency, the creation of the function, the pooling that resulted, and so on and so forth. Would there be any changes later on before the demise of the office?

[1:15:12]

AK: No. Really, we were handcuffed in Thunder Bay because the limitations of the St. Lawrence Seaway to 25,000-tonne ships. The only thing that I think would have increased was making the Seaway larger to accommodate the Panamax vessels.

EE: The Eisenhower locks, I guess, handled that size, do they?

AK: What? No.

EE: On the American side, or are they not that large?

AK: No, there's the--. There's a 1,000-foot lock at Sault Ste. Marie and that's the largest. Everything else is 750 feet.

EE: Yes, that was my memory.

AK: 25,000. But had they made the St. Lawrence Seaway larger, Thunder Bay would be Chicago today. [Laughs] You know, it would be--.

EE: Chicago of the north.

AK: The salties, 100,000-tonne ships. I've seen 125,000-tonne ships in Baie Comeau. Five times bigger than our lakers, Ernie! It's amazing.

EE: How long would they be?

AK: They weren't that much longer, but they were wider.

EE: Deeper, I suppose.

AK: Deeper, exactly. Amazing how larger they were.

EE: Well, it's pretty clear that the St. Lawrence Seaway will never be upgraded, I suppose. We'll always be--.

AK: No, I wouldn't think so. The railways wouldn't want that. You'd have to--. You know, there's a lot of business in Montreal now that would be bypassed if the St. Lawrence Seaway was expanded. No, I guess you're right. We'll never see it.

EE: Would have but were--. Did we celebrate the 50th anniversary of the completion? I guess we did that just a little while ago. We're well on--. The Seaway was opened, was it 1959?

OM: '57 to '59.

EE: It was somewhere in that era, the late 50s. So I guess we're into the 65 years.

OM: It's getting up there.

EE: No, it was 55.

OM: 55 years, yeah.

EE: Yeah. Well, the--.

AK: Some of the new ships now that they're building, they can go on the ocean as well as the lakes, and they do carry a little more too. I think I read in the paper and saw a ship took 30,000 tonnes out of here the other day. That--. We never went over 25,000 tonnes.

EE: Ok, so that's floated through the locks with great care, I suppose. I wonder if a different configuration of ship that would make it possible?

AK: I can only assume that the whole system is a couple of feet higher.

EE: The water is higher?

AK: The water is higher now than it was ten years ago.

EE: It is depth to sill that is the determinant. Well, if we were to think about challenges that you've faced on the job as against changes, would there be ones that you particularly want to focus? The desire of the companies, preference to do it their own way if they could, was not really a challenge. Did you have effective leadership from Ottawa or through the Department of Transport over the years?

AK: I'd have to say that Ottawa always viewed Thunder Bay as kind of a small-time operation, you know? I had a lot of problems convincing people in Ottawa that Thunder Bay was the largest port in North America. But I'd have to say that some of the bosses that I worked for in Ottawa, when they came here and saw the operation, they understood how important Thunder Bay was to the whole scheme of things.

EE: Was Crosby minister? John Crosby, Minister of Transport?

AK: I don't remember him as Minister of Transport.

EE: Don't think so. He was here for the spring, what, Transportation Week in the spring once.

AK: I don't--.

EE: But I don't think that--. Was Mazankowski Minister of Transport?

[1:20:02]

AK: Yes, he was. Mazankowski was Minister of Transport. That's when he promoted Thompson.

EE: And he visited here, I suppose, did he?

AK: What's that?

EE: Did you see Don Mazankowski here in the city? Did he ever make a visit?

AK: I think he did. He didn't come to my--.

EE: He didn't see your office?

AK: To our office.

EE: I don't suppose you ever saw Doug Young in the mid-'90s?

AK: No.

EE: In the Chrétien Government.

AK: You know, I had a diary where I had everybody sign when they came to the office, and I'm sure that our prime minister came to our office when he--. Long before he ever got involved in the leadership of the Conservatives.

EE: Oh, Stephen Harper?

AK: Stephen Harper, yeah. But if he was here, he never signed the book. I look through that book religiously, and I was sure that he was here asking questions on behalf of--. I think Harper is one of the individuals that didn't want the Canadian Wheat Board.

EE: Well, no. Thanks to a church involvement, I happened to become aware of something or other that Inky Mark, who'd been the Conservative MP for the Selkirk-Interlake riding north of Winnipeg, wrote in the *Free Press* in which he suggested that Stephen Harper was killing the family farm by the policies that he was pursuing. Actually, that's one of the leads I'm trying to pursue at the moment. It's been a week of dead silence. I'll mention that after the machine shuts down, but that's an interesting query that. So I wonder if Canadians beyond the city of Thunder Bay tend to take a lot of economic activity in the country for granted. They don't involve themselves very much with it.

One of the ways the historian can try to appreciate some of this is to take those old *Canada Year Books*—not one of the big, fat statistical one, but the smaller one—and go looking at the pictures. As it happens, I was flipping through one, which was the big statistical one the other day, and there was this lovely aerial shot of a Prairie town—or hamlet really—but there were probably five elevators lined up along the railway track and the beautiful fields of grain. And the picture is meant to illustrate the survey pattern on the Prairies, you know, mile-square sections and so on and so forth, and they are very well illustrated, but I saw the hamlet in the

centre where the elevators--. I thought to myself, "Now, which Saskatchewan community is that presumably on the CPR mainline?" So we have the Statistics Canada and the National Film Board and so on doing their bit, but Canadians may take too much of this for granted. These days, of course, mining would be the question. The media work hard to convince us how important mining is, as of course, it certainly is.

AK: Yeah.

EE: As far as challenges the industry faced over the years—and we might think a little bit—things have changed so dramatically over these last years. Would you want to put your finger on what provoked the series of changes? Would it be federal government actions? The end of the Crow Rate, the federal government withdrawal from support for--. Well, they changed the way in which they support the grain trade, I guess, with payments to farmers or whatever. Trying to focus the use of the grain on the Prairies rather than supporting the export industry is really one of the things that went on.

AK: Well, I think it was all related to the budget, and everything is. That $600 million farmer subsidy, transportation subsidy, I guess they thought they could eliminate that and still have the same amount of throughput. But then again, when you try to understand how complicated the grain industry is, Sask Wheat Pool at one time had 90 different commodities in their elevator. Ninety!

EE: You're kidding?

AK: Yes. Now, I'm talking--.

EE: These were different kinds of grains? Not grades?

AK: That's right. Separated, yes, grades.

EE: Ok, grades.

AK: You get [No.] 1 Red 12.5, [No.] 1 Red 13, [No.] 1 Red 14, [No.] 1 14.5. Then it had tough and damp. Then you go through all the barleys and the oats and the rye, and you had to have a separate bin. You know, you can't put damp grain in with dry.

[1:25:22]

EE: You need enormous capacity.

AK: That's one thing. So you had to have--. And we had 91 different commodities in Sask Wheat Pool 7. Now, when I look at--. How could they be sorting all this out in the country? And how can they do that? How can they get a trainload of [No.] 1 Red 12.5? How long does it take them to get 100 cars of one particular grain, one particular grade? It seemed to me like it's almost impossible!

EE: Do you think that behind a certain amount of the change was a lack of appreciation for those distinctions? And the distinctions were what in terms of the--. Related to milling? When you say 13 and 14 and so on, what does the number in each case allude to? It's what's in the grain, right?

AK: The protein.

EE: It's the protein content of the grain?

AK: Yeah. Yeah.

EE: Do you think that there are people in Ottawa who thought that that was far too finely graduated? Just forget about all of that?

AK: Well, that's a good question, Ernie. That would have to be related to sales. Are you going to be able to sell a variety of grain or--?

EE: Yeah. Because the Wheat Board prided itself on being able to sell sight-unseen. They didn't need to offer a sample. If the customer was told it was one of those, they knew exactly what they were getting in terms of the grain. I gather that plant breeding in Canada, the varieties, also involved the characteristic of being able to--. The appearance of it. You were able to recognize what it was just at a glance. Every kernel had to be the same and so on and so forth. I wonder whether they just didn't give a damn about that whole system. Because if you do away--. If you don't think it's important and the Grain Commission ceases to be all that important, this careful grading, if you think you can persuade customers—if you can still sell this stuff on a much coarser system—then you can do away with an awful lot. There must be some such conviction in there. Because they wouldn't be out to destroy an industry if they really believed that these gradations were important.

AK: Well, I think too, you'd have to say, "Where's this coming from?" I remember it was the first time I met Mr. Thomson. I picked him up at the airport, and he says, "Where's the coal terminal here?" He says, "I want to go see the coal terminal." [EE

laughs] I says, “Why would you want to go see the coal terminal?” He says, “Well, they’ve got loop unloading.” He says, “Maybe we should be doing grain like that.” And there’s that concept. I still hear people talking that way. Somebody said it last week that they’re going to have loop tracks so that they don’t have to switch in and out and the train just goes and loads.

EE: The ship direct?

AK: Right. And you see that system and that applies real well to coal.

EE: Yes. Potash, I suppose?

AK: Potash. Yeah. When you’ve got one producer, one purchaser, one grade maybe two grades. I don’t know whether there’s potash grades or coal grades, but it certainly doesn’t have to be processed like wheat and barley.

EE: What about canola? Were there gradations as well in canola?

AK: I’m sure there--. There was just canola as far as I was concerned, but I’m sure there were grades of canola at the grain elevators. They would know. But I guess that’s the thing, Ernie.

EE: It’s beyond your time.

AK: If you want to streamline something, you have to get rid of all these different entities. So instead of having 12.5, 13.5, it just had [No.] 1 13. Period.

EE: It’s sort of anecdotally one stumbles on things occasionally. Our son in Winnipeg in one point was looking for a job, and he ended up being hired by, I think, it’s a Swiss-based company, a European company, that is in grading around the globe. And so he had the job for a little while of visiting farmers to grade grain right on the farm. And of course, some of them were a bit suspicious about what this was, and he was on contract, I think, through the company from the Wheat Board or so he understood. But all kinds of things.

[1:30:24]

And that surely wasn’t efficient or cheaper to have these guys running around, especially when the people organizing the business did not have a sense of Manitoba geography. So they’d be sending someone to farms here and the next farms were hither and yon.

And Bryce, of course, knowing something of Manitoba, set to work to organize it so it there was more efficient. You could visit more farms because they were continuous or closer to each other than the girls, if you will, in the office in Winnipeg, I think it was, who had no idea Manitoba geography. But if you apply some kind of an overall--.

Well, these are questions really more for the future than the past, obviously, but I muse over them as I look at what surely is the disaster that's been done to the Canadian grain industry over the last few years. How these challenges will be met for the future, lord only knows. Your most vivid memories of the job?

AK: The most vivid memories of the job was when we broke previous records. When we handled in the port almost 10,000 unloads one week. 10,000 unloads! It was 9,762, I think.

EE: How did you celebrate?

AK: Well, just going out for supper with the boys, with some of the grain elevator managers, and that sort of thing.

EE: So you had a little informal dinner to celebrate?

AK: We would do things like that, yes. And the weekly records was one thing, but the other record one year, 19.4 million tonnes, Ernie. That was another historical date. I don't think--. Can you imagine handling 19 million tonnes today? Would be impossible. That was my memories of the records.

EE: These were the ultimate achievements. The efficiency, the effectiveness of the work that you were doing, yeah. And the most important events, I'm sure. Well, it's a period of very important work that you were doing, which made me so very pleased to be able to sit down with you and remember those achievements and go back to all of that. Are there any questions that we haven't asked that you would like to answer?

AK: Not--. Just that if further to all of this, you should be interviewing, I think, past managers, grain managers—and there still are some around. I don't know if you're able to go to Winnipeg to meet with anybody there?

EE: Well, I will be in a couple weeks' time, and Nancy Perozzo, my partner in this project, and Owen's sister as it happens, has done quite a bit of interviewing on the Prairies. I was saying to Owen coming in that I needed to get all that together while I'm in Winnipeg perhaps and holidaying with family to lay it out carefully to see who we've seen from every sector.

AK: Well, you should. You should meet with the Wheat Board. The Canadian Wheat Board is still operating now, and they've bought a grain elevator, and they bought a ship.

EE: Yeah, I noticed that.

AK: And get their perspective on it.

EE: Yeah. For the future. Nancy has talked to Wheat Board people from the past, I know.

OM: Yeah.

EE: But certainly, because we are entering into a decidedly different era, talking to people about the present with an eye to the future is advisable too, I think, and I was beginning to think about that in a number of different places. No questions, Owen? Did anything you've asked--. Questions you've had? Well, the next question is about memorabilia. I don't usually pursue people, but you've already laid some very interesting pieces of information on the table for us to carry off.

AK: Yeah, you've got some. Yeah.

EE: We'll do that with pleasure. I don't suppose I need to ask you whether you think it's a good idea for us to pursue this Voices of the Grain Trade project? [Laughing] In terms of history.

[1:35:02]

AK: Well, what, you're asking should you continue it? Absolutely. [Laughing]

EE: Yeah, I didn't really think I needed to ask you whether you thought it was important to remember the history that we've had over the years. It's been a lot of change, actually, over the century and more that it's operated. I was beginning to sort of rough out an outline history because it takes detailed research, but one could do an outline. And I don't remember now, did I have as many as 17 or 18 chapters? Because they're successive phases. The war years, first, second, and so on and so forth, private ownership and so on and whatnot, and the Pools and all the rest of it. Just surveying that in a little booklet perhaps would be a guide for others then to fit to these interviews, these narrations, and other things into the structure. Well, it's been a great pleasure, Tony. It's so good of you to give us the time on this lovely Friday afternoon in June to explore things.

AK: My pleasure.

EE: A great joy.

End of interview.