

**Narrator:** Dale Riddell (DR)

**Company Affiliations:** Alberta Wheat Pool, Agricore

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**Interviewer:** Bea Cherniack (BC)

**Recorder:** Nancy Perozzo (NP)

**Transcriber:** Sarah Lorenowich (SL)

**Summary:** Former director of corporate affairs for Alberta Wheat Pool and Agricore Dale Riddell discusses his career within the Pool and the history of the organization. He describes his first job as the Pool's one-man advertising team and the growth of that division over the years. He describes his move to becoming corporate secretary, the responsibilities of that role related to the monthly and annual meetings, and his eventual promotion to director of corporate affairs. He shares the history of the formation of the Prairie Pools and the Canadian Wheat Board, their rapid expansion in the grain industry, and the main facets of the Pools' businesses. Riddell discusses some of the major changes and policy issues during his time with the Pool, like the Crows Nest Pass freight rate debate, divided opinions on the Wheat Board, the growth of farm operations, company amalgamations, and the lack of farm input in grain industry organizations. Other topics discussed include Alberta Wheat Pool's interaction with grain research, his pride in working under the Pool's cooperative philosophy, Canada's global reputation for quality and dependability, the Alberta Wheat Pool delegate system, what modern successful farmers look like, the growing role of women on farms, and areas of the Pool's policy and action he would have changed.

**Keywords:** Alberta Wheat Pool (AWP); Farmer cooperatives; Prairie history; Grain marketing; Grain advertising; Radio broadcasting; Annual general meetings; Agricultural policy; Grain trade—Laws and legislation; Boards of directors; Corporate secretary; Farmer delegates; Farmer meetings; Corporate structure; Country grain elevators; Terminal grain elevators—British Columbia; Terminal grain elevators—Thunder Bay; United Grain Growers (UGG); Saskatchewan Wheat Pool (SWP); Manitoba Pool Elevators (MPE); Agricore; Agricore United; Amalgamations; Mergers; Canadian Wheat Board (CWB); Grain handling; Single-desk marketing; Agribusiness; Agronomics; Farm supplies and equipment; Non-board grains; Winnipeg Grain Exchange (Winnipeg Commodities Exchange); Canadian Grain Act; XCAN Grain; Grain research; Seed development; Grain export destinations; International trade; Grain transportation—Rail; Crowsnest Pass freight rate; National Farmers Union

## Time, Speaker, Narrative

NP: I'm ready.

BC: Today is May the 27<sup>th</sup>, 2010, and this morning we are interviewing Dale Riddell. It's Riddell, right? That's the right pronunciation?

DR: Yes.

BC: Nancy Perozzo and Bea Cherniack. So to start the interview, Dale, we ask you—which we started before the tape went on—how you got started in the grain industry, the grain trade.

DR: Okay. Well, I was raised on a farm, and so I was used to the production side of the grain business. Then later in my life, I was working in the radio and television business, and I was doing a lot of broadcasting of agricultural programs and marketing information on radio and television. One of our key advertisers for the program was the Alberta Wheat Pool. And one day, they simply phoned me and said, "Have you ever thought of moving from Red Deer to Calgary?" And I was sort of stunned, and I said, "No, but I'm open minded." And they said, "Well, the next time you're in Calgary, please stop in and talk to us." So I did, and that eventually led to a job of managing the advertising for Alberta Pool.

BC: Okay. And--.

DR: Do you want me to go on long?

BC: Oh, go. Just go, this is interesting. Yes. [Laughing]

DR: Well, you stop me if you want to get back on track or whatever.

BC: Okay. Well, we'll look back and see what we haven't covered.

DR: Yeah, okay. So I went down and met with the director of corporate affairs, and he took me into the president of the Pool. I'll never forget that interview. His name was Gordon Harold, and he was a long-time president of Alberta Pool, and one of the real stalwarts of promoting Pool activity. The fellow said, "This young guy wants to work for us." And he just kind of grunted. He was sitting behind this big desk, and the fellow that was wanting to hire me said, "Would you like to talk to him?" And he said, "Yes,"

and he just sat there and didn't say anything. There was a long silence, and finally I said, "Well, look, I'm just in town, and I'm not really sure I do want to work for you, but I've been asked to come in, so I'm here. I'm open minded. I like the grain business. I know agriculture." So I made the conversation, and he just sat there with his arms folded and didn't say hardly anything to me. I thought, "This is the strangest interview." But it was just a tactic, I found out later, on his part to see how I would handle a difficult situation.

So to make a long story short, later I was offered a position with Alberta Pool managing their advertising. At that stage, they were doing very little commercial or institutional advertising, but they wanted to ramp it up. So I was brought in to do an institutional program. Every day on the radio across the province they would have a message from Alberta Pool, and it was not the hard type of advertising. One day, it may have been something philosophical. It may have been a poem about life. It may have been recognition of our history or complimenting someone who did something, or an upcoming meeting of the delegates, or whatever. Then occasionally, we began to work in more and more hard advertising of product and services, and so that was my first job with Alberta Pool, that's how I got to work for them.

BC: Did you have to write the material?

DR: Yes. I wrote it, and I recorded it, and I sent it out to radio stations, and I also drew up ads for papers and so on. So it was a one-person show. And then later as we got doing more and more of it, through the weekly newspaper mostly in the province—which there was over 70 at the time—then I began to work with an advertising agency, and we got more sophisticated in doing the advertising. It just grew and grew from that point on.

BC: And you moved to Calgary at that point?

DR: Yes. I moved down to Calgary at that point, and I had never had a job for more than five years in my life, because I always found I got bored after a certain number of days. So near the end of the five years of doing the advertising for Alberta Pool, I began to look around, and I had some other opportunities. I just assumed that you get on top of a job, and you get bored with it, and you want to move on and do something different. So one day, the director of the department come in. His name was Allan Beattie, and he said, "The board wants to see you." I thought, "Oh, brother. What have I done now?" So I said, "What's up?" And he said, "Well, I think they want to offer you a job." So I went down and walked into this board of directors meeting, and they said that they were looking for a corporate secretary, and the one that they had was moving into a management position in the organization. So they said, "We'd like you to consider being the corporate secretary to the board of directors." And I said, "Well, [laughs] what kind of expectations do you have?" They gave me a few thoughts about it but not much, and I said, "Do I have some time to think about this?" And they said, "Yes, you can have overnight." [Laughing]

**[0:05:19]**

BC: And what does a corporate secretary do?

DR: A corporate secretary manages the board meetings in terms of drawing up all the materials for the board meeting. The job at that point was to organize all the meetings of the delegates who are elected by the farmer members. So there was 72 delegates across our territory of Alberta and northeastern British Columbia. The delegates met for an annual meeting, and it was basically their annual meeting. So you had to organize the meeting, the agenda. You drew up the process, I guess, speakers. You managed all the policy discussions that come into the annual meeting for decisions around various policies, and you handled bringing media in for certain parts of the meeting to have discussions about what was going on. You kept the minutes of that annual meeting. It was a two-week annual meeting at that time, if you can believe it.

I can remember after my first annual meeting going back to the head office. It was held in the Palliser Hotel in Calgary, which was where Alberta Pool was born as an idea. So they then had their annual meetings there every year. I can remember going back from the first annual meeting with my arms out in front of me and books right up to my chin of all the notes I had taken from two weeks. And then you had to go back and work through it and draw up the minutes of that meeting. That was one of the jobs. Plus, in the board--. So the annual meeting was held annually, and the board met monthly, and those were your two key responsibilities, plus I wrote the annual report and managed all the policy activities.

BC: Just--. You dropped in an interesting thought about the Palliser Hotel as where the idea of the Alberta Pool came. Can you tell us about that?

DR: Yes. Actually, in the late 1900s, early '20s, when farmers were more and more frustrated with how their grain was being marketed, there began to be some sporadic meetings around the province. There was a fellow come up from California by the name of Aaron Sapiro, and he was a high-powered lawyer from California who had deep social roots and had some experience in cooperatives being developed in the US. He was a very inspirational speaker, and he met with a group in the Palliser Hotel and began talking about how the concept of a cooperative would work where the members would own it and control it and determine its destiny. Whereas at that time, the farmers felt that they were simply delivering grain into a system, and once they unloaded the grain, a company of independents took it and did what they wanted, and the farmer lost all control. And in fact, at times, the farmers even lost their value of their grain because of swindling and frauds, scams, and so on. They just felt they had no control. So they thought if they could deliver into a company that they owned and controlled, then it would give them more power. So that meeting with Aaron Sapiro actually planted the idea of starting a pool concept or a cooperative concept.

BC: And was the Alberta Pool one of the first ones in Canada?

DR: Yes, it was. It was one of the first, but actually, United Grain Growers [UGG] had formed earlier. I believe it was 1906 when it was formed, and it was started with farmer ownership and involvement as well. But the Pool was seen as a different movement, although aligned with the principles of United Grain Growers, and farmers thought it was time to grow it and expand it and enhance their power in the system. So in, I think, it was November of 1923, the Pool set up its first office and then went out to sign up farmers to make a commitment to deliver to that. It was very successful. Actually, more deliveries come in than they anticipated, and then in 1924, Saskatchewan and Manitoba did much the same. Saskatchewan was overwhelmingly successful, and of course, at that time—well even today—they produce much more wheat in Saskatchewan than we did in Alberta, so they had bigger volumes. Then later in that 1924 year, Manitoba also had a sign-up process. It wasn't as wildly successful, but it did get off the ground, which was the formation of Manitoba Pool Elevators. So Alberta Pool was the first on the Prairies, and it spread across the Prairies from there, and then later, the three Pools began to work together.

**[0:10:20]**

BC: In what way did they work together?

DR: They worked together in forming a marketing agency. They had all this grain come in as a handler of grain, and they didn't really have a marketing entity. So the three Pools—Alberta, Saskatchewan, and Manitoba—got together and formed an association that would market the grain. So they sold to millers, to processors, to other countries, and so on with their own marketing agency in the initial stages.

BC: Do you know what was the name of that? Do you remember?

DR: Yes. It was the Canadian Cooperative Wheat Marketing Agency or something. I'll get it for you. I've got it. Something like that.

BC: Okay. And does that still exist?

DR: No. No. Actually, what happened is it was very successful, and a lot of the banks and observers watched how this Pool and this marketing entity grew way beyond their expectations. It really had the thrust of farmers behind it who come in, and they governed it, and they controlled it, and they were proud of it. So that spread throughout all the bases. The farmers and more and more people

wanted to be associated with it, and that's what I think was a big part of the growth of it. So as it grew and more and more grain come in, then the Pool had the problem of looking for more facilities, and later in about 1928, I think it was, they started to build their own grain handling country elevators. Before that, they simply leased space from existing companies or, as it happened, began to buy some elevators from other companies. But they started building their own country elevators in about 1927-'28, and then they began to look for port facilities because most of the grain at the time was moving through Fort William, Port Arthur because the markets were in Europe, and that was the closest route through that down through the Seaway. So a lot of the grain moved that direction.

But then when the Asian market began to develop, then it was more sensible to move some grain off our West Coast. So Alberta Pool built one of the first--. It was the first Pool-owned grain terminal in the port of Vancouver at the Burrard Inland. That was how they established their port position. Alberta Pool never built a grain terminal facility in Port Arthur or Fort William because they leased space from Manitoba and Saskatchewan's facilities there. But they did own the one in Vancouver.

NP: Is the one in Vancouver still standing?

DR: Yes. It's still standing, and it's by far the best grain terminal on the West Coast. It was expanded a number of times with different annexes to enhance the capacity and the technology of the facility. Today it's called Cascadia Terminal, and it's owned by what was Saskatchewan Wheat Pool but is now Viterra. It's a beautiful, modern, world-class facility. I think I got off track there. What was the original part of that question? [Laughs]

BC: Oh, no. I just ask questions off of what you said. No, that's good. We got a little bit of history put in there. Let's see. Where can we focus back and take off again with another thought? Okay. So we were at the point where you now became the corporate secretary, and how long did you do that?

DR: I did that for five years, from 1975 to 1980.

BC: Of course, five years!

DR: Yes! [Laughing] Didn't you hear about my five-year rule?

BC: Yes.

DR: You don't want to hang around a place too long.

BC: And did the job change in the five years that you did it, or you just felt that it was time to move on?

DR: It did change, and as I think I said, I did more than the--. Initially, it was institutional messaging, which was kind of nice, warm, philosophical messages, and every day we had a minute on all the key radio stations around the province. Then I began to take it more and more to the commercial slant to promote the business. I think that was a change that was happening in Alberta Pool at the time where it was thought that the Pool would stay strong and grow because of the philosophical support and the fact that it was farmer owned, farmer controlled, and that kind of pride in farmers would make it grow. But in fact, the Pool lived and survived by earnings, and that's one of the big misconceptions in any cooperative is you can't live in philosophy. You have to have a business that is creating earnings that can support promotion of the philosophy. If you don't have the earnings you think, then you simply fall apart. And that's what happens to many, many cooperatives, that they forget that it must be a business and run like a business, and it can still be a cooperative structure.

**[0:15:39]**

And so, Alberta Pool began to realize that it wanted to grow its business, and over that five years, they began to bring in more and more outside people. I was one of the first—not the first, but one of the first people—to be brought in from the outside, and prior to that, it was a common practice to hire people inside. So you started by cleaning the boot in the elevator, and then you were, okay, if you survived that, then you got to maybe run the country elevator, and then maybe you got to do some marketing or dealing with farmers. You worked your way up. When you come in from the outside, you were seen as somewhat of an undesirable, because you didn't clean the boot and work your way up the system. And I was one of the early people that did that. But at the time, they began to bring in other marketing people. They brought in someone to head up the agro-supply, farm supply business, which was fertilizers, chemicals, pesticides, and so on. They brought more and more outside people with more expertise to develop the business aspect of it. In my role, it was to maintain the historical, philosophical messaging and the support of the elected farmers, but also to do more business, and that was hard selling and promotion of services and products. So it did change over those five years, yes.

BC: When did--. I don't know if I asked the dates. When did you start with Alberta Pool?

DR: In 1975.

BC: 1975. And then you did the five years. Okay.

DR: And in 1980, they offered me the position of corporate secretary for the organization.

BC: Okay. And then we're up to 1985.

DR: Well, I did that--. Oh, gosh. Now you got me. Can I get a document and--?

BC: Sure, sure.

DR: I don't remember those off the top of my head. Excuse me a sec.

**[Audio pauses]**

NP: So if you're ready to go again, I've just got to start us up here.

DR: So I joined Alberta Pool in 1975, and in 1981, I became corporate secretary until 1990. From 1990 to 2001, I was director of corporate affairs, and corporate affairs was a department that did advertising, policy, government relations, public relations work, and policy analysis. So that's what I did from 1975 to 2001.

BC: Okay.

DR: And then in 2001, we were merging again with United Grain Growers. At that point, we had become Agricore. That sort of jumped ahead there. We did a merger first with Manitoba Pool. So Alberta Pool and Manitoba Pool merged, and then I moved to Winnipeg, and then later we began looking for another merger opportunity, and we merged Agricore with United Grain Growers. And then I was out of a job.

BC: Out of a job or retired?

DR: I was out of a job, yeah. [Laughs] You do mergers for cutting costs and becoming more streamlined, and that's what the grain industry had to do. It was very interesting at that time—I don't know if this is divergent or not—but all the grain companies were, at that point, were trying to find more efficiencies and more opportunities to create revenues. So it was almost like being at a dance where one day, one would come in and court you, and the next day, somebody else came, and then you went to visit somebody, and you were all sizing each other up to see where the synergies were of what you could bring together to create a better, stronger organization. So first of all, we tried to merge the three Prairie Pools—that was the initial attempt—and that didn't work after



lengthy, lengthy talks. Saskatchewan Wheat Pool decided that they were going to go public from being a cooperative, and that was the way that they were going to be stronger and raise more capital. We tried hard to talk them into coming in with Manitoba to Alberta and forming one big cooperative, but they said no, they had the right track in mind, and they were going their way. And we said, “Well, we don’t want to do that. We want to stay a cooperative.” So Manitoba and Alberta Pool joined together, and Sask Pool did their thing with the public offering. So that’s how that got to that stage.

**[0:20:28]**

BC: So this was in 2001, so that’s when you left Agricore, I guess.

DR: Yes.

BC: Okay. All right. I’m going to back up a bit because there were some questions going back from when you started, and then we’ll gear up and go forward once more. Nancy mentioned that there’s so many things that we can ask you in what you say, but we’re going to go back and pick up on a couple. Doing an oral history, of course, we’re very interested in the people that have been in the grain trade, and you mentioned the fellow who interviewed you for your first job, and he was actually quite a character, obviously, in those times to do that. Could you tell us more about him and what you know about him in the grain trade and a little of his history?

DR: Of Gordon Harold, the president?

BC: Mmhmm.

DR: Yeah. Gordon Harold had been president for a long term, like 20 or more years, and he was a farmer in Alberta who believed passionately in Alberta Pool and the cooperative. He was a man of few words, but when he said something, it was well thought out. People respected him tremendously. He led the Pool for a long time as the chairman of the board, and actually that position was a full-time position, so he moved his family from the farm into Calgary at the time to maintain the full-time aspect of that job. It was sort of interesting because the chairman of the board came to the office everyday, but so did the general manager of the business. The chairman of the board was there on behalf of the farmers to make sure that things were happening right, but the manager was expected to run the day-to-day operations of the business. That was somewhat different than a share traded business where your directors would come together quarterly for a half-day and then go back to their own lives, where this farmer stayed in the business all the time. It was sort of an attitude that you had to be there to make sure that the farmer’s influence or authority or hands-on never was lost, and Gordon Harold carried that for many, many years.

He was respected in the industry, and he led a lot of developments for Alberta Pool, like got us into the fertilizer business. He oversaw some of the expansion of facilities and so on. He clearly was the power in the organization. Where the manager had been hired to run it, but Gordon was the top figure in many respects. Then Gordon began to have health problems and died on the job. He was in Banff, Alberta, speaking to a young persons' conference and went back to his room and had a heart attack. And if I remember this right how this happened. He didn't die, but he was told he should go home and retire but didn't, came back, and then later died on the job. That's just the kind of guy he was.

So then later, another farmer was elected to take over that position, and it was always interesting dynamics. So when the new farmer come in, he was the new guy, and the manager was the one with all the experience, so he became more powerful then. You had this kind of back and forth of who had the power in the Pool organization. So again, that led to some interesting things that happened. The board began to realize that they didn't have the power they wanted, so they actually dismissed the manager later, thinking they wanted to get that power back. That led to some long-term dynamics that I think the Pool never really survived from.

BC: A little detail? [Laughs]

DR: Well, when they dismissed the manager, that was Wally Madill, who had been a long-term, very competent, solid manager. But he was let go, and then they brought in a new general manager who didn't have the sense of what a cooperative was about or how farmers operated. He didn't know anything about farmers or the business in many respects. He was a chartered accountant, and he ended up being a total disaster. I was in a terrible position with it because the board trusted me, and this new manager, when he took over, he said, "The one thing I'm going to do is Riddell must work for me not for you at the board of directors." I was his. No, he wanted the power. So they said, "Would you do that?" And I said, "I will as long as there's a position of respect, and if it's not, then I'll just quit." And they said, "Fine." So I went to work for him, and I had an agreement with him that I work for him as long as I could and respect him as the general manager, and I would tell him what I thought honestly.

**[0:25:53]**

So things weren't going very well, and the board kept coming to me and saying, "What do we do? What do we do?" [Laughs] And I said, "Get out of here. He's my boss. I'm not going to sit here and talk behind his back." But it wasn't going well, and there was a big meeting of delegates. It was a special meeting called. It was held in Grand Prairie, Alberta, and the delegates who prided themselves in running their own annual and delegate meetings without interference, kicked everybody out—manager and board—out of the meeting, and they called me in and said, "What's going on with this new manager? Can you tell us really what's happening?" They had suspected that he was trying to eliminate a job in the operations that supported the delegates, but he was not.

That was my doing trying to cut down some costs, so I told them that. We had a long discussion with what was going on, and I confided in them considerably about a number of things.

And then later that general manager phoned me, and he thought he was going to get fired. He said, “Dale, I need a speech for the morning.” [Laughs] This was about 11:00, and I was in bed, and I said, “Well, I’m in bed.” And he said, “Yeah, but I need a speech by the morning because I’m afraid of what’s going to happen.” And I said, “How about I meet you in the morning and we’ll throw some things together for you?” So about 2:00 in the morning he phones again. [Laughing] He says, “Dale, did you do anything on that speech?” I said, “No. I’ll see you down at the restaurant at 6:00 in the morning sharp, and we’ll roll out a speech.” So we went back to bed, and at 6:00 I was there, and I gave him a pad of paper and a pencil and said, “Here’s what I would say if I was in your position.” I just rattled. He wrote down because he was in a turmoil about to be fired and couldn’t think clearly. So I just rolled out the speech, and he said, “This is great stuff.” Then later the delegates did ask him to speak, and he did and presented the talk. Nothing happened right then. We went back to Calgary. He thought he had survived it, but the board met, and there was such much turmoil around the whole thing that they decided that they just had to terminate him. So they ended up terminating him.

BC: Wow. The growth in an organization is just fascinating, isn’t it?

DR: Yeah.

BC: Especially in the—well, not especially—but certainly in the grain trade, as you describe all these mergers, all these changes, all these different growth aspects within the business, which leads really to the second question going a little bit back is Nancy asks--. I’m not quite sure what you mean about the business of the Pool. Do you want Dale to describe what?

NP: I think a lot of people when they—non-knowledgeable people like me—think of the Pool elevators as they own these little elevators and here comes the grain and out goes the grain, and that’s the business. But the business is far more than that, and because of your experience with it, you had mentioned the fertilizer and seed aspects of it, but what other aspects are there of the modern Pool company starting from--?

DR: Oh, okay. Well, the modern Pool company at the time when the Pools existed would be buying and handling grain. They handled grain—the wheat and barley and oats, at one time—for the Canadian Wheat Board [CWB]. The Canadian Wheat Board was by an act of parliament a marketer of those cereal grains, and they simply would sign a contract with the Pools to do the handling because the Canadian Wheat Board didn’t have facilities. So we were contracted to buy wheat, oats, and barley on behalf of the Canadian Wheat Board account. We would be paid a tariff on every bushel that we handled, and the Wheat Board would

indicate what was to come into the elevator, and they marketed it. So they told us what they wanted and so on, and we were the means of handling those grains.

**[0:30:31]**

But we also bought the non-board grains, which would be your flax, rye, and grains that were not under the jurisdiction of the Canadian Wheat Board. So we actually bought those stocks, and we would hedge our position when we took so much grain to an elevator, and we were liable for the risk on those stocks as well. So we bought them, we managed the risk around them, and we marketed the non-board grains. We did for canola, flax, and other non-boards what the Wheat Board did for the cereal grains. So the Pool handled, as an agent of the Wheat Board, the cereals that I talked about, then we also marketed the non-board grains, plus we started an agro-business. And the agro-business was manufacturing and selling fertilizers to the farmers to produce the crops, but also herbicides to manage the weeds and so on, and pesticides to manage disease in the crops. So those were the key aspects of the business, but we got into many things like grain bins. We handled some small short-line equipment like grain augers and stuff like that. So it was a big business that tried to get into business activity all related to the production of grains. And by grains, I mean cereals, oilseeds, pulse, and special crops. That's another entity that later did develop—special crop processing and buying. That would be like your mustards and peas and lentils, where Alberta Pool owned a special crop business as well as doing the other things that I talked about. So it was a huge business.

BC: Well, you really answered--. The other question was, I think, the connection of the selling arm of the Alberta Pool and the Canadian Wheat Board. You've answered that one, so.

NP: I was interested in when you were talking about the three Pools creating their marketing arm in the initial stages, and I wondered about how that fed into the Grain Exchange operation. Were they parallel? Were they--?

DR: Well, the Grain Exchange existed long before the Pools, and that's where speculators came together, and positions were bought and sold. People took short and long positions, which you probably understand. People were there to speculate on the basis of what was happening in the grain markets. The farmers, in the early days, felt that they were being taken advantage of by these speculators, and the speculators were making money and getting rich, and they were simply being told what they would get for their labour. They felt that they were being betrayed. So the Exchange existed early in the early days. Then when the Pool came around, they simply bought the stock, and the banks took some of the risk, but the Pools actually, in the early stages, also hedged some of their commodities that they took into the facilities to protect the risk of the price. Again, to make a long story short, so they did that for a number of years very successfully, but then there was a crash came in the Depression. Remember the Pool, Alberta

Pool, started in '23, and then your Great Depression started in '29, and that's where the price of world markets for grains and many commodities collapsed. In a very simple term, the Pool had taken a lot of grain in at a value and paid the farmer an initial price.

So if I can just use an analogy-and I don't know the exact figures, but they're in history books like this one, *Tides in the West*, which I can let you have if you're interest—if the price of grain, say, in the market was \$2 a bushel, the Pool may have said, “Look, we can safely pay the farmer \$1.20 when he delivers it.” So then you're got 80 cents against the world price. We'll first take it in, pay the farmer \$1.20 so the farmer's got some money to live on, pay expenses, keep the farm going. And then as we sell that bushel, if we did sell it for \$2, we would simply take off our expenses and pay the farmer the difference back. So if there was an 80 cent margin there, and the Pool said, “We need 5 cents,” there'd be 75 cents go back to the farmer.

**[0:35:33]**

But what happened in the collapse of the world commodities, when it fell down, it went below what the farmer was paid. So in this analogy, if the farmer had been paid \$1.20, and all of a sudden, the world price was 80 cents, the Pool was in deep doo-doo, and that's exactly what happened. So the Pools, basically, were about to collapse, and then the government stepped in, and the Alberta government, for one—in the case of Alberta Pool—actually backed the Alberta Pool. That's when, then, they began to take a look at the Pools had too much risk because of the up and downs of the commodities, and you could not predict what was going to happen to commodities. So the farmers felt they could not carry this risk on their back, and the Canadian government then stepped in, and somewhere around 1935, I think it was, they decided to form the Canadian Wheat Board. The Canadian Wheat Board would be an act of parliament under the Canadian Grain Act, and they would actually take the wheat, and they would back the risk with government coffers. So the farmer would deliver into the Canadian Wheat Board and not the risk of the Pool. So then the Pool became a handler and less of a marketer of those grains that the Wheat Board had jurisdiction for. Does that make sense?

BC: Yeah. It does.

NP: Mmhmm.

DR: So that risk moved from the Pool to the Canadian Wheat Board, and if there was a collapse of markets, it was picked up. Or even if, let's say, if the Wheat Board paid \$2 to the farmer, but in fact the price collapsed, the Government of Canada was liable for the shortfall, and the farmers felt that was a reasonable thing for the government to do because the agricultural business was such a contributor to the economy and to the Canadian people, to the war efforts, and so on in supplying food, et cetera. It was just considered a very important business.

BC: Well, you do seem to be a bit of a historian. So when you assume certain things, when you said “Of course” about knowledge of the initial setting up of the Grain Exchange, I don’t know if we have much background in that because I don’t think anyone has really talked to us a lot about that.

NP: We’ve interviewed Doug Ford as--.

DR: Oh, he would know ten times more than me about it, yes.

BC: Okay, okay.

NP: I have a question about--. I know that the Wheat Board came in in '35, as you mentioned.

DR: I think it was '35.

NP: I think there may have been an earlier semi-version of it, but then it didn’t come in, and then it was reestablished again later on. So did the marketing branch that you talked about with the Pools, that continued through the Wheat Board era, the early era—the 1935—with the non-board grains? Or did it, once the Wheat Board came to being, did the cooperative marketing effort of the Pools just go by the wayside?

DR: Well, in the early days, wheat was the big crop. Wheat and barley was the big crop. Barley was mostly used domestically for the feed industry. It was a feed commodity, so there wasn’t a big marketer for it, but malt barley began to grow with the consumption of beer and the processing of barley for malt. The Wheat Board handled wheat, oats, and barley in the initial stages, and so when that marketing transferred from the Pools to the Canadian Wheat Board, then the marketing of the three Pools—which was the Canadian Cooperative Wheat Producers Ltd. I think was the name of it—it was basically dissolved. But there was still a marketing entity, and we decided in the Pools that each Pool would manage the marketing of some of the non-board grains on their own. So they did not continue to operate one entity on behalf of three Pools, but they began to market more on their own.

Then later, there was another kind of evolution around this. We did then form later XCAN Grain Ltd., and XCAN Grain then became the marketer of the three Pools of the non-boards, and it was a subsidiary of the three Pools. So some of that expertise moved into the XCAN environment, and that became the marketer of mostly canola, flax, and commodities such as that. So that’s how it really evolved.

**[0:40:27]**

BC: Why did the government not move forward? They took the risk for the farmers around the big grains, but as the grain industry has changed and the other ones have become more prevalent, they haven't taken over the marketing of those, have they? Like they're still separate.

DR: Oh, of other grains?

BC: Yeah.

DR: Well, actually, the Wheat Board was never a concept that all farmers bought into. It was always a very controversial one. There's some farmers that absolutely hate the Wheat Board concept because under a law, it was the only marketing entity. Some farmers felt that they could take their grain and market down to the US, or they would like the right to sell to any buyer for wheat that they wanted. You see, the Wheat Board pooled the pricing. It was a pooling concept so that if the early part of the year had a low price, and then price was escalating, over the year at the end, they would average those prices out—the lows and the highs—and if you delivered some grain at the beginning, the middle, and the end of the year, you got an averaging of the price. Some of the farmers thought, "Gee, I knew the price was going to go up, and if I could have had the right to market my grain on my own, then I would have held my grain in my bins because I knew it was going up and sold it then, and I could have got high price." So they wanted that right to market themselves, but the Wheat Board had the right to do it.

So there's always been a great controversy about was the Wheat Board good or bad for farmers? It really boils down to two concepts in my mind. One is the concept of a single desk. Is that in the interest of the farmer, or the economics of it? And the single desk concept is very simply like this: A single desk concept says that when you have 100,000 farmers producing grain, is it better to have 100,000 farmers knocking on a few buyers' doors to say, "I would like to sell you some wheat, barley, or oats"? And the buyer says, "Well, there's only 25 of us buying grain today, and there 100,000 of you. So my price, it would be 25 cents," or whatever. Then the next one might say, "Well, I'll give you less," or whatever. So the buyers had the control. So the concept was that if it was a single desk, only one seller on behalf of the 100,000 farmers would knock on a buyer's door and say, "The price is-- Do you want it or don't you?" So the price power was in the hands of the farmer with the single desk concept because there was one seller representing all the farmers growing wheat. So that concept appealed to many farmers.

The other aspect of the Wheat Board was economics, and that is how can the farmer do better? The ones who subscribe to the single desk thought that the farmer was doing better by having one seller on their behalf, but some farmers felt that because of the rising and lowering of prices all the time that they could do better on their own. So they wanted the right to go around the Wheat Board, which they didn't have the right to do it. There's always been that argument of economics and single desk concept of which

is better for the farmer, and it even exists today. So then later, I think it was somewhere in the 1980s that the government of the day decided they would take oats out of the Wheat Board's jurisdiction, and they did take oats out, but they kept wheat and barley under the Canadian Wheat Board's jurisdiction, and that remains today. There was also a plebiscite of one time of "Should the canolas and the non-boards be rolled under a Wheat Board concept?" There was a plebiscite, and farmers said, "No." So it's always been outside the Wheat Board jurisdiction.

BC: Well, that answers my question. That's great.

NP: Do you come down on one side or the other?

DR: Personally?

NP: Mmhmm.

**[0:45:05]**

DR: I think from what I've seen in my time, the Wheat Board clearly gave the farmers some significant advantage at times, but it doesn't mean the Wheat Board was always right. The Wheat Board made some errors, and in my view, the Wheat Board became a little complacent because they had legislation behind them to give them power and at times made some errors, and at times became complacent, and needed to be prodded a bit. It's not unlike human nature. Competition in an environment is always good to keep you sharp and aggressive. So I think overall, the Wheat Board did a lot of good for the farmer, but then later too--. You have to realize in the early days, the farmer was out in the backwoods, you might say, and think what communication was like in the late '20s and '30s. They really didn't understand the complexities of what was going on in the world, nor did they have the ability to go out and do some marketing on their own entity. Like, they couldn't fly to Japan or China like the Diefenbaker people did in the '60s and make big sales on behalf, so the Wheat Board did a lot of good in that sense of being able to do that kind of thing.

But then later as communication expanded, the farmers became more worldly. The farmers became better educated, then they could, you know, get on the phone and talk to a buyer in the US or whatever. They had more skills and so on to do things that they could've done some marketing on their own. So it was an evolution of power and knowledge. So in the early days, the Wheat Board clearly did provide an advantage, and later on as farmers became more sophisticated and more independent, they could have been doing some very good things on their own behalf, and they did in the non-board area.

BC: So looking back on your--. How many years was your career? It went from 1975 to 2001.



DR: Yes.

BC: That's a long time in that business. Out of all of that, what are you most proud of of the things that you did in the business?

DR: I'm proud of the fact that I encouraged and fostered farmers to come into the democracy of the cooperative and exercise their right as an owner to direct and to be influential in a multi-billion-dollar business, and to enhance the returns that a farmer was able to gain. So when profit was made on the marketing of grain or agro-products, because the farmer owned the business, they also reaped the dividends or the earnings at the end of the year. The cheques went out to those farmers, and they were very happy to share in the earnings, versus giving it to another independent company where the family or the shareholders took the earnings. So I'm very pleased to watch farmers come in and help them develop and build their confidence around being an owner, and to recognize that they in fact could go beyond just being a farmer, and they could work beyond the farm. So I was very proud of that. Let me think, what else. That's a hard question. [Laughs]

BC: Did that give you the most satisfaction? I guess proud, satisfied, or could there be a difference between--?

DR: Yeah. I think the other things was the empathy for the farmer and the fact that the Pool considered honesty and integrity above just about everything else. I can remember farmers coming in and asking for things that really didn't have economic justification, but it would be done because a group of farmers needed help or a service. Honesty with the farmers was never in question. I'll give you an example. Sometimes at the end of the year when we sent cheques out that represented the earnings, a lot of cheques, after a while, we would notice did not get cashed. So we use to send staff out to the farm and say, "Six months ago, we sent you a cheque, and it's never been cashed. Is there a problem, or did it not get to you?" The farmer would say, "Oh, you know, I must have misplaced that cheque," or "I never got it," or they found it in the beer box of their tractor or something like that. And they said, "The fact that you come out and did that to me instead of just saying nothing and eventually rolling it into what we call permanent equity--." Just the farmer never got it. It was a sign of honesty, and many farmers that we did that with said, "If this is an organization that would do that for me, I want to do something for it."

**[0:50:44]**

I recall one when I first went to the board of directors, there was a farmer by the name of Park Dobson, and that was exactly how he got involved in the Pool. The Pool came to him, he had not cashed a cheque, and he said that was so honest. He said, "Many other grain companies would not do that for you." So then he became a delegate and eventually a director, and a very influential director. He just said, "This is the kind of organization I want to belong to." So that kind of honesty and integrity was something that I really

valued, and I saw it over and over again. The farmer's right and being honest with that farmer was so important to the Pool that I was just proud to belong to it.

BC: Is there anything out there for farmers that comes near to what the Pools offered before? Is there that connection still in the business or is it gone?

DR: It's largely gone. The three Pools now have gone from a state of direct ownership to a share-traded business. So the big companies in grain handling now are the Cargills, who is a multi-national, privately-owned entity based out of the United States. Viterra is a Canadian-based company which has now garnered all the assets of the former Pools, and it's share traded. So a lawyer in Toronto can own a share of that the same as a farmer in Two Hills, Alberta, can own a share of it. So the connection and pride of ownership is lost completely of what the Pool had because it's--. And I wouldn't say that's all bad because it's been an evolution, and there's been a lot of cost cutting and a lot of changes and a lot of aggressiveness and so on in the marketplace because the world has changed. So they're doing a job. The farmer expects them to do what's right and so on, but the farmer still has to watch more so on their own behalf than what they did in the past.

BC: This is a little bit tangential, but not a question. Did you ever go to Thunder Bay?

DR: Yes.

BC: Could you tell us a bit about your recollections of the operations in Thunder Bay. I know you didn't have an elevator there, but you rented.

DR: Well, we didn't have an elevator there, but we had handling agreements with Manitoba Pool and Saskatchewan Pool who did have terminal elevators there. So I went there, and I was in the facilities only as an observer. I didn't manage it or have much to do with it, so I can't tell you a lot. The main reason is we did move product there if there was a reach into the Alberta marketplace to move grain to the eastern area for a marketing purpose. Excuse me. But most of the grain in Alberta moved west because of the distance. We were obviously much closer to the port of Vancouver than we were to the port of Fort William. So I knew that there were big terminals there, they handled a lot of grain, but I didn't have a lot of close relationship with it, no.

BC: We're covering a lot of things. I guess the only other area would be going back to the Alberta Wheat Pool, the role that research and science played in your company's international grain trade.

DR: I'm sorry the role of--?

BC: That research and science played in your company.

DR: It played a big role. For many years, the federal government looked after a lot of the basic research in plant development and so on, if that's the kind of research you're talking about—developing of new varieties?

**[0:55:06]**

BC: Mmhmm.

DR: So a lot of your federal research stations did a lot of that, and then more and more was taken over by the private sector because there was more money put into it. There was new technologies with gene manipulation and so on, so companies could get in and start developing new varieties. There was a feeling that the federal government was not putting as much money or time or focus on that development as could be, so more and more private institutions with universities got into it. The Pool did get into it in a big way. In Alberta Pool, we had our own research division, and at times, we had over 20,000 plots in any one given year around the province. We began to look at developing some better varieties of barleys, canolas. We began doing work on research with some of the special crops, like mustards and so on. The idea was that if we could come up with a better variety of mustard or canola, then we would have ownership rights to that, and we began to develop a seed division.

That was another division we had was selling the seed to the farmer. And if you had the rights to a variety with unique characters that stood up better, it had a better yield, or a higher oil content to it, then you could, again, provide a service to your farmer members and make money in the marketplace. So we got into research in a big way. We also did research with the chemical companies on weed control and disease control in crops and so on. So it got to be a big part of our business, and we did clearly get into it. So not only were the federal research stations doing it, but we were doing it privately as well.

BC: Great. This is a general question. What part of the history of the industry do you feel is important to preserve and share with the public? Obviously, that's something that's of great importance to us because we're doing this project. What do you think is the most important thing that Canadians need to know about the grain industry?

DR: Well, in terms of the Pools? In terms of the Pools--.

BC: Well, Pools and generally. Both.

DR: Well, in terms of the Pool, I think it's a phenomenal story of self-help where the farmer felt that they were being taken advantage of by marketers who had expertise and information beyond what they had, and the farmers took a hold of a situation and said, "We're going to do things on our own." In many respects, they were unskilled beyond their farm operations, but they became skilled, and they hired skills to help them. And that was one of the messages of Aaron Sapiro when he talked to them about forming Pools. "Don't be afraid to pay well and hire the best." And they did that. The term is often used that "The farmers pull themselves up by their own bootstraps." The fact that they did that, and they started with nothing and grew their business in their own interest in terms of the Pools into a billion-dollar business is a phenomenal story of how they did it. They were very prudent, they were very shrewd in many respects in the business, and they built support around them. When those cheques for the ownership and the profits went back to the farmers, they were pleased with it, and it helped their economic decision.

So that is a phenomenal story when you think of it. They didn't sit by and cry to the government to help them. They did it on their own, and they did it very, very successfully, and it grew beyond anybody's expectation. That's something I think is--. It's a message that we can do things we put our mind to it, and we do it in a smart, prudent manner. And I think it's part of the Canadian heritage that we just got out there. And western Canada more than, I think, any other part of Canada is known for this sort of an independent spirit of wanting and just doing it and getting it done. That's something that's a difference from me being raised in eastern Canada to the west. The west is much more a frontier where people didn't have the services because of the distance and the new aspects of the development of the west, and many farm communities did it on their own, be it setting up their own credit union for banking, setting up their own grain elevator to handle the grain commodity. Where in the east it was more kind of expected or supplied by the closeness of the community, in the west as the frontier, people just did it on their own. That was a big story, and it helped tremendously in the development of the west.

**[1:00:41]**

BC: I agree. So now to broaden that question--. Well, just any comments, I guess, generally that you think we should have on this tape that tells us important things. You've had a long history in the grain trade. Was there something that we should also be recording?

DR: Well, help me again in saying what is your key goal?

BC: In this project?

DR: Yeah.

NP: Key goal is to record the history of people in the grain trade so that--. Eventually, what we would like to do is broadcast it more broadly to people who aren't in the grain trade so that they recognize it, as we do now—starting from a knowledge base of about a millimetre thick—having far better knowledge of just how important it was to the development of Canada, let alone the development of the west.

BC: The history of the railways, the history of businesses, the history of the grain trade. This has been incredibly important to the country, and when you think about it, there isn't really a centre or a place that focuses on that. That era is passing. I mean, that's what we're talking about. You described a phenomenon, and you were in it, and you can tell us things about it. You're young. We've interviewed a lot of elderly people who are living history, and if we don't do the oral history it's going to be gone because, as you know, the history books that aren't written by the people who did it don't really accurately reflect the reality of the situation. I think it will be a great way for kids and for adults to have a sense of what built this country.

DR: Yeah.

BC: If we get a grain elevator to have it be a focus, like an activity centre, where you could hear from all parts of the industry, like from the person who ran a country elevator, from a farmer, to someone who--. I interviewed someone who was in the insurance arm of the business because too many of the grain elevators were burning down. Fascinating. I mean, it's beyond what the average person can know about.

DR: Yeah. Well, I think agriculture really developed western Canada. That was the reason people came here. People in Europe had a dream of being independent, of having a right to own land and to be a successful farmer. People from almost many parts of the world came here for that independence and that chance for economic success that they didn't have. In some cases, it was Mennonites that were persecuted, parts of Russia that people wanted to get out of, Ukrainians. So they came here for that independence, ownership of land, and to be a successful, family business, and it was based on agriculture. The fact that they came, and they worked hard, they lived in various dire kinds of conditions many times, but they did it, and they used their head to help them advance their business. And the Pools in the grain business took them beyond the farm and opened up a whole new world of what happens beyond the farm, and they got, through their own company, to have a piece of that and to see it and feel and share it. I think that's a big part of the kind of story that is so important, that agriculture drove it, and then the farmers and the people made it happen. It was their independent spirit and willingness for risk and adventure that took them beyond the farm in many respects, and they built a legacy that, in one respect, was something like Alberta Wheat Pool. Be it the ownership of facilities, the handling of grain, the return of the earnings, and so on that just did so much for the economy of Canada.

[1:05:13]

NP: Speaking of the contribution to Canada, one of the things that amazed me when I started to learn more about the industry was how Canada—which has a relatively small population as a country—managed to be such a big player on the international grain scene. Do you have any comments to make about how you think the Pools, and particularly Alberta Wheat Pool, contributed to Canada’s international success?

DR: Well, we had a huge land resource and a resource of farmers who were skilled producers. Also, we had in our favour weather circumstances and soils, so Canada very quickly became known as the supplier on a regular basis or very high-quality wheats in the early days. With the kind of weather and soil we had, our wheat was very hard, so it produced one of the best loaves of bread, and that was recognized around the world. For many, many years as the west began to develop, there was only about four countries in the world that were known as regular exportable, dependable sources of grains for feeding the world, and Canada was one of those. We had a stable government, we had producers that were skilled in production, and we had the highest quality. Many buyers—China, Russia, and so on—in the early days would buy from some of the other countries that had poor, more unreliable sources, but they would also be able to buy some cheaper commodity grains there, and they would buy Canadian grains to blend with it. So they would raise the quality of the loaf of bread that they were able to produce, but they always depended on Canada.

Then when the Canadians went into China, and they began to develop-- Remember, China was basically ostracized by the rest of the world, and we sold wheat to them when they were starving and in tough times, and they were amazed at the quality. And for many years, the Chinese would come back to us and say, “Because you did that when our back was against the wall, and we were amazed at the quality of your grains,” every time they needed grain, they would always look to Canada first, and that became a very big buyer of Canadian grains. But also during the war when Great Britain needed food supplies during the war and that, Canada was able to be there to provide food supplies. I know my own circumstance. My dad didn’t go to war because he was a farmer, and farmers were encouraged to stay back and produce food to feed the troops, essentially. So that history of our volume of production, the capacity, and the dependability just really has been known for years and years, and Canada is still recognized for that.

BC: That made me think, is anyone on your family farm anymore?

DR: Yes. My older brother does. He manages the family farm. I could be there today, but I chose to do something different. I had four brothers, and our dad died when we were young, so basically the kids ran the farm with our mother for a number of years. Myself and my older brother were the only two that were interested in agriculture. The rest had other interests. And so, when I finished my high school, he had quit and was running the farm, and he said, “Would you like to go into partnership, and we’ll buy this together?” I said, “No, I want to go out and do something on my own,” and I left and went to Alberta then.

BC: To be a cowboy. [Laughs]

DR: Yes. And he has been very successful. He's a very successful farmer in Ontario, and so he still manages the home farm there.

NP: How would you describe the difference between farming in Ontario and farming out west?

DR: Well, it's different for commodities. It was much more of a mixed enterprise in Ontario. In Ontario, most farms had about a 100-acre parcel. At the time, that was a very common parcel of land, and you would have, you know, 300 chickens, 400 pigs. You might milk 20 cows. You grew some crops. You fed some of it, you sold some of it. It was a mixed enterprise. Where in western Canada, because people come out, it was more of an economy that was less diversified. You know, when wheat was big, you could do very well in producing wheat, and then they get into some of the non-board grains as well. Then people began developing large tracts of cattle and so on, and then later on hogs and chickens and so on and dairy in the west too. The west was more specialized and larger because agriculture is so much bigger in western Canada than eastern Canada. I said there that 100 acres was a common farm in Ontario, where in the west you'd be farming 1,500 or 2,000 acres. It's a bigger enterprise because of the land resource. The land base in western Canada is just huge compared to Ontario.

**[1:10:51]**

BC: Well, I'm glad to hear that somebody's still on the farm. [Laughing] That's great!

NP: One thing that we didn't touch upon, which is another arm of the success of the grain industry, was the transportation. Do you have something to say about the connection between the Pools and the transportation—shipping on land and on sea?

DR: Oh, boy. That's a huge question, and you could almost go any direction on it. Are you talking about the freight rate issue?

NP: Whatever you think is important to talk about.

DR: Oh, gosh. I hardly know where to zoom in. But the west was very dependent on rail transport, and you remember Macdonald wanted to build the railway to connect the west and keep the west in the Dominion of Canada because there was fears that it would be attracted to join up with what was happening the United States. So the railway was to give us access to the world markets, to bring in commodities, and to take our commodities out. So the rail was really instrumental in the early days of preserving our way of life and keeping Canada in the west connected to the east. When a railway come into a community-- And there was a big fight to get the railway to come through your community in your early days. That was a sign of success if you got the railway to come

through your town. And as it did, CP, Canadian Pacific Railway, developed generally across the southern parts of western Canada, and Canadian National Railway [CNR] had developed more along the northern parts of the Prairies. That was in a general way how it was divided up. So when a railway came through a town, later on, the next thing that was natural to happen was the building of a grain elevator. That grain elevator then had access to world markets, so the grain elevator became the storage unit for the farms in the community, and then was able to load railcars to move to offshore markets through Thunder Bay or the port of Vancouver.

In the early days, the government set up a rate that they said to the railways essentially, “Look, we’ve given you a lot of land and a lot of rights to build the railway in the west. So now one thing we wanted in return was a fixed rate on moving commodities out.” So they established what was called the Crow Rate, and the Crow Rate was a fixed low rate to move grain to port that the farmer had. And that was important to the farmer because grain was priced basis off of Fort William, and then later off Vancouver as well. That means simply that if you were in the middle of Saskatchewan somewhere and you said, “What’s the price of wheat today?” They would say, “Well, it’s trading for, let’s say, \$4 at Fort William.” But it costs you \$1 to get it there, so that takes your price down to \$3 in Saskatchewan, and then I need another 50 cents for my elevator charge, so that takes you down to \$2.50. So your price is \$2.50. So that’s how grain was priced off the port positions at the Lakehead or at the West Coast. The cost of getting it there was also a factor in how that price was determined in Saskatchewan or Alberta. So if the price was high on the railway, then the farmer naturally got less because the farmer paid that price of getting it from his country elevator to the port where the market was.

So the government fixed it under the Crow Rate, and that was seen as an advantage to the farmers who wanted to sell grains to the export market, but as the livestock began to develop in western Canada, it was seen as a detriment because there was a distortion on the price of that feed. So the farmer who produced the feed could say, “Well, look. I can go to my country elevator and because the freight rate is very low, I can get X dollars.” But the guy who wanted to feed a cow in Saskatchewan had to bid against that to get the grain. So because there was a subsidized freight rate, the guy feeding the cow had to pay more to get the grain. It’s very complicated. I don’t know if I’m making sense to you or not.

**[1:15:29]**

BC: No, it makes sense.

NP: No, it makes sense.

DR: So there was a distortion of the price because there was a subsidy involved in setting the price of grain, a subsidy to the railway. So the Crow Rate, then, blew up, and of course, the people who wanted to develop the feeding industry wanted to dissolve



the Crow Rate. The people who wanted to run their farms and access world markets wanted to preserve the Crow Rate. And there was two aspects around the Crow Rate that were the centre of attention. One was the distortion of the price that I've explained to you, and the other was the dilution of the benefit—who got the benefit and how it was shared. So later on, again, the government made a decision to pay the farmer out of the Crow Rate, and each farmer got a certain payment from the federal government, and the railways were allowed to set a daily standard rate for moving grain. The price of grain freight went way up when the Crow Rate was dropped.

NP: Did Alberta Wheat Pool have a corporate policy on support or non-support for the Crow Rate?

DR: Yeah. We supported the Crow Rate because we were in the grain business and our business was grain. We were owned by grain farmers, and our business largely was accessing the export market. If you think of it, our domestic ability to consume and utilize grains was low relative to the world markets. So we wanted, and did have, a big part of our business in feeding world markets. So that was our business. So our farmers who set the policy said they wanted that Crow Rate preserved, but at the same time, we realized that it was inhibiting the growth of the livestock sector, which had huge potential. And so, Alberta Pool was one of the first to come up with kind of a unique policy in that we said that Crow benefit should be paid out differently, and we set up a bit of a complex formula of how it could be paid out to try and stimulate the livestock industry. That was a policy. But overall, the Alberta Pool did support the Crow Rate.

NP: I have a question that I don't know how many listeners would be interested in, but I'm interested in it, and that is you'd mentioned that a large part of your job when you were the corporate secretary was policy development. Can you just give a rundown of how policy is developed at that time in a farmer-owned--?

DR: Yeah. The farmers who owned the organization divided up the area of operation—which was Alberta and northeastern British Columbia—into seven districts, and in each district, they had ten subdistricts, and in each subdistrict, they would elect a farmer. So all the farmers who were members of Alberta Pool had a chance to vote to elect one delegate from that subdistrict. So overall, there were 70 delegates elected, and they formed the parliament of Alberta Pool. They would come together, and they would approve the financial statements, appoint the auditors, and set the policy for the organization as owners, just as a shareholder would in a private entity. And so, those farmers, before they came to that annual meeting, would hold meetings in the farm community in their subdistrict, and they would get together and say, “Look what's happening in agriculture?” And some might say, “Well, look. We need a policy about how the elevator hours of operation are set or how grain research is being handled, transportation issues on the Crow Rate.” Whatever they thought was important around a policy issue. That delegate would listen and then come to the annual meeting, and it was their job to stand up and say, “Look, the farmers in my area think the Crow Rate should be dissolved, preserved,” whatever position they wanted to take. And it was those farmers that set that policy position for Crow Rates,

transportation issues, marketing principles. Just anything to do with policy of the organization or the industry. It wasn't just the Alberta Pool that they owned, it might also be something that the federal government was doing around research or marketing or whatever.

**[1:20:17]**

And so, they had all powers to set policy. And when those 70 delegates came together, they prided themselves in running that annual meeting so that they had little committees that they would set up, and they appointed their own chairpersons, they appointed their own policy committees, they appointed their own committees for looking at audits, and so on. The board of directors essentially sat at the front of the meeting, and they were told, "You will speak when we want you to speak." They were very proud of the fact that they didn't come and just rubber stamp things that the board or the management asked them to do. They ran the meeting.

BC: Now, whose--.

DR: The delegates.

BC: The delegates. Now how do you get to be on the board?

DR: Oh. So when the delegates met, there were 70 delegates, and remember there were seven districts in this. I should be drawing pictures maybe. So if this is the province, then you would have seven districts. So there would be one, two, and there would be seven around the province, and in each one of these there was ten subdistricts, okay?

BC: Mmhmm.

DR: So these ten farmers here came to the annual meeting over here, and these ten farmers came to the annual meeting, and so on. So you had 70 in the annual meeting. They would then, from each subdistrict—or each district, sorry—they would appoint one farmer to the board. If this farmer here got appointed to the board, they had to vacate their subdistrict. So they would be appointed to the board of directors, which was seven, and this would have a vacancy, and there would be another election there, and a new farmer would take over that. So you could not be a delegate here and a director. You were one or the other. So these farmers picked one director, these farmers picked one director, and so on. That's how you got seven people on the board of directors.

BC: And how long could someone stay on the board?

DR: They could stay on indefinitely. There was no set term. They argued that many times saying that, “Look, we should say that by age 65 or after two terms to get turnover,” and they always came to the conclusion that it should be in the hands of the people. In this case, I think it was every three years, these ten delegates got to say, “Look, is Charlie, who is on our board, doing a good job? If not, we give him the boot, but that should be between us.” If he’s 70 and doing a heck of a job, it shouldn’t matter. But if he’s 45 and just warming the chair, we should have the right to give him the boot, and that’s what they wanted. So they didn’t set criteria for tenure or age, which some boards of directors do. I would say there’s no right or wrong to that. That’s just what they chose to do. So they had that seven board of directors, and the board met monthly. The delegates generally met annually, or as required.

I think this all started with how we set policy. So it was this annual meeting of 70 delegates that would set the policy, and that policy was considered law. When it was approved by the 70 farmer delegates in Alberta Pool, you came back the next year as a board and said, “We did it. Or here’s why we didn’t do it because when we got looking into it, it didn’t make sense or something.” If they didn’t do it, they always risked being turfed, ostracized, or whatever. So they had to have pretty good cause. So part of my job as secretary was often to come back with the logistics of why it didn’t work or why we did it or how we did it, but we added a new flavour to it, and so on. And you always had to report back. So if these 70 delegates said, “We should develop a principle of supporting the Crow Rate,” we had to come back and say, “Look, we did it, and here’s what we did. We went to Ottawa, and we lobbied, and we met with a Member of Parliament, and we preserved it. Or we didn’t, and here’s what happened.” Then they always sat as a court and passed judgement on that. If they didn’t like it, they would change, and change would happen frequently. There was over causes, directors that did not get re-elected.

BC: And out of the seven that are on the board, did they select the chair of the board?

**[1:25:01]**

DR: Yes. After the annual meeting, you would know what seven people would form your board. They would go away, hold their first board meeting, and they would pick. They had a president, first vice president, and a second vice president. They would pick those three positions from themselves by themselves, and then they appointed a corporate secretary, who was a paid position, and that was the position I had. I was not a farmer or there because I was a farmer. I was a hired person and paid a salary, where these seven farmers, it was never a big money thing. Like, if you were on the board of the Royal Bank or CP Rail, you might make \$80 to 100,000 a year for coming to four half-day meetings. On this position, they paid themselves expenses and meeting fees. I forget. It would be like \$100 a day or something like that. So it was nominal, but it offset the time that they were away from their own farm business.

BC: But the person who became the chair, it became a fulltime job.

DR: Yes. Actually, the chair and later the first vice chair also became a fulltime job. They were paid a salary. So they were paid not like you have today, but they would be paid in my time \$60-70,000 because they were away from their farm all the time, and they could only do that if they had a son back home or a wife or a husband—but it was a wife because it was all male at that time—to run the farm. And so because they were away from their farm the whole time, it was justified, a business-type salary. The delegates set that salary, the 70 delegates. Every year there would be a report from our human resources, and they would say, “Look, we think this is a reasonable level of salary for you to consider, and what the benefits would be for it.” And the delegates would say yes or no to that salary and set it. I remember one time we had a relatively young president, and the recommendation was that his salary be increased substantially. He was a very dynamic, good president doing a heck of a job. There was a recommendation that his salary be increased. One delegate stood up and said, “How can any one man spend that much money in his life?” for what they were proposing. So they asked the president to leave the room, and they talked about it, but they eventually said, “Yes, we’re going to pay this person well.” Kind of part to what I went back to before—you get somebody doing a good job, you pay them well.

But what they didn’t realize is that a farmer could only retain that position of president if he had a farm and was respected back home. If he couldn’t maintain the farm operation, he was gone. If he sold the farm, he was out of a job because you had to be a farmer to be a delegate or a director of Alberta Pool. So in the case of this young farmer, he would be in town doing business all week, and then the weekend, he had a five hour drive. He would roar like crazy back to the farm and try to pull things together over a weekend and keep his farm operation going and then come back to the business the next week. So it was a huge responsibility, plus it meant that he had to have living accommodation in the city, plus he maintained a residence back in the farm for his family and himself. So it really did warrant a reasonable salary because there was expense to it.

NP: I’d like to go back to the policymaking, and as you think back to the time that you were on the board or involved in it, does anything stick out in your mind as the biggest knocked down, dragged out battle that the delegates had and finally worked their way through?

DR: The biggest was the Crow Rate. In the Crow Rate debate, there was huge, passionate discussions. There were threats made. There were letters come into Alberta Pool that had abusive language and personal threats to our chairman of the board. When I was corporate secretary, the chairman was Allan Macpherson, who was a fine, decent, honourable man, quiet in nature, but very caring and astute. Some of the letters that come in I set aside because they were so abusive, but they always got a response because that was one of our principles. That was the first thing that any director said to me when I walked into the board for my first meeting. I mentioned Park Dobson. He leaned over the table, and he said, “Young fellow, I want you to know that when any farmer contacts this organization, they get a response. Don’t you ever forget that.” I’m sitting there like this—young kid—holy mackerel, I’m getting

lectured and I've only been here five minutes." [Laughing] But that was part of this issue. So I always made sure, no matter what that letter or call was about, there was a response.

**[1:30:46]**

So the Crow Rate, to answer your question, was the biggest. The other one that came close to it would be the issue of should the Canadian Wheat Board be marketing the non-boards and have jurisdiction for non-board grains as well as the wheat, oats, and barley? That was a heated debate, and there was meetings held all over the country of those who liked the Wheat Board concept and those who didn't like the Wheat Board concept. And it always seemed it was almost a division down the middle of the ranks of farmers, kind of a 50-50 situation in Alberta. Alberta had the most renegade attitude of the Prairie provinces. For many years, Saskatchewan and Manitoba seemed very highly supportive of the Wheat Board concept, and I don't know why that was. But Alberta was more independent, and so you had more people willing to do some things on their own and take risks and so on. Alberta is still like that, right, in many respects. Saskatchewan has come on more so in the last few decades, but Alberta was a real renegade. And so, the issue of the Wheat Board was a big, very heated issue amongst farmers. Of course, the Wheat Pool took the side but with policy that they supported the concept of the Wheat Board being in charge of marketing all grains. So it was very heated and very controversial. Those were the two biggest things in my time that I remember.

NP: What was the connection between the Pools and the Canadian Farmers Union?

DR: By the Canadian Farmers Union do you mean the National Farmers Union [NFU]?

NP: I guess.

BC: Yeah.

DR: Okay. The National Farmers Union was simply a farmer organization where farmers met, and they talked about policy, and it could be anything related to agriculture. Where our policy tended to be more focused on the grain sector and matters of policy related to some aspect of the grain industry. The National Farmers Union was always—if you looked at the political spectrum—they were always to the left of the centre, and they favoured strong government interference, strong government control, more legislation to protect the farmer, and so on. Where the right of the spectrum in farm organizations would have been like the Canadian Cattlemen's Association or something like that. But the National Farmers Union was simply a group of farmers that met to set policy, where the Pools were a business that happened to have a policy division.

BC: Mmhmm.

NP: So we've been talking a lot about the past, and now I'd like you to predict the future. [Laughing] There's been so many changes, and we see them in Thunder Bay and have been hurt by them. It would be difficult to see the silver lining in the Thunder Bay economy, but I don't think that's necessarily the same for the whole industry. So as you look at all of those changes, and particularly how if you were to look 10, 20 years down the pike, how will farmers be faring?

BC: What do you see?

DR: Oh. Well, I think farmers will fare well. They'll be very dependent on markets and market development. They'll be very dependent on what other countries do in terms of their food production aspect. I think our farmers will have an advantage with quality and safety of food. I think in the next decade, food safety issues will be a very, very big issue. People now are concerned about chemical use in food. They're concerned about the quality of things that relate to disease, like things like mycotoxins, which are a naturally occurring incident in some food areas. How the grain is stored and handled, herbicides that are used, pesticides that are used, and so on. I think Canada will be seen as a world leader in producing the safe quality food because our farmers are, I think, ahead of most jurisdictions in the world in preserving that quality right now. In the future, there'll be more and more programs to give the buyer assurance of that quality. And I think your growth of the organic industry, for example, is part of what I'm trying to say, that people are just more in tune with—Where did this food come from? What's on it? How did it get produced?" And I think the supplier that's able to provide that assurance will have an advantage in the marketplace. Canadian farmers will lead that, and they're already starting to put some things in place to do that.

**[1:36:08]**

They'll continue to want to have the right to market their own entity. I think the Wheat Board concept will continue to be under pressure as a single-desk marketer because farmers now are bigger, they're better educated, and they want to take more risk on their own. So they'll be moving around their areas of production to be able to access and be involved in the marketing end as well as the production end. It's just an evolution of the industry, what the farmer with information and skills and knowledge will be able to do in the future. So.

BC: That raises for me the question about-- You talked about the individual farmer, and it just seems like there's a lot of agribusiness, that there's not a lot of-- I could be completely wrong, but are there very many actual farmers?

DR: Well, yes. [Laughing] There's a lot of farmers, but we lose a lot of farmers every year too because the size of the enterprise is growing as successful farmers begin to buy out the ones that don't survive or don't want to carry on. The young person growing up on a farm today has so many opportunities off the farm—become a doctor or a lawyer in the nearby town—and have a pretty good income relative to what the farmer experiences. And also a young person growing up on a farm has to ask themselves, “Do I want to take on a situation that has a huge amount of risk with weather, with markets, and so on and carry a lot of debt? I have to buy \$1 million worth of machinery and land, and if I'm buying out brothers and sisters or a father and a mother, do I want to carry \$1 million plus debt as a young person and have a family, and it's all up for risk based on things I can't control, like weather? Or do I want to go in and maybe take over the local grocery store, and I make a pretty nice living, and I go home at 4:00 everyday?” So there's fewer people who are wanting to do it, and the ones that do it are going to have to be bigger and more sophisticated. So it'll become fewer farmers as time goes on, but with bigger enterprises and more skilled, more knowledgeable of the markets and the business of producing food.

BC: What made me think of that was driving to a friend's place in Lac du Bonnet and going past a pig farm that's owned by a Korean company. And I just see--.

DR: A Korean company?

BC: Yeah. Just thinking of it, it's becoming more and more business enterprise than the traditional family farm, but as you're saying, there's just getting to be less farmers, and they're bigger businesses.

DR: Yeah. I have a take that I always think that a farmer has been a businessperson. Like some people used to say, “Well, farming is a way of life, and you do it because you love being on the land.” Well, it's true. They do it because they love being on the land, and they love producing, but they're a business. If they survived, and they raised a family and kept that farm alive, they were business minded. Many times I've been on a farm and amazed by the kind of decisions they have to make. It's the 4<sup>th</sup> of May, and it's dry, and the soil is warm. Do I throw the crop in, or don't I? Because there's still a big risk if it comes up and it's going to be frosted out, or do I wait for the rains to come? If they wait, and it starts raining for three weeks, and they get the crop in late, and then they're taking it off when the front comes in the fall. Like, it is mind boggling. Or do I spend \$1 million to build that barn to raise hogs and feed my own grain instead of selling it to world markets?” So they're businesspeople, and they always have been.

**[1:40:20]**

Many of them, when you talk to a farmer, they may not seem as skilled at expressing themselves, so you think, “Well, is this guy very business minded or not?” But when you get out and really watch them operate on their own farm, you realize they are. They

are very skilled, smart business people if they're surviving on the farm. The dumb ones—[laughing]—or the incompetents got bought out, went to town to work in the post office or whatever because they couldn't survive. There's lots of farmers that couldn't survive. Some of them took risks at the wrong time, but they were still good, quality people. But you just can't predict it. If they said--. Like even myself when I left the Pool, I looked at getting into the cattle business just before BSE. At the time, there was good money in it, and I thought, "Boy, if I do it--." Well, I didn't do it, but if I had done it, I would have been a total failure. A farmer does that all the time in the decisions they make on the farm. Sometimes you'll lock up, but over the years, the smart ones survive, and they do well and carry on. I think that will continue. Farmers are a very interesting breed. They're very independent. They're almost anti what the Pool was about, and yet they still valued the Pool and organizations like United Farmers in Alberta and stuff like that. They still valued it, but they're still very independent too. That goes back.

I think the one reason they accepted the Pool was because they were able to go into it and have a hand on it and have meaningful things happen because they were there. But they still valued that independence, didn't trust governments, and didn't trust privately-held companies. So that independence, it has only grown, and the farmer's become more sophisticated. He's become larger—he and she—and smarter.

Oh, there's so many things that I could tell you about the farmer. The successful ones now, I think, are successful teams of a man and a woman, often. In some cases, it might be brothers, or a brother and a sister or something like that. A woman on the farm has evolved from, you know, looking after the household family to being a part of the business. We used to invite young, aggressive farmers into what we called a Young Farmers Forum at Alberta Pool, and we used to go through much like you're asking me, like, "What's the future? And what would you do if you're running the Pool?" The ones that come in that were the best were the husband and the wife you could tell were smart, and they were a team. And when they went back home it wasn't the man making the decisions or the woman, it was a team making the decision because they were so complex and so detailed.

That's another evolution that's happening on the farm. The woman has, as I think in other parts of society, come from the role she played to becoming a very astute business person. Even though in Alberta Pool many of the delegates were men, later we did get women coming into that democracy of delegates there. But even so, I have to tell you, when I got to see some of the men that came, and you went to visit their farm, you found out very quickly the woman was the real drive behind that business. The man may have been the one that came to town, but when you got back home--. It wasn't always like that, but there was often a strong partnership there. Now I'm wandering. [Laughing]

BC: No, no. That's fabulous insight.



DR: But that is another evolution that's happening. Farming is so complex that the best ones are run by a team, I think. And that may be a husband and wife. It's with your banker, with your agronomist, with your advisor on marketing, and so on. You've got a team around you because you've got so many elements to the business now.

NP: This is my last question. [Laughs] As you look back and you're sort of looking down on a lot of these things that you've talked about, if you had god-like powers, would there have been anything that you would have stopped or redirected?

**[1:45:17]**

DR: Yes. I would have done a few things. One was in the midlife of the co-op period. I think a lot of the ideals of the co-op providing a cheque at the end of the year was used to warrant that we don't have to be as efficient in running the business. And so, if the farmer complained about the price, the Pool would say, "Well, don't worry because you're going to get the earnings at the end of the year, and that will make you competitive to other offers you're getting in the country." And there was a time when the Pool took advantage, I think, of the farmer in that respect and then later realized that it had to be first a business, like I said, and so went back to refining the business and working harder to be more efficient in the business. So I would have changed that. It was complacency that set in, and I'd change that.

The other thing I would change is when we began to look at becoming more efficient as Alberta Pool and we joined with Manitoba Pool, I would have worked harder to bring the three Pools together to form one good entity, a strong entity which would have more efficiencies. Alberta Pool walked away from that, and at the time it was right because of an attitudinal thing. In the talks, basically, Sask Pool was the bigger of the three players, and they wanted a lot of things to go their way, and we said, "No, this is not about you ending up with all the control and all the handles to pull. This is a friendly come-together, and we will pick the best of the three and run the best business enterprise." So an example, when we talked about, "Where will the head office be?" "Well, it'll be Regina because that's where we are." And we said, "Well, wouldn't we first decide which has maybe the best location, central airports, access to staff, complements, all that kind of stuff?" And they weren't willing to talk about that, so we realized it wasn't that kind of an attitude and kind of walked away from it. So I would have worked harder and gone back to the table and kept persevering to bring the three Pools together and to find the very best management for that new entity. In many respects, it probably deserved some house cleaning and some new people brought in—because it would have been a new entity—to get it up and get it going. So I would have done that.

The other thing I would have done when we began to-- After the merger with Manitoba Pool, we cut out millions of dollars of expense, and it was very successful, but we wanted to do one more merger, and we began to talk to United Grain Growers. They let on that it was to be a friendly merger, but once the merger was over, they basically wanted control from the United Grain Growers

perspective and disadvantaged the people from the Pool side. So that was a disappointment, and I think I would have said hopefully we could have put an entity together that said, “We’ve got Agricore, and we’ve got United Grain Growers. Now, let’s look at our different divisions. First of all, we’ll look at trucking.” Well, Alberta Pool had a very aggressive, modern trucking program. It was considered the best in the industry. “So let’s have that apply to the whole business. Okay, that’s great. Sorry to your trucking, but it’s old fashioned. You put it aside.” Then you look at who will be the director of human resources? Well, Manitoba Pool obviously had the best person. “Sorry, Alberta Pool. You lose in this one.” You pick the best from the whole field that you have to look at, and you build a very strong organization instead of somebody saying, “Well, look. I know Charlie. We’ll keep him around.” That was a mistake. I think that should not have happened.

**[1:49:58]**

So those are some things. Complacency at times, businesslike leadership, some of the vision, determination of the leaders. I think at times we had strong leadership, and at times we had leadership that could be swayed. Now, as an employee, I didn’t get to vote or determine who would be the president of the board or the chairman of the board, but you could see who was strong and who wasn’t. If I could go back again, I would have done more encouraging that if somebody was weak to encourage them to see that it’s maybe time to move on and go home or do something different because every day you need strength in the business. The co-ops I’m involved in now, I am adamant that this is not a social club. This is a business. And even though somebody is a decent, well-meaning person, if they don’t have the vision or provide the leadership, you need to do the right thing because if the business doesn’t survive, the principles, the philosophies, and all the good things you’ve done just disintegrate. You’ve got to have strong leadership. So that’s something I would have worked harder at in talking to people about. I think at times, I got caught up in this democratic thing of “The farmers will decide what is right in that,” and I had my own vision of what was right and wrong, but I, at times, thought I should stay out of it, and I wish I had said more now.

I was not always right. In fact, sometimes I was dead wrong. But sometimes I was right, and I remember one time we were proposing to diversify out business into more value-added, which was processing of grains instead of selling the raw grains. One of the things that we looked at was a brewery, and the CEO at the time came to me, and we were talking about it, and he said, “What do you think, Dale?” And I said, “Well, I think this is wrong. This business has never made money, and I don’t see the future in it, and it’s competing with businesses that are world-sized, and we’re just a little, meek little part that they could roll over and kill us in no time.” And he put his arm around me and said, “Dale, you’ll like this in time. Just relax and trust me.” Well, we poured a couple million dollars into that, and about two years later, it was done. So I wished I would have stood up and voiced my opinion around things like that more so at the time.

But there were other times that we got into ventures like canola processing, and I was leery of that, but it turned out to be a very good business, but it was a very cyclical business too. But it was a good business. We got into fertilizer manufacturing, and that was a tough business, but we did well at it, and our principle was to first supply the farmer in Canada, and then if we had product in Canada, we would supply other markets. But only the Pools did that. That was another thing that made me very proud of the Pools. Any other fertilizer manufacturer would simply look around and say, “What’s the price in Canada? What’s the price in Omaha? What’s the price wherever?” And wherever the best price was, that’s where their product went. But the Pool said, “First, the Alberta farmer gets this product. If there’s some leftover, then we’ll export.” Oh, I know I rambled there.

BC: No, it’s good. It’s all--. It’s a goldmine. This interview is a goldmine. And I just noticed you have a book there that you think is a good history of the grain trade or--?

DR: Yeah. This was a book—sorry it’s a little tattered, and it’s my only copy—it was written by Leonard Nesbit, who was one of the early directors of publicity for Alberta Pool.

BC: Have you seen this book? It looks like it’s interesting. *A Wheat Pool Story*.

DR: It’s a very good history. I forget how--. He went up to about the ‘50s, and it details the people, the stories, and it’s well written. There’s another one I have too, it deals with more cooperatives. It’s called *Faith, Furrows, and Fellowship*. I don’t know if you’re interested in looking at things like that or not. [Laughing]

BC: Yes. So I guess we could formally close off the interview. As I said, I can’t thank you enough. This is a goldmine of an interview in my opinion.

DR: Well, thank you.

**End of interview.**