

**Narrator:** Charles Mayer (CM)

**Company Affiliations:** Government of Canada, Canadian Wheat Board

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**Interviewer:** Nancy Perozzo (NP)

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**Summary:** Former Minister Responsible to Parliament for the Canadian Wheat Board and Minister of Agriculture Charles Mayer describes his time in government and his views on the Canadian grain industry. He begins by describing his upbringing on a Saskatchewan farm, helping his father with the grain harvest, and the issues of his father's era, like the Sinaluta trial that led to the establishment of the Canadian Grain Commission and the emergence of the Prairie Pools. He recounts his university experience, his move to Manitoba, his nomination as a Member of Parliament, and his appointment as a Cabinet minister. Throughout the interview, Mayer shares his perspective on collectivist versus free-market systems, the isolation of rural communities on the Prairies, and the negative aspects of monopolies like the Canadian Wheat Board. He details some of his responsibilities as Minister, including GATT negotiations, travelling to make long-term grain deals, interacting with the Canadian Grain Commission and researchers, and his overall goal of reducing government involvement in private industry. Other topics discussed include the importance of farm women to Canada's grain productivity, changes to agriculture that have benefitted Canadian society, government financial assistance to farmers in poor crop years, issues of rail transportation, and a story of a grain handlers' strike in Thunder Bay.

**Keywords:** Government of Canada; Minister Responsible for the Wheat Board; Minister of Agriculture; Canadian Wheat Board; Agricultural policy; Grain trade—Laws and legislation; International trade; Free market systems; Collectivist systems; Grain export destinations; Grain farmers; Country grain elevators; Grain elevator agents; Farmer cooperatives; Private industry; Farm equipment and supplies; Modernization; Sinaluta trial; Canadian Grain Commission; Wheat varieties; Genetically modified organisms (GMOs); Marketing boards; General Agreement on Tariffs and Trade (GATT); Terminal grain elevators—Thunder Bay; Common Agriculture Policy; Government subsidies; World Trade Organization; North American Free Trade Agreement; Grain research; Crop insurance; Grain transportation—rail; Canadian Pacific Railway; Canadian National Railway; Freight rates; Rail car allocation; Grain handlers; Labour strike; Canadian International Grains Institute; Soviet Union; Russia; European Union; United States; Argentina; England; France; Australia

## Time, Speaker, Narrative

CM: Before we even start there--.

NP: Okay, the tape is going, just so you know. Can I introduce the date and you? So that anybody listening 100 years from now will know who's talking. [Laughing]

CM: Okay.

NP: I forgot my whip.

CM: Good luck! [Laughing]

NP: It is June 27<sup>th</sup>, 2013. Nancy Perozzo interviewing in Winnipeg, and I'd like to have my narrator or interviewee introduce himself and his connection to the grain trade.

CM: Charlie Mayer. I grew up in the middle of Saskatchewan, a little town called Hawarden served by a CP line that came up from Moosejaw. In the early '40s, there were six elevators in the town, and I learned to basically drive a truck hauling grain to a Federal Elevator with a half-ton truck. I guess my background is that I grew up on a farm and growing grain was the main occupation or main--. I shouldn't say occupation, but main activity on my dad's farm. My mother was key in the overall operation of the farm, as a lot of farm women are, have been, and I think still remain. I guess, in thinking about it, a lot of the things that I learned come from my early experiences on a farm, and elevators were part of it.

NP: Okay.

CM: But I should also say that there's a famous story—I don't know whether famous is too strong a word—about the farmers in the early days. A storm came up. And we've had some storms recently in southern Manitoba. A farmer went to town, and when he came back, lightning had struck his barn, burned it down, haled out his crop, and the hired man ran away with his wife. He shook his fist at the sky and said, "God damn the CPR!" Which is an interesting story because it indicates—and I live through this because we never had electricity on the farm until I was 20 years old, 19 in fact—there was a real feeling of isolation on the Prairies. It was kind of you against the world, and a big part of that were the railways and the elevator companies. There's a distinction between the elevator companies themselves and the elevator operators. And in fact, my dad used to haul grain to Federal, and the guy that operated it, his name was Cleave Aarons. I still remember him. When I first got a permit book, which

was--. The Wheat Board is another story I could talk about for a long time. But at that time, if you didn't have a permit book, you couldn't sell grain, and I got a permit book as soon as I was old enough. I can't remember whether it was 16 or 18, but certainly before I was 20. The agent got me to sign my name Chas., C-H-A-S period, Mayer. That's still how I sign cheques because of the elevator agent.

Elevators were really an interesting place to be because when you dumped grain, you raised the front of the truck up, and gravity takes it out of the back. Now, it's either gravity—they have hopper bottom trailers—or the trucks themselves have hydraulic hoists on them. But in those days, that wasn't the case. So 6-volt batteries. It may sound strange to people today, Everything's 12-volt. You've got a way better way to start a truck. But if you couldn't start your truck, you pushed it out the driveway, go down the hill, put it in gear, and that's how you get your truck started. So the other thing about elevators is there was great big one-cylinder diesel engines that ran the leg, and they also ran an air compressor. If you got in the elevator and you had a little tire, you could also pump up your tires. Nobody had air compressors on their farms, so an elevator was an interesting place. And as what I say is the distinction between the elevator agent, who was really like I don't know whether member of the family is going too far, but certainly a member of the community, but the elevator companies themselves and the railways were the people that made you feel like you were left out and you had no say in anything. So when you start talking about elevators, I think there's a real distinction in my mind between the elevators in the country and the way the agents worked with farmers and the elevator companies head offices.

**[Audio pauses]**

**[0:05:04]**

NP: Oh, okay. I always find it so much richer in these interviews if the people that went on to do other things in the grain industry actually had a farm background because they bring a real sense of history. So I really do want to go back to your early family farm. Was your father the first Mayer on that property, or did you have even a grandfather who came over earlier?

CM: No. Both my parents are born in the United States. My father is born in South Dakota. My mother in Wisconsin. And my father's folks moved up to the Hawarden area, I think, in '21, and when the Depression came in '29, his family moved back to the States, and they now live in Iowa. And my father stayed there. So that's another interesting thing for me is because in addition to people feeling isolated and the whole world is against them—and we call it eastern, it was Ontario—when the Depression came, a lot of the farms were foreclosed on in our area. So you knew the place was a Toronto General Trust place because they had foreclosed on it. And my father had signed a deal with them to buy from them, so it was the Toronto General Trust place. That's how a lot of places were identified as I remember them growing up and getting old enough to remember some of this stuff in the

early '40s. It wasn't the person had owned it or lived on it, initially homesteaded, it was the financial institutions that had foreclosed on it by which you could identify them by the farm.

Which is another point to make about a feeling of isolationism and being left out, and it was you against not only the elements but the big eastern interests that were conspiring against you. In a lot of cases, the old story in politics, perception is reality, but the perception was you didn't have a lot to do with the grain once you grew it and took it to the elevators. Somebody else took charge of it, and that was the interest. And in my own case, I never got to Thunder Bay to see where the grain went until I was, I don't know, almost 30 years old. So you take the grain to the elevator and it goes down the pit, and I didn't even know where it went until I got--. And that was the case with a lot of people. When you produce a product if you're in the retail business, you sell, and you see your customer right there. So even when you got to Thunder Bay, that wasn't your customer. That was just like putting it on a truck and sending it to the next town. Your customer was half a world away in a lot of cases.

NP: We'll certainly come back to that because you know that our project has a major focus in Thunder Bay. But going back to your dad, did they ever talk about why they came up from the States?

CM: There was an opportunity here. A lot of people came here in you could call it the early days, which was early 1900s, because there was lots of land here, and there was an opportunity here. At one time, Saskatchewan was the third largest province population wise. General Motors had a manufacturing plant in Regina once upon a time. That's how much settlement came. Saskatchewan was a boom place. I mean, a little town in southern Saskatchewan, Robsart, not very big, had two livery stables, which is where people would put their horses when they would come to town. So when you see the amount of land, over 40 percent of all the arable land in Canada is in Saskatchewan, and when people had a chance to come with a homestead and get a quarter section, buy another, people all over the place--. So that's basically why my father's people came. And then my mother's people, her mom and dad moved to a little town called Hanley, came there I think even earlier than that. So they came to Hanley in the late teens, I think, 1918 or '19.

NP: So that is early.

CM: Yeah.

NP: I think you said there were six elevators, country elevators.

CM: Mmhmm.

NP: Why did your dad choose Federal?

**[0:10:03]**

CM: I don't know. I never really asked him the question. I don't know. Maybe it was because of the agent. I mean, we didn't haul exclusively there, but almost. Almost. A little bit went out to Sask Pool, but it was mostly to Federal.

NP: My experience in talking to other people who have been involved with managing rural elevators, they just concur with you that the personality of the elevator manager was what made the place successful or not. If they got a poor manager, they had poor business. The manager was just so much more than somebody who just received your grain.

CM: Oh, yeah.

NP: So your parents, then—your father—would have been moving into the area at the time that Saskatchewan Wheat Pool was starting up. Did he ever talk to you about what those times were like and the kinds of discussions that were going on and whether--? This actually ties back to your comment earlier on about “Damn the CPR because they were responsible for everything” and there was a lot of discontent with both the elevator companies and the railways. So what was your father's take on that?

CM: He was never a big fan of the Wheat Board. I remember hearing him say several times they never paid enough, which I guess is a natural thing to say when they were essentially the only buyer. But the Wheat Board was not made compulsory until 1943.

NP: Mmhhh. And what about the Wheat Pool? Because there was a lot of farmer sign-ups and so on around the time he was--.

CM: No, he never talked much about that. The Pool started in 1923, but he never talked much about that. But one of the things we started to talk about was the Sintaluta trial, which was the father of all of this stuff because a group of farmers got together. It used to be that--. And for some reason long before--. I don't know. I don't think I was more than 13 or 14 years old when I read about the Sintaluta Trial, and I remember we drove through there one time. When you hear about Sintaluta and all the things that happened because of that, you think about Sintaluta as being, I don't know, some kind of a big place. I remember driving through it and seeing the sign on the elevator, “Sintaluta” and looking, and there's nothing here. I remember looking out the back window of the car watching it kind of get smaller in the distance and think, “This is it?” But you realize then that it wasn't the place itself, it was what happened there that made it. That was the case when a group of farmers got together and took the railways and the elevator companies to court because it used to be that a farmer--. And I don't think this happened a lot, but it was enough to engender a court case. Where a farmer couldn't see the scale when it was being weighed, and he would haul grain to the elevator,

and the elevator would say, “You got No. 1, but I’m sorry. My No. 1 bin is full. I can give you No. 3 for it if you want to leave it here.”

Well, my dad, he told me several times he worked on a farm south of Moosejaw, a little place called Lafleche. I’ve been down there. All kinds of hills there. He told me that it was three days to town with I can’t remember if it was two or four horses on a tank wagon, and two and half days home. This is how long it took you to get to the elevator. If you understand that, if you spend three days on the road taking 60 bushel of grain or whatever or 40 bushels to the elevator, you’re not going to take it home. So the issue became in the Sinaluta trial farmers would have access to the scale when the grain was being weighed, and secondly, there would be an independent system of grading. Came out of that what was then called the Board of Grain Commissioners, which I think two or three years later became the Canadian Grain Commission [CGC]. Initially, it was called the Territorial Grain Growers Association, and I think in 1904 or 1906—the Sinaluta trial was in 1902—it became United Grain Growers. So UGG was the original cooperative grain handling company on the Prairies. And you’ve probably had that pointed out to you before. I would suggest pretty strongly that UGG remained true to cooperative principles on a voluntary basis. That’s what they believed in. Now it’s interesting because all of the cooperative elevator system is gone for lots of reasons that I could get into.

**[0:15:16]**

NP: Well, and we will get into them if you’re willing to get into them. But just to keep me on track, we’ll leave that until later on. [Laughs]

CM: Maybe you’ll regret that statement. [Laughs]

NP: No. What I--.

CM: I got some really strong more than views. [Laughs]

NP: Well, what I like about this project is it allows everybody to give their views, you know? So if people don’t want to be interviewed, that’s one thing, but then they can’t fault us for not trying. [Laughs]

CM: It’s like, “Mr. Speaker, strike that from the record.” You gave me that option.

NP: There is that option. [Laughing]

CM: Okay.

NP: I usually don't encourage it because I think it makes for much better history years from now to not have it stricken from the record.

CM: Okay.

NP: But that is your right. Before we get too far, I want to talk to you about the farm women because you had talked about their role. My background is in home economics, and I worked for a bit for agriculture, so that certainly opened my eyes to the role of farm women. But there will be lots of people listening to this tape that won't have a clue of why farm women deserve the recognition. So could you just speak more about that?

CM: I'll start out by--. I spent over ten years on the board of Care Canada, the international aid agency. A little bit of background. Found that in developing countries, when women earn money away from the home, 85 percent of it goes back to the home. When men earn money away from the home, less than 50 percent of it goes back to the home. And the point being that farm women, mothers, were really interested—and my experience with an international aid agency makes me think—that some of this same attitude was there in early days with farm women, because women were the nurturers. And I've always thought mothers were special. My mother was exceptional. You go back to the Homestead Act. Men would go to town. Not everybody. I mean, there's lots of good fathers, but I think on balance, mothers played a different role, and in many cases, a more—what's the right word—vital role in the family. It was a family operation, farms were. I mean, you had a few chickens, and everybody pitched in, and you made your own ice cream, and that was your entertainment. You took pride in a new calf or a turkey hen with a group of colts and that kind of thing.

But the Homestead Act was brought in because men would go to town, and again, not all of them—I don't want to castigate everybody blanketly—and get into gambling and gamble away the quarter section, the home section. The Homestead Act was there, and I don't know whether it's still in effect. I somehow think it is. A man could not gamble away the home quarter unless the wife signed off on it, which was a way to protect the family unit. And if you think about it like that, that's why I think farm women played such a vital role because it added all kinds of stability to the--. And again, I'm saying it for the third time, I don't mean to castigate everybody blanketly, but it doesn't take very many for that kind of thing. And you can understand the frustration with a lot of men, fathers, because lots of things were against you. I mean, the elements, all kinds of things, and a lot of things were beyond your control, and you felt helpless and totally captive to many things larger than you that you didn't have very much if any control over.

NP: You mentioned—I don't know if it was off tape or early in the tape—that if it weren't for farm women, there would be less grain flowing through the system to customers. My understanding, and I'd like you to comment more on it, is farm women also provided a real service to the workers that made it possible for them to be more productive.

**[0:20:11]**

CM: Oh, absolutely. I mean, I can remember my mother. You take meals out to the field. You didn't have a refrigerator. You didn't have gas or an electric stove. You had a wood stove, and you packaged everything up, and you made use of things that you kept. I mean, in those days, you kept everything—balls of string, balls of silver paper—because the issue was not--. If you could get it, I want to keep it because eventually I'll figure out a way to make use of it. So farm women would take meals out to the field, and you can understand why that saved all kinds of time and had a chance for people to keep on combining or seeding in the spring. So those were the kind of things that were done automatically almost, and it was kind of the Tim Horton's drive through in reverse because--.

NP: So if you think of one of those meals, like, you think it's not just a sandwich wrapped in--.

CM: Oh! Meat and potatoes, vegetables, lemon meringue pie. I mean, you name it. It's as good as you're ever going to get a meal to sit down.

NP: Question just came to my mind. One of the difficulties that farmers faced—and seems even to today—is getting good help. So I expect that the women who were good cooks--. [Laughs] If the fat farmer had a leg up on the others.

CM: My mother ran a combine, made a stone boat to pull behind a combine to save straw for the cattles, stood behind the combine and all the chaff and dust and everything else and forked straw so you could dump it in a pile, helped in the field to do everything—fix fence, pick rocks.

NP: Were they still stooking when you were young?

CM: Yeah, I can remember. I'm old enough to remember riding on a bundle wagon hauling sheaves to thresh. For sure, women were out in the field stooking. Absolutely. There's all kinds of pictures of everybody chipping in. Everybody. That's one of the things that I grew up with. You looked for ways to help. You don't just go someplace and watch. You look for ways to help. That was an edict and dictum almost, unwritten but known, that if you were someplace, you figure out a way to help. Anybody sitting on the sidelines is--.



NP: Earn your keep.

CM: Absolutely. It was a write off. [Laughs]

NP: What years--. You said the year that your dad started or came to Canada anyway. Is that farm still operating in your family?

CM: No, no. My father sold the place in 1965, and I then moved from Saskatchewan to Manitoba.

NP: Onto a farm?

CM: Yes. I have a place south of Carman, east of Brandon. Interestingly enough you asked the question. I was back to the farm two weeks ago, I guess, three weeks ago now, and in the Manitoba Survey, you have a road allowance every mile going north and south and east and west. So you have square sections. I don't know where it starts, but as you got further west, there's only a road allowance every two miles going north and south, and a road allowance every mile going east and west. So when I saw the place, I think I'm accurate in saying most of the fields are two miles long because there's no road allowance between the sections going north and south. When I lived there—moved away in 1965—there were two neighbours that made a living on a half section. Well now, the whole thing's changed. Everything has GPS. When you drive down the road and you look and you see these straight lines, I don't know whether you've read any of Ray Bradbury's science fiction, but he used to write about—I forget which one it was—about people would construct straight lines at night building canals, and somebody would come along-- . During the day they would stripe straight lines, and somebody would come along at night and wreck this because they had an aversion to straight lines.

NP: [Laughs]

**[0:25:05]**

CM: Well, whoever that was in this science fiction story, if he saw these straight lines now--. Everything is GPS. You're told what to do by the things in your cab. Well, my dad told me that he used to plow with a gang plow. Five rounds in the morning, five rounds in the afternoon. Well, the horses knew where to go, and he said, "Once the horses got to five, you couldn't get them to go the sixth round because they were going to the barn to get oats." So it's almost the same. The horses used to do it, now it's eyes in the sky.

NP: And straight lines.

CM: Oh, unbelievable straight lines. Just straight. That's one of the things that--.

NP: What happens when you come to a puddle or a pond?

CM: Well, I mean, they've got things now where I think you can even—I never owned one of these, and I don't know that I could—but they've got things where if you go around them when you start, as you get close to a rockpile or whatever, a slew, the machine will actually compensate for that. Yeah. It's incredible.

NP: Were you content to continue to be a farmer? Did you go on to school and think about other things? How did your career play out?

CM: Well, I went to University of Saskatchewan, and I got a degree in agricultural economics.

NP: Oh, you're one of those!

CM: And I stayed farming. I farmed all my life until I sold the place. So even when I was a member of parliament and in the Federal Cabinet, I still farmed.

NP: Did you specialize when you were--. Well, obviously you did.

CM: I took agricultural economics.

NP: Economics.

CM: Yeah.

NP: What did that teach you?

CM: [Laughs] What did that teach me? I was not a student. And I say not totally.

NP: You got your degree, so you must have been adequate. [Laughs]

CM: Not totally facetiously. Anyway, they give honorary degrees. I say, “Mine you could almost consider an honorary.” I say this jokingly. They gave me my degree on condition that I stay home and never come back. [Laughing] But one of the things I remember when we went there, they had somebody come and tell us that if we went to university and got a degree, we would earn \$250,000 more than a lifetime without it. Well, the whole thing being that if you got a degree, you could earn more money, and I said, considering what I did in university, when I got out, they should have paid me less, not more. What did I get out of university? The University of Saskatchewan was a very leftist university. I didn’t learn anything about Friedrich Hayek or von Mises or Adam Smith and his invisible hand or Joseph Schumpeter. He talked about creative destruction or any of the market economists until I got out of university. I find that literally a tragedy, and I use that word deliberately because-- [Coughs] Excuse me. We have what we have and what we take for granted too easily in this country because of an open market. When you don’t understand or learn about it or get a chance to understand its benefits, it’s not healthy for any society.

I mean, just take agriculture. I would suggest very strongly that the reason agriculture is so productive—and I’ll speak for western Canada, and I can talk for other areas too—is because of private enterprise. People came here and they owned a piece of land. They could buy another quarter section. They could own a half-section with very little money, if anything, and that gave all kinds of stability. The incentive was there for you to succeed because if you succeeded, it was you that benefitted. You look at any place in the world where they have collectivism, it’s a disaster. Soviet Union used to be our biggest buyer of grain. I signed two long-term grain sales agreements with the Soviet Union to buy a minimum of 5 million tonnes a year for five years. The first five-year agreement, they bought 35 million tonnes from us. The wall came down in 1989. They are now a major exporter because they got rid of collectivism. So when you see why we have what we have, and you go to a university in the middle of the Prairies—University of Saskatchewan—and nobody teaches you that or explains that to you or gives you the two options, it’s—I used the word deliberately—it’s a tragedy.

**[0:30:33]**

NP: Am I correct in interpreting then that they taught collectivism?

CM: Oh, sure.

NP: Or cooperation?

CM: I wanted to get a master’s degree, and as I said, I wasn’t a student. I didn’t get my thesis finished. Spring came, and it was time to go seeding, so I went farming and never went back. [Laughs]

NP: What was your thesis going to be on?

CM: It was going to be on—which is another reason, my fault, excuse, I guess—was going to be on the value of potholes to the overall society, I guess, and what potholes provided for ducks and all kinds of things. I wanted to do a thesis on the difference in freight rates and how it affected the development of western Canada because we had at that time what was called prescribed freight rates. It was cheaper to ship certain classes of hardware from Winnipeg to Edmonton and back to Saskatoon than it was from Winnipeg to Saskatoon. This made no sense. Nobody wanted me to do that, so they gave me this topic, and I thought it was a bunch of hooey deliberately, and consequently, I never paid much attention to it and never got my master's. Interestingly enough, in order to get your master's degree, I had to take all kinds of economics classes that the master's in arts economics took, which I did. I never learned about any of this open market stuff. Milton Freeman, I never heard about him until I got out of university. As I say, this collectivism nonsense in my view—and I would debate this with anybody anywhere—doesn't work, and I never learned about it until I got out of university. So what did I learn at university? Not much that served me very well in later life.

NP: Yeah. You mentioned earlier on that at the time in the early days when you were farming, your knowledge of the industry ended with dumping the grain at the elevators. Did you learn more about that at university to know components of the industry that stretched beyond the elevator weigh scale?

CM: Not really, no. No. Whenever I travelled, I mean-- Prime Minister Mulroney gave me this Wheat Board job when he first formed Cabinet, and you know enough of your instinct, but one of the things you do is you visit your best customer first, which I did. I went to the Soviet Union because they were our biggest. China was then our second largest customer. Whenever I travelled as a minister, I took—or I asked and they accepted—farm groups, and I was absolutely astounded, literally. I think the second trip I took to the Soviet Union-- I visited them every year. I think I missed one year out of nine. Some of the Pools, I invited them, and they accepted. Made the trip together. They had never been to visit their best customer, which I found--.

NP: The Pools had never been to their best customer?

CM: No. No. I just--.

NP: So that would have been XCAN representatives?

CM: No, it would have been the three Prairie Pools.

NP: Yeah.

CM: XCAN would have been Sask, Manitoba, and Alberta.

NP: Yeah. Something slipped in my mind and then slipped out again. Oh. I just wanted to clarify for my own education the difference between cooperation and collectivism. I never thought they were the same thing.

CM: Well, collectivism is forced cooperation.

NP: Oh, okay.

CM: I buy gasoline from Red River Co-op. It's totally voluntary. But if you have collectivism, I mean, I guess that's my distinction. It's forced on you.

NP: Well, it's important to know what your definition is because there may be different definitions of it.

CM: Yeah. And that's why, to come back, when you and I initially had a conversation, and you said you'd interview Paul Martin, well, I know Paul Martin, and that doesn't cut any ice with me. I mean, he's a great guy and everything. I consider him a friend, and I think he would say the same thing about me, but in terms of the shipping, they were looked at as outsiders. They were looked at the same as the elevator companies and the banks and the grain companies. I mean, they were somebody a long way away that was taking your grain and making money on it when you were going broke, or you couldn't afford to spend money on your children from whatever the essentials. And just so you understand, you go back in a perspective from, say, the '40s and '50s, that's how that would be viewed.

**[0:35:54]**

NP: Yeah.

CM: And I don't know whether anybody has ever made that point with you.

NP: [Laughs] I think having read some of the early papers, including, as much as I could stand—which was not a whole lot—of the early Commission reports, like back in the time of the Sinaluta trial, there was always, at least as I saw, there was always that tension between the person on the ground, obviously the farmer, and those big companies that they didn't know. Which brings me to ask this question, which goes back to your initial comment about the railway. Because you know now what you know that you

did not know then, and your horizons have expanded, how much of that distrust—and you mentioned it related to shipping—how much of that distrust was because of lack of knowledge of what was going on versus how much of it was because of dishonesty on the part of the railways, the shippers, the grain companies? Not that there wasn't any, but how--. Like were they justified in saying “Damn the CPR” for everything that goes wrong here?

CM: No, I don't think so. They were justified, but when you're in the middle of the Prairies with none of the things that we take for granted today, and you're basically captive to people that you know very little if anything about, I mean, it's pretty easy to assume the worst. So I would think sure, there is some—I don't know what the word is—gerrymandering going on, but it would not have been--.

NP: Dishonesty.

CM: Yeah. Yeah. I mean, there would have been very little of that, but it just takes one or two bad apples to spoil the whole barrel. It was totally—I shouldn't say totally—but almost totally because of lack of information. I mean, the difference between--. I learned, really, to drive a truck--. I mean, I started to drive when I was about 10 or 11 years old. I got my driver's license the day I was 16. I remember driving like 30 miles from the farm to Outlook, Saskatchewan, to get my license. Went in. The examiner, I drove around the block, and I went home. I mean, that's what you did. Hauling grain to an elevator with a half-tonne truck, 38-, 39-, 40-, 41-, 42-bushel. That's what it was. Now, you haul grain to an elevator with a Super B that's almost 1,400-bushel. My dad sometimes would combine three days to get 1,400 bushels. The thing is totally changed.

I mean, a farmer can literally be in a combine on a cellphone being harvested saying, “Can I sell you this grain?” They agree on a price. He courier the sample the next day, and it's sold. So it's totally different. I don't know what the analogy is, but everything is changed. And for any system of openness or democracy, however you want to word it, there has to be transparency. And when there's no ability to move information around, by definition it's very difficult to have transparency because you just don't know, and there's no system in place or provision to give you the opportunity to know.

**[0:40:08]**

NP: Since you brought up those changes, we might as well deal with them now. We would in the future anyway. There are a lot of changes, and let's just talk about those technological changes because we'll go on to talk about the others. There's a lot of changes in farm size, technology, size of trucks, and so on. Distance to deliver it. Is it all good?

CM: Good is a relative term. I would say yes. I mean, very difficult to be absolute when you use those kind of relative terms, but I would argue, and I have notes made to write a book—whether I ever will, Nancy, is another question—but the premise would be that I think you can literally graph the freedom and the opportunities and the civil liberties that a country has based on the percentage of disposable income that people spend on average feeding themselves. We spend, in this country, less than 15 percent—13, 14 percent—on average of disposable income feeding ourselves, and a third, or even more in some cases, of the food is either eaten away from the home or has some kind of preparation attached to it before it goes into a kitchen. In the sense that we have become so productive agriculturally, it gives us a chance to do all kinds of other things that we would never have thought of like 40-hour-a-week work weeks, holidays with pay, all kinds of things that we take for granted. If we had to spend just, say, 20 or 30 percent of our average disposable income feeding ourselves, we wouldn't have time to do all of these things.

I drive in here today, and I ran into three or four trucks of organizations doing landscaping, building fences, all those things. We wouldn't have a chance to do that if that money that's available to do those things we had to spend feeding ourselves. That's one of the first things. So on balance, absolutely, it's good. I mean, the world has increased its food production by a factor of three since 1945 on the same land base, and that's because agriculture has become so much more productive. I would argue very strenuously too that soil erosion has gone way down. I've been in dust storms so bad that you couldn't see the front of the truck. Well, we had less rainfall in 1988 than we had in '33 or '37 and produced more grain because of the way we farm. So for other reasons just than the ones I spoke about for standard of living, modern agriculture is very, very essential to many of the fundamental things that we take for granted and then, as a result, think we're entitled to.

NP: You mentioned the increase in production and the decrease in erosion. What would be your comments on the issues that have come up around Lake Winnipeg about the contribution of fertilizers—have I got that right?—to runoff and pollution?

CM: The biggest issue to do with Lake Winnipeg is the city of Winnipeg and the sewage disposal system. A very minimal amount to do with livestock manure.

NP: Fertilizer runoff not an issue?

CM: Very little. Very little. I mean, farmers do not put on extra fertilizer to have it leach into groundwater. Sure, it's a factor, but I mean, if you're going to look at the biggest factor, talk to the people that are a part of that. It's the city of Winnipeg.

NP: So did your father's selling of the farm coincide with when you graduated from university?

**[0:45:04]**

CM: No. He sold it--. No, I was out of university for three or four years, I guess.

NP: Okay. And did you say why he chose to sell? Why he got out?

CM: It was his choice, I guess. He was up in years, and I wanted to stay farming. I actually thought about staying there. I had my name on it, three quarters of a section of land. When I say name, I had bought it and agreed to pay for it over time. I ended up selling it with what he sold and saw this place advertised in Manitoba and moved here.

NP: What was different about the place in Manitoba that attracted you to it rather than setting up still in Saskatchewan?

CM: Totally different. It was a ranch.

NP: Oh, okay.

CM: Manitoba is a softer climate, higher humidity during the day, a little more rainfall, less weeds. There was a little creek ran through the place, and it was just a totally different place. I mean, in the middle of Saskatchewan very few trees were there except for the ones that were planted. I mean, the place I had, the pasture was 25-30 percent bush, trees, and there was some farmland. So it was like a lot of things in life—it was an opportunity. Nothing planned. You just--.

NP: Took it.

CM: Yeah.

NP: And how long did that--?

CM: I was there for 31 years.

NP: So were you strictly a ranch, or did you also grow some grain?

CM: The place was initially cattle, but the cattle market went terrible in the mid-70s, '76-'77, and I ended up growing potatoes because we were close to a Carnation french-fry plant at Carberry, and we had water I could irrigate. We grew a certain amount of grain--.



**[Audio pauses]**

NP: So you were saying that you grew a bit of grain.

CM: Yeah.

NP: Because the cattle--.

CM: Yeah, we grew some.

NP: If there's anything more unpredictable than grain farming, it's cattle or stock production.

CM: Yeah. It was an interesting place. I grew sunflowers and some wheat and a little bit of oats. Chopped corn silage for the cattle.

NP: Why sunflowers?

CM: We could grow them, and it was a market. I mean, looked like they could be a profitable crop, which they were. I guess I didn't grow them a lot. We had elk there, and the elk would run through the fields and bite the heads off. So in the fall, you'd just have a stalk with no head on it.

NP: Oh, jeez. [Laughs]

CM: But they basically--. That was one of the reasons. And the other thing, I mean, once we started to grow potatoes, I couldn't chop silage anymore because everything came in the fall. Everything came the end of September on. So basically, I mean, we cut the cow herd back, and we grew potatoes, which is--. I don't know. The market sorts itself out.

NP: Anything more you'd like to say about those early farming days and the move to Manitoba before we move into how you got into politics and some of your world travels, your comments on Canada's international grain trade?

CM: Well, I guess I--. Lament is not a strong enough word. What happened to make western Canada productive enough to produce enough grain for us to become a significant exporter--. We're not a major producer. The world last year produced almost 700 million tonnes of wheat. Canada produces 25 million kind of on average. So for us to say we're the breadbasket of the world, I

mean, it's not even a good joke. But just think about it in those numbers. Now, we are a significant exporter because there's about 100 million tonnes exported, and of that amount, we have on occasion accounted for a significant percentage of that. We still do. But the reason we were able to do that was because of individual opportunity. I don't know that that is—and this is a personal opinion—that that is recognized enough.

**[0:50:40]**

I can remember my father was part of a group of farmers that got together to put in their own telephone system. That's genuine cooperation. That's the Rochdale Principles going back to Father Coady in Nova Scotia. See, we tend to take that for granted, and we have let, to some degree, this kind of forced marketing system that the Wheat Board had the monopoly from 1943 until a year ago become a bigger—how do I say this?—become a bigger factor in what went on in the west than it really was. Sometimes it takes a while to get through that to have an understanding of—and again, this is a personal opinion--. Like, the guys fighting the 100 Years War didn't know it was an 100-years war until it was over, and it was more like 116. I don't know when it was from. I forget the dates. But sometimes you need to get through some of those things before you can look at them from a perspective of a certain amount of time. All those things happened without government intervention. I mean, sure, you need government to do certain things, but beyond a point of view or a certain amount of things, government becomes a hindrance and not a help.

NP: But you chose to get into government, and how did that come about?

CM: Totally by accident. I mean, it was a fallow year, and we had our pens cleaned out and lots of feed, and it was cold, and there was a nomination opportunity, and I got into it and won it. If it was a different year, I would have been busy at the farm, at the ranch. I wouldn't have even tried. But because we had our work done, I don't know. I was fairly young, early forties. Forty-one, I think, forty. Lots of ambition and "I guess maybe I could do this." So that's how it happened. [Laughs]

NP: When you went into it, did you go into it with the thought that you were representing farmers?

CM: No.

NP: No. So you didn't have a specific interest in agriculture, when you went into it? I mean, obviously they drew upon your experience.

CM: Never even thought of it like that. There were five nominees, and when you mention it, I was the only farmer, I think. Yeah. There was a beekeeper. You could call him a farmer, but other than that, I was the only farmer.

NP: That was in what year?

CM: 1978.

NP: Okay.

CM: November of 1978.

NP: And you stayed as a government member for how long? When did you leave?

CM: Until 1993.

NP: 1993. So a good--.

CM: The voters sent me home. I didn't have enough brains to quit, so the voters sent me home.

NP: [Laughs] So you were a back bencher for a bit or because--?

CM: Well, I mean, I got elected in--. I know that word is used, but I think it's a misnomer. I don't think there are any back benchers. I mean, if you're a Member of Parliament, you're a Member of Parliament.

NP: But it's much different to be a member of Cabinet.

CM: I got elected in '79, which was Joe's minority, and we didn't last a year. Then when we formed government in '84, Mr. Mulroney asked me to be part of Cabinet, and I was full time.

NP: Okay. So what positions did you hold in Cabinet?

**[0:55:08]**

CM: I was Responsible for the Wheat Board for the full nine years. I had Western Diversification, and at the end, I was Minister of Agriculture.

NP: Okay. So let's deal with Minister Responsible for the Wheat Board. Was that your first experience with the Wheat Board?

CM: No because I had a permit book, which you had to get from the Wheat Board.

NP: Ah, right.

CM: I mean, it was an interest in the Mulroney Government. Bill McKnight, Don Mazankowski, and myself, all three of us a Member of Cabinet, and all three of us had a permit book, which really meant by definition that if you had a permit book, you were a farmer. I don't think that's ever been the case, ever. Never will be again because they lost their monopoly.

NP: What did you learn about Canada's grain export system, reputation? Really, I don't want to lead the discussion, I just want to make some suggestions because you can say what you like about what you know now as a result of that position that you didn't know when you were a permit book holder. What amazed you, disappointed you, gave you pride?

CM: Canada has—and I think I'll use the word in the past tense—had a better reputation. No. 1 Manitoba Northern used to be the world standard. I'm not so sure it is anymore for lots of reasons because the way we bake has changed. All kinds of things. We have not kept pace, I would argue, with the amount of new varieties that could be developed because we've had the Wheat Board that didn't want to have any GMOs—genetically modified organisms—in the wheat. Wheat is a very difficult-- I mean, the genome on a kernel of wheat is about similar to yours and mine as a human. It's a very difficult one to deal with, but that doesn't mean you can't deal with it.

Well, I basically, learned that—and I'll be quite categoric here—monopolies don't work, and the Wheat Board had a monopoly on wheat, oats, and barley. I took oats away from them August the 1<sup>st</sup>, 1989, and the last ten years that they had it, they had oats-- I think I'm right. I used to keep it in my question period book. I think they averaged about 120,000 tonnes of exports a year. No processing. I could tell you all kinds of stories about that if you want. In almost 20 years to the day, there was an oat processing plant built at Portage, Can-Oat. I don't know whether you drive by Portage if you'll see it. It was put there because they could buy directly from farmers away from the monopoly. They now export, I think, 400-450,000 tonnes a year, all processed, because the private side took it over. They are the largest industrial millers of oats in the world. Quaker Oats is still the largest, but they are the largest-- So that's what happens when you let the private side see an opportunity and take advantage of it. That's where things happen. If you drive by Portage La Prairie on the south side, you'll see it. Viterra now owns it. Or actually, Richardson's own it because of the last deal with Viterra. So monopolies don't work, and that's what I learned.

NP: Could you see implications of that in the customers you visited? Were they unhappy with the set up? Or was it mostly an internal Canadian thing?

**[1:00:05]**

CM: No. In a lot of cases, the customer is happy because they could buy from us cheaper. They had a monopoly, and they could--. The monopoly, if they made a deal, they would give them a better grade than they originally bought and paid for because they didn't have that grade available. Well, if you're in the private side, you renegotiate that. So in a lot of cases, the customers like the monopoly because they could buy cheaper from Canada than they could other places. So if a customer is not going to complain--.

NP: So, I guess, I've read some things that the customers were complaining that Canada's price was too high, and they were paying a premium for their grain because of the quality.

CM: Never found that. Never found that.

NP: No? Hm.

CM: Listen, if they're paying too much, don't buy. Buy from somebody else.

NP: No, it was a question of they didn't feel they were paying--. They were paying more, but it was because of the quality not because it was--.

CM: But that's a bogus argument in my view because if you're paying too much, don't buy it. If you're saying you're going to buy Italian shoes from an Italian shoe store, and you say to the salesperson, "You're charging me too much. I can buy next-door." Well, go next-door. It's a bogus argument. The whole idea of monopolies—I mention Italian shoes—what I found really interesting is people would say, "Well, what about the Wheat Board? Aren't we going to lose something?" Well, I say, "They have a monopoly. Could you imagine if the Wheat Board had a monopoly on importing Italian shoes, and you could only buy what their buyers decided you could wear as a fashion? Could you imagine how long that would last? The women would chase you out of business in the first ten minutes."

NP: They'd go next-door.

CM: Well, I mean, they would demand to buy from themselves. They don't want somebody else picking out the kind of shoes you wear. You can do that yourself. I can pick out--. I can know what kind of a tie to wear. I don't need some monopoly telling me what choices I should make. The whole thing is preposterous. [Laughing]

**[Audio pauses]**

NP: I've turned us off so I could say thank you, so you can repeat your statement.

CM: Well, as an example, when I took oats away from the board, the Prairie Wheat Pools were in a tizzy. This was terrible. This was going to be the end of it. What's next? Are they going to get rid of farm credit? The customers will wonder if you're taking oats away. Oats is a minor crop. I mean, the Wheat Board exports, say, 15-18 million tonnes of wheat, and they're doing 100,000 tonnes, and it's the end of the world? You know, I got a hangnail, and you go to the hospital, and they treat it like a heart attack. Give me a break. I get a little bit of exercise. [Laughs]

NP: Good it makes for a much better interview. [Laughing]

CM: So they were saying all kinds of things. They had a petition to get me fired and everything else. Our customers will look at what the government did with oats as a weakening of support for the Canadian Wheat Board, and it will be bad. So right after I made the announcement, which would have been January of '89, I went to the Soviet Union. And whenever I travelled, one of the Wheat Board commissioners and one of the grain commissioners came and somebody from the grain trade. I could look up in my appointment books who was on that trip. But I raised the issue with the Soviets, the Soviet minister. "Look, you may notice that the Wheat Board is no longer--." And I don't think the Soviets ever bought oats from us anyway.

NP: I think it was mainly a US market, wasn't it? Horses, I understood.

CM: Well, we didn't sell any. 100,000 tonnes? We did sell any. Anyway, I raised this. I said, "You'll notice that the Wheat Board is no longer going to have jurisdiction over oats. I want you to know, our best customer, this no way weakens the government's support for the Canadian Wheat Board." All through translation. Fine. I raise it again just to make sure, and the second time I raised it was the minister. Oh, that would have been Pysin. He actually was annoyed that I raised it the second time. It was a complete non-issue. I mean, they had lots of things to do. So whenever I travelled, you had the Grain Commission because if there were any issues about grading or quality or dockage, they could sort it out.

**[1:05:37]**

NP: Before we leave that—and I would like to come back to the Grain Commission--. Hm. To move on? Let's move on to during that time, there were issues related to tariffs and trade. So this would be free trade negotiations and so on. Tell us a little bit about Canada's issues, where you felt Canada was successful in getting what they needed or where it fell short of what the government would have preferred. Who were the ones easy to negotiate with? Who were the ones difficult to negotiate with?

CM: GATT, General Agreements on Tariffs and Trade, started. The first meeting was in Cuba right after the Second World War. The whole idea was to increase world trade by reducing tariffs. Agriculture had never been part of it. All kinds of trade services, everything, but agriculture was never part of the GATT.

NP: Why is that?

CM: I don't know. It was just left out. I mean, after the Second World War, Europe had blown itself apart. They were not self-sufficient in agriculture. I don't know. It never--.

NP: So maybe that was it, that they wanted to be able to produce internally without having to worry?

CM: Yeah, it could be. Well, I don't think so because you go back to the Treaty of Rome in 1960. I think I'm right. Europe was something like 85 percent self-sufficient, and they wanted to go higher. No, they were less than that, and they wanted to cap it at 85 percent, and nobody went for that because they thought it was too high. Well, Europe came with this Common Agricultural Policy, which was enormous subsidies, and they had eventually become 130 or 135 percent self-sufficient. They end up dumping product on the world market that just devastated everybody. I could get into that for the rest of the day if you want.

NP: Well, there's very few people to talk about that, so I would like you to expand on that a bit.

CM: Anyway, we had a lot at stake. Australia, 60 percent of their exports, I think, are agriculture related. Argentina is big. We were kind of in the middle between the Europeans and the Americans, Canada and Argentina and Australia. I was fortunate because next to the Prime Minister, I was the only one in his Cabinet that had an agriculture responsibility from the start. I mean, he's obviously Prime Minister from start to finish. I had an agriculture responsibility from start to finish, so I ended up having a chance to be part of those discussions. But what we did get into the agreement was what they called "tariffication." We agreed to finally put agriculture into the GATTs—now called the World Trade Organization [WTO]—and it has articles of incorporation. GATT was basically a, I don't know, informal agreement. Like the British Constitution, everything is based on precedent. We managed to get agricultural issues with tariffs. The big one was—still is—marketing boards. The Wheat Board was never STE, State Trading

Enterprise, out there that they're referred to. The Wheat Board was never a very big issue, but it was marketing boards that were the issue. They were and still are a big issue. What else can I tell you?

NP: So my understanding that the Wheat Board was not a big issue because it was not big enough to actually influence price. I may be misinterpreting, but that was my sense. So how would marketing boards be more of an issue? Or correct me if I was wrong.

**[1:10:08]**

CM: Because you could import grain. It was never--. Hm. I hadn't thought about that, but likely because it only applied to western Canada. That's another issue. Why impose this monopoly on us poor western farmers? Ontario never had it. Ontario produces a couple million tonnes of wheat a year. There's a certain amount of wheat grown in PEI and New Brunswick in potato rotations, so why beat up on us poor western farmers here with the monopoly? So it wasn't--. I think that's a good question. I hadn't quite--. But I think largely that would be--. But marketing boards, out restriction--. I don't know. The tariff on butter, yogurt, and cheese, over 200 percent, and there's a little bit of a quota access where you get, I don't know, 10 or 15 percent of consumption, you can import it. But that doesn't have anything to do with prices. But the big issue was the Common Agricultural Policy. Those guys. The Europeans were terrible. The worst, by far, were the French. The best were the Brits and the Dutch, and the Germans didn't pay much attention because only about three percent of their economy is agriculture. France produces more wheat than Canada.

NP: Why do you figure that France was such a--?

CM: Because they're a big agricultural country, and their world price for wheat, sugar, way above--. Their internal price, I should say. Way above world prices. And so, they had what they called a--. What did they call it? An export subsidy. And then if you tried to sell to them, they would just--. If you gave them the wheat, they would just mark the price up to match their internal price so you couldn't compete with the buggers. They were terrible. The French were terrible.

NP: Now, you can correct me if I'm wrong on this one too, but I've talked to a few people about the US negotiating strategy and follow through on agreements and the sense that they weren't that easy to negotiate with either, and you weren't always guaranteed that they would stick by what they agreed to.

CM: Fair ball. I always said, "None of us Simon the Pure. We've all got our little bag of sins we carry around with us."

NP: No! Canadians are the good guys. Tell me what we do wrong.



CM: Marketing boards.

NP: Hm.

CM: But the biggest culprits by far were the Europeans. Sure, the Americans, they—and I’ve said this to them directly—they’re the best. If you beat them on some kind of a trade issue it’s because you cheated. It’s not because we were better. It’s because somehow we--. This nonsense, this R-CALF thing going on, there’s a couple of characters in Montana that want to keep Canadian cattle out of the US, which is a bunch of nonsense. Sure. Nobody’s perfect. If you’re looking at order of magnitude, Europeans would be at 100 for the worst, Americans would be 70, we would be 35, Argentina and Australia would be 5. That’s the discrepancy. What the Europeans did in the sugar market worldwide was just criminal. The Europeans produce sugar from sugar beet. The most efficient producers of sugar beet can barely compete with the least efficient producers of sugar from sugarcane. They were terrible. I was at a meeting, the Cairns Group meeting in Australia, and the Cairns Group had--. The Australians put it together with 12 or 14 countries. One of the countries was Fiji, and the Fijian minister, his wife was from Ottawa. I got to know him a little bit. Fiji produces sugar from sugarcane. They were getting murdered because of the subsidy the Europeans were providing to the sugar beet producers.

**[1:15:40]**

The Europeans were there as observers, as were the Americans. We got to know each other well enough that he asked me if I would raise this issue of sugar subsidies at this meeting because he was afraid, as a Fijian Minister of Agriculture, if he raised it, the Europeans would retaliate. He didn’t need to say any more. I hit them as hard as I could between the eyes to see if I could get their attention. I don’t know what happened. No, it was--. I’m being unkind here I think, but there’s a little bit of this kind of colonial attitude from Europe. They said, “We’re the Europeans, and we know rightfully what’s best.” I saw that in a few cases.

NP: The argument I’ve heard is that what they justified that intransigence—is that a good term—what they put it down to was that they went through a period where their people were starving because they couldn’t feed themselves, and they were never going to let that happen again. What’s your--. [Coughs] Pardon me. What’s your reaction to that discussion?

CM: Which is fine, but when you’re 135 percent self-sufficient in food, and the Common Agricultural Policy is taking 75 percent of your European Union’s budget, and when the policies you’re pursuing are wrecking world agricultural economy, I mean, when does--. When you’re 80 percent self-sufficient, you’ve got an argument, but when you’re 135 percent self-sufficient, you have no argument. If that’s the best argument you have, I would suggest keep your trap shut.

NP: Is it going to--. Have you followed, just because of personal interest, what's going on?

CM: They've phased out their sugar policy, and when they brought in the extra countries, I don't know. I mean, what is it, 26 or 27 countries in the European--. Started out with six, went to 12, and now it's all the former Eastern Block countries. I mean, they can't afford it, so they're phasing it out.

NP: You mentioned the initial round of negotiations, which was in Cuba just after the Second World War, which raised the question of Cuba. Were you involved at all in the Russian deal that saw, I think—and again, I could be wrong—saw Canadian grain eventually being funneled to Cuba, and how the US might have dealt with that? Or is that completely--.

CM: First I've heard of that.

NP: Yeah?

CM: I find that--. No, I--.

NP: So anything that might have happened in that regard is--.

CM: Yeah, but I don't know how that could happen because, I mean, the grain we shipped was from Canada to a Russian port. So it's the first I heard of that.

NP: And who knows what happens after that.

CM: Well, when you think about it, it's a bulk commodity. I mean, why would it be transshipped like that? And I don't know that Cuba is a big consumer of wheat to start with. I mean, you've got all kinds of sources for wheat in South America.

NP: I don't know at the time whether there was, but anyway. It just came to mind, and I could be completely off base, so.

CM: See, it was the so-called Uruguay round. It started in Uruguay in either '83 or '84, and it went on forever. The Mulroney Government was there long enough—[Coughs] excuse me—to have the deal, and it was signed by Chretien's Government in spring of '94, I think.

**[1:20:14]**

NP: Why, that's a--.

CM: I think that was a--.

NP: One of these things you never think you'd ever get an end to. [Laughs] It sounds like the Uruguay round and round and round.

CM: You got it. You got it.

NP: And what about that, the Uruguay round?

CM: Well, I mean, it did a lot of things. It dealt with a lot of services and financial and manufactured goods, and what it did with agriculture was for the first time put it into the schedule with big tariffs. The idea was that if we got that accomplished that over time the tariffs would come down, and you'd have less restrictions at borders. Hasn't happened in terms of marketing boards in this country.

NP: But may have in some sense in between US and Canada in other ways?

CM: Well, we signed the Free Trade Agreement with the US, so basically, we have pretty much open borders. Softwood lumber is kind of a separate issue, but one of the things the Free Trade Agreement did was it dealt with Auto Pact, the movement of auto parts. I think we have—well, I've been out of it for so long—I think Canada has like a little less than 10 percent of the North American population and we supply 11 percent of the automobile parts. I don't know whether that's changed. It probably has.

NP: Time passes on.

CM: Yeah.

NP: Well, who knows with the kerfuffle in the auto industry what happened. You mentioned the Canadian Grain Commission [CGC]. What comments would you like to make about your interaction with them? Your thoughts about them, negative, positive? Their reputation in the world, negative, positive?

CM: Well, their reputation in the world—I don't know what it's like—I suspect it's still very high. I mean, there was occasional when the certificate final, which is what the certificate that accompanied grain shipment, there were occasions when the Grain

Commission was asked to grade—I think I’m right in this—American grain going through the Seaway. And because of the certificate final, there was more--. How do I say this? It gave Canada a chance to unload grain on certificate, where in a lot of cases you could unload it on sample. So the Grain Commission has a very good reputation.

The other thing the Commission did, and Otto Lang started it, was CIGI, Canadian International Grains Institute, which has done very well. They bring in people from all over the world in the baking industry, and they actually have a system set up where they can bring in local grain and show millers and bakers from different parts of the world how to use their own product with Canadian product. You get a grain to get a bakery product that suits their market. So CIGI does well. Now, having said that, I think they’re finally getting rid of inbound weighing. It’s gone, is it? Yeah. Which should have been done a long time ago with all the--. The other thing we did over time, we dealt with storage tickets. There were people that held storage tickets for up to, I think, ten years. That’s by far the exception. I think, if I remember right, I changed it so that after 90 days, your tickets got cashed out. So there are some things that have happened that needed to happen, and like a lot of institutions, there’s, I would argue, too much inertia.

NP: What about any connection when you were in either position—Responsible for Wheat Board and Agriculture—related to research related to grain. What was the philosophy of the governments you were working for? Was there involvement at all? Well, there always is because you have to okay expenditures, right?

**[1:25:11]**

CM: Most of that came out of the research branch for Agriculture Canada, but what’s happened and continues to happen is that the private side moves way beyond whatever public can do. I know there are lots of people that decry that. I don’t. I think you look at results and more than used to have--. I think they had a lot of varieties developed that are flax varieties, but now with GMOs and the sophistication that’s there to develop some of these things, I mean, government isn’t in it anymore. Why should they be? Whatever money is available, I would suggest very strongly that it be used to lever research in certain areas that you may find useful rather than try to do it on your own.

NP: I know that some people have expressed a concern with ownership and availability to farmers because along with the private companies come the patents that leave them at the mercy of a developer, as opposed to publicly funded research that is accessible to all.

CM: But the key word you use there is “A”. There are several companies out there—Bayer’s out there, Dow is out there, Monsanto is out there, BASF—and as long as there is competition, you don’t have to buy from them. You can buy from whoever you choose. That’s the issue. You look at the varieties that are available—wheat’s different because we’ve held back research here because of

attitude and largely because of the Wheat Board—but you look at canola, soybeans, corn, the private side is doing it. But what's the big deal? I mean, I can remember not that long ago my dad's relatives that all live in northwestern Iowa. The average yield in corn in the US was less than 100 bushels. Now it's 200. It's all been done by the private side. What's the big deal? What's the difference between Microsoft having a patent on software? Nobody seems to complain about that.

NP: [Laughs]

CM: They're happy that they've done this. Sure, some people, but it's the same. Intellectual property should have the same-- My view, how do I say it? Ownership law is private property. What's the difference? I think now we're at a point in our economy where a majority of our GNP is services. It's not building--.

NP: Products.

CM: Building chairs or forging steel. It's the services that go into it. So sure, but patents run out over a period of time, and everybody benefits from it. People yell at the seed companies. Well, go back and talk to Gregor Mendall, who was the guy who developed hybrids in the first place. The increase in yield has been phenomenal.

NP: Before we wrap up the discussion of--.

CM: Do you think we'll ever wrap this up? [Laughing]

NP: Yeah, we have to! The clock is ticking. But will the story ever be told? No. This is just our part of the story being the years we lived. But as you said, the people fighting the 100 Years War didn't know it was going to be 100 years. So what happens after us? You know, we won't know, unless you've got some additional secrets that will allow me to follow this project beyond the grave. Can you think of any situations where-- You know, at the time, like it or not, the Canadian Grain Commission and the Canadian Wheat Board were Canada's—for wheat anyway—big players. Did they ever get into trouble with our customers that the federal government had to step into and firefight? Or did it go along pretty smoothly?

**[1:30:07]**

CM: Well, the only issue was the-- Like, we extended the Soviet Union \$1.5 billion worth of credit to buy grain, and when the whole thing came apart over there, they weren't in any position to pay it. So I don't know what-- That debt was rescheduled at the-- Oh, what's--? In Holland. Anyway.

NP: Hague, at The Hague?

CM: No. It's not coming to me. That would be the only case.

NP: And in that situation, I would imagine it was the government that extended the credit in the first place.

CM: Oh, yeah. Let me give you an example of how I'll use the word vicious monopolies can be. When we got to government, the Wheat Board had a certain amount of credit available to them to extend to customers. We set up three categories: the most credit worthy, the good customers, and the so-called. We had a special committee of Cabinet. I think there was three of us—the Minister of Finance, Treasury Board, and myself—and maybe-- I can't remember. So if the Wheat Board was negotiating an agreement with somebody, and they needed credit, and they were on the list of the least, the bottom three—however you want to say it—they could phone us, and we could turn that around for them in 48 hours, which is unheard of. Because if you're going to Cabinet, you've got to have a Cabinet memorandum, you've got to get it translated, you've got to get it on an agenda, you've got to get it to a Cabinet committee, then you've got to go to full cabinet. So we had it set up so that they could, on very short notice, get it from the Government of Canada a way to sell grain. That was my job, to help western farmers sell grain.

We set up a \$1.5 billion line of credit with the Soviet Union. They never used it. Well, when things started to go sideways for them-- I don't know if anybody has ever told this story, and I'd back it up anywhere you wanted me because I was there. We get over to the Soviet-- They haven't bought grain from us for a while. And one of the commissioners, I think it was Larry Kristjanson was along-- And we get in a meeting, and I'm saying, you know, nice polite company negotiations. "You're our best customer, and we notice you haven't bought any grain for a while." Well, they pointed out that they weren't in a position to pay for it. Well, I said, "You know, seeing as you're our best customer, you have a significant line of credit with us, \$1.5 billion, and we notice you've never drawn on it. Given our past business together, I mean, this is why it's there, to assist you when the time comes." "Oh, fine." We get out of the meeting. Larry Kristjanson, the assistant chief commissioner, starts to berate—maybe too strong—because I told them. They never knew they had a line of credit until I raised it with them at the table. And the whole idea was they were the monopoly. They were the ones that were in control. It was all about control, which most monopolies are, as opposed to serving the farmers.

NP: And why do you think he would not have told him? What--?

CM: Because they wanted to, at the appropriate time, do this. I mean, for whatever reason—which, my view, they didn't have a reason—they didn't want to tell them. Now, I mean, I just found that incredible. We go out of our way-- And I shouldn't say that.

That's our job as government. They'd never had any kind of an arrangement like this with any previous government, any previous minister, on how to extend credit, and their biggest customer has \$1.5 billion worth of credit, and they never tell them, and that's preventing sales on behalf of farmers that they're supposed to be there to serve? Now, they ran the credit right to the limit, and they didn't make interest on it. And the last trip I made to the Soviet Union, I went over to see them to make sure that—or to get them if they would, and I think they did—take all the little countries like Albania and Romania and I don't know what else, if the Soviet Union would sign for their credit, and in that cases then it could be rescheduled and it wouldn't go against, at that time, Mazankowski's deficit. But that's an example of how they were the rightful people to do this. Oh. I mean, I didn't go for that. You might understand why.

**[1:35:45]**

NP: Well, I've got the sense.

CM: [Laughs] Maybe you have it because I wasn't forceful enough. [Laughs]

NP: You didn't go for that, so the result was--?

CM: No, but you see, that's the arrogance that--. The famous quote from Lord Ackton, who said, "Power corrupts. Absolute power corrupts absolutely." And when you have power, it's a monopoly, it's absolute. So then you're not accountable to anybody, so you think you can do whatever you want.

NP: Yeah. I see that in politics.

CM: Pardon?

NP: You see that in politics. [Laughs]

CM: But eventually, you get kicked out of office.

NP: Right. If we go to--. I just--. Let me just check my--. We've dealt with changes. Normally I have a section on what changes occurred, but because we've been dealing with them with your career, I don't think--. Well, maybe I should just ask a general question. Over the time, then, that you were involved in government, what did you consider to be the major changes and challenges

related to the grain industry? You don't need to repeat what you've talked about before if you've already covered it, but major changes and challenges related to the grain industry.

CM: Goodness.

NP: Were there crop failures during that time, or--?

CM: Oh, yeah. We put some big farmer assistance programs in. I tried to work--. I mean I had responsibility for them. I tried to work with the provinces, and the provinces, everybody wanted something different. So I ended up running not out of my office, but basically running out of Ottawa, which is not the best way to do it. I mean, ideally, every province has its own individual crop insurance, and it would have been better in my view still to stay if the provinces had looked at it and used their crop insurance to administer it. But it was taking too long, so we ended up--. So there were some issues there. As I said, '88 was a disaster. We had \$1 billion support financial thing for farmers.

NP: Was that ever a tough sell to the other members of your Cabinet? Or was it pretty easy to get sympathy for the farmers' situation?

CM: Nothing's ever easy, and Wilson was still fighting the deficit. He was Minister of Finance. Things were terrible. We had farm women that came to Ottawa in front of the committee, and it was not a pleasant circumstance. So you try to do what you think is the right thing. I remember one time, usually ministers you don't go to committee, but they were in front of the Ag committee. And if you've been to committee, the witness is at one side, and whoever is there, and then on the other side is the chairman—or chair, man or woman—and on one side is the opposition, and one side is the Government. Well, I mean, I went and sat as an observer, and some of the farm women looked at me as if I was totally evil. I know what it's like to be broke. It's no fun. It's terrible. So I mean, that's the kind of thing that was going on, so you did the very best you could. I remember we announced the program after the crop had been seeded. Well, at that time, there was a reasonable amount of summer fallow on the Prairies, and we had to do right across the country.

**[1:40:30]**

I remember being out in Alberta. I spoke at some kind of a meeting, and I don't know where it was, but I ended up staying at a farmer's home overnight. I remember having the discussion with him at the table before we went to bed. "What's fair?" He didn't know what was coming. "If you're going to do a program, what's fair for summer fallow, given the fact that after everybody has made a decision to seed before they know what has happened on a per-seeded-acre basis or per-crop basis? What's fair for summer



fallow?” Talked around it, and I have it in my head a third as much for summer fallow, and he thought that was okay. That’s how I made the decision. To this day, he doesn’t know. I can’t remember. I can probably look back and find it. He doesn’t know he was part of it, which is the way you should make decisions in my view. I mean, you get--.

NP: Why this particular farmer?

CM: Pardon?

NP: What was it about this particular farmer that you trusted his--?

CM: Nothing. Nothing. I mean, it’s just like I knew a little bit about what kind of land he farmed, what kind of crops he grew somewhere in central Alberta.

NP: So would the department itself have prepared a, it wouldn’t be a discussion paper, but that would make some suggestions?

CM: Yeah. Yeah. But I mean, I was lucky. As I mentioned previously, I had an agriculture responsibility, so whether people agreed with me philosophically or not, I’m a farmer. I can weld. I can drive straight. I know how to set the seeder. I know how to mix the spray. I’m a farmer. I mean, I didn’t have, you know, you can name any other Cabinet position where we’ve all got a certain amount of experience, but I’m a farmer, so that was a big—in my view—help to me.

NP: Were there some situations that you think back on and say, “These were highlights”?

CM: Hm.

NP: Sometimes they don’t even have to be big things, they’re just, you know, touching or a sense of accomplishment.

CM: Hm. Maybe in a different sense. I mean, I grew up in the middle of Saskatchewan. I saw the scars that were with my parents. They got married in 1929, the 1<sup>st</sup> of July, 1929. The crash hit in the fall. The fact that I had an opportunity to participate the way I did is incredible. There are very few countries in the world--. I don’t have a lot of money. I don’t have a big family name. I wasn’t a Rhodes Scholar. I was an average kind of person. I got a chance to participate that very few people in this country do, let alone the world. I mean people would ask me about Mulroney. Well, the only time he ever phoned me was to ask for advice on things. Never ever phoned me once and said, “I’d like you to do this.” That wasn’t his style. So when you get a chance to participate like

that from the middle of Saskatchewan, it's an incredible opportunity. In terms of the opportunity I had to do things, I don't know. I always say I follow through on some of the things my mother taught me at the kitchen table.

NP: Pretty special.

CM: Absolutely. I drive by that little plant at Portage, and I think, "Woah. That was an effect." I'll send you--. I wrote a chapter for Dulcie Price's book, and I don't have any of the books anymore. I gave them all away.

**[1:45:16]**

NP: Is that *With the Grain*?

CM: Yeah.

NP: I've got a copy.

CM: *Against--*.

NP: *Against the Grain*.

CM: Look at my chapter.

NP: Yeah, I'll look at that again. I'll look at a lot of them again because of having talked to people because it will make a lot of difference.

CM: Because I didn't know what I was going to--. I was going to write on the long-term grain sales agreement we signed with the Soviet Union, and I got looking at it, and all of those numbers are in there about oats. See, to me, the more I see, I guess, the older I get, the more I realize all the time with too much government, and when I had an opportunity to reduce the size of government in agriculture--.

NP: What reductions took place?

CM: The oats from the Wheat Board, took quotas away from them for flax and canola. We changed a few things at the Commission and opened up some of the trade stuff. Sure. You leave it to the individual.

NP: When you were talking about the different players like the Canadian Wheat Board and the Canadian Grain Commission, which, regardless of your philosophy, were big players, I forgot to ask you about the other big players in the industry which are the railways. I can't imagine that you went through your years as Agriculture Minister and Wheat Board Minister without some interaction with the railways.

CM: But you see, to be fair to the railways, I mean, we privatized CN [Canadian National Railway]. CN, I think, now, of the two of them has probably performed at least as well or—I mean, who knows—than CP [Canadian Pacific Railway]. But the Wheat Board regulated the railways, which made no sense at all. That's where they took away the Crow, and Goodale I guess in '90--. Actually, it was Minister of Transport in '96, I think. But the Wheat Board still allocated cars and wheat and barley, even though you and I would pay the freight. It's like me hiring somebody to shovel your sidewalk of snow in the winter. You have to pay him, but he's accountable to me. It makes no sense. See, and the railways have always grown up—grown up—lived with regulation. This is a new era for them. They can deal directly with the shippers. Louis-Dreyfus—Brant Randle who runs Louis-Dreyfus lives in Calgary—has said several times, and Louis-Dreyfus is a big worldwide organization, they handle very little board grain because they can't coordinate getting the grain to Vancouver or wherever at the same time the vessels are there because they don't have control over the movement of the grain. The Wheat Board does. Without naming anybody, one of the guys in Cabinet--. I don't know if you've ever heard of H. L. Menkin that wrote for the *Baltimore Sun*, he defined an editor as somebody who separates the wheat from the chaff and prints the chaffs. So they always referred to me as Minister of the Chaff Board. [Laughing]

NP: Yeah. There's another side to that story that without an editor, we see what ends up. So, yeah. It's getting the balance right.

CM: We are not well served by the press today at all.

NP: What always surprises me in reading both the history of Canadian grain and current—the *Western Producer* and *Manitoba Cooperator* and whatever I can get my hands on, which isn't a broad range—is that railways have never been easy. The whole railway issue, regardless of the reduction of the Crow Rare might have been better—and likely was better—but there's still performance problems, and they're still arguing about performance problems, whoever controls them. It's not been, I wouldn't think anyway, an easy portfolio. Am I completely off base? Because again, we're not dealing with a monopoly, but with an oligarchy with two of them? I don't know maybe there a term for two.

[1:50:28]

CM: Duopoly.

NP: Right.

CM: I guess a flippant answer would be “So what? That’s life.” A lot of things aren’t easy. I don’t know. We’ve got the option now we can go south. We didn’t before. There’s an oilseed crushing plant at Hallock, Minnesota right across the line, 15 miles south of the 39<sup>th</sup> Parallel. Farmers can haul canola there.

NP: The lines that go south, I don’t know if you keep up with that. Are they in turn owned by CN and CP? The ones that go south out of Canada?

CM: Only to the border.

NP: Haven’t they bought up American lines?

CM: CN has bought into--. I’m not up to speed on it. But the whole point is that--.

NP: Is the whole point a balance of power to prevent that--?

CM: Like when I say I was at university, it was cheaper to ship certain classes of hardware Winnipeg, Edmonton, and back to Saskatoon than Winnipeg-Saskatoon because of so-called published rates. Let the market sort it out. The guy said, “Change is never easy, but status quo is fatal.”

NP: That’s a good one.

CM: Look what happened to the Soviet Union. They didn’t want to change. They didn’t have to change because they had a monopoly. Well.

NP: So no problems in dealing with railways? [Laughs]

CM: Well, sure, there’s problems, but there’s problems with dealing with everything. I had problems getting here this morning. I couldn’t find the place! [Laughing]

NP: Yeah. Well, I’m just pleased to hear you say that, yes, it wasn’t perfect.

CM: Yeah. But what is? What is? Aside from you and I.

NP: Well, of course. [Laughing]

CM: Wait a minute. Aside from you and me. Let's get grammar correct here.

NP: Let's get that right. I used to teach grammar, so I'm glad to see you do that.

CM: Am I right?

NP: Aside from you and--. Yeah, I think so. You're right. I'd have to check if aside is a preposition, but let's not bore our listeners with this discussion. [Laughing] But I'm even glad to hear you try to bring that up.

CM: This brings up another point, and this is somewhat off the topic. There was a strike of the grain handlers of Thunder Bay, October--. I can't remember what year. Maybe '90 or something, '89. I can't remember. Whenever I spoke to the Wheat Board, I always said, "The government has decided." It was never me. It was the government. Because when you sign your name on a ministerial letterhead with the coat of arms, it's the government. So they went on strike. So I checked around. I can't remember what year it would have been. I don't know.

NP: Well, they didn't strike all the time, so it should be able to find this one. [Laughs]

CM: Yeah, yeah. No, we can find it. But anyway, there was a concern. If you don't get grain to the Lakehead by the middle of November, it doesn't get through the Seaway. The Seaway is usually opened until Christmas and New Years, and then it's done. So I checked around. Couldn't get the grain to Duluth. No sense trying to go through Portland. Found out that--. Is it Valley Camp in Thunder Bay that is owned by CP? A direct hit bulk facility. Found out that the Grain Commission could get it cleaned up so that they could direct hit off of railcars to a vessel without going through the terminals. So I got this all done, and the strike had been going for, I don't know, a week or ten days. It wasn't that long or whatever. So I go in to see the Wheat Board on a Thursday afternoon, I think it was. I go up to Saskatoon to make the announcement that the government has decided we're going to do a direct hit. Or the Wheat Board or whatever. The Wheat Board, I should say, had done a direct hit at Thunder Bay to bypass the terminals to keep grain moving even though the grain handlers were on strike.

[1:55:15]

So I go back to the farm. And actually, I used to live in Saskatchewan, Nancy. Whoever did the story that night—and it was on national TV—it showed a unit train going out. Well, when you show a unit train, you think, “Woah. This is a big deal.” Well, 100 cars is I don’t know how many thousand acres. It doesn’t amount to hardly anything. I could do the arithmetic in my head. We were digging potatoes, so it had to be October, early October I guess, and the phone rings. It’s Esmund Jarvis, the chief commissioner, and he says to me—and this is a little bit of a story out of school—“We’ve decided not to do a direct hit.” The government has already decided. I made the announcement. It’s all over the place. And I knew, never been used, in the legislation there was a provision that the Minister Responsible-- . And by the way, it’s the Minister Responsible to Parliament for the Canadian Wheat Board. It isn’t the Minister Responsible for the Canadian Wheat Board. There’s a distinction.

He said, “We have decided not to do a direct hit.” And I knew that I could issue what was called a letter of intent that would instruct them to do it. I said, “Mr. Chief Commissioner, why don’t you think about that for a few minutes and phone me back and see if that’s really what you want to do.” Well, what had happened and almost for sure, the Pools had got to him because they struck Cargill, and the rest of them shut down. Because the elevator companies, they make a lot of their revenue out of the terminals. You know that probably better than I do. So he phones me back in a few minutes and says, “We’re going to go ahead with the direct hit.” To me, what he was doing was listening to the Pools saying, “You can’t do this.” Come on! Are you with the farmers or are you with the grain companies?

NP: What was their concern, do you know?

CM: Pardon?

NP: What was the Pools’ concern, do you know?

CM: Well, because they were shut down too. They weren’t going to get a revenue going through the terminals.

NP: Ah.

CM: See, it’s too easy to get cozy. You better figure out who you’re there to serve.

NP: Actually, you said when you introduced this story, you talked about, “Well, this is a little off where we’re going,” but it’s not because I wanted to veer us towards your experience with Thunder Bay because I am interested in Thunder Bay. You said earlier

on that you were 30 years old before you visited Thunder Bay, so can you think back to that day when you arrived there and what you thought?

CM: Hm. Probably--.

NP: What were you expecting and what did you see?

CM: Well, probably the enormity of it. You know, when you think of a little wee combine and a little wee truck hauling a little bit of grain like a thimbleful and you see the size of everything, that's probably what I would have thought.

NP: Was that your first experience with a terminal elevator as well?

CM: Yeah, yeah.

NP: Did you go inside?

CM: I don't think so, no. No. I remember seeing spouts going into a laker, and then, I guess, just realizing what a small cog a farmer would be. A little bit of land. What's a hopper car full? 35 bushel? So 100 hopper cars, what is that? 5,000 acres or something. I don't know.

NP: Over time, what did you learn and experience about that port and what issues arose, if any, as a result of shifting markets and resource allocation changes? Because it would be around this time that things were really starting to shift west.

**[2:00:09]**

CM: Well, the market shift, I mean, the last time we sold barley to the Soviet Union was to Poland. Barley went out of Churchill. But I think you and I, when we initially spoke on the phone, was that I don't know way over 50 percent of the grain went through Thunder Bay. Now it's, what, a third?

NP: Probably a little less because of the shifts south too.

CM: Yeah. Yeah, it's--.

NP: Were those kinds of things ever even on the radar of an organization like the federal government? And it's not just Thunder Bay because this is issues of any kind of closing down and affecting areas. Sort of trying to keep some--. I don't think anybody likes to see a part of Canada become poor in order that another one becomes rich.

CM: But I don't think that's--. See, there you imply a zero-sum game, and I don't think that's the case. You think about, if everybody does better--. Well, not everybody. If you say some become poorer at the expense of others becoming rich--.

NP: Well, and it's not necessarily planned that way, but that's what happens.

CM: But that's markets.

NP: Yeah. That's what I'm saying. But when you--.

CM: That's markets. You try as best you can to alleviate whatever pain there is in the adjustment.

NP: So this is what I'm asking. Were there any attempts to alleviate the pain in the adjustment? Or was it just a non-issue?

CM: Well, I mean, you look at the big money—big money, the substantial money—the Mulroney Government put into the farm sector when we had poor prices and poor crops. That's an attempt to alleviate, to get through it. There are people that said that instead of just pouring money into it, we should have at the same time tried to lever some adjustment. But I don't know that I agree with that because, you know, there's the famous quote, I think it's from Hayek, that says that, "The collective judgement of the many always exceeds the selective judgement of the few." So that's a version of Adam Smith's invisible hand. Let them market with all the individual decisions that people make. Look at the decisions you and I make when we shop for groceries. That's the invisible hand. We tell the food stores what kind of crackers to stock because of what we buy.

NP: The point that you bring up about the support for the farmers in situations where the market wasn't going to help them, the market would mean they'd be out of business because if they can't make it, they can't make it.

CM: Well, one of the reasons for that was the crazy subsidies that Europeans were applying.

NP: Yeah. Sometimes you have to do that in order to--.

CM: So you couldn't talk sense to these guys. Oh!



NP: Yeah. Although, farming is a boom and bust. If you have a-- Well, look in the States, for example, with last year's crop failure. It's not the farmer's fault, but it is the reality.

CM: No, but you're absolutely right. But on the other hand, if you had had the Europeans out of the market with their goofy export subsidies, then you would have had better world prices. So on an international thing, you figure, "Well, okay, if these guys aren't going to behave according to markets, we've got some responsibility to do what we can to--."

NP: The federal government did put in or does put in things. Like you've mentioned that you were Minister Responsible for Western Diversification, and there's a similar group in Northern Ontario called FedNor [Federal Economic Development Agency for Northern Ontario].

CM: Yeah. FedNor, yeah.

NP: So that's probably an attempt to help with the adjustment that's going to take place.

CM: Yeah. Yeah.

NP: You can say whether you think this is a fair statement. I'll just put it the way I put it in most interviews. Canada--.

**[2:05:12]**

CM: Should I brace myself? [Laughs]

NP: No, no. No. It's just you can say, "No, that's really Pollyanna-ish, Nancy." In my reading, Canada has a relatively small population, it has harsher conditions than an awful lot of its competitors—and I'm relating competitors in the grain industry—it's got notable long distances whether you're going to ship east or west to get product to market, and yet it has become one of the major exporters. Looking at it historically, how did that happen? And historically means from back when it started to now. How did we manage to do it? There are other countries who didn't or wouldn't have in the same circumstances at the time we did.

CM: What other countries are you thinking about?

NP: Well, I'm thinking of Russia. Let's take that as an example because of its climate.

CM: But there's the example. We had an open market system, and they had a closed system.

NP: Mmhmm. Is that it?

CM: By and large, sure. It's that simple. Open markets.

NP: People working together had nothing to do with it as well?

CM: But it was the individual who saw the opportunity because there was a market that he could, or she could, produce for and serve. You go to the Soviet Union, I don't know what the numbers were, but each farmer had a little plot that amounted to two percent of what he farmed, and they produced 40 percent of the product.

NP: So look at the elements of the market, and just to be a bit more specific, take a look at the elements of the market that were operating that allowed us to or allowed them, the individuals, to accomplish as much as they did.

CM: What do you mean by elements?

NP: Well, I don't want to answer the question for you.

CM: No, but you said elements.

NP: Well, I'm thinking about the railways. If we didn't have railways we wouldn't have got there. If we didn't have--.

CM: Oh, okay. Well, I think 60 percent of grain production in Argentina is within 200 miles of tidewater on the shore.

NP: And in Australia similar. Some have said 90, but on average substantially less.

CM: But it was the free-market system that gave people an opportunity, and they saw an incentive, and they went ahead and built it. In my view, it's that simple. When things got out of hand, they formed cooperatives, and they worked together, and they did things together.

NP: Well, the railways, for example. Would they ever have been developed without forced government contributions?

CM: No. I mean, the railways, the CPR was essentially John A. MacDonald to keep us from being part of the US. I mean, I forget who wrote the book *Confederation: How the Fathers Made a Deal*. He makes a point that the reason we have confederation—and this is my take on the book—Ontario and Quebec didn't want to be part of the US, so they figured one of the ways to have a bulwark against that is to form their own country. They didn't want to give up much responsibility to the federal government, Ontario and Quebec, Upper and Lower Canada, and so they kept all the responsibilities to themselves—roads, schools, hospitals, everything else. So we genuinely have a federation. In the British system, it's a unit system. They do hospitals and culverts and schools after 10:00 in the British House. We got all provincial legislatures to do that.

NP: What was the name of that book? I took it down and I--.

CM: It's called--.

NP: *Confederation*--.

CM: *Confederation*, and then I think the subtitle is *How the Fathers Made a Deal*. They left the mothers out of it. [Laughing]

NP: Right. But you didn't, and that's good!

CM: I think so. If there's one thing that I would encourage you as best as I could to do is to figure out a way to pay tribute to farm women.

NP: Yeah. Well, I think you gave me a hint as to how to do that by--. See, our focus, because we don't want to step on the toes of those who tell the history of the farmers--.

CM: Yeah, but you're not stepping--.

NP: No, but we're looking for a different focus.

CM: You're not stepping on anybody's toes.

NP: We're looking at--. I will tell you what we're looking at because I would like you to comment on this as well. You gave me a hint, a very good one, and you said, "Without those women, there would not have been as much product to export." Because you

say you need to stay focused, well, we have to stay focused. So that's good. Now, I'm going to ask self-serving questions now, assuming I haven't asked them up until now. [Laughing]

**[2:10:36]**

CM: It'll be interesting how you define self-serving.

NP: Well, you'll know. [Laughing] First of all, you start with "I" or "We" and not "You." Our project has been born out of wanting to get recognition for what the port of Thunder Bay contributed to—we don't think small—contributes to Canada being a nation. Okay. We're not Looking at the fur trade, but what we're looking at is specifically their role in the grain export industry. So in order to tell that story--. We think it's a national story, not just a local story. We're trying to pry money—now is it starting to sound sort of self-serving?—trying to pry money out of the federal government as part of their National Historic Site program.

So when you think about your involvement—and I think particularly because it's quite an unusual—from your perspective as a person in the federal government who had responsibility for that grain exporting, what part of that story can be told in a centre such as this? Because I'm getting your message that control and likely government control should be kept to a minimum, but there is a role for government in things international. So we're looking at all of the various puzzle pieces that have contributed to Canada's success as a grain trader. So we look at the guy who shovelled grain out of boxcars, and he contributed. We certainly look at if we didn't get any product from the west, it wasn't going to go anywhere, so we look at that. But I also think banks, railways, all of those things had a part to play in that success as a grain trader. So what I'm asking you is what is the piece that you think the political system and politicians in particular in positions of power had in doing what needed to be done so that we could compete and prosper?

CM: Well, I think--.

NP: Can I just throw something else in?

CM: Sure.

NP: I don't know if it's helpful, but if you thought of, "What if there had been no involvement of the government?"

CM: Well, the government--. I mean, the railways, the CPR was built to keep Canada together as a country. Or not keep it together, but to hopefully help it become a country. The railways were given land grants. They were given, I forget which sections out of

every township as part of payment to build. CP Oil and Gas, they traded a lot of the land to get land closer to the railway, but they kept the mineral rights, and CP Oil and Gas became a fairly large outfit because of those early granting of land and went with it went the mineral rights. I would argue to some degree that there were, I think, at Confederation, there were four experimental stations—Ottawa, Brandon--. Oh, which would have been the one in--? Maybe there were five. But those early experimental stations did a lot in terms of extension work, which was, to be a little bit I don't know about it, but today you wouldn't need it because you've got all this social media. I'm not on Twitter and I'm not on Facebook. I haven't got a clue and I have no intention of it, but it's a little bit like Joan Rivers. She said she never ever read the news because she figured if anything important happened, her mother would phone her. [Laughs] So I can get the big picture without all this minutia, which in a lot of cases is all it is.

**[2:16:14]**

But if you look at Ag-reps provincially, they're basically all gone, and their job was to disseminate, or whatever the word. Maybe that's the wrong word. But now, it's the chemical and the seed companies. You've got a problem, and you phone somebody up, the seed company will send--. They'll be out on your farm 10:30 Sunday morning. So Ag-reps are gone the way of the horse and the livery stable. Nobody needs them anymore. And that's not bad or good, it's just the way it is. You had to have--. Federal government did the survey system. I made the last speech on our side when Trudeau converted us to metric, which was the dumbest thing we ever did. We had one of the most accurate survey systems in the world because of the time in history that we did it. The instruments were more accurate than they were in other places. So why are we converting to metric? So the federal government did some of those things. You had some initial--. The Northwest Mounted Police. We had less violence here in the west than the Americans had for all kinds of reasons.

NP: That's a good one.

CM: So once you get away from those things, which is kind of what government, in my view, should be limited to be doing, I don't know that what they did other than that that couldn't have been done--.

NP: Well, you've gone on the other side, and that's the international. Like, a farmer can't go and negotiate a treaty, a trade agreement.

CM: Yeah. Fair game. But the Pools were big enough at the time that they could have done it.

NP: Not a treaty.

CM: Well, but why do you need a treaty? I mean, you're not negotiating--. I mean, you go to Indonesia. The biggest flour mill in the world is in Jakarta. They can go over there and sign a deal with that feed mill. I've been there a couple of times. I forget what it's even called. And they're on tidewater.

NP: Mmhhh. Except, like, it's governments of other countries that put tariffs in place, not the businesses.

CM: Well, fair ball, but--.

NP: I'm talking at the real top level here.

CM: Yeah. So then you need governments to try to level the playing field. That's not the right word, but--.

NP: Make everybody play nice?

CM: Yeah. Play by the rules. But it's the individual farmer that had a stake in the community that built this country. I mean, I live out at Saint Eustache, or about five or six miles from the town. Big Catholic church there, 1874 on it. You go down to La Salle, there's a church there, I think it says 1890 on it. All those churches were built because of the community. Nothing to do with the government. So because we have government to do all these things, why do we need them? We didn't need them 100 years ago when things were a lot tougher or a lot more primitive. So other than some of those things, I would--. And I'm not--.

NP: You've actually mentioned more than I thought you would have, so that's good. I like new stuff. [Laughing] So now, I haven't finished all of my self-serving questions.

CM: I don't think that's self-serving.

**[2:20:02]**

NP: Yeah. One of the--.

CM: I thought you were going to ask me for a donation.

NP: No, no. Not yet.

CM: Okay. [Laughs] Where's the door?

NP: Yeah, not yet. But that doesn't mean you're off scot-free.

CM: Okay. [Laughs]

NP: And here's the first ask. I mentioned that what we wanted was to get Parks Canada interested in this being one of the major stories of Canada's development. In order to do that, what we've put together is a list of people that we call interested parties. So they're people that all we're asking them to do is to say, "I think you're right. It is an important story, and I'm willing to give my name as somebody who is willing to say, yes, we think this is an important story." So I ask that, whether you would put your name on our list, but you have a lot of freedom to say no. [Laughing]

CM: Me with the hole in my pants. [Laughs]

NP: We take people from all levels of income and sartorial splendor.

CM: Yeah. I didn't dress with my wardrobe from Saville Row this morning.

NP: It's okay. I just took a headshot, so nobody's going to see this. So do you want to think about that? I'll say an official thank you--.

CM: No, no. I'd be happy to support you. I mean, I think it's--. You know my thoughts. I think it's important that--. You see, we live in a pluralistic society. Very few of us can do all of the things that we--. How many of us can make furniture? How many of us can make Italian shoes? How many of us can build this tape recorder? How many of us could make this camera? We get coffee from a bar code. It's incredible! So we're all interdependent, and given that situation, I think, which is pretty obvious, I think it's important that when you do this kind of thing, you background the people that have contributed to this, which again is--. You look at Nelly McClung, the Famous Five, right here from Manitou. There's a statue for them in a little smaller version on the Legislative Grounds. The big one is in Calgary. I think this one is actually nicer.

NP: Well, two hours and 22 minutes of no wasted time, I'd say. And thank you very much. Would you like to say goodbye to your listeners? It could be 100 years from now they're listening to you, and then they will know.

CM: Well, goodbye is too termine finale, but anyway. I appreciate getting a chance to visit you and know you a little bit. After having the chance to spend some time with you, I feel much more comfortable about the conversation that we just had.

NP: Good.

**End of interview.**