

Narrator: John Morriss (JM)

Company Affiliations: Canada Grains Council, United Grain Growers—*Grain News*, Canadian Wheat Board (CWB), Manitoba Pool Elevators; Agricore—*Manitoba Co-operator*, *Farmers' Independent Weekly*, Farm Business Communications

Interview Date: 10 April 2012

Interviewer: Nancy Perozzo (NP)

Recorder: Mary Mitchell (MM)

Transcriber: Sarah Lorenowich

Summary: In his first interview, associate publisher and editing director for Farm Business Communications publishing group John Morriss discusses his career in journalism and the major issues in the grain industry he reported on. He recalls his first grain-related job for the Canada Grains Council driving their display bus on rail line rationalization through the Prairies. He describes his work as a freelance editor for United Grain Growers' *Grain News* publication, as an information officer for the Canadian Wheat Board, and eventually as publisher/editor of the *Manitoba Co-operator*. He recounts working through Manitoba Pool's merger with Alberta Wheat Pool, the further merger with UGG, being laid off, and starting *Farmers Independent Weekly* with other *Co-operator* staff, which later joined the Farm Business Communications group with him as associate publisher. Morriss explains in detail the major grain issues of his career, like rail rationalization, the amalgamation of the Pools, the demise of the cooperative structure, and Saskatchewan Wheat Pool's change to a public company. He describes the impacts of these changes on farmers, their decreasing involvement in grain policy, and their decreasing access to industry information. He recalls the old time characters he interacted with in the industry, the culture of alcohol in social and business arenas, the decrease of players in the industry, and the major switch to digital media. Other topics include his fond memories of Thunder Bay, the CWB's development of the block shipping system, predictions for the future of the industry with the imminent demise of the CWB, scandals at the Winnipeg Grain Exchange, the history of Glencore and its interest in Viterra, and the various location of grain archives.

Keywords: Manitoba Co-operator; Farm Business Communications; Farmers Independent Weekly; Grain News; Canada Grains Council; United Grain Growers; Manitoba Pool Elevators; Farmer cooperatives; Canadian Wheat Board; Journalism; Publishing; Rail line rationalization; Hall Commission; Amalgamation; Alberta Wheat Pool; Agricore; Agricore United; Saskatchewan Wheat Pool; Viterra; Country grain elevators; Consolidation; Privatization; Diversification; Grain export destinations; Block shipping; Winnipeg Grain Exchange; Alcohol use; Women in the workplace; Grain trading; Grain transportation—rail; Grain transportation—ships; Glencore; Canadian Grain Commission; Thunder Bay

Time, Speaker, Narrative

JM: Did you want that back?

MM: Yep! There, good.

NP: Are you ready to go?

MM: I think we are. I'll watch it.

NP: Okay, great. Nancy Perozzo on April 10, 2012, and interviewing John Morriss at the Fort Garry Hotel in Winnipeg. First of all, thank you very much. I enjoyed our conversation we had a few years back, so I'm really looking forward to updating that conversation today. To start, if you would just introduce yourself and perhaps just go through a brief history of your work. We've talked a little bit about it off-tape, but just review that on-tape because I think it's important for background. So, we have you saying your name on tape.

JM: My name is John Morriss, and I guess if I go back through my working career, actually, my first real job was 1973 for an organization called the Biomass Energy Institute, which was here in Winnipeg, and it kind of grew out of the energy crisis of that time. It was a guy named Ernie Robertson who was formerly an executive with Winnipeg Supply, and he was quite seized at that time with using biological materials. It came out of the energy crisis in '73. Got this little organization going, and I worked as a researcher for that for a couple of years. One of the directors of the organization was Don Dever, who was—what was his title?—Don was secretary general, I think, of the Canada Grains Council at that time. So, I got to know Don.

He, after a couple of years—I think some funding was running out, but anyway—Don offered me a job working on contract with the Grains Council. In turn he had a contract with the Hall Commission at that time, that was the Justice Emmett Hall Commission. There was a commission of the future of the rail lines in western Canada, so the contract was for a display trailer that was going around to these communities in western Canada. It was a big extra-wide 40-foot semi-trailer. It had displays in it. It had a giant map of western Canada, and each rail line designated in blue or red or black. I can't remember exactly as to which was permanent and which was maybe and which was up for abandonment. So, my job was to sit with the truck driver and go around to these communities. I think I went to 38 places in western Canada over six or seven months, trying to find 220-power, which was interesting. I did some things like unhooking people's dryers and welders. [Laughs] You would set up, and the farmers would come in and ask questions and look at the slideshow and so on. Anyone in his right mind knowing the politics of rail line abandonment probably wouldn't have taken the job, but I didn't really know what I was doing at the time. It was a job, so.

But it was a great education. I was right in the heart of these communities and learning about one of the hottest issues at the time. So, after that was finished, I started freelancing for this publication called *Grain News*, which was a creation of John Clark, who was the head of information at United Grain Growers [UGG] at that time. John is something of a legend in the business. He might even be an interesting guy to interview. But he had this idea for this new publication, which originally had no advertising—it went only to the UGG members. It was really almost, not exactly a house organ, but it sort of talked about the organization. It was very eclectic, had a lot of opinion, also a lot of production information. That’s what I was doing. I was the field editor, and I did that for a couple of years, pretty much full time, although it was a freelance basis.

[0:05:15]

That was fairly educational too because one of the first jobs I did, again, it was kind of promotion for UGG. They had top 10 elevator managers. So they would have top 10 in grain handling, or top 10 in seed sales, or top 10 in agri-sales. So, I would go out and do features on these top 10 winners, which involved, again, a lot of travel in western Canada and spending a lot of time in the elevators and learning about how these guys did their business. Again, as I said, it was educational because they had different ways—some on the up and up, some not. You learned about the bottle in the bottom drawer, and all those things.

So, I did that for a couple of years, and one day I was in the bar—the Lock, Stock, and Barrel, just one incarnation of a bar down on McDermott just behind the Wheat Board—and Dave Suderman, who was in charge of the information department at that time at the Board, they’d advertised for an information officer. I knew about the job, but I hadn’t applied. Anyway, Dave came up and asked me why I had not applied, and I said, “Well, it hadn’t occurred to me.” He said, “Well, do you want to apply?” And I said, “Well, sure.” Anyway, to make a long story short, I ended up at the Wheat Board and did an interview and was offered the job. I accepted it, much to the consternation of my UGG grain trade buddies that just were horrified at this idea of going to the dark side.

Anyways, so that was the start of my Wheat Board career. It was a great place to work for. I mean, you know lots about the Wheat Board and what’s going on, but what the Wheat Board did very well was, at that time, was that their information people were not just kind of flacks. You reported directly to the board and were involved in a lot of the board meetings and so on. So, acting as a spokesman, that gave you a lot of credibility with the press in western Canada. They knew that you weren’t just only spouting the party line. You were pretty much plugged into the activities of the organization at a senior level. So, that was a great place to work. It was as political then as now. Well, maybe not quite as now, but it’s always been political. Those were interesting times as well. There’s always been pressures on the Board—went through the removal of oats, which was very controversial. Did a lot of meetings in the country, going out to these district meetings.

So, yeah, that was my Wheat Board career. As I said, that lasted until '89, but things were getting kind of hot politically. But my dad was publisher and editor of the *Manitoba Co-operator* for about 25 years, I guess. He'd gone in the mid '60s. My dad was not a farm kid. He was a city kid, and he'd gone to work for the *Free Press* after the war as a reporter and had really enjoyed that job, but it didn't pay a living wage when a baby came along. So, he did other things for a few years, but he went back to the *Free Press* in '62, I think. Working conditions were better, and he was working at the legislature and really enjoyed that. But he had, one day at the Press Club—or I think more than once at the Press Club—he had been approached by a guy named Quincey Martinson, who was the first publisher and editor of the *Co-operator*, and he kept pestering my dad to come and work for him. My dad couldn't understand why, not having a farm background. But eventually, I think he was offered the princely sum of \$10,000 a year or something, which was \$2,000 more than he was making, and with some reluctance decided to go take the job. Of course, it was the best decision he ever made, but my dad retired in '85 and was hired to write the history at the Wheat Board, which he did for a couple of years.

[0:10:56]

NP: Can we just go back. I'm taking some notes because there's other things I want to go back to too, but you say it was the best decision your dad made in his life. Why do you say that?

JM: Oh, he really enjoyed it. The whole politics of the grain trade and the whole dynamics of working with farmers and having his editorial platform once a week in the *Co-operator*. He really enjoyed that. Manitoba Pool was very good. They did truly run that as an arm's length publication. You had a lot of editorial freedom. I don't think they would have hired someone who would write strident editorials and favour the open market, but that wasn't his view anyway. So, he really did enjoy that job. Again, working directly, working in the organization, working with farmers, he found it quite fascinating. So, yeah, he retired in '85. He wrote the history of the Board, but things didn't go particularly well at the *Co-operator* after he left. He--.

NP: What do you mean by that?

JM: The publisher took another job and moved east, and the editor—I guess, yeah, the managing editor—left, and I think a couple of other staff left. So, one day I got a call from Greg Arason, and he asked me if I thought it would be all right if he asked my dad to come back. I said, "Yeah, he would love to," because my dad was pretty worried about things. He went back in, I guess, '87, but he was having vision troubles too, I think, so he was looking to get to retire again. Anyway, I was looking for a change, and I went to see Greg Arason and said I was interested, was offered the job, and went over as publisher and editor of the *Co-operator*. That was also a great experience. I enjoyed it for all the same reasons my dad did. It was nice running your own business both as the editor

and publisher. Again, you had your editorial pulpit and that was grinding out your editorials once a week. I enjoyed that. I probably don't enjoy it as much now as I used to but did that.

Again, Manitoba Pool was really a great company to work for. As with my dad, they gave us free reign. We were quite profitable, which didn't hurt. Again, having that interaction with farmers and a sort of continued contact with the grain trade, that was a pretty interesting place to work and pretty rewarding. But when the merger talks began, and we went through the merger with Alberta Pool—Manitoba Pool went through the merger with Alberta Pool—I was kind of doing work potentially to do a history and had taken some time off. I had actually collected a lot of material on the history of the Pool, and I sat in on some of the negotiations between the two Pool boards on that whole process, which was, to say the least, quite fascinating to watch—was there at the meetings when they voted unanimously for the organizations to merge.

[0:15:41]

The *Co-operator* pretty much continued untouched. There was speculation that that would change when Gord Cummings took over as CEO, but actually Gord—you'll get a lot of opinions about Gord Cummings and just how he ran the organization—but Gord actually maintained that whole hands-off relationship that they previously had with the *Co-operator*. So, things continued to go extremely well until the merger, if that's what you call it, with UGG. I was, as a member of senior management, was called in I think April of that would have been 2001, I guess, and advised that this was happening. My first reaction was, "There goes my job," and I was assured, "No, no. This was not going to happen. This would be a merger of equals, et cetera, et cetera." However, I called that correctly. [Laughing] I really, as part of that, watched that organization kind of implode from the inside, and it was not a pleasant experience on top of realizing that my own job was going to come to an end at some point. But to watch that whole decline of the organization from such a strong company, Manitoba Pool, and then the three years of Agricore, and it really just remarkably rapid decline. It's really an incredible thing to watch.

NP: I'd like to come back to that and discuss that in more detail. We'll finish off the fascinating career of John Morriss as he--.
[Laughs]

JM: Yeah, so March 6th—we still remember that—we were told--. What was happening was that the two organizations, the publishing groups, were to merge. The publishing group was moving from the TD Tower at that time across the street to the Royal Bank Building where we were. The routine was that we were all told—both sides were told—to pack and be ready to move to our new offices. We'd be on another floor, and we'd be advised who'd be moving and who wouldn't. So, we were quite friendly with the phone guy, and we asked him one day, "Who's got phones? Who's going to get phones and who isn't?" So, we looked at the list, [laughs] and we could see there was a group of nine of us who weren't going to get phones, which we didn't expect anyway.

So, we were all packed and ready to go. When we were all given our—on the day, on March 6th—we were all given our packages, and found out that our cards didn't work when we left the building. But we had a party planned. We had the booze bought, and one of our staff had an apartment just behind the Wheat Board there down on McDermott. So, we had a big party, and we, the next week, decided to—I think we were probably still hungover—but we decided we would start this publication called the *Farmers' Independent Weekly*.

[0:20:19]

They hadn't really managed this process really well. The first thing they did was, even in November when they had kind of the merger, they had gotten rid of our national sales guy, and he's the best guy in the business as far as selling ads, national accounts, to the big clients. So, they got rid of him and then they cancelled the contract with our printer, Derksen Printer in Steinbach. Then we were all on the street. So we had a combination of reporters and an advertising manager and an IT guy and an accounting guy, plus the best sales guy in the business, plus a printer who was looking to fill a hole in his press, Rick Derksen, who owned the Derksen Printers at that time. So, Rick really worked as our banker. He didn't get paid for a while, but we decided that we would start this thing. It was a tough couple of years. Some of us who needed to get paid got paid and those who didn't, didn't. But we ended up doing pretty well. But after the UGG—or Agricore United, whatever you want to call it—sold the publishing group in 2003 to Glacier Ventures—Glacier Media it's called now--.

NP: Who are the people behind Glacier?

JM: It's an interesting company. It was formed out of the remnants of a water company a number of years before, and they had gotten a little bit into publishing—like technical journals and so on. But they had actually been able to pick up the *Western Producer* for a ridiculously low price when Sask Pool was desperate and needed cash. So, they were able to buy the *Producer* for this bargain basement price at the time. Couple of years later, we're looking to consolidate, so they picked up Farm Business Communications as well. So, long story short, any previous politics it was all immaterial to them. It was all pure business. After four or five years I guess—after about four years—we started talking, and after about a year of negotiations they bought us out, and we were all absorbed back into Farm Business Communications. I took over as associate publisher and editorial director for the publishing group. All of us were hired back and our marketing manager took over as marketing manager for the group and so on. Laura Rance took over as editor of the *Co-operator*, so we all moved back there and--.

NP: The rest is history.

JM: The rest is history. Yeah, so that was about five years ago now.

NP: Wow. Quite a career when you put it all in that wrap-up isn't it? I want to go right back to the beginning. [Laughs] As soon as you said that you had gotten this good job as the person who had to go out with the doublewide to do the railway--.

JM: It was ten feet wide, so you couldn't travel at night. It had the wide load banner on the back.

NP: So, when did you realize that this was not the good news train?

JM: Well, I guess, you know, I certainly--. It was funny. There was this town in western Manitoba—Strathclair, Manitoba—which is sort of well-known for having some individuals of strong opinions. My first--.

[0:25:08]

NP: Such as? [Laughing] Names will not be mentioned!

JM: Well, yeah! It's a bit of a hotbed, but anyway, my first stop was Brandon Fair in the summer. So, we pulled in, we were all set up, and my first customers were these two guys from Strathclair who were absolutely legendary—Tony Riley and George Telford. Whenever I tell this story to anybody who knew those guys, they just laugh hysterically because it's absolutely the two guys, the most strident individuals on the issue that you could possibly face in practically all of western Canada. [Laughs] They were the first guys who walked in the door. They gave me long lectures about multinational gangsters. So, it didn't take me long—I can't remember exactly—but it didn't take me long to figure it out. You know, it probably didn't hurt that I didn't know a lot about it, so I didn't have any strong views one way or another. You would pull into town and, “Well, here's the information.” You absorb things pretty quickly and figured out the lay of the land. You met a wide group of people. Well, these are farmers with strong opinions on all of the spectrum that we know. Figured it out.

NP: So, as you look back on that—because you now have a lot of history that has taken place—as you look back on it then, what are your thoughts about--. Not quite right to say who was right and who was wrong, or was anybody right or wrong? Did it accomplish what it was supposed to? Could it have been done differently and better?

JM: If you look at the report of the Hall Commission—if I look at it that way—well, what was the result of that process? I think that it was a pretty balanced look at what should happen. There were clearly lots of rail lines that just couldn't survive. Those were still the days where you'd go into a town where there'd be three or four companies, and some of the companies had more than one elevator. It was the classic elevator row situation, and some of them were pretty rickety. There was clearly no future for some of

these branch lines. The result that the Hall Commission report, and I guess there was what was called Prairie Rail Action Committee afterwards. I can't remember exactly why that was commissioned other than they probably didn't like the results of the Hall report. But on balance, there was a number of lines that were designated as viable and some not, and the abandonment took place.

There was a lot of money spent on upgrading those lines. The Prairie Rail Rehabilitation Network or something—I can't remember all these acronyms—there was a lot of public money spent on upgrading those lines. If I take a broad look back from today about that whole process and where it started, my impression is that railways just had far too much power, and they basically got everything their way and continue to, as far as I can tell. I think the rationalization of the system just went far--. You know, I'm away from it now, so it's hard to make the same kind of analysis, frankly. I'm not as close as I once was, but I look at the turnover rate in the system now with 250 elevators whatever it is, and it's turning six or seven times. Manitoba Pool turned seven times.

NP: What do you mean by turned seven times?

JM: The turnover rate of its network. When it was still going in the '90s, it was a very efficient organization. Not the oldest elevators, but some modern wooden elevators and a couple of concrete elevators.

NP: I'm not quite certain of the term turnover. Does that mean empty out the elevator and--?

JM: Yeah, so if the capacity is 1,000 tonnes and you move 7,000 tonnes through it, it's turning seven times. So, if I look at Manitoba Pool and how efficiently it was able to run its network as it was configured in the '90s, and I look today, I really have to ask the question of whether all that massive capital investment was necessary and whether a lot of those branch lines could have stayed, and the system could have been operated quite efficiently with a lot less trucking and a lot less wear and tear in the roads without spending money on all that concrete. We know what happened to the companies who spent all that money on concrete, Sask Pool in particular. So, that's a broad look back right to the beginning, but that's my general impression is that it's just a process that went too far.

[0:31:12]

NP: So, other winners and losers. You mentioned that the railways managed to get what they were asking for. Were there other winners and losers in that process?

JM: I don't think so. If you look at the implosion of the Pools, I mean that's a fascinating story. I think it was 1993, there was a joint meeting of the three Pools with a view of merging. I got the impression that it was that close, but it just didn't happen. You've probably talked to lots of people who gave you different views on it. I think at the director level there was support. At the management level that may have been the sticking point. That's really a story that should be investigated more and probably told in more detail, but that merger never happened. When Sask Pool decided that it would become-- I think the view was that the Wheat Board was going to go, and someone had to be the last company standing when all this happened, and Sask Pool decided that it was going to be that company.

So, it started AgPro Grain, which meant that it was competing in the other provinces with the sister Pools. It just became out and out competition, and the Manitoba Pool and Alberta Pool attempted to fight it off first by trying to purchase UGG with that hostile takeover, which was unsuccessful. It could have been successful, but basically the companies decided to pull the plug on it. Then the merger, those were defensive moves against Sask Pool. So, it's an interesting question of what would have happened to the system if that merger had taken place. But if you look at the problems that Sask Pool got into, that close to bankruptcy in the end-- Agricore United really wasn't much better off at the end either, I don't think. It was just pure desperation on the part of the directors of Agricore. Things were not going well, and they just wanted to get out and get the thing done with. It was just not that successful.

NP: Going back to, was it, '93 you said they had the first sort of discussion?

[0:35:01]

JM: Yeah, I think if I'm correct, that was the year there was a meeting here in Winnipeg of delegates of all three organizations. There seemed to be support for a merger, but--.

NP: Who were heading the companies at that time? The CEOs?

JM: CEO of Sask Pool was Milt Fair, and Greg Arason was Man Pool, and I'm trying to remember if Gord Cummings was CEO of Alberta Pool at that time too. I think so. I think so. They had their long time CEO was Wally Madill, and then they sort of decided to make major change at Alberta Pool after Wally retired—brought in a guy named Don Heisman. Not sure those comments we can put on tape about Don, but he was certainly an interesting character.

NP: What was his background?

JM: He was a chartered accountant with the audit firm, and he didn't last long. [Laughing] As it happened, I was going to a meeting in Red Deer with Dale--. This was a combination family holiday and dropped in on it was actually a Prairie Pool meeting in Red Deer. Dale gave me a lift up to Red Deer and we stopped because Alberta Pool had bought a brewery in town. What was the name of that brewery? I can't remember. I remember just before the press conference, Dale briefing Don on how malting barley was purchased and bought on a car lot basis, et cetera, et cetera. He just didn't know. [Laughs] Anyway, then Gord came in. So, yeah, I think Gord was the CEO at that time, but you'll have to check that. But if you talk to the Pool delegates, they'll tell you it was resistance at the management level.

NP: And I can sort of suppose what the resistance is, but what was the resistance?

JM: Well, I think the assumption was that senior management were afraid of losing their jobs. I don't know if that's true or not. If it were true, I suppose if you could turn back the clock you would've just given each of them, all the senior management, a million bucks and thanked them very much—then hired them back or not. That probably what should have been done, but maybe that would have smoothed the process. I don't know. So, I don't know. I look back on it now, and I wrote an editorial on this a couple of weeks ago in the wake of Glencore taking over, but you do have to ask the question whether co-ops or public companies work long term in the grain trade. You can almost say for sure that public companies don't work because there's very few examples of them working, unless they're highly diversified because this is not a business where you can look at quarterly reports and expect them to be better every time. Shareholders just can't stand that kind of volatility. So, that's a clear failure, but I guess you have to, long term, ask the same question about co-ops because ultimately the co-ops, the retiring boomers would've wanted their money out. And that was the tragedy of it because there was a lot of people had big money in these co-ops as long-time patronage dividends—I mean \$50, 60, 70,000 in tax-paid money. There was a lot of that equity that just disappeared when the Pools went into decline.

[0:40:04]

But again, sooner or later they wanted the money and that was ostensibly what was driving this move to go public at the time was this thing. “Well, all these boomer farmers are going to cash out. What are we going to do for working capital? So, we'd better go public and raise this money in the market.” So, maybe even the co-op structure with people pensioning and wanting their money out, maybe that doesn't work either in the grain business. I don't know. To take a really long look back at the co-ops, maybe that was ultimately doomed to fail one way or another. I don't know. It's an interesting question because the private companies seem to be the ones that are hanging on. The co-ops just didn't make it.

There are those that will tell you that Manitoba Pool sowed the seed of its destruction in 1968, I guess, when it changed from being an association of associations to a line company, because Manitoba Pool was different than the other two. The other two Pools

started out as line companies that is owned and operated from head office, whereas Manitoba Pool had individual elevator associations. So, the local groups had gotten together and built these elevators, and then they joined the association, and transportation and marketing and all that was managed at head office. That became somewhat cumbersome financially and difficulties raising capital and all that type of thing. So, they decided to go, in the '60s, to buy them all out and absorb them into the central--. There was a few holdouts, but most of them joined the line.

If you look across the line in the US, and you see the co-ops are still active, but there's all kinds of--. They're part of an association, but a lot of these co-ops in the US are individually owned and there's local ownership and local control and local involvement in management. That was lost when the Pool went, at least when Man Pool went, to a different model in the late '60s. There are those I think at the time who said that that would eventually spell the end of the organization because the people just didn't have the same involvement. There was still a lot of local involvement even with the structure change because there were local committees and all that kind of thing, but as the network got smaller and smaller, that local involvement declined. That was in some ways a mechanism to create less support for the organization. I don't know. It's an interesting question.

NP: You made a comment a little earlier on about the concrete and also about the turnover within the elevators and "Did they really have to make those changes?" That brings to mind a conversation I had with somebody in the lake shipping area the other day, where they had gone big because they thought they had to. Then when he, again from the vantage point of now, looking back then he said that he felt they maybe could have made a go of it if they had stayed small. Well, small or niche marketing. Do you see any application there to what you're saying about the Pools? Or were they, as you oftentimes hear, they were forced by globalization and whatever to get bigger and consolidate and change?

[0:44:51]

JM: Well, there was the capital issue. So, the question "Could the capital issue have been resolved in another way?" Could, for instance, could the money from retiring farmers be left in and paid a decent return? Would that have been an incentive for people to leave their money in? There'd be an awful lot of people who would be happy today to be getting four or five percent return. So, that's a question that would have been one way to do things. I think though it's a question, as I was saying earlier, the configuration of the system because if it had--. Would Manitoba Pool have survived if it could only have been 10 concrete elevators? I don't know, maybe not. I think if the rail system had stayed, some of the branch lines had stayed, some of the more efficient wooden elevators or more modern but not so large elevators had stayed in place in combination with modern inventory management and computerization and everything else, could the organization have survived? I don't know for sure, but it's an interesting question. I think so. I think it wouldn't have had 65 percent, two thirds market share, but could it have? Yeah, I think so.

NP: The other thing that you mentioned early on in your career was the--. I sort of smiled when I heard you talk about Biomass because you've been through two of those now! [Laughs]

JM: Yeah!

NP: So, was it biomass again based on agricultural or was it--?

JM: At that time?

NP: Yeah.

JM: Yeah, yeah, we were looking at--. I was mainly a researcher, as I said, and it was a bit of project funding, but mostly it was just kind of a research organization. They were looking at anaerobic digestors and maybe burning straw for heat and that type of thing. Met an interesting old guy at that time who came in, and he had in the '40s developed a portable machine for turning straw into pellets that you could put in your coal furnace because in those days it was still threshing machines, so there'd be a straw pile. I guess it was still combines—there was combines in the '40s—but a lot of it was still threshing machines, so there'd be these giant straw piles. So, he had developed this machine that would go to the straw pile and then turn this straw into these cubes or pellets, it would compress them, and then they could use those in their coal furnace. But, of course, it was kind of the buggy-whip analogy because coal furnaces were replaced by oil at around the same time and then combines took over completely, so there were no more straw piles. So, it was interesting talking to this guy. In the '70s it was kind of coming back, at least in a different form. It's coming back again.

At that time too, I remember some kind of miracle enzyme to make ethanol from straw, and wood waste feasible was just around the corner—and it still seems to be just around the corner, although there's a lot of big organizations working on it. It's interesting to see that 30 or 40 years later. I remain convinced that just direct combustion, like local district heating or small-scale electrical generation, just burning some of this stuff—what the British do, or the Danes do, like willows—I think there's a lot of potential there. Hasn't really caught on here yet, but that seems to be what makes the most sense rather than the ethanol.

MM: Can I just add, what was your educational background?

JM: Well, I'm an unsuccessful university graduate. I did my two years and that was it.

MM: So, you just got into the--?

JM: Yeah, I just sort of fell into this stuff.

MM: To the journalism.

[0:50:02]

NP: Did your dad talk a lot about it at the time that he was involved? Did you pick up from him?

JM: The whole demise of the organizations? Or just learning about--?

NP: Yeah, just learning about the trade.

JM: Yeah. Although, I guess I used to always listen to the CBC farm broadcast at lunch. So, I just learned a tremendous amount from that. I probably learned more from that than just about anything. So, you picked that stuff up, and it was a real education in those days.

NP: Did your dad have a philosophy on the industry? I mean, he wrote the history of the Wheat Board.

JM: Oh, yeah, he was philosophically quite sympathetic to the whole idea of collective marketing. So, yeah, that certainly resonated with him.

NP: And with you?

JM: Yeah, yeah, I think so. I mean, again, I look back on life and I wondered, well, maybe it was a concept that was doomed to fail eventually. But I look at how much control farmers used to have over their system versus how much control they have now, and they have no control now. [Laughs] They have this whole, again, the local involvement through the Pools. One of the interesting things that you see now in policy circles in western Canada, or that you don't see, one thing that changed when the Pools declined was there was a whole generation or probably several generations of people who were brought up in western Canada—and it was partly the 4-H movement too, which continues, and deserves a lot of the credit—but you had a generation of people who knew Robert's Rules of Order and really knew how to participate respectfully in a policy process.

So, you would go to these Pool meetings, annual meetings. Manitoba Pool's annual meeting was a week, and it was fully open to the press. Sask Pool was two weeks, and it was some sessions open, some not. But if you sat in for a week at a Manitoba Pool annual meeting, the amount that you learnt about the grain business was just astonishing. Reports not only internally about what was happening in the organization, the Grain Commission would show up and the chief commissioner of the Wheat Board, all the government people. So, you had this whole process of a well-run meeting with a good chair and questions. It's not that they weren't heated sessions, but all run respectfully and according to the Robert's Rules of Order, et cetera. So, the Pools were a large part of reinforcing that whole education process. That's all gone.

NP: That changed noticeably in your time?

JM: Oh yeah, yeah. Absolutely.

NP: So, where did the change take place? What was the break?

JM: Again, now you don't have any--. You asked about, well, how do I feel about it? Maybe it's not important because if you talk to farmers, the younger ones don't seem to think it's important, but again I look back at how much control they had over the system and they could be part of that process. They could go be a Pool delegate. They could call a chief commissioner of the Wheat Board on the carpet and ask him very detailed questions about everything. So, yeah, that whole process of Wheat Board people, company people, whatever, being out in the country at meetings and interacting with farmers and answering detailed questions about the organization and details about how grain was moving and when it would move. Farmers had a lot of influence on the process. Now they don't. I don't think they--.

[0:55:23]

NP: Yeah, there are those who say that now they have control over what they do.

JM: I don't argue a lot with that. I guess they have control over the timing of their marketing. Except in limited cases, farmers don't deal directly with their end-use customers. Grain marketing by nature is a collective business. If you've got a 50,000-tonne cargo, at a tonne an acre that's 50,000 acres, and from maybe 50,000 farmers, and by nature it's a collective business. I think there are some dangers in portraying it as otherwise. Yeah, you can control the timing of your sales, and you have the freedom to choose your pricing when you want to, but whether you actually do any better. But it's a legitimate public policy question. The Board, it required an element of compulsion which people weren't comfortable with. The choice has been made.

NP: From my exterior look at the whole thing, what I see is longer distances for many people to deliver, fewer options to who you can deliver to—just factually, at least I hope that’s sort of factual. From what you’ve said, very limited, if any, input into how those companies operate. The only thing that I see that’s sort of different here is the communication, the accessibility to information that farmers have now that they may not have had unless they attended meetings. So, the computer access to information, does that give the farmer any kind of advantage to balance off what I would see as a disadvantage?

JM: I don’t think so because the--. I mean, to a limited extent, yes, but do computers and all the communication technology that we have now, did that give us any more insight into what the actual buyer is going to do? I don’t think so. As far as reporting on what’s actually happening in futures markets, that’s been maybe not quite as easily accessible as today, but it’s been easily accessible for a long time. I think that there was a time when they even had tickers in grain elevators in the ‘30s, so that’s not particularly new. Are the buyers telling us anything more about what they’re going to do than before? I don’t think so. In fact, again with the concentration in the world market, even less. Is Glencore going to be telling its customers as much about their activities as Sask Pool used to? I don’t think so. I guess it’s easier to get to the information that’s out there, but I don’t think there’s any more information than there ever was before. In fact, there’s probably less.

NP: And is the amalgamation and the availability of farmer communications in the form of the *Western Producer* and so on, has that also amalgamated and given people less source of information? Let’s say less source of information that is, can I say unbiased? Or at least not--.

[1:00:32]

JM: Is farm media any less biased than it used to be? I don’t know. I can say with a clear conscience that Manitoba Pool did not influence anything that we did at the *Manitoba Co-operator*. In the old days of UGG, there was a tremendous influence of head office on the editorial policy to the extent they had editorial policy, but there was a lot of influence on them. Sask Pool, there was pressure on *Western Producer* in the old days, yeah. It’s always been a good newspaper, but there was certainly some limited amount of pressure on--. The editor was sometimes called to board meetings, et cetera. That never happened to me. I was never.

NP: What kinds of things would cause a difference of opinion? What topics were--.

JM: Well, it would be consistency with the company’s policy views mostly. Let’s face it, that’s why I got turfed was because I’d editorially supported the Wheat Board. When the new regime took over at Agricore United, that’s why we were shown the door because we were the most profitable division of the whole organization that they had. I think we were the only--. At least we were making a profit. But yeah, I think I’m probably correct in saying that. We were probably the most profitable division at Agricore

United at the time of our dismissal. So, it was not a business decision. So, yeah, the media's probably less biased than it ever was. It wasn't serious. There's always been strong reporting on issues and so on. That's as probably as good as it ever was, but. Yeah, there was some influence.

NP: I'm going to go back to what I consider to be the big fish gobbling up the small fish along the way. So, that to me is sort of the whole Saskatchewan Wheat Pool, UGG, Agricore, all the way down to Viterra. How did that actually happen? Was it desperation? Was it certain management initiatives by people? What--?

JM: Well, there's a whole book in that one. Again--.

NP: It was so fast!

JM: Yeah. It was just incredibly fast. When Don Loewen took over at Sask Pool, the whole world changed. There are those who will say that the collapse of the Pools was proof that farmers can't run businesses, but when Don Loewen took over as CEO of Sask Pool, the board gave him far more latitude than any board had ever given a CEO before.

NP: And where did he come from? What was his background?

JM: He was internal. I remember meeting Don when he was head of the milling side, processing side. So, they abdicated a lot of responsibility to management at that time. Had sort of these conservative old Pool director types, had they kept kind of a tighter reign on things, would've things have been different? Interesting question. Don't know.

[1:05:22]

NP: Was he a forceful personality?

JM: Yeah, yeah. And he decided, in retrospect correctly, that—and all these companies did—but he decided in retrospect correctly that the Board was going to go—and this is my take on it—the Board was going to go and that the company had to be positioned to be ready for that. So, they went on this--. I remember having a conversation with one of the Pool directors and saying, "I don't think you're doing the right thing." I basically came down, "Look, so our point of this agreement here is that you think that you can become a Canadian version of ADM [Archer-Daniels-Midland], and I don't." He said, "That's right." That was the vision. They wanted to become ADM Canada, as big. They wanted to be integrated in processing. So, again, as it turned out their assessment of

the future was correct that the Board was going to go, and that big fish were going to move into this market. They wanted to protect the organization or to keep it viable in case that happened. As it turned out, it didn't work.

NP: And they couldn't keep that with the co-operative structure? Just get bigger but keep the same--.

JM: Again, that's the decision. "We're going to have to build all this concrete. We're going to have to buy terminals. We're going to have to buy processing plants. We're not going to get enough capital to do this from within, especially with all of these retiring farmers wanting their money out. So, we're going to go public."

Sask Pool had bought a piece of—a little bit, I forget how much, it wasn't very much—of Robin's Donuts. Wow! The financial pages went crazy. It was just a great feature for writers from Toronto. "Here's this staid old Pool, a bunch of old farmers, and here they're getting into processing," and they got all this wonderful praise for buying this little piece of Robin's Donuts. I remember joking once making a speech saying that was the worst thing they could have done because they got so much ink about being progressive.

As they continued, just glowing features in the *Globe & Mail* about Don Loewen and how they were doing these things, and the organization's entering the modern world, and *blah blah blah*. I think they really fed off that and buying that chunk of Robin's Donuts may have been the worst thing they ever did. I don't know. They decided they would have to be a large integrated company in order to survive. Maybe that was the right assessment, but it was just purely impossible or bad management. Who knows?

NP: What then led them to--. Why all the mergers? Why all the need to gobble up the other guy?

JM: Well, again, it was a purely defensive move. The other two Pools decided, well—again this is partly my take on it, it would be interesting to talk to people who were actually involved—but they said, "Well, if we don't do something, Sask Pool's going to eat us up." So, then I think UGG probably thought the same. They thought, "God, these guys!" Everybody thought, "We're going to position ourselves for this future without a Wheat Board." Of course, right through it the railways were, again, that's the force behind this the whole time. The railways wanted to consolidate. I'm sure the railways would be happy if they had one terminal each, one at the Rockies and one at the Manitoba border. That would be the best operating thing for them. So, they, through incentive rates and everything else, they encouraged these companies to make these investments and put up all this concrete. We've got this atmosphere where, "We're going to have to build and build now and build fast because otherwise we're going to get gobbled up."

[1:10:58]

NP: Then that became a financial strain, which just--. It's starting to sound like panic to me.

JM: Yeah, it was panic. Towards the end at Agricore--. That's the other thing about Agricore is that there was a trade-off made between, "Okay, what are we going to do politically when we merge to keep both sides happy?" One's going to get the CEO and the other's going to get head office. Alberta Pool got their CEO and Manitoba Pool got the head office—stayed in Winnipeg. You would not have believed the offices that were built, the corporate offices, for Agricore on the 11th floor of the Royal Bank Building.

NP: And who became the CEO?

JM: Gord Cummings from Alberta. It was just unbelievable these huge offices and hallways that you could probably play soccer in these hallways. [Laughing] I look back on it now and being up there and, again, towards the end when this so-called merger was taking place, but things were not going well. The directors, I think some of them were frankly afraid of personal liability and just wanted it over with. So, I have to give UGG credit. They really, for a while, they're the one who came out on top. But then you have this incredible reversal with Sask Pool rising from the ashes. Yeah, towards the end it was not a pleasant thing to watch.

It was even a case where when you're merging you have to declare all your assets, and there were a number of--. There was some artwork on the wall in the corporate offices and so that was declared. They wanted some of it. They thought, well, some of this is historic Alberta Pool stuff, so they thought it should go to the grain museum in Calgary. So, someone phoned over to across the street just to advise, since it was an asset, you have to advise if you're doing something with it in what's part of these merger processes. Someone came over and took it all off the wall and took it across the street. It was just incredible. I remember, just as we were moving out of our offices and there was the old library we were going through and stuff was being thrown--. I looked in the garbage can and there was a framed certificate of one of the original Pool participation certificates from 1925—'23? Anyway, for the first president, Colin Burnell. One of these beautiful stock certificates, and it was in the garbage. I rescued it. I've got it now, but I remember seeing that and just being shocked. Maybe they didn't know what it was, but this other stuff they'd take it, and they wouldn't even let it go to the grain museum in Calgary. It was a bloodbath.

[1:15:21]

NP: In the meantime, in Thunder Bay things were happening. They were spending millions on repainting elevators as the names changed.

JM: [Laughs] And that's expensive! I remember Bill Parrish telling me they'd picked up an orange elevator up here somewhere in northern Manitoba, up near Dauphin, I think. Where was it? Anyway, because that was part of the whole consolidation when the Pool took over, so some assets-- Or when the Pools merged, or with the Agricore merger anyways, so he picked that one up. It was orange. They said it cost them \$250,000 to paint it green. [Laughs] A bit of work! That's a lot of money.

NP: Yeah, and those are small! [Laughs] So, because our project has a little place in its heart for Thunder Bay, can you recall at all was there any discussion about what was going to happen in Thunder Bay? Or was that just collateral damage?

JM: I think by that time it was kind of collateral damage. I always felt bad about Thunder Bay or what happened to it because in my early days of the Wheat Board there was still lots of optimism. I remember the Board in the early '80s had ponied up money to build more lake freighters. I took one of those vessels, took a trip to Montreal on one in '85, I guess. So, there was a view at that time that capacity was still going to be needed, even the early '80s. By that same token, the West Coast was really sexy, and Prince Rupert, that was going to be needed. But I always had a soft spot for the guys in Thunder Bay because, again, knowing some of the history of what happened as far as the whole transition, it was a bit before my time, but I saw the results of what happened with the formation of the block shipping system in the early '70s and the quantum leap in efficiencies that took place as a result of that. Car pooling at Thunder Bay and all those things. So, I was down to Thunder Bay myself a couple of times, knew the guys—Tony Kaplanis and Dino Burella—who were running the office at that time, car coordination office.

I remember one of the smartest PR moves I ever made is that I think it was '83 or '84 there was a big push in the Wheat Board to hit an export target, and the last few weeks of the crop year they were just pumping cars through there. Just unbelievable! Like 12,000 cars a week, I think, towards the end of the crop year there. I said, "We should throw a party for those guys!" So, we went down and threw a party for them. We just didn't invite the suits. We invited as many people as we possibly could, and of course you can imagine that was greatly appreciated. I remember this long party with guys having many drinks and haranguing the chief commissioner. But they really liked that. I always remember those guys in those days, they really loved to move grain. I mean, there was a lot of pride in that. Thunder Bay grain handlers got a bad rap, to some extent correctly, with farmers because there were some ridiculous strikes and astronomical wage settlements and so on in the '70s and '80s.

NP: In the good old days.

JM: In the good old days. I was just looking at an old issue, for a historical thing that we do in the *Co-operator* every week, and what was it, '70? What year was it? Anyway, the railways had just signed for a 23 percent increase over three years or something. [Laughs] Anyway, so there was bad feeling towards the workers, et cetera, for those reasons. But I always remember anytime I went to Thunder Bay how those guys just loved to move product. If you get a taxi in Thunder Bay, the taxi driver would ask you if

you'd heard the latest rumours about a sale to the Russians. You wouldn't get that in Winnipeg. Grain was a big part of what happened. But do I recall much?

[1:20:38]

NP: Did you know any of the elevator managers? The Mallon dynasty with Manitoba Pool?

JM: I knew with Man Pool--. Ah, senior's moment. Jerry, in the '80s. What was his last name? I was on a Grain Institute course with him for five weeks, I should remember. [Laughs] I remember talk about them, but the whole fate of Thunder Bay and working in the grain industry and covering the grain industry, I remember that became quite a topic as things went down and down and down, as far as the volumes.

NP: So, say more about that, how things went down, down, and down. Again, if we look at our previous discussion about how things went in, in, and in, maybe not down, down, and down. Could anything have changed or was it inevitable?

JM: I guess what happened with Thunder Bay, I have to assume that was inevitable just given the change in the market—the decline in shipments through the eastern destinations. China was big, and then of course the decline of the Soviet Union, which in my days of the Board, they would be taking 6 million tonnes—most of it out of the river. When the Soviets, when that imploded, that was kind of the biggest factor. That was, again, if you look at logistical coordination, that was really quite remarkable the amount of grain that went through Thunder Bay, and even still with boxcars in those days. The whole coordination on the lake vessel side, you know, Lake Shippers and then coordinating with the movement in the river.

The Soviets, by the way, were very, very professional. They would have their freight into the river like boom, boom, boom, and it was just very, very well managed. There was a lot of things wrong with the Soviet Union, but they were in some years importing 50 million tonnes of grain from all sources. You've got to be doing something right logistically to do that. Once the Soviets were out of business, that was a huge change. I'm not sure what could have been done otherwise.

NP: You had time at the Wheat Board. Personalities there at the time that you were there, who--? Were there still some of the old timers, or were you again sort of going into the--?

JM: Well, there was still, I think when I started, '77, I don't know. I think you've talked to Frank. Frank was there at that time.

NP: Alec Kubicek?

JM: Alec was there at that time. There were a lot of, it seems, a little bit more characters in the grain business in those days, including at the Wheat Board. The transportation system was, again, there had been this really remarkable change with this whole block shipping system with just a terrible shemozzle in the late '60s. The industry got together and--.

NP: Explain that. What is block shipping? I think I know, but once you tell me I'll realize I don't know it.

[1:25:02]

JM: There had been just horrible problems with grain movement in the late '60s, and it was, again, the railways kind of in charge. Not in any particularly evil way, but in those days, it was just, well, I don't know. I don't know how cars got allocated. It may have been bottles of rye or whatever. But the whole industry decided that something had to be done about this, so they set up a whole coordination system where there was 40-something blocks of western Canada. So, certain Rupert rail lines would be in a block and then the cars would be allocated into the block down the individual train runs so that someone had to work with the various companies to coordinate that and put the train runs together and relay that information to the railways. So, I think that was '70/'71 that that was set up. The Board was put in charge, and there was, at that time, no particular objection for the Board doing it. Somebody had to do it and pay for those people.

If you look back at it, you'll see it was just—combined with say car pooling in Thunder Bay—just a quantum leap in the whole efficiency of the system. But those were still, during the '70s, there were car shortages and lots of long transportation problems. There were vessel line ups at both coasts and that type of thing. So, there was a guy named Mike Marden who was in charge of the transportation western division, and Mike was a real character. Anyway, let's just say a lot of business was done in the bar in those days too. Again, not in any particular nefarious way, but things got worked out. But yeah, there was a lot of characters in the business, including in the grain companies—the guys who were fighting for cars.

NP: How do you define a character? I think I would've liked to have been a character [laughs]. Who were some of the characters?

JM: Oh, I don't know. I guess Mike was certainly a character. You go back, I'm trying to think of some of the names in the companies.

NP: Schwartz?

JM: Yeah, Schwartz. He always complained about the Board, making speeches about how terrible the Board was, but he, again, when push came to shove it was still business. By the same token in those days, there was just way too much booze. There was just lots of three-martini lunches—and I'm talking not just the Board, the whole grain trade. And then the whole—I don't know if you've gotten to this with anybody else—but all the grain trade trials with the Exchange. Several people going to jail for fraud.

NP: No!

JM: Oh, yeah! I mean, it was just crazy. There was more business done in the Lock, Stock, and Barrel and Bailey's than there was on the floor of the Exchange. Probably not even exaggerating. So, there was, I think, at least to that point, the largest commercial fraud trials in Canadian history were as a result of activity in Winnipeg Commodity Exchange. All these guys that you would see in bars locally, so they would--. Several people went to jail. The head of XCAN Grain—which was the Pool's trading arm—John Hassler, John went to jail. Their chief trader, Gus DeLorean, I mean, Gus went to jail. Several traders went to jail.

[1:30:11]

NP: What kind of fraud do you create in--?

JM: Well, it was basically, "This trade's for me and this trade's for the company." I guess that's what it came down to. There was money--.

NP: Sort of insider--?

JM: It was just pure internal fraud. So, there was this whole scene of activity in the bars around. You could see. You knew. Everybody knew what was happening. I was young and single at the time and spending a lot of time in the bar. We all knew what was going on. Some of it wasn't intentional. Some people really got burned in '82 with [inaudible] and the markets going crazy, and people on the wrong side of the market, so that they ended up robbing Peter to pay Paul. They ended up getting charged for that reason, but that's a whole saga in the history of the grain trade was some very lax management by the Exchange by that time and control of what was happening on the floor. So, yeah, there was several people went to jail. There was this whole scene of too much booze and parties and hookers. It was crazy. It was just a wild time.

NP: Finally, women in the grain trade!

JM: Yeah! [Laughs] It was craziness. That was very well covered in the *Co-operator* at that time. We've still got all that stuff. Just distant memories now. Yeah, as far as other than illegal stuff, I look back at all the boozing that went on in those days.

NP: Was that strictly the grain trade, or was it just an ethic of the time?

JM: I think it was an ethic of the time. Part of it was an element--. People worked it out better. In the later years of the grain business it really got so political that everybody's in their own little silo and just sort of negotiating by press-release. But operationally, there was a lot of camaraderie at that time among the organizations. If something needed to be fixed, it got fixed. It may have been a phone call, but too often it was probably over a few drinks.

NP: It's a theme. We've done over 100 interviews now and you start to get themes that arise. Alcohol is a theme on the waterfront as well, but it changed. What changed it?

JM: I don't know exactly.

NP: Well, I'm assuming it changed. It certainly has on the waterfront.

JM: Well, I think that's been a general trend in society. People just don't drink like they used to. You don't see people tossing back two or three beers at lunch the way in any group. I think the whole consolidation of the trade and the change in the business and the business just getting a lot smaller as far as the number of bodies working on Portage and Main. There weren't as many people to have contact as there used to be. Electronic communication changed all that. When I first started at the Wheat Board, every delivery—and deliveries weren't that large in those days because they were two- and three-tonne trucks—every delivery was cash ticket and triplicate. One for the Board, one for the farmer, one for the company, and it was physically those cash tickets were coming into Winnipeg. So, there was a lot of people just to handle that stuff. So, computerization made a big difference, and computer people don't drink, so. [Laughing]

[1:35:30]

NP: That's been your observation, is it? [Laughs]

JM: There's just a lot fewer people. And with the consolidation of the businesses, the Pools disappearing, the UGG disappearing, there used to be hundreds of people downtown. The Board had 700 people one time, 700 plus at the Commission, so there's just not as many individuals involved in the business anymore.

NP: Why were women never in any kind of numbers part of the business?

JM: You know, they were in a way. When I started at the Board-- Well, they were, and they weren't. They didn't have the jobs. Again, relating to the booze—and I'm sure it was true in a lot of companies too, but I'll tell you—there was some secretaries who were making sure that people stayed out of a lot of trouble, people who'd been there for practically, even in those days, from almost day one at the Wheat Board. They taught an awful lot of guys their jobs. It was really sad. So, some of the guys were out boozing at lunch and came back and were maybe not looking after things the way they could have. Somebody was keeping an eye on it, and it was often-- So, they didn't get the jobs. The women were there, and they were probably making sure stuff got done. They definitely had an influence, but they didn't get the jobs and the pay. I don't know the grain business it was any worse than any other business in that regard. I don't know.

When I started at the Board, there was a program called Equal Opportunities for Women, which was deliberately designed to try and reverse that. It was, I think, somewhat successful. On the other hand, it created a lot of resentment of course in the organization, not least among some of those individuals I just mentioned who were there-- I mean, it was obviously the younger ones who got into that, so anybody who'd been there 30 years and was close to retirement, when they saw some of these young kids coming in and getting the opportunities they had never had, they weren't necessarily happy about it. Maybe they were, but I can recall a couple of comments.

NP: You mentioned just in passing a group that we interviewed two people from yesterday, the Canada Ports Clearance.

JM: Yeah.

NP: So, their time and being is disappearing. Can you comment on that?

JM: I didn't have a lot of direct dealings with them. Again, in my days of the Board, the guy who was in charge of the eastern side was Gil Booth, who was again one of these individuals that you would call a bit of a character, but kind of a lowkey guy. Again, one of these situations where stuff just got fixed. Gil would pick up the phone and phone so-and-so, talk to people at Lake Shippers. Stuff got done. I remember Gil always talking about Lake Shippers, but I didn't ever have much direct contact with those guys.

[1:40:04]

NP: One of the things that came up in the conversation reminds me of something that you said as well about people being in their own silos. We were speculating, I guess, about why they disappeared or are disappearing given that ships are still coming into the ports, and they do need to be filled.

JM: I think that's the 64-million-dollar question going forward with this change to the Board. Again, I'm not close enough to logistics anymore that I can say whether this is going to be a problem or not, but all these companies now are going to want to route all its grain through their facilities and through their terminals. So, I really wonder what's going to happen. Right now, it's Board grain, and if it needs to go to two or three terminals, that's what happens. But now how's that going to work? To me that's a huge question of what's going to happen to logistics.

NP: August 1st is not far away.

JM: Stepping back a bit on this whole logistics question, we're now running this system with what? I don't know the number, like 250 elevators and what 5, 6 million tonnes of capacity. You have to turn that system. You have to bring the grain through the crop year. Now, if you look at the US system, their storage to turnover ratio is far different than ours. Their system is only turning over half as much as ours. If you look at Australia or Europe, you can basically put the entire crop into commercial storage. So, the question is, well, then why is Canada's system the most efficient in the world under the most trying circumstances, given distance and climate and mountains? Why do we have the most efficient system in the world? Is that because of the Wheat Board or is it in spite of the Wheat Board? [Laughing] So, to me that's a huge question with logistics and these companies wanting to route through their own facilities. I don't know.

NP: As a person living in Thunder Bay, and as a natural-born pessimist, when I look forward, I wonder—really interested in your comments on this—whether that port will be bypassed.

JM: Again, I don't know.

NP: No, we don't know, do we?

JM: I'm not close enough to the trade anymore that I would have an opinion on that other than I would think the fact of the sheer size of the physical storage there would help. I'm not even sure how much is left in Thunder Bay anymore, but there's still quite a bit of terminal space relative to the amount that's going through. That's got to be beneficial if you're looking to having some buffer to keep stuff moving through the river. I don't know. Yeah, it's sort of hard for me to say on that one.

NP: The Wheat Board, we've sort of talked a little bit about it. Any predictions there?

JM: Well, I'm somewhat skeptical, I guess. I just can't see a lot of farmers going for the pooling option. Maybe they will, but I don't think they will. With the Board, it's fine to say Cargill has a handling agreement with them, but really if--. I'm sure that corporately they mean what they say, but on the other hand when it comes down to actually sitting down with the manager and booking a contract, in the country elevator what's going to happen?

[1:45:15]

NP: Why do you say that you are a little hesitant to say that the farmers would support the pooling?

JM: Well, it's just very tempting. If the cash price is \$7 today, and you can get that in your jeans right now, and the Wheat Board's offering you an initial payment of \$5 and maybe \$2 later or maybe not, what're you going to do?

NP: Now, my reading of history when the Wheat Board was discontinued, and I can't recall in which--.

JM: Yeah, 1919?

NP: Well, maybe--.

JM: Well, there was one 1919, but it only lasted a year.

NP: One I think a little later too.

JM: Yeah, '35.

NP: And from what you just said, it seems like history repeating itself where prices were initially high and then the Wheat Board pool part of it couldn't sustain their operation just because there were financial implications that meant that they--. Oh, yes, for sure! We'll just put this on pause. Would you like a bit of coffee? **[Audio pauses]** The machine back on.

JM: Yeah, go ahead.

MM: Okay. You're sure?

JM: I have to laugh because we talked about characters, but I actually had done a profile when I worked for *Grain News* on one of the commissioners, Jim Leibfried. Have you talked to Jim?

NP: Yes!

JM: Yeah, so as part of that they had these weekly weather meetings where they would come in and brief—oh thanks—what was happening around the world. They had this weather department that was pretty gee wiz at that time with these big maps and weather information from all over the world. It was really state of the art. Anyway, it was part of this interview, he said, “Oh, well, just come into this weather meeting.” So, I went in and then they had all these maps, and it was very impressive. But they had all these country analysts sitting there, which Alec was one. There were four or five of them. Anyway, polite questions were asked after this meeting, and I was highly impressed. So, not long after I was hired at the Board, time for the weekly weather meeting. I went in, well, I went to these country analysts, and they used to fight like cats and dogs [laughs] with the weather department. There was Alec and I’m trying to remember the other one. There was a woman from Eastern Europe, guy with a Chinese-- . Anyways, I was somewhat shocked by the-- . They’d been on their best behaviour when I was there as a reporter, but when I showed up as a staff member it was-- .

NP: Strong personalities?

JM: Yeah, strong personalities.

NP: I was talking to Mary that I had spent several hours with Jim and even more hours with Frank Rowan. Jim Leibfried had said to me when I was asking questions about “Where’s all this going to end and what’s the implication on the farmers?” He made the comment, “Nancy, it’s,” I think he said, “It’s economics, not religion.” I thought that was a very interesting comment. But then I’d read the histories of the various wheat Pools and I just sort of wonder whether it’s not more religion than economics, [laughs] at least in the early days.

JM: Well, on one hand that’s true, but on the other everything that’s been—all the changes to the Board—everything we’ve heard about it, it’s all been religion. It’s about freedom. So, it is really religion couched in economic terms, but it’s still religion. “We can do better on our own,” and freedom, et cetera, et cetera. It’s very much been a political religious exercise rather than one of-- .

NP: Now, you had mentioned that with the Wheat Board, tying it into the start of the changes in the Pools, that way back when—I can’t remember exactly when you said—there was anticipation that the Wheat Board was going to end. Is that ’83 or ’93?

[1:50:13]

JM: Oh, I think late '80s even, yeah, into the early '90s.

NP: So, it has just taken a long time to come about. Why did it take so long to come about given that it was--?

JM: Well, politically in western Canada still the largest number of farmers still support the Board. So, I think that's the main reason. But the people who have been responsible for this change, like if you look at the Western Canadian Wheat Growers and so on, not a large organization. It's really a few hundred members. It's had its own ups and downs over the years, but it's been very effective, and its message has resonated. Whether you call it a religious message or an economic message, whatever you want, it's resonated quite well with the ethos of the times, I guess. So, it took a while. I think a lot of people truly believed that they really did like the Board, but they just think, "Well, if we just get rid of the Board, we'd be able to take a few loads down to the US and get a higher price whenever we felt like it," and nothing else would happen. I don't think people really understood how big this change was going to be. Now that Glencore has showed up, they've certainly figured it out.

NP: Say more about that. First of all, say more about what changes are occurring that they had not anticipated, the ones that were looking for a change.

JM: I think some people really believed that there would be more competition, that there would be more companies, that there would be this whole entrepreneurial system that would emerge and there would be a lot of small buyers looking to buy. There'd be more choice where to sell your grain and you'd be able to take your grain across the line in the US sometimes. So, "I'll be able to do what I want," sort of attitude, "But everybody else will still have the Board." I think a lot of people really believed that. The result is, if anything, going to be more consolidation. We're seeing that already. Some of these smaller companies, it's going to be interesting to see how well they do.

NP: So, with the current offer with Glencore, is that it?

JM: Right.

NP: I'm a little confused about how that's playing out, and in particular what kind of impact that might have on the port of Thunder Bay.

JM: Again, I don't know that I could hazard a guess on that at this point to the extent--. The customers aren't going to change. The fact that Glencore is becoming the merchandiser, I don't expect--.

NP: And they're out of which country?

JM: Well. Do you know much about Glencore?

NP: No, I don't.

JM: Well, I have the satisfaction of writing an editorial a year ago saying, "These guys are coming to town. Watch out." You don't get that satisfaction too often, people actually mentioning that you predicted that. You remember Mark Rich? Mark Rich was a US fugitive from justice who was pardoned by Bill Clinton on his last day in office. He was up on tax evasion, wire fraud, blah blah blah, and had fled to Switzerland. He set up this company called Richco. Very successful trading company. He had a network of people working for him, or working more for or with him, who became nicknamed the Rich Boys, which is true in both cases—at least right now it is.

[1:55:30]

He sold the company to some of these guys in—I can't remember what year—but anyways, sold the company a few years ago. They've just gone from strength to strength. So, they're now bigger than Cargill by a considerable margin. They have about \$180 billion in sales last year, and they're huge in mining and metal trading and oil trading. They're colossal.

NP: Just very smart?

JM: Apparently, they're just incredibly astute traders. Very controversial. They were involved in the Oil-for-food scandal and that type of thing, and alleged to be kind of, if not dishonest, but will do business with anybody. They floated a public offering last year, just last year ago this month I guess, and raised \$10 billion. As I said, I wrote an editorial at that time saying, "These guys are going to be coming to town probably," and sure enough. They were one of the first ones into Australia when the Australian Wheat Board lost the monopoly, so it wasn't surprising that they showed up here. I had lunch with a guy yesterday who told me that he was talking to one of their barley traders, and at one point last year they had a 5 million tonne position on barley. These guys are huge.

NP: So, their connection with, they're tying their approach to Richardson's and Agr--?

JM: Agrium.

NP: Agrium.

JM: Agrium's getting their agri-sales side and Richardson's getting the processing side basically plus some elevators. Then they're really just keeping the handling and trading side. So, that's what they do. They're traders. They trade everything. They own farmland in Kazakhstan and South America. They're big, big traders out of the Black Sea countries like Kazakhstan and Ukraine and Russia. The big change that's going to happen with the business now is that companies like that with sell optional origin. They'll sell spec. They'll sell to the customer who's looking for whatever specifications, and then they're going to say, "Well, where are we going to get it? Are we going to get it from Canada? Are we going to get it from Kazakhstan? Are we going to get it from Australia?" So, how that will affect Thunder Bay? Who knows? Or how will it affect the grading system here? I can't see the grading system surviving here.

NP: That was the next item on the list. Canadian Grain Commission, certificate final.

JM: I mean, you're hearing it already. Again, I don't claim expertise anymore. You're hearing it already that they're saying, "Well, customers really don't care about the Canadian grading system that much. They're buying non-specifications." Okay, maybe, but I think what farmers probably--. The whole principle of having independent third-party doing the grading and being able to agree on, to me, that's an incredible valuable asset to the farmers. The farmers don't really understand that I don't think, again with the cutbacks. I'm personally fairly skeptical that will survive other than as some kind of voluntary grading agency.

[2:00:16]

NP: Okay. So, let's crystal ball and say that the Wheat Board disappears—which is a possibility in its new version—the Grain Commission disappears. Lake Shippers is gone. Any other sort of major pillars I've missed? Co-ops.

JM: Co-ops are gone.

NP: So, best case scenario?

JM: Well, grain's still going to be grown and still going to be sold and all that. With some luck, all these predictions about grain world demand growing and growing will be true and the stuff will be sold at a profitable price. You're going to see a huge change probably in what's grown where and how it moves. You're going to see a lot of--. This is where Thunder Bay may be affected—

positively or negatively I don't know—but I think you'll see Manitoba maybe and eastern Saskatchewan maybe specializing a bit more in wheat, if it can agronomically. Going south, maybe going east, probably nothing going west. You'll see that kind of change.

Agronomically, a lot of things are changing anyway. The soybean, you've got 7-800,000 acres of soybeans in Manitoba now. That's a huge effect on Thunder Bay. That's land that 20 years ago was growing wheat and barley that used to go through Thunder Bay. But that's really almost an agronomic issue rather than a marketing issue because of fusarium. Difficult to grow wheat now and barley because of the fusarium challenge, so these guys are looking to put more into rotation. Beans if they can do it. Anybody who can grow soybeans in western Canada is going to be growing soybeans.

NP: And they're heading west out--?

JM: They're heading west, yeah. That will be a change. I think things like pulses, that's big acreage now. Like lentils and so on in Saskatchewan, whether those are things that may be positive for Thunder Bay, I don't know.

NP: At the time that they were doing the rail line—what was the term used?

JM: Rehabilitation?

NP: Or--?

JM: Abandonment?

NP: Well, abandonment was a bad term! [Laughs] But there was another term that was sort of--.

JM: Rationalization?

MM: That's it, yes!

NP: Rationalization, thank you! At the time they were doing that and at the time that they got rid of the Crow Rate, my understanding is that things were supposed to happen in the west, such as more processing on the western plains.

JM: And they did to some extent. If you look at Manitoba, they went crazy investing in the hog industry and that was a bit of a boondoggle. Certainly, a lot of pulses. Whether that--.

NP: Will we see more of that? Or is it, again--?

JM: Just agronomically, you're seeing people diversifying out of wheat if they can for a lot of reasons. That's all very healthy in most cases to put these things into the rotation. There's no question that wheat and barley just aren't as important as they used to be. I can remember when the Soviets were taking 6 million tonnes of barely, not from us. Or, we were exporting 6 million tonnes of barley, a lot of it was to the Soviets. Those markets are never coming back. There's still barley business being done in the world, but it's all coming out of the Black Sea. That's our friends Glencore doing that out of Kazakhstan, Ukraine. It makes sense because it's closer to the market and all that stuff.

[2:05:22]

I think, to me, the big threat on wheat here is really if I see what's happening in Russia and with them just building terminal capacity on the West Coast. If they can get their act in agronomically, they're going to be huge competition for Canadian wheat I would think. I mean, that's where genetics came from in the first place, our good spring wheat. Companies like Glencore who can do that business. I think that's going to be very competitive.

NP: You mentioned that's where the genetic came from in the first place. What's the impact of all this on research that has helped, from again my reading, helped Canada remain sort of in the forefront?

JM: In cereals, most of that's been public research so far and that's all being pulled back.

NP: What's the rationale there?

JM: That's just part of government's general attitude towards research. If you sort of take western Canada as a whole, the private sector has taken over so much of that research because there's so much area in canola now. Wheat, again, barley are not as important as they used to be. It's difficult for private companies to make money in those products, in cereals, and will continue to be more difficult. But you're going to see some of that private breeding come in, but they won't want to be operating within the constraints of our current quality control system. Ultimately, they'll try to sell on yield. Whether that's a good thing--. It's always easy to sell farmers on yield because that's ultimately what they like and how they measure their success. What this all means in the context of, again, a world where I think there'll be a lot of competition from the former Soviet Union in that market, I don't know. The age-old discussion of whether we should be breeding for yield for a hungry world or breeding for quality so that we can own that niche, it sort of flips back and forth all the time. I don't know.

NP: Farm size and farm ownership, is that going to be impacted at all do you think?

JM: Well, it's already. We'll see the results probably next month when the census is out, but I mean the consolidation's been just incredible. I can remember when I think I started at the Wheat Board there were 160,000 permit book holders and now we're down to, what, 56 or something.

NP: 56?

JM: Thousand. So, these farms are--. How much they'll continue to get, that's an interesting question. But 10,000-acre farm is not unusual anymore.

NP: Will they be farmer-owned, or will there be a--?

JM: Yeah, I don't see that corporate capital is interested in--. It just doesn't work for them. So, I think so. It'll be big farmers, but family owned. There might be some companies investing in it, but hard to make money on farmland unless you're farming it yourself. Should I go plug--?

NP: Yes, I think so. I have probably a half an hour's worth of--.

[Audio pauses] [2:10:11]

MM: Are we back to tape?

NP: Yeah, we should.

JM: Are we going to have a Canadian--?

NP: We're going to start taping again. We're going to continue with sort of a discussion of whatever the future brings, what can we say about it?

JM: Well, the system that has been built up with a really strong Canadian identity from the Board, it's selling Canadian wheat or Canadian barley. Period. You've got the Grain Commission with these quality standards which are highly respected. So, I guess

those of us who've had a career in the business, at least some of us have been pretty proud of that Canadian label. But I'm not a farmer, so does it matter to the farmer? As long as he or she sells it and gets paid for it, maybe it doesn't matter. If it doesn't matter, then really the end of the Board is not a big issue one way or another. If it does matter, and if, as I was saying earlier, if instead of going for yield to feed a hungry world and we instead need to go for quality to fit a niche market and to overcome our natural disadvantages when it comes to distance and climate and all that other stuff, then I guess it does matter.

NP: Time will tell. Unless there is something more that you want to add to sort of these huge changes that have taken place, I'm going to shift more back to your career.

JM: Sure!

NP: One of the questions that we've asked everyone is what part do you feel that your work during your career has contributed to the success of Canada as a world-class grain trader?

JM: Well, my job has been to keep the farmers informed about what's going on in the marketplace. So, I think I've been pretty successful at it. I think we've been pretty successful, and we continue to do that. I guess when I see how political—if not religious or whatever you want to call it—the debate is on both sides of many issues, I sometimes wonder whether we've done a particularly good job. I guess I look back at my career and think, well, there's a lot fewer farms than there used to be and a lot fewer farm communities than there used to be. There's been a lot of changes both positive and negative. We've sort of covered all that. We've been part of it. If things have not turned out well, I always think about whether they would have turned out better if we'd reported better. I often wonder about that, but again.

NP: Well, if we look at it the opposite way and let's say that there wasn't an independent press related to the agricultural scene, would that have made any difference?

JM: I think so. I think to blow our own horn, I think farmers have been incredibly fortunate to have us because if you look at the quality of journalism that we provide—and it's pretty high-standard—to ultimately a pretty small audience, and to be able to maintain that I think farmers have been pretty fortunate. I can't think of any other profession where the business is covered in the kind of detail that we cover it in our publications and others that have been in the business for a long time. So, I think we've been pretty successful that way. It's helped that there's still a lot of money in the business because we make our money off advertising. A lot of things being sold to farmers, so that's what keeps us going. But yeah, I look at what farm press, farm journalism in general has done over the years, I think we've got a reason to be pretty proud of it.

[2:15:50]

NP: Other than the changes in ownership, has there been any change in the farm publication areas over the time of your career?

JM: Well, the most recent change has been that we're now much more online than we used to be. Just like anybody else, we still have a lot to do there. That said, it's interesting that our most successful publications financially—and I sometimes mischievously point this out to my colleagues—the successful publications are the ones that were not originally designed to make money in the first place: the *Co-operator*, the *Producer*, and even *Grain News*, which came along later in the mid '70s. As I said earlier, *Grain News* was almost the house organ for UGG, and it didn't take ads in the early days. It was started for other reasons. These papers clearly fill—they've become popular with advertisers—but it's ultimately because they're useful to—which pays the bills—but that's ultimately because they resonate with the readers. They were put there for a reason which still exists.

NP: Is the paper copy still as popular? Are you going through--?

JM: Oh, yeah. Our long-term arc we have to be concerned about is continuing consolidation of farmers. Again, *Country Guide* used to have 250,000 subscribers. Now we're down to 40 something. So, it's been a reflection of the consolidation in the farm community. Long term, that's a concern, but the paper is still—among the readers who are still there—it's as popular as it ever was. The internet has changed how we do things. It used to be not that long ago that to get the information on what the Wheat Board was doing or what the company was doing, or companies were doing or the latest government programs or whatever, you essentially had to wait for your *Co-operator* or your *Producer* to arrive in the mailbox once a week. This information now, the government putting out its own releases and the Wheat Board's putting out its own releases and so on, so that kind of information is coming out instantly and is available to farmers if they want it.

So, you'll find that we've changed how we do things in many ways. If you look at our newspaper, they're much more visual than then use to be. Lots more features, treatment. We never put hot news on our front page anymore unless it's something really hot that we've broken because there's not hot--. When you're a weekly, you can't break news anymore. We've changed how we write things, I think. We do more and more features, more in-depth things, more visual. So, we've changed in that way, and then we're moving towards the online stuff to catch the breaking news. We're going to have to do a lot more coverage particularly online of markets because it's really impossible to underestimate how big this change is going to be to farmers, the change at the Wheat Board. It's fine for them to say they've been able to market canola on their own, which they have, but there's really only one grade of canola. But wheat there's, you know, myriad grades and protein levels, so this will end up being a very dynamic market that's going to be changing. Right across western Canada it'll be different, quite often and changing day by day. So, there's a big job for

us ahead in doing a good job in covering that. A job that will be made much more difficult by the consolidation that we've seen in the business.

[2:20:56]

If you look at the US, you can actually get a lot of individual elevators' quotes of what they're paying today. But again, you go down to the States, there's a lot of individual, locally-owned co-operate elevators that are out competing with each other and whoever else for business, so they tend to want to put those out. But if you're going to ask Viterra—or whatever they're going to call themselves—they're inevitably at times going to be paying more for certain quality of wheat in Alberta than they are in Manitoba or vice versa. They're not going to want to release the same kind of information. They're going to hold that information pretty tightly, so it'll be hard for us to get at it. We'll have to try.

NP: As you look back at the various positions that you've had, are there any challenges that you had to face that we haven't already talked about?

JM: Well, our big challenge was starting a business from scratch, of course. Our chances of success, in retrospect, were fairly slim, but we somehow pulled it off. Taking the--.

NP: That was with the Farmers'--?

JM: *Farmers' Independent Weekly*. Other than that, I don't know how to answer that. We certainly had a big challenge at the *Co-operator* when it was still under the Manitoba Pool days because at one time the *Co-operator* was free to Manitoba Pool members, and that was changed in I think '96 or something. So, we had to take it paid, and we did that pretty successfully. That helped the company add a lot, the bottom line. That was a bit of a challenge, but again one we met fairly successfully.

I created some controversy in the country. As an aside, I was driving up to the lake one day and was following a pick-up truck towing a trailer. All of a sudden, the tongue of the trailer came up and this trailer drifted across the road and a guy was coming up the other direction. This great big old Ford LTD just smack! The car literally went right up in the air and slammed down again. So, I ran out expecting to find a corpse, but the guy--. I couldn't get the driver door open, and I went around the other side, got the passenger door open, and a guy was sitting there. I got him out and somebody phoned an ambulance. Anyway, he was okay eventually. Anyway, I said, "Okay," when I left, I said, "Here's my card." The guy looked at it. First thing, he looked at it and he said, "You're charging us 47 bucks for a two-year subscription!" [Laughing] So, anyway. He was joking of course, but that was the first thing he looked at. That was one that we weathered. [Laughing]

NP: Again, looking back at your career, what has brought you the most pride or most satisfaction?

[2:24:59]

JM: Oh, I guess, pulling off what we did with the *Farmers' Independent Weekly*. We stuck together. We did a good job, but it was kind of an all for one, one for all. People asked me what we learned about that, and what I learned about that was that if you treat people well that it can pay off. Treat people in business and it can really pay off. It had helped working for Manitoba Pool and a company that could pay its bills on time and helped us that we were profitable and allowed it to do that. It was amazing how many people came out of the woodwork and just helped us out. Our printer helped us out. We had people do free consulting for us. We had people who bought subscriptions before we'd even turned the wheel. So, I always say that was a big lesson. This notion that you have to be dog-eat-dog to be successful in business is not true. If there are times when you need help, it really paid off. The fact that we all stuck together too. Some of us were better off financially than others. So, I was pretty happy about that.

NP: The old cooperative spirit!

JM: Yeah! Yeah. Yeah, so I have to confess my inclinations are in that direction. There's a lot of cranky people out there. [Laughs] I guess there always have been! But maybe it's an old fogey talking or something, the instant communication. You see it everywhere. You see it on responses to online stories and everything else, but yeah, there's some cranky people out there, which is unfortunate.

NP: Haven't there always been cranky people?

JM: I guess so. I guess so.

NP: And rapid change, in my experience, rapid change has not usually created the best in people.

JM: Yeah. Again, I'm not in the grain business anymore as such, and haven't been for a long time. If I look at the whole level of discourse, and the Wheat Board debate being a classic example, you can't really say that it's any better than it used to be. It really does seem to be an awful lot worse. So, again, if I have any regrets, again, "Is there something we could have done better?" You kind of wonder whether you could have—not necessarily arguing one side or the other—but whether given our position, whether we could have done something to improve the level of discourse. It's been pretty ugly. I find that quite distressing. I mean, all of these are legitimate public policy questions, but that part of it bothers me.

NP: [Laughs] I agree with you about the comment that, “Is it just an old fogey talking,” because just looking in general about public discourse, and discourse as it shows up as political debate, and looking back even at sort of the worst of the old times with Trudeau and whoever he was sparring with at the time, those debates were actually debates. Now, the human side of it, the characters you talked about in the industry, they certainly would debate, but the human relationships would still stay there.

[2:29:49]

JM: Maybe people should go back to three-martini lunches. [Laughing] Yeah, it’s interesting. Everything has become corporatized. It’s not related to the grain business, but Laura Rance and I were talking about this the other day. I look at, for instance, what’s happened with the hog industry. A lot of these guys, they used to raise hogs and they cashed out. They sold their own barn, they brought into one of these new operations. A lot of these guys have never been in the barn. Like they’re farmers, but since when did looking after your animals become something that you imported Filipino labour for? Certainly not on the cattle side of things, I find that’s really interesting because you don’t have that attitude at all. I mean it’s prevalent maybe in some parts of the industry, but the cattle industry particularly in the cow-calf people, it’s quite interesting because there’s a whole different dynamic now with better forage management and raising cattle on grass, young people getting involved. So, it’s all different there. But yeah, it’s another thing, again, sort of the corporatization of agriculture. Not that I have anything against corporations, but that’s another thing we were talking about the other day. When was it that animal husbandry somehow became a job you farmed out? So, that’s another small part of the big picture of what’s happened to the business overall. Whether it’s good or bad, I don’t know.

NP: Well, in keeping with that, I’m just sort of thinking if whether the business is not successful enough nor unprofitable enough to encourage cooperation. Does that make any sense to you? [Laughs]

JM: Well, the other thing too is the economics are such that these farms have to get bigger to survive. Your neighbour is not somebody you cooperate with anymore. There’s almost a necessity that your neighbour is the one you keep an eye on for to be there to buy him out.

NP: On the waterfront in Thunder Bay, one of the changes that was occurring there is as fewer and fewer of the grain companies existed and had their terminals, far less cooperation. You would almost think that it should be the opposite, but previously the terminal managers used to regularly help each other out if there was sort of a shortage here or there. They would talk and they would meet weekly and discuss things. With all of the buyouts and closures and whatever, they hardly speak.

JM: Yeah, and again, back in my Board days when they had the [inaudible] and so on that was really in evidence. They all benefited tremendously from the system, but again, given the capacity now and the limited exports that are going through there, maybe you just don't need to anymore. Cooperate.

NP: Yeah. Or you are wondering whether he's going to be your owner the next day, which is actually what's happening. Hm! As you know, from a previous conversation we had, we are still—although we are in the last throws—of trying to get a National Historic Site established on the Thunder Bay waterfront to recognize Thunder Bay's part in Canada's national export trade. Do you have any thoughts on that, especially given what's happened to the industry since we first talked, which was probably about seven years ago.

JM: Well, as I said, I've always had a soft spot for Thunder Bay for the attitude there and things that went on. So, I think it's a great idea, but I don't know what else I can offer given the--.

NP: Would you say does anyone care anymore about the history of the industry? Or is it, "Been there, done that. Move on"?

[2:35:07]

JM: Well, that's a question you have to ask yourself because you do have to, as I said earlier, your average person on the street in Thunder Bay is a lot more engaged with the grain industry than the average person on the street in Winnipeg.

NP: Used to be. That changes too.

JM: Used to be. Yeah, but maybe relatively speaking it may still be true, because a lot fewer people working in the grain business these days and will continue to be with the Board losing staff. Clearly the Grain Commission's going to get cut way back. Downtown there used to be Manitoba Pool, UGG, even Sask Pool had a big office, so just the number of people that are in the business is just far fewer than it used to be. So, it's just not in anybody's minds. It's just not as present as it once was—the importance of the business. So, I don't know. My question would be how many people are you get through to make it viable? Thunder Bay, with all due respect, is not a big tourist destination.

NP: Yet! We have one advantage and that is that the highway east and west goes through Thunder Bay. You can't avoid it. But it's a legitimate point.

JM: That said, people are sure interested in food these days.

NP: We did have a feasibility study done. We managed to raise the funds for that. One of the things that the consultant suggested was it's very difficult to get funding for anything historical these days just on its own, but said the same thing that the science aspect, and particularly—they didn't say it, but I thought of it—the food science aspect. We have no science centre in Thunder Bay, so with the decline in the forest industry and the grain industry and the pulp and paper industry, there are fewer and fewer opportunities for young people. Their horizons have to be expanded. So, the idea of marrying a food-science related centre to the historical piece might be a way to go.

JM: How about tying it in with the shipping somehow?

NP: When we think of it as Thunder Bay's role, it is the grain handling and the shipping, so, the grain cars coming in, and the actual handling and storage, and the shipping out because that's what makes us unique. We didn't grow the grain, but the shipping is still-- . And there's lots of people who like trains and ships, even though they don't necessarily know much about them. There's something appealing about them.

JM: I'm just thinking out loud, is there some way you could organize rail tours? Like from western Canada to Thunder Bay?

NP: Not the way things are now because they-- . I mean, it's just one sad, sad, woeful tale after another. Via Rail doesn't go to Thunder Bay any longer.

JM: Oh, so it just--?

NP: It heads through the north route. CN, I guess, is up there. Not that it's impossible, but you're more likely to get bus tours going than you are rail, because passenger rail is not high on the profitability list of rail traffic. Anyway, I guess we could get far enough removed from the vibrancy of the industry in Thunder Bay and just be like resurrecting the Old Fort for the fur trade. So, we're so far back in history that it becomes appealing again.

JM: Right! [Laughing]

NP: But I'm not going to be around for that one! [Laughs]

JM: Yeah, I don't know. It's a challenge. I don't know what-- . Is your idea to use one of the old terminals somehow still?

[2:40:06]

NP: Yes. Not, again, as our consultant said, “You want to feature it. You don’t want to own it.” Although there is this marvelous little elevator on the Kam River that is operating, Western Grain By-Products. Maurice Mailhot, he does a lot of mustard seed and canary seed and so on. The last standing elevator on the Kam River. He poured a bunch of money into it and upgraded it, but he kept all the old rope-drives and the early telephone exchange that they used in the elevators. So, it’s actually a little museum on its own. Unlike getting one of the ones that very quickly deteriorates when they’re abandoned with, supposedly, roving bands of people that go across Canada and illegally go into these old, abandoned buildings and rip out anything of value, and sell them to the local scrap dealers.

JM: Is there any old boxcar dumpers still intact or anything like that?

NP: I’m not certain. I’m not certain. Yes, I’m certain there’s likely to be in there, unless they were scrapped for the metal, which is another--. Depends on whether it was worthwhile to take it out.

JM: That was an amazing thing to see, the dumping of the boxcar.

NP: They were amazing, but how silly! When you look at hoppers you think--.

JM: Well, yeah.

NP: These boxcar dumpers, Mary, the ones that sort of they shook the boxcar and emptied it. And you think, “Why didn’t someone just think of emptying out of the bottom?”

JM: Unbelievable.

NP: Who invented the hopper anyway?

JM: I don’t know. I remember one of the stories I wrote about for *Grain News* when I was first there was about this whole problem with leaking boxcars. Because the elevator managers they called it cooper them, grain doors, they had to put craft paper up and then put on these grain doors, nail them on. There was steel boxcars came along and they had some kind of a slot for the nails, which was considered a big advantage. [Laughs]

NP: Oh, they used to crash the doors in.

JM: Then they would unload the boxcars with bobcats too. That was entertaining to watch. These two guys would drive into the thing and would bash against the side of the boxcar. Oh, God, it's amazing that they held together!

NP: Well, and when they used the power shovels that were so dangerous that take arms and legs off.

JM: Oh, yeah, that's right. Power shovels, I forgot about those.

NP: Yeah, it was a different industry. I know that someone that you were contracting to do some work for the *Manitoba Co-operator* was listening to some of our tapes that we did of people in Thunder Bay. I find it very interesting to carry on the cerebral discussions that we mostly have in Winnipeg, then you hear the life on the tracks and in the elevators in those early days, and it's just a completely different world.

JM: Yeah, it was a tough life. Yeah, people that made their living sweeping the terminals. Yeah, so I don't know.

NP: Interesting story. I've got a few more months left in me, so we'll see.

JM: So, you're going to pull the plug at the end on this one?

NP: At some point! [Laughs] My brother started calling me the elevator lady and I don't know if I like that term, so. We don't know what we'll do with the Voices of the Grain Trade. I think it depends on Mary and her cohort here, Bea. We have talked to Bob Rohlie about possibly doing a star turn in Saskatchewan, where he says that people are quite keen to talk about their time in the industry. Because we don't have the funding, we've limited ourselves to Winnipeg and Thunder Bay, which is not very fair to the trade, but it's what we could do.

JM: It would be interesting to talk to some of these old Pool directors and so on.

NP: Exactly. Yeah. And I've become just fascinated by the whole thing, so.

JM: One of the guys from the Pool directors called me last week, Larry Gisleson from Foam Lake, Saskatchewan, and he said he sure wants to talk about what did and didn't happen as far as the amalgamation of the Pools.

[2:45:15]

NP: Well, you know, I don't know. I think Mary and I have talked about doing a sort of a road tour, but even in talking with you I'm not sure that I have the background to ask the right questions. So, maybe this is something I don't know if we could talk about at some point, about what questions to ask because it's a story that needs to be told. Speaking about that, are there any people that you think that we should have spoken to that if we don't catch them soon, we don't catch them?

JM: I've seen your list. I think there's quite a few people who you've talked to.

NP: The Mr. Clark you mentioned earlier on in the--?

JM: John Clark.

NP: Yeah, his name had come up previously. I think there was just some comment that he may not be open to--?

JM: Hard to say.

NP: Hard to say?

JM: He might be. He's probably back. He spends summer in Texas, or winter in Texas. He's got a place up near my place on the lake, Sandy Hook. He's another booze survivor. John was kind of an eminence grise. Well, that's not maybe the right term. He was more like the ultimate backroom boy in the grain business. He was the information guy for UGG, but he had tremendous influence. I remember my dad was at a Canada Grains Council meeting one time sitting at the press table, and there was a session on which way to go with wheat quality—same thing we talk about every few years. My dad said there was some Grain Commission and the Wheat Board, and there were four speakers on the subject, I think. After this was over, my dad turned to John Clark and said, "That was a really good session. Those were good speeches." John said, "Yeah, I wrote them all!" [Laughing]

NP: He used to write for Mac Runciman, is that true?

JM: Yeah, yeah.

NP: So, his roots go deep.

JM: Yeah, and Mac--. The tape's still running now, so let's just say John had a lot to do with Mac's reputation for success. UGG was always portrayed as the progressive company and the Pools were kind of old, co-operative dinosaurs. UGG was not a particularly well-run company for a number of years.

NP: Well, even going back to the very beginning, from what I recall, they were different.

JM: Yeah, they were different. I don't think anyone would disagree with me on that they always managed to be portrayed as the one that was ahead of the curve and progressive. John was brilliant at that. I don't mean that in a critical way. John hired me. He got me started. He was very complimentary to me, always very helpful. This publication he started, it was really just brilliant, this Grain News.

NP: Speaking of that, we're doing a historical display at the Thunder Bay waterfront. They've got some new buildings there, and I've been looking at back issues of the *Manitoba Co-operator* and every once in a while *Grain News* pops out of somebody's file. Where are all the archives for these publications?

JM: They're all in our basement at our office near the airport.

NP: Ah. How difficult it is to find old pictures.

JM: Like separate from the publications?

NP: Yeah, is there a photo gallery?

[2:50:01]

JM: One of the last things I did before I was shown the door the *Co-operator* was I—because we were going through this move—we had a number of photographs at the *Co-operator* and I knew they wouldn't survive, so I sent them to the Western Canadian Pictorial Index. But it seems to have fallen on hard times some several years ago. I think everything was transferred to the U of W.

NP: Or the archives because I've actually come across things from that Pictorial Index.

JM: Could be. Last I checked, they had some at the University of Winnipeg, so I don't really know what happened to it. So, we had quite a few good old black and whites, et cetera, that were there. So, they all went over there. The Pool archives are in Brandon

University. The University of Manitoba library was quite interested, for a while, in the grain trade. They had a thing called the Harvest of Records, and they were trying to get people to contribute their family histories and so on. I don't know what happened to that project. Come to think of it, I did call and left a message for a librarian a few months back and never got a call back. UGG archives went there.

NP: To the University of Manitoba?

JM: To the University of Manitoba. But I think the U of M wanted the Pool ones, but they had originally gone to Brandon. Everything's out there.

NP: We're trying to track down a lot related to terminals, going back to the 1920s—ownership changes and so on. A lot of those records certainly aren't in Thunder Bay, but they're sort of buried in the Pool records, UGG records. Okay, so as far as you know they weren't chucked. Somebody took them.

JM: I know, for instance, there were meeting books from the local pool elevator associations all bound. They went to Brandon. I had the desk set for Bill Parker, who was the famous president of Manitoba Pool from like '43 to '70 or something. I had his desk. I made sure it went to his grandson. Managed to get it rescued and sent to his grandson. Anyway, it was a guestbook that was from the '20s and '30s that was in. It had all the old--. It had Motherwell in it and Vavilov, who was actually this famous Russian plant breeder who ended up getting sent to the Gulag. Some really incredible names that were in there. So, I sent that out to Brandon.

NP: I hope someone like you is watching over the records for the Wheat Board, Grain Commission.

JM: The Board, they closed their library some time ago. I don't know what's happened to all that stuff. It'd be worth asking. They're even taking stuff down off their website. The Board, the rumour is it'll be down to 40 or 50 people. There won't be anybody keeping a particular eye on it. They'll probably have it moved from the building.

NP: No. There are things that Mary and I were talking yesterday about the things that the Lake Shippers, things that don't really matter to many people, like there used to be flags that they used to direct ships before they had any other kind of communication when they came into the port. If they had to go to one elevator or the other, there were just different flags. From my Thunder Bay sources, they were shipped here for the 100th anniversary of the Lake Shippers. They deny any knowledge of ever having them.
[Laughs]

JM: Haven't been seen since?

NP: Haven't been seen since. There's one beautiful painting in the Grain Commission office as you come in of a ship being loaded. Big oil painting that's bigger than that wall. There were apparently three done, I think, for the 1935 exhibit. I don't know if it was a world exhibit being held here or somewhere else. I'm not even sure if they know where two of them are. Certainly, the third one has disappeared and I'm wondering, "This is a pretty big thing to disappear. Who has it in their--?"

[2:55:31]

JM: Who knows?

NP: So, those kinds of things that should be, I think, public resources, certainly if it's from something like the Grain Commission, slip away. Anyway. This has been a marvelous opportunity to have you interviewed. A very broad perspective. Wise, so thank you very much.

JM: Well, thank you! I'm glad you're doing this. Somebody should. [Laughing]

NP: And we thank the Paterson Foundation, which provided us with the funding to get the equipment and get us going. It's been a real learning experience for me. Thanks Mary!

End of interview.