**Narrator:** Frank Rowan (FR)

Company Affiliations: Canadian Maritime Commission, Canadian Wheat Board

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**Interviewer:** Nancy Perozzo (NP)

**Recorder:** Nancy Perozzo (NP)

**Transcriber:** Sarah Lorenowich (SL)

Summary: In his first two of four interview parts, former senior advisor of marketing for the Canadian Wheat Board Frank Rowan discusses his early career in the grain industry. In the first part, Rowan describes his interaction with lake vessels from a young age, his first experience in the grain industry stooking grain during military training, and his first job after university in the Canadian Maritime Commission. In the second part, Rowan expands on his role in the Maritime Commission creating a record of all lake vessels and helping to administer a lake vessel replacement program. He shares the history of the St. Lawrence Seaway's opening and how the Seaway terminals expanded to handle larger vessels. He describes moving to Montreal to work under the transport controller for Canada, learning about the transportation system across Canada, and being asked to open an office for the Wheat Board to handle export shipping documentation. Rowan then discusses his move to the Wheat Board head office in Winnipeg in the sales division handling grain orders. Other topics discussed include passenger liners using cargo holds to carry grain, how ownership of grain changed as it moved through the system, changes to the Wheat Board operations like metric conversion and computerization, current dangers of the grain market, and meeting interesting people on his travels for the Wheat Board.

**Keywords:** Canadian Maritime Commission; Canadian Wheat Board (CWB); Grain transportation—ships; Lakers; Ocean-going vessels; Canallers; Bulk carrier vessels; St. Lawrence Seaway; Grain shipping logistics; Grain transportation—rail; Department of Transportation; International trade; Grain farmers/producers; Wartime industry; World War II veterans; Flour milling; Shipbuilding; Country grain elevators; Ship repair; Terminal grain elevators—St. Lawrence Seaway; Grain buyers; Grain marketing; Winnipeg Grain Exchange (Winnipeg Commodities Exchange); Metric system; Computerization; Grain export destinations; Ships agents; Montreal

#### **Audio Part One**

Time, S	Speal	ker, N	Varrati	ve

NP: Oh, hold it. This has to be on zero. Good morning, Mr. Rowan.

FR: Good morning.

NP: I'm really pleased to finally be here doing the recording of an interview of someone who I think is very important to our project. So if you could start this morning just by introducing yourself and telling us a little bit about your early upbringing in the Ottawa area.

FR: My name is Frank Rowan. I was born and raised in Ottawa. Well, from a very early age I was introduced to or had an interest in shipping. And mainly when I was in high school, I was in a college in Kingston, Ontario, and that's the first time I saw a major grain terminal that Canada Steamship Lines [CSL] had there and saw lake vessels. Subsequently, my dad was in the Department of Transport. He was the Dominion Wreck Commissioner responsible for investigating when there were naval or merchant vessel accidents in Canada. He attended the hearings at the famous Halifax Explosion during the First World War. He was in charge of the investigation of the sinking of the *Empress of Ireland* in the St. Lawrence when there were 1,200 people lost. With him, I remember visiting at Prescott where there was a major terminal, and for the first time I saw a very large lake vessel, the *Lemoyne* of Canada Steamship Line, which was the biggest laker on the Great Lakes for many years.

Subsequently, as a student during the summer, I worked on vessels of Canada Steamship Lines, passenger vessels, that would sail with tourists from Montreal, would stop briefly in Sorel, then would stop in Three Rivers, and then in Quebec City and the port of Quebec, and then would go down the St. Lawrence and along the Saguenay River and return. I was fascinated that in the ports of Montreal, Sorel, Three Rivers, and Quebec, there were large grain terminals, and naturally, I saw vessels unloading and loading, and that always stayed with me. Then also of interest were all the other cargo vessels that were in those ports that aroused an interest, and that always just stayed with me.

NP: I understand that your career plans were interrupted somewhat by the—well, a great deal—by the outbreak of World War II, but even that gave you an opportunity to see part of the grain industry. Tell us a little bit about your time during the war.

FR: Well, during my first year at university, it seemed awful long, finishing school in early May and then not returning until September, so with six or seven other friends of mine, we all decided to join up the forces, and we joined up in the Royal Canadian Air Force. I started my training in Ontario and Quebec, and then from Quebec City—we were all easterners—they shipped all of us out to southern Saskatchewan in Mossbank, Saskatchewan, which was very different country. There were many country elevators, and most of us, with names on it, thought that they were navigational aids, that if we got lost, we'd know our way back. And that was very simple because we noticed that there was only one railway, and all we had to do was just follow the railway line.

However, in the middle or late August, one of the grain producers came to the base—it was harvesttime—and he needed help with that massive job and asked for volunteers. They asked if any of us had been on a farm. I had been, but on a very small farm spent the summer in eastern Canada outside of Ottawa. I raised my hand. So I was the captain of the team, and I guess we had about maybe 15 to 20 volunteers, and we undertook the laborious job, and we stooked grain, which is a major function, for about at least a couple of hundred acres. That was my first introduction to the grain, and I've never forgotten that task.

#### [0:06:08]

NP: For those of us who grew up a little later, what did stooking entail? We're used to big farm machinery now. I assume this was a lot by hand.

FR: Well, they cut it with a binder. They would cut the grain, and then it would be tied together, and it stood like in bundles, and we'd take up those bundles and stand them up so that they would dry, so that the grain could dry. That was before combines or anything else. That was a big task. I mean, there were a lot of thistles and all other things in the grain, so unless you were very careful, you'd hurt your hands. But we were well treated by the producer. We were well fed and looked after, but it was quite an experience that I've never forgotten.

NP: And where would the grain have gone at that time, the grain that you were stooking? Where would it have ended up?

FR: Well, people don't realize that during the wartime, there was no export or anything, and Canada with only a small population at that time of less than 10 million people. So most of the grain was harvested, then milled, or shipped in bulk grain, and shipped overseas with a massive program. There were about 120 points across Canada that were milling grain. Apart from the major big mills, there were many smaller mills, but everyone--. There were thousands of people involved in that process of milling the grain and shipping the flour and shipping it all to Halifax, the port of Halifax, and then it was loaded on cargo vessels that would leave in convoys with much other food that went to the United Kingdom during the war years.

NP: So after your time in the Air Force, you came back to Canada, and then how did your career progress?

FR: Yeah. When I returned, I went to visit--. My father had passed away at a very early age of 50 as a result of an accident, so I went to see some of his colleagues at work to discuss the possibilities of my future, and they recommended that it would be wise for me to return to university, and I found that to be very good advice. I did return to the university and completed my education, formal education, in 1948 in Ottawa, and I joined the Canadian Maritime Commission, which was part of the Department of Transport at that time.

NP: What were your studies at the university? What courses did you take at the university that helped you get that--?

FR: Well, I took arts, and I took a commerce course, took extra courses on transportation, some of them by correspondence from the Ministry of Transport in England.

#### [0:10:09]

NP: So that prepared you well for your next job?

FR: Yes.

NP: I'm just going to stop--.

End of audio one.

#### **Audio Part Two**

# Time, Speaker, Narrative

NP: Okay. After university, then, you moved onto a job with the Canadian Maritime Commission. What years did you work for the Canadian Maritime Commission?

FR: I started with the Maritime Commission in 1948.

NP: And tell me a little bit about how the Maritime Commission was established. What was its goal?

FR: It took over various departments that had been in the Department of Transport. Basically, during wartime in Canada, there were about 400 vessels built in Canada in the shipyards here. They included many of the workers that we had in our shipyards and brand-new shipyards, like the United in Montreal, were workers that came from the United Kingdom, from North Shields and other things here to help build because to build vessels in the United Kingdom was not a very practical thing with the bombing going on in shipyards. It's hard for anybody today in our age to believe that in that time having that many vessels built in Canada. About 300

of them were 10,000-tonne cargo vessels. The design for these vessels came from a shipyard in England in North Shields. Half of them were coal burners, and half of them were oil burners. One of them was named after all the forts in Canada, and the other was named after all the parks, national parks in Canada. They were operated on a company, a government-established company, called Parks Steamship. That was wartime shipbuilding, which was a corporation, Park Steamship, and other crown corporations looking after the cargo or the travel of the vessels.

Some of these vessels were lost during the war, but the Maritime Commission had the role of finding what the country should do with these vessels. Canada had a prior experience after the First World War of having vessels, and it lasted for a number of years but was not a very successful operation. The Maritime Commission, under the chairmanship of a Mr. Klein of British Columbia, came up with a plan of selling these vessels to Canadian owners or Canadian companies that operated in Maritime shipping. Most of them, if not all of them, had been agents for foreign companies operating vessels to and from Canada, operating vessels on different services from Canada to the Mediterranean, to the Caribbean, predominantly to the United Kingdom. So these companies really had not operated vessels, but certainly were familiar with the owners in Europe and about the types of cargo that were received and shipped prior to the war.

NP: Did the Commission sort of dismantling the fleet and spreading it out to various companies, did that have any impact on the grain export industry in Canada?

# [0:04:53]

FR: Perhaps a little later. So these companies, it was agreed to sell them to these various companies. There was a big demand for cargo vessels for commercial trade because nothing had been built in the past ten years during the war. So the Canadian Maritime Commission was able to obtain from these owners for every vessel the exact cost of what those ships had cost Canada to build during the wartime. They were working---. But subsequently, the owners had difficulties in finding cargo, and found operating from Canada was very expensive. So they then came to the government to ask for assistance. At that time, the conflict in Korea came about, and there was an immediate demand for cargo vessels. So companies then--. Other owners of vessels that were in that trade were looking for cargo vessels, so under Mr. Klein's guidance, the government approved of a replacement program so that the Canadian owners could sell these vessels. In most cases, they received more than what they paid for, but one of the conditions they had if they sold was to place the entire proceeds in an escrow fund. And most of the vessels were sold and the money put into an escrow fund, and they could receive those funds provided they built vessels or added to the Maritime industry within Canada. The main beneficiary of this was the building of lake vessels, replacing the Canadian fleet of lake vessels. Many of them had been very old and other things.

NP: When would they have been originally built, most of those ships in the lake vessel fleet?

FR: Oh, they were very small. Most of them were canallers. Some were imported from the United States. One fleet in particular, Paterson Steamship, had many vessels that had been built and operated on the lakes. A few even, although they were small, came from overseas. Some of them had been barges that had been towing sand or other cargo and then were converted and put motors in them. They were towed with tugs prior to that. Some came from overseas, some were imported from the States, and some were built in Canada, but all that could navigate from the St. Lawrence into the Great Lakes—the largest size of them—was a vessel that could transport 2,500 tonnes. They were limited to the size of the locks and everything else, but they were very successful. There were some larger lakers that in the case of grain could load grain and transport it to ports like Sarnia, Port Colborne, Toronto, Kingston, or Prescott, and then that grain was unloaded and reloaded into canallers that brought it to the St. Lawrence.

Following that, about the same time, there were plans that were well advanced for building the St. Lawrence Seaway. The Seaway was built in a great place to have dams for hydroelectric power, and the Seaway was built to circumvent the dams, just as the Welland Canal had been built to circumvent the Niagara Falls. So the Seaway really opened up the trade, and it was completed and opened in the spring, the opening of navigation in 1959.

# [0:10:14]

NP: And were you on one of the ships that was the first through the Seaway?

FR: It was quite a story, as you can imagine, with many owners, prominent owners of vessels—Canada Steamship Lines, Misener Steamship, and Upper Lakes, and Paterson. Influential how they would—. Which would be the first vessel to cross from the Great Lakes to the St. Lawrence and vice versa? So there was discussion—nothing in the press, but in the Maritime circles all the winter. A week before the Seaway was opened, the Seaway had already announced the first vessel that they would allow in. Very wisely on their part, it was a vessel owned by Mohawk Navigation called the *Mohawk Deer* that had loaded grain at Thunder Bay for winter cargo storage, and it had come down as far as Prescott. And then the St. Lawrence, they chose a canaller that had been the first to lay up in Montreal waiting to go back into the lakes, the [0:11:42 Simcoe]. [Laughs] I recall the Simcoe because the day it belonged to Canada Steamship Lines, and as I drove by in the morning in an automobile, I saw a big crew onboard the vessel. Later that day when I drove on my way home, the vessel had been painted from the stem to the stern. [Laughs] It was the first vessel, and I daresay I was happy to be—. I was on the Simcoe on its way up on the canal. It was the first vessel to transit. The owner of the *Mohawk Deer* asked the Wheat Board to change his contract. Instead of just to Prescott, whether he could proceed down to the St. Lawrence, which he did, and that was the first vessel that came through the Seaway on its way down.

NP: What were your thoughts as you went through the Seaway on that ship?

FR: Oh, we just went through a few locks on the way down because it was quite a long day at the time, the ceremony. We went through the St. Lambert lock and up to Beauharnois. Interesting at Beauharnois, it was a major lock of the two locks circumventing a major hydroelectric power.

NP: So back to your work with the Commission. I understand that you did a fair bit of work on cataloguing the ships that were available and the history. Tell us a bit about the kind of work you did.

FR: Yeah. In my work at the Maritime Commission, I was in traffic and economics, and at the time, there were quite often questions in the house of actually how many ships had been built. There had been different answers, so I undertook to see if we could find out. I dealt with people from wartime shipbuilding and the various government departments that were involved at that time, access their records. And the basis I certainly found out that when authorization was given to build a certain vessel, it would take at least six months prior to the building of the vessel, and they would give a number that would be put on the keel of the vessel, as all the building starts from a keel. But in studying, I found out though that they had ordered vessels, then a priority would change. They wouldn't cancel that number, but they'd decide to build another type of vessel in the yard, and so there were a lot more keel numbers than there were vessels built. But I did get a record by every shipyard—and that I've kept—from the day they started building, how many days it took to build, the cost of building, and, of course, the name of the ship itself. And then followed that subsequently, got a record of those that had been lost either by aircraft or by submarines, and subsequently kept track of those when they were sold, the new name, and the new owners of the vessels.

# [0:15:44]

NP: Where are those records kept?

FR: I had put a lot of work in, and I had typed out, along with the history of the merchant marine in the First World War, a detailed record. And I typed all of that, so I kept it myself. Over the years, I received a number of inquiries from officials in Ottawa inquiring background of certain companies--. [Telephone rings]

# [Audio pauses]

NP: So we continue from there.

FR: Yeah, where were--?

NP: I was just asking you where copies of the record you have were held.

FR: Oh, yeah. Up until this time a number of years ago at the Remembrance Day ceremonies here, I met merchant seamen, and in conversation, they were amazed when I asked them what vessel they were on and told them that I had a record of these vessels. They told me then that there was a group in Vancouver that had started a museum and keeping of records. They arranged for me to be in communication for them, and they now have a copy of that in the museum in Vancouver. And some of those seamen that are still here in Winnipeg asked me for a copy that they wanted to leave for their grandchildren.

NP: And you have your own copy?

FR: Yes, yes. I have the original copy.

NP: I understand that when you worked with the Maritime Commission you had an opportunity to spend some time with Canada's major railways. Tell me a little about that, and did it give you any insight into the transporting of grain across Canada?

FR: Well, with this replacement program, this escrow fund, I think, first, the owners that had received money—had sold our ships and received money in escrow—investigated what possibilities in investing in Canadian shipping, and that's how the lake fleet was built. Companies like General Electric and Westinghouse had built big motors, marine engines, and that started the building of the. So the first money was used to build lakers. I think among the first were Canada Steamship Lines. They had their own shipyards, of course, or associated shipyards, and they built vessels. There was a *Sir James Dunn, Coverdale*, the *Hochelaga*. Those vessels at that time were about 15-16,000 tonnes compared to prior to the war, and subsequently bigger vessels were built, maximum size. Once--. So literally all that money was used to rebuild the Canadian fleet along the Great Lakes, which then built the capacity of docks for unloading ore and were able to proceed down to the St. Lawrence. So all of that money--. So the owners got back their money that they were owed that had the funds at the beginning, then they sold the escrow funds to others, and out of that they made 20 percent or 25 percent. The whole replacement program was out of those funds.

## [0:19:54]

So Mr. Klein, who really headed that program of the replacement plan, left the Commission in 1950 to return out to British Columbia. He was appointed to the Supreme Court at that time in this country, in British Columbia. At that time, there was an emergency in export trade in Canada. There had been no export really other than for wartime goods to the United Kingdom and

that. But a big demand was beginning, and so there was a need for transportation within Canada, particularly railways. There was the steel companies and every other product asking parliament and getting a lot of publicity. So the government appointed a transport controller, a Mr. R. W. Millner, who's from western Canada who had a major role in the development of the grain industry in western Canada and certainly very knowledgeable. The grain industry was facing heavy demand for railcars. When you consider there was over 5,000 country elevators, each one of them requiring a boxcar at that time. So Mr. Milner was then took over Mr. Klein's office and the chairman's office at the Maritime Commission, and so I was in the staff of traffic in that. We were seconded to his office.

NP: So what was the name of that office, Mr. Milner's office?

FR: The Transport Controller for Canada.

NP: Okay.

FR: Just looking at the transportation, including pulpwood along the St. Lawrence, coal, particularly iron ore with the other companies, many bulk products. But the big one was grain as well. In time, he asked me if I would join his staff and asked me to move to an office in Montreal. The centre of ocean transportation, Maritime transportation in eastern Canada at that time was in Montreal.

NP: So your previous job, then, with the Maritime Commission was in Ottawa?

FR: Yeah. I was still Maritime Commission, and he was chairman. He was down the hall. Started with that and then moved onto Montreal. There there were grain forwarders, vessel agents, longshoremen, all the export trade, import trade, and naturally both railways had head offices in Montreal. There was a lot to learn, but it was very, very interesting. During the winter when there was less traffic on, certainly nothing off the Great Lakes and that, I was interested in learning more of the main departments. One winter for over a month and a half, I was invited at Canadian Pacific Railway's [CPR] head office to the office of the chief of transportation. Each working morning in the office would be the vice president of operations and his secretary, the chief of transportation, myself, and they would go over the whole system from the Pacific Coast in Trail, BC, the pulp and paper industry. And key to that all was the motive power and then always planning months ahead of like with the grain industry, when the farmers were seeding, then the deliveries would fall down of grain, then they would rise on the crops. I was very quiet, but I listened as much as possible and learned a great deal from them, and certainly the language of the railway and their terminology.

### [0:25:26]

Subsequently, I spent a month in the similar office of the Canadian National Railway [CNR]. I spent a lot of time in the port warden's office in Montreal, briefly in the harbour master's office, and working. The port warden's office was very interesting. The port warden, important job of when vessels do come in and load cargo, they must approve the plans of loading—what cargo's going to be loaded—and they follow up. And the ship cannot sail unless they approve that the plans have been followed as precisely. But in that office, they have the load lines, the depth of each vessel. So on behalf of the Seaway, I got a record of the depth that the ships that loaded and sailed on for the previous five years to see which of these companies and vessels could proceed up the Seaway once the Seaway opened. So I worked very closely with the economic staff at the Maritime Commission at the St. Lawrence Seaway. A [0:27:05 Dr. Camaieu] who was doing that work, he subsequently became chairman of the Maritime Commission in time.

NP: When you think back on your time with the Maritime Commission and the transport controller's office, are there any stories that stick in your mind?

FR: Oh, not at the moment that I can think of. No.

NP: No.

FR: Oh, there's so many, I--.

NP: When you were making the step to the next part in your career, what would you say your view of the Canadian grain industry was after your time in Montreal before you worked with the Canadian Wheat Board [CWB]?

FR: The next stage in my career was that the main cargo that was coming down was the Canadian Wheat Board cargo. So from that, my only story was during the wartime. But when Mr. Milner recommended I went out west, and at a busy time of the year, I worked at a country elevator for a week, saw how they received grain cars, how they were ordered, the grain dooring of the cars, lining of the cars, then the loading, the records of loading the cars, dispatching between the railway and the grain people. So that was good to get some knowledge of that field of it. And subsequently, the Canadian Wheat Board hired me to open an office in Montreal, and from that office, all documentation as a vessel would load—it had a series of documentation that it had to have for the overseas buyer to receive that the buyer had to send overseas—so all of that work was done in Montreal, covering shipments out of the port of Churchill, out of the port of Halifax and St. John in the winter, and all St. Lawrence ports, as well at that time any exports from the Great Lakes. So that was my first knowledge then about port Churchill and other ports. I remember I was in

Montreal for quite a few years—five years before opening the Seaway, and five years after, so saw the development, the change in terminals in the St. Lawrence, the new terminals that came about, and then most winters I did at least one visit down to Halifax and to St. John to be familiar with that trade.

# [0:30:25]

NP: So you mentioned the changes in the terminals over that about ten-year period. What caused those changes, and what changes did you see?

FR: Well, they were very clever in the St. Lawrence because all of the equipment—unloading and receiving equipment—was made for unloading canallers that had cargos of 2,500 tonnes. 2,500 tonnes is 93,000 bushels. So to change all of that was just out of--.

NP: To make the--.

FR: It just wasn't possible. All the belting, all the facilities, all the openings.

NP: To change it to handle larger ships.

FR: Larger volume. Larger volume of grain, receiving it on belts and the scales and all of that. So they were very clever. The companies, they build an addition to the elevator, a big annex, big annex, that had bigger openings, bigger tanks, and so the flow then was divided as it came in. The belts, what they were--. It's hard to change a whole belting and all, so by building annexes, they had the two different flows coming in off the vessels, but it also gave them additional facility.

NP: And what created the need for this additional capacity?

FR: Well, prior to that they unloaded canallers for 2,500 tonnes, but now we're getting them with 20,000 tonnes and 15,000 tonnes. So big additions were put in at Sorel. At Three Rivers a major--. They had a big storage. They had a facility that could hold--. One big storage facility that held over 750,000 tonnes. Then Quebec, and then in time brand new elevators were built. Cargill Grain opened one at Baie-Comeau, and then further down the line there was a big terminal built at Port Cartier, which then were very helpful over the years.

NP: So you started with the Wheat Board in Montreal around what time? Mid '50s?

FR: The flow it went from one to the other.

NP: Yeah. [Laughs]

FR: In the mid '50s, yeah.

NP: Mid '50s. And describe your job there. What was your job with the Wheat Board? Maybe before you do that, let's step back a bit. What caused the Wheat Board to need to open an office on the St. Lawrence because isn't most of the work done in the west?

FR: Well, as I said, there had been no exports at all, commercial exports, from 1938 or 1939 until that time.

NP: So the government handled all the--.

FR: So the trade had changed dramatically at that time. During the war, they had been given the role of doing this shipping rather than the firms, shipping grain from western Canada. They were even given responsibility for Ontario wheat, and all it was was shipping western wheat to flour mills and keeping track. There was no export per se. So--.

NP: But after the war that changed, so the need for the--.

FR: Yes. And for them to get knowledge of that field. Either I was there or they would hire somebody from other firms, so they hired me to open the office in Montreal, start the office up.

NP: And describe a little bit about your work there at that time.

### [0:34:51]

FR: Oh. You know, in addition to the export trade, there was a heavy domestic trade. We had the big flour mills in Montreal were there. Canada Malting and Dominion Malting, which were for the brewing industry of the distilleries, they took part of the elevators and the shipping, and they had to be protected. Then there were feed grains—a large part of the feed grains that as more and more growers are raising cattle and hogs and everything in Quebec—came out of the elevator. As a matter of fact, all during the shipping season, but before the flows of navigation—. Well, starting in the fall, we had to reduce our stocks in Montreal elevator almost to nothing because they had urged it that the domestic trade have their supplies for the whole winter. So it—. [Laughs] The office in Montreal was predominantly to keep track of the stocks into the elevators in and out each day, what was shipped out, and

what was taken in by vessels. And then as ocean--. Directing lakers. The lake vessels could unload at any one terminal, but they were interested in getting unloaded as quickly as possible. So waiting until they were in the Seaway to say they could go to Sorel or to Three Rivers. And then ocean boats, we would get the first reports from agents when they were arriving, and then directing them. Recommending to Winnipeg, who would then have to tell the exporter, "Send your boat to Three Rivers." They would tell a vessel agent in Montreal to get the stevedoring companies. It was a--.

NP: Sophisticated planning process.

FR: Yeah. It took something to learn to coordinate, but it was--. And then essential to the business of each company to be very discreet with that. Yeah.

NP: And fair.

FR: Oh, absolutely. Absolutely. Certain elevators, like in Three Rivers they belonged to Upper Lakes. In Toronto, naturally, they would like to handle their own vessels at the cost of unloading and that. Beaconsfield and Mohawk owned the Sorel elevator. And then some that were part export and part domestic on the vessels. [Laughs] So it was trying to be very fair to everybody, and it was to our advantage to get the vessel turned out as quickly as possible. Most of them, that was not their main trade. They weren't built for transporting grain. Each one of them had an important trade of their own.

NP: Such as--?

FR: Salt, a lot of pulpwood. But the ore companies, the amount of ore and coal, eh? So these, the grain, were return cargos often. And so knowing that trade, you went along with what they had to their advantage. Basically, how we would turn the vessel, the fleets around as quickly as possible.

NP: So when you think back on your time, especially the early years with your work there, did you--. What's the word I'm looking for? Did you have a new appreciation for the complexity of the grain industry in Canada?

FR: Oh, everyday was a new day that I would learn something. Again, from the railways, yeah. One very important part, much of the--. There were liner companies, that is vessels on regular service, that advertise a liner service. There must have been a minimum of eight or nine liner companies with regular sailings to the United Kingdom, and all of them came to Montreal with import cargo and would load export cargo. Often only 2,000 tonnes of grain, 2,500 tonnes of grain would end up going to Manchester, going to Glasglow, going to the Bristol Channel, going to Newcastle on a regular basis for millers at that company. For example, a few

thought that the large passenger vessels that the Canadian Pacific had—the *Empresses*—all of those came into Montreal, had a regular berth. So there were two elevators to load to make sure they didn't have to move while they were there. The *Empress* had a forward hold that could load up to 1,500 tonnes of cargo. There was one particular miller in Liverpool that must have had cargo almost on each one of them, and the rest of the hold was mail from Canada. There was no airlines at that time for package mail and everything else like that.

#### [0:40:46]

NP: So these liners heading over to Britain were carrying little packets of grain in part of their hold?

FR: Oh, yes. Manchester Lines, [0:40:56 Elem and Wilson], Donaldson Line. Canadian Pacific other than the passenger had their own fleet. They were named the *Beaver Cove*, the *Beaverlodge*, the *Beaverford*, the cargo vessels. So there were many. Trying to service each one of them as quickly as possible.

NP: Was it a big office, the Canadian Wheat Board office at that time in Montreal?

FR: It was myself and two chaps keeping records and a secretary, a girl in the office. But the forwarding agents that represented different companies, there were a number of them in Montreal. The grain companies, the exporters, didn't have offices themselves, but they hired, so there were about four or five of those offices. They brought us records every day of what was going on because they needed to deliver grain. Very interesting. As I say, I learned every day. And the longshoremen were interested in where the ship was going to load because they had to send people to supervise it. Yeah.

NP: I'll ask the same question as I asked before. Are there any particular stories that sort of stand out in your mind? Your Montreal time.

FR: I'll have to leave that another time. There were so many that--.

NP: We'll have a separate tape on stories.

FR: Oh, yeah.

NP: So--.

FR: Like, the chief harbour master, Captain Dufour, was a real character. He was in charge of all the traffic in all the port. No ship could move. That's why there's no accidents. You can imagine.

NP: Like an air traffic controller for ships.

FR: Absolutely. They can't move. Yeah, but all the cargos and the liners moving out with tugs. So he was in the middle of the elevator. His office was in the middle of the harbour. There are two major elevators, and all of these liners would be there. As far as he was concerned, the lakers unloaded. When he saw me, he called me "Grain Dust." [Laughing] And a heavy French accent. So he'd hear from an agent what berth they would call about getting the grain, and sometimes he tell them, "Call Grain Dust." [Laughing] But he was a master over the whole port. Very essential. With no tugs, no movement could be had. But his view was off because--. Anyways.

NP: Your next career step, then, required you to make quite a move. When did that happen and how did it happen?

FR: Well, some people retired at the Canadian Wheat Board that had been around a lot, and changes.

NP: In Winnipeg?

FR: Yeah. And in '63, they asked me if I would come to Winnipeg, which I did. That was quite a move with a rather young family of five and everything with all the family connections in the east, but I came to western Canada, to Winnipeg. At the beginning, I was involved in the shipments via eastern Canada—booking lake freight, contracts with lake operators in the different companies and loading their vessels. That's when the first knowledge of Thunder Bay, dealing with the Lake Shippers, with the--. And then I moved up into the sales department, but as I often tell people, we don't sell. It's people that buy grain. So how we can accommodate the buyers and exporters more than that. But in the press and media, they like to say we sold so much of this and that.

# [0:45:36]

NP: So what would a typical day in the sales department of the Canadian Wheat Board look like at that time when you were new kid on the block?

FR: Late after the close of the market, the Winnipeg Grain Exchange--. We didn't trade, but we were on the floor because exporters represented us around the floor. They're handling oats and barley and particularly flax for overseas. So the market closed at, say, 1:15 or 1:30, and I guess the procedure at these firms would wire the closing market's prices to their office either in New York or in

London that were doing business, but then they would ask us before the close, "What did we have to offer? Or was there any wheat or something we have to offer?" We'd say, "Yes, you could have overnight, good to the following morning." And they'd go. So the next morning, we would hear from some that they would book so much wheat. They would ask what periods and what amount we-. So they could put the offer of freight and money to make an offer, the buyers.

NP: What do you mean by periods? What periods?

FR: Well, we didn't want to sell wheat six months ahead of time when we weren't sure we had it in the country elevators. One thing we were told, "Never offer what you don't have," and that's what happens. [Laughing] Yeah. A certain shipping period, and none of them were sticking their head out too far anyways. But say 60 days or 90 days ahead because they'd have to get freight, to get the money for freight, the value of the money at the time before they make an offer to the buyer who says, "I'll take that 2,500 tonnes or 10,000 tonnes."

NP: You moved from the eastern Wheat Board service into the western one. What would be, say, the biggest changes that--? Any eye opening--?

FR: Well, one of them was big. You can imagine me coming from Montreal and a bunch of the staff over here. [Laughs] That was something else, a whole new world. And then really most of them were very good in their work but had no idea about shipping because basically the Wheat Board, everything stopped at Thunder Bay or to the grain companies in western Canada.

NP: And why was that?

FR: All of the credit that people that buy grain in western Canada into elevators, they ship it to Thunder Bay, then they get paid for it, and the Wheat Board has title. So these companies here have no interest what happens to it there other than it's in their terminal they want it, see? Then when it's shipped east, like Canada Steamship Lines would come and say, "We have such a vessel. Can we take it?" We say, "Yes." They tell us, "Well, give it to Richardson." They say that Richardson will put a--. It's going to be the shipper. The lake vessels tell us. Richardson then calls us, "What are you going to load? So much?" And they pay us money, the value of the grain as if they were shipping, and they ship it from there to wherever it's unloaded in the St. Lawrence. All along the line it's financing. When then the grain moves from a farmer to a country elevator, then it changes hands. It belongs to the elevator, and then when it's into a car--. At each stage, and there's different titles to the grain on those.

NP: So in the car it belongs to the railways?

FR: Yeah. If it's derailed, they come, they pay us for the bill of lading quantity and the price of the grain at Thunder Bay.

#### [0:50:06]

NP: And when does the Wheat Board lose ownership of it? Or does it ever?

FR: They get it at Thunder Bay, at Vancouver, in store Churchill.

NP: Ah.

FR: When it's in the store at terminals in the St. Lawrence, the lake shipper agent that goes on the vessel, that--. So that's how Canada Steamship or Misener encourage customers to ship their own grain on it, like flax and rapeseed and other businesses. They would give them this lake freight, and they ship it financed, but they made some money doing that.

NP: And when do the customers pay for it?

FR: Which customers now?

NP: The Wheat Board's customers.

FR: Yeah. So you're getting into a different--. Which Wheat Board customers?

NP: Well, the people that you're exporting to.

FR: Once it's in Montreal elevators, a St. Lawrence terminal, it's held by these different agents in our name. They cannot deliver the grain to a ship until we get paid in Winnipeg. So once a ship comes in, say that the shipper is Dreyfus, he pays Winnipeg in Winnipeg here. We then order Richardson that has the title of grain in Montreal to deliver to the office of Dreyfus in Montreal, the documents, and then Dreyfus's agent goes to the Harbour Board and orders the loading of the ship. But not a grain goes out of the spout until it's paid.

NP: Which raise a question in my mind. I'm thinking now that all of this record of transaction is all dealt with by computer, but back in those early years, how were things communicated? How did this paper get moved around or this data get moved around in some kind of timely fashion?

FR: Amazing, amazing. Yes. Yes. So the number of people and the reliability on people.

NP: Right. So how did it move? Like, special couriers?

FR: Oh, then you're asking a whole--.

NP: Telegraph?

FR: Huh?

NP: Too big a story for today?

FR: Pardon?

NP: Too big a story for today?

FR: Yeah.

NP: Why don't we just call it now.

FR: Stop here and I'll show you.

## [Audio pauses]

NP: So let me just update the recording here and say that we'll do this another time. Just continuing our conversation, and it's obvious to me that we need to spend more time on the whole communications issue in the grain trade because of the changes over time and the fact that this was communication right around the world. So we've agreed to leave that for another discussion and just continue on now with just a couple of sort of general questions about your career in Winnipeg. So just take a couple of seconds or as long as you like to just think for a moment about what would you like people to know most about the work you did during this part of your career? You can go right back to the beginning if you want, but I think I'm thinking mostly about your work with the Wheat Board. What would you like people to know most about that work?

FR: Oh, really, I was part of a teamwork, eh? I guess I was interested--. And to be a team worker, I got to replace some of the other people over the years or some that somebody would retire, and another appointment would come in. Often some were put in my office to follow up, and I did want to make sure that in the event something happened to me or to some of the chaps in my office on our travels or on some other things that some of the work goes on. So I really had not a big team, but a very key staff since I had to leave the city quite often. And what was interesting were employees that had been at the Board prior to that, and then the computer area came along and others, and they were sort of pushed aside. They didn't have the—not pushed aside—but they didn't have that stay. They weren't there long. So I had about three or four chaps that worked that maybe had a few years before retirement but that were very, very good. They were discreet and--. Because we had the work before of different firms that's not--. Really, when I was the general sales manager, at the moment we had with each company--. It was a separate desk, but I had a pretty good idea what they were doing and who they dealt with overseas. Never, never have I given that out, and the companies knew that from me. They never heard a report, jeez, compared to today, what their positions were.

#### [0:56:20]

NP: Their positions as in their financial positions or their positions--?

FR: No, no. They had a position whether they were long or short the market overnight.

NP: Ah.

FR: And having been in Montreal and in the freight business, so it took a--.

NP: So if you think back, and this might be a tough question to answer, but think back to the beginning of our conversation where your first experience with the western grain trade was working on stooking grain on a farm, and now as you look back on what you know about the grain industry beyond stooking grain, what are your thoughts about Canada's grain industry?

FR: Oh. That's quite a question to ask. I learned there were a lot of good people, yeah. A lot had good reputations on the floor. Very, very good. And a big change—[laughs]—was in my time, it all happened at that period. First of all was the change in the metric system. None of them over a certain age, everything was done in bushels and everything else like that that they could have dreamt of that. And they made representation to politicians, and they were left under the impression, "Well, this was talked about, but don't take [inaudible]." So when that came about, some of them were just as if it changed up the whole language in the trade.

NP: I think we'll add that to our stories as well.

FR: Then when it came on computers later on that they're trading on now. Like I know one chap that still works at the Grain Exchange where he spends his day. [Laughs] I remember his dad, remember when he started. I mean, he's in his sixties or seventies now, and he got through the metric system, but the computers, he thought that that was crazy at all, working out now just out of a screen. That just changes it all. Then there were limits to trading in grain, which are now today that's what's causing all the bloody problems.

NP: Limits to trading?

FR: Certain hours to trade. Only certain limits that they're trading now.

NP: As in amounts?

FR: What has happened in the United States is that because of--. They had the stock market at certain times, then they opened it—that's their business—to people overseas at different times, the Japanese, and then the bank at California to trade. You can't have a trade like that.

NP: What--.

FR: So there was more of a trade outside of the hours. There was trading outside the hours, and they put it then in the morning. What happened is as I get it in the morning--. You get NBC at night and the paper, and they just read what's in front of them. And so, people that were in the stock market, legitimate traders and that, wanted to get into another trade in the last few years, so they got into the grain trade at the market in Chicago. So limits have been removed, and suddenly you hear that the price of corn is going up to this. And they say, "Well, because of the corn they're making ethanol and everything else like that." This is the type of stories they put out. The corn is grown because people have cattle that they want to feed. They're not going to make ethanol out of it. And the other corn is going because Schenley's and Hiram Walker's need the corn. Certainly, some will go for ethanol, but that's not going to replace the gasoline or some other things. So these fellows they've got now in the grain market, taking big positions, driving the price of the grain up, but they don't have grain to deliver. They were never in the grain trade. They've literally moved the regulation to--. But that's--.

[1:01:25]

NP: So the implications of that in the long-term if--?

FR: Yeah. But you see like the mortgage thing. People that were lending mortgage and didn't have money themselves, then when they got a mortgage signed, they would go to the next step. How could CIBC, for example, in Canada—here our banks are all controlled by the government, the Bank of Canada—how could the CIBC be having a deficit on that field of \$800 million? Who in the firm could lend out money to somebody without really an in-depth check? Look at what they lost with the firm in Texas!

NP: So the danger of unlimited markets then in grain can possibly come home to roost in not a very positive fashion?

FR: Yeah. Well, we're not as badly affected. See they bought out the Winnipeg Grain Exchange, an American firm. [Laughs]

NP: Removing it farther from the producer or source of production.

FR: Yeah. They have a whole different approach, but that's--.

NP: We'll wait and see.

FR: We'll wait and see. That I have no--.

NP: One last question for today. Thinking back now just to your work in the Wheat Board, what might surprise people most about the work that you did? People that aren't in the know, what might surprise them the most about what you did in your career?

FR: I'd have to give it some thought. Yeah, I'd have to give it some thought. All I know is that it was exciting and that I had a lot of--.

NP: Exciting in what way?

FR: It was a new day all the time, learning, and I met a lot of people, a lot of good people. Jesus, in trades, I would look at them and how they did that. I mean--.

NP: In trades?

FR: Oh. Some just by chance and everything. So on the plane, I made many trips on short notice. So on a trip, a gentleman I got into a conversation with, he was a Romanian and very young. He went when the Spanish Civil War was on, so he with others. So

when people got killed, they took the arms that were there, have the arms fixed up, and then they would sell them to other things. He became an arms dealer, a major one. You hear about these people. So the last major job he had was with Sukarno. We met on the plane, and we discussed music and other things like that. He retired in Paris. He loved Paris, to hear them talk, the French, their language. I told him the same with me. It just flows out of them. So he would go to courthouses. He enjoyed that as much as an argument, or some car hit another on the corner. To hear them get out, and really, it's just sensational to hear them. So he liked Paris. His wife had passed away. He had a son who was a symphony conductor in Switzerland.

# [1:05:49]

And he had sort of retired in the trade. When there was a work between Iraq and Iran, Saudi Arabia put up a pile of money to pay for arms, but before you pay for arms, you want to make sure you're getting for your money. So they hired him. He had a staff of about 14 people. They were retired. One was in western Canada in British Columbia. Anyways, he got them together, and they supervised that, this big trade, and what they got, each one of them got at least \$1 million when it was over, when all was delivered in the order and what. [Laughs]

NP: So you met some fascinating people not related to the grain trade.

FR: Oh, jeez. We always kept in very good terms with him. He was a remarkable individual.

NP: You mentioned--.

FR: Then he--. Oh, Jesus. A mind on him. There was a very famous arms dealer in Holland that he dealt with. He went to Holland, and he saw--. Oh, yeah. There was—this is how it started—a chap that was working for him, an arms dealer, that was going to North Africa, in the Congo. The chap said he needed \$50,000, and he gave him \$50,000, and the chap gave him a painting to hold as collateral. The chap got killed in a car accident. The painting was a classic work worth millions. So the fellow from that, he went to the--. He had a Van Gogh that had never been--. Knowing him, he contacted this arms dealer in Holland who the appropriate people in the government were. He went to see them. Nice people, they had lunch with him, and they came to see him in Paris and this and that. He agreed to give them the painting. It's in the Van Gogh Museum with an inscription donated by his wife's memory. They then allowed him to deposit money in Holland banks and not pay any taxes in Holland for his son and his--. [Laughs]

NP: A good deal if you can get it.

FR: Well, the painting was worth enough, but they made a copy, an identical copy. He said, "They can't be identical, this small of the painting" because he loved it. [Laughs] He'd asked me about my trips. So once a time I'd have to go, like the schedule. I'd fly to New York with chaps from the office, meet for breakfast on Friday, two guys, different grain traders that dealt in Central America, and then on the Monday we'd fly to Santo Domingo, the Dominican Republic, be there a day and a half, then to Venezuela, then we'd go to Panama, then we'd go to--. [Laughs]

NP: And what would be in each of those places?

FR: Flour mills.

NP: Ah.

FR: Meeting people that were a potential, these quantities. So I told him about that one. So you would meet various people like that, but you often wondered who's got the money to pay for this grain at these places. So I'd get calls in those towns at whatever hotel I was in from somebody asks, "Could you tell me who was at the meeting?" I'd say--. Then one guy would say, "Well, this fellow has the authority." [Laughs] They knew. Up to Costa Rica, and then we'd come back. So even from Paris he knew people that knew those people in that trade. A phenomenal individual.

# [1:10:38]

NP: So this fellow who was the arms runner knew the players, the money people in the other countries?

FR: The people in those countries, well, sure because it's a second-hand trade. When you sell new ones, they trade them into these other places. Oh!

NP: A small world.

FR: Yeah.

NP: Yeah, a small world. So when you said you--.

FR: But on the plane, we got into all kinds of--. But never on that. That was only later, eh?

NP: So when you said that you met other people in the trades. That you marvelled at what they did, within the grain trade?

FR: Yes, some, particularly in shipping and transportation and ocean shipping and that.

NP: Say more about that.

FR: I was at the Maritime Commission when we were selling these ships. So they had ships, the Canadian people. They covered so many, but there were ships left. So Greek owners were interested. They opened 49 companies named in the maritimes, but one day this man came at the Commission wanted to see my boss. My boss was at the dentist, and I started to get into conversation. He asked me what I did, and I told him. He says he was in shipping. I asked him about rates for six months—time charter, voyage charters, and that. This was Mr. Livanos. He had a son, two daughters. One Onassis married one of the daughters, and the Niarchos married the other. But Livanos, they were over 100 years in shipping, so he had vessels. Oh! So I didn't know until subsequently when I was in Montreal, a very good friend of mine was a stevedore and did the vessels, knew Mr. Livanos. Anyway, from a conversation, next time he came he gave me a recording. We had talked about music and about other things like that. So you have these people, a whole fleet of that size, and to keep track, but I could see the continuity, the people he hired for doing the chartering of the vessels, and then who was in the port looking after his crew. I mean, there's a centre of the crew. Find a dentist for them, a doctor for them, their personal mail, or things like that.

NP: So these foreign companies set up some really strong alliances with agents and such?

FR: Oh, yeah, an agent.

NP: In Canadian --.

FR: But certain ones, eh. Yeah, yeah. It was very quiet, but--. So yeah. It was just fascinating, these people. And then other than this business, they have quite a--.

NP: They have lives.

FR: Yeah. So.

NP: Okay. I think we'll call it for today.

FR: Okay.

NP: And thank you very much. This has been great.

End of interview.