

**Narrator:** Frank Rowan (FR)

**Company Affiliations:** Canadian Wheat Board (CWB), Canadian Maritime Commission

**Interview Date:** 23 February 2009

**Interviewer:** Nancy Perozzo (NP)

**Recorder:** Nancy Perozzo (NP)

**Transcriber:** Sarah Lorenowich (SL)

**Summary:** In his third of four interview parts, former senior advisor of marketing for the Canadian Wheat Board Frank Rowan expands on his career in the CWB's sales division. In this interview, Rowan shares several stories of opening new export wheat markets in countries like Japan, Poland, Czechoslovakia, Russia, China, and Algeria, as well as smaller niche markets for malting barley in the United States and durum in Italy. He explains how the Canadian grain handling system was forced to adapt to the scale of needed exports and how new crops grew in demand as wheat sales to Europe dwindled. Other topics discussed include Canada's food aid programs opening up new commercial markets, labour issues in the port of Vancouver in other industries that hindered grain movements, Alberta's growing self-sufficient feed wheat market, and the Wheat Board's connection to the International Wheat Council.

**Keywords:** Canadian Wheat Board (CWB); Grain export destinations; International trade; Grain transportation—ship; Grain transportation—rial; Winnipeg Grain Exchange (Winnipeg Commodities Exchange); Grain contracts; Grain buyers; Grain marketing; International Wheat Council; European common market; Shipping logistics; Hopper cars; Country grain elevators; Canola; Grain research; Pulse crops; Sugar beets; Durum wheat; Malting barley; Canadian International Development Agency (CIDA); Global food aid; World Food Program; Feed grain; Labour relations; Contract negotiations; Accredited exporters; Japan; United Kingdom; China; Russia; United States of America; Algeria; Italy; Flour milling; Vancouver; Montreal

Time, Speaker, Narrative
NP: Good morning. I'm talking to Frank Rowan, again. This is the third in our series of interviews. It's February 23, 2009, already, and this morning I'm hoping that we'll be able to hear your stories about developing markets. So just to go back a little bit, in our last interview we had started to talk about your move to Winnipeg and the job you took on there. So maybe just sort of refresh my memory a little bit about when you moved to Winnipeg and into the marketing side of the Canadian Wheat Board [CWB].

FR: So I started with the Canadian Wheat Board. They hired me to be the manager of the Montreal office, open the first time they had an office in Montreal, where there was the centre of the shipping industry. From there, that shipping industry oversaw the shipments out of the Port of Churchill, out of the Atlantic ports, and of course all of the major St. Lawrence ports of Montreal, Sorel, Three Rivers, and Quebec. And subsequently, Baie-Comeau and Port Cartier were built during those years. It was a very interesting time in the development because I was in that office for five years before the Seaway was built and for five years after the Seaway was built, so witnessed and was part of the great expansion of lakers coming in from Thunder Bay into the St. Lawrence, and then ocean boats also going, and exports of Canadian grain through elevators.

NP: So when you moved to Winnipeg, then, it was a change in responsibilities?

FR: Yes. The Wheat Board brought me out to Winnipeg in 1963. I just have some notes to remind me. [Laughs]

NP: Sure.

FR: I was appointed then sales manager of wheat. We really don't sell wheat. It's the customer that buy from us more so. [Laughs] That was in '63. In 1967, I was appointed general sales manager, and in 1971 was appointed special representative sales policy. In this latter capacity, I assisted the Canadian Wheat Board in numerous projects related to the transportation and sale of western Canadian grain. In addition to these duties, I was named coordinator of eastern grain movement in March of 1974. That's when I had a lot of experience in Montreal in receiving the grain. This was now overseeing the shipments out of those ports.

NP: So that would be coming out of Thunder Bay to the St. Lawrence?

FR: Yeah. Principally from Thunder Bay.

NP: So if we just go back, if we start with the first sales position you had, what was your job there when you were working in sales? What would a typical day look like?

FR: Well, basically, there were a number of companies, primarily international companies, with offices in Canada that were accredited exporters. They're the ones that had the export markets overseas. The companies that operated within Canada—companies we're familiar with—were operating country elevators and terminals and that. Some of them were involved in the domestic market, but none of them in the export market. So there were also accredited exporters here.

NP: And can you remember some of the names of the companies that did that exporting? I think Richardson was one.

FR: At one time, prior to the war, but not after the war.

NP: Oh, okay.

**[0:05:07]**

FR: They had offices here, and they had offices in Montreal and Vancouver. They had different markets.

NP: The export agents had different markets?

FR: Oh, yes. Definitely. They could service from Japan to the UK to Germany to Poland and all of these countries, yeah. Just to give you an example, there was one company, Agro, a company in Montreal that was established. This is somebody, a Mr. Strauss, who was born in Germany, and he and his dad and his uncle in Holland were importers of feed grains and other things into that market, and he moved to Canada when the war started in 1939, established a company. He turned out to be very successful. Then there was an Alfred C. Toepfer, a big German company in West Germany that handled primarily into Germany.

NP: Were most of these companies in Montreal, the Canadian companies?

FR: No, they had offices in Winnipeg.

NP: Oh, okay.

FR: Yeah. Then there was Cargill. That was before they owned elevators and that. But they were the only Americans. They had an office. A major exporter was Continental Grain, a company established in Belgium originally. These companies like those had vessels of their own. They had ships. If you were an importer, they could supply you Australian wheat, Argentine wheat, Canadian, American, whatever. Big, big time. Louis-Dreyfus from Paris, who had originally started the grain business. Can you imagine from their beginnings when the time of Napoleon when they invaded Russia. They all moved grain with horses and that for 1,500 miles. They were assigned sales that they found with the oat supplies in different countries to have them available for those horses to haul. So that shows you when they started. They had their own bank, their own fleet, and at one time they did, in their history. Oh, it's an amazing history. They found in Bulgaria. Bulgaria's a country just on the Black Sea below the others, which was growing all types of grain. They have a valley of the roses there. I've been there once. Anyways, a small part of their business was bringing the first

roses. That's why the perfume industry is in Paris. They brought it from there, these flowers, and they extracted oils, and that was one of their sidelines in those days. Imagine! They were an exporter here, and they helped us a lot.

Pacific Grain, this was a Swiss company. It had different names. The company's name was Andre in Switzerland. They were Pacific Grain on the West Coast. They were called Range Grain here. They had a company in the United States, under different names. European Grain and that. They exported in different markets. They were one of the first ones into China that I remember in my time.

NP: And how would you get to know these people? Like did you have regular meetings with them?

FR: Well, there were representatives. They each had an office here. Some of them, the representative they had was European. Some of them hired local people. Subsequently, as I travelled to certain countries, I knew having been from the shipping business where they delivered grain. So if I was to visit some of those countries, I would certainly communicate with the local chap, tell him I was going there and so that he could let their office know or the importers of that. So in sales, I had a pretty good idea of where their business was. There was no statistics, but they did most of the exports. So there were companies like Pacific Grain. XCAN was a company formed by different cooperatives here to do business into Japan at one time.

**[0:10:19]**

NP: The Pool elevators?

FR: Hm?

NP: The Pool elevators?

FR: Yeah. There had been no business to Japan before, and so some encouragement was given to the Pools to get involved, but they were a bit reluctant. But they formed an office under the name of XCAN, and an experienced chap who then they opened an office in Japan at the time because we had an embassy there and facilitated it. There had been no business to Japan prior to that. So they got started, and wheat was something, but then the Japanese in time imported malting barley and canola, became big exporters of rapeseed, which is now canola, and other things eventually. So they remained. But when the Pools were bought out, it literally— But XCAN operated for quite a few years.

NP: So where did the Wheat Board have sales offices? Did they have sales offices around the world?

FR: No, no.

NP: No?

FR: They're the people. These are the people that sold.

NP: Ah.

FR: We opened an office in Tokyo quite early, which is very important.

NP: Was that before?

FR: That's a different market altogether. Not before the war. They didn't import anything from us prior to the war. They didn't even have flour mills or anything else. That's quite a story how that developed.

NP: Tell me the story of how that developed. So before the war, they didn't import any wheat products or grain products from Canada, but things changed.

FR: I was in [inaudible] in Ottawa. Well, my story after the war when I came back, I returned to university, and one of the specialities I did was in transportation. Particularly interesting, I had worked on vessels in the summer prior to that, had some knowledge, and I started working with the Canadian Maritime Commission, which was responsible for shipping and shipyards—very, very interesting at the time. There had been no exports from '39 to 1950 because of the war, prior to the war and after the war, just aid programs. Then there was a big demand. Exports really started off of different products in Canada. So each company was making requests of the railways for more and more cars. There was a lot of confusion, so the government appointed a transport controller, Mr. R. W. Milner, and I was seconded to that office. This was trying to find out really what the exporters want, what did they have, and not in too much detail, but exactly how much would they need and how much could they handle, and assisting this so that the railways could find out actually what they had to move in series.

So this was very interesting. And one of the big items, naturally, was grain with the 5,200 elevators and shipping to all of these. But this Mr. Milner had been born in Ontario. His dad was, I think, head of Maple Leaf Milling. After the war, Mr. Milner came out to Manitoba to get involved in the grain industry. He noticed then that it was all with the horses and wagons to bring the grain to country elevators. He had been in transportation at the military, so he started a trucking business here to see if it would do, but that's quite a story. Subsequently, he moved out to Alberta, and he was with Alberta Pacific Grain. At that time, Alberta grew grain, but

there they were furthest from Thunder Bay. They got less. So like some of the others, particularly themselves, thought that if there were other markets— There was an elevator built in Vancouver, the first one that they operated, and they had the first shipment of wheat. The first shipment went to the UK via the Panama Canal, it had been opened after the First World War.

**[0:15:54]**

But there were many Chinese people and Oriental people in Alberta in practically every little town because they had come when the railway was built, and they had laundries and they had different things like that. So he had asked a number of them what did they eat back at home, and they talked about noodles. He never could, I guess, figure out what that is, which is a big industry today, noodles, in those countries. He said that he knew that you can't change people, their eating habits, what they ate. And at conferences with western farmers, there weren't that many on the Pacific Coast that felt the same as him. They were part of a campaign that they'd ship flour to Japan to make bread and make sandwiches for school children, and they started. This was a program that they got aid. That the parents—.

NP: Who had the program?

FR: Alberta Wheat Pool, people from the States, a farm organization, a farmers' union, and other big co-ops. They proposed that at that time, and that was quite a thing to go to Japan in those days not even knowing the country. That program started, and the Japanese noticed after they ended the war, only in limited places, but those that had been raised on wheat were far more robust. So immediately they decided then to inquire and build elevators, and immediately right after the end of the war. Today, they have the most modern elevators. Ours are way out of touch. From that time, they only import the highest quality wheat, only No. 1, only high protein. As I said, they built— Our milling industry was so behind the times that theirs was the most modern in the world, I would say. I visited some of those companies later since we had an office there. One of the major ones was a Mr. Shota, a very, very nice man. A big Nippon from Nisshin Flour Mills. His daughter married the crown prince, was the first time a girl had done that. So he was the father. They came here, he and his wife, in '67 to travel. Very nice. So that's how that market opened, and Japan has been to Canada the biggest importer of wheat, and they buy every week. They import. They only take the highest quality wheat. It says if you have a big arena, they have all the box seats. [Laughing] That is the major trade, I mean, the high-quality wheat.

Subsequently, they started importing rapeseed, but more and more canola now. Those are the big markets from Canada, but the wheat, I mean, they are the number one. They take at least 100,000 tonnes a month. That is a private trade that's controlled by the government, the food agency, because being an island. And subsequently they purchase from different countries, maybe not necessarily wheat. It's the only market that the United States ships spring wheat to. They grow limited quantity, but that's all the Japanese will take. So dark northern spring wheats like ours that are grown in the Dakotas and that, the Americans, if they wanted

that market, they had to supply this spring, high-quality protein wheat. But they buy a lot of corn from the States and other markets and that. So Mr. Milner was originally at the beginnings of the programs of sending flour to the schools, and so that was one of the big, big market developments, how that went.

**[0:21:06]**

NP: So when the grain products leave here, where do they go to in Japan, like what ports? Do they have a port or—?

FR: Oh. You know there's 120 million people on the [inaudible]. You're talking about a big-time operation. It's in limited areas because other islands have the traditional food that they have. Wheat for making noodles as I told you, large, large quantities that they—. Yeah, and they produce wheat as well— a different type, but not a the high-quality wheat on those various islands, and self-sufficient, so if you bring it in— So the wheat is for the main, big cities, I guess, on the major islands. Yeah.

NP: So Japan is Canada's biggest customer?

FR: The number one customer, and the highest quality wheat, and they're buying every week. They call tenders, and they have quite a system. So every Japanese ship that is taking wheat has brought other cargo here, whether it's televisions or whatever, automobiles. They're the only ones that have got the two-way trade, and since they tender and make it three months ahead of when they need the wheat, these companies get part of that traffic when they have traffic to meet with their schedules. All the different companies are an integral part of taking cargo from Australia or from the United States, bringing cargo in and out. They're the only ones with two-way traffic. Very clever. Very clever.

NP: Who are Canada's other big customers? Or has that changed over time?

FR: That changed big time.

NP: So when you first started who would you—?

FR: Well, you know, compared to—. Well, the UK until the mid '30s before we could export any. People from here would go to England, give them approximately how much we produced, what the quantities were, and they would indicate how much they needed from the Atlantic port. And I guess they also might have had veto on if we were exporting to other countries. It depended almost entirely on that. The mother country, they were always expecting. [Laughs]

NP: And how did that?

FR: Well, from the Grain Exchange in 1936. I saw the minutes of them having to go to the UK and to—

NP: Almost get permission?

FR: Mmhmm.

NP: So that changed.

FR: And then, of course, during the war, we were such big suppliers. We're a small population but there were about 120 places where they were producing, turning wheat into flour. Even small places on the Hutterite colonies and everything else, all to go to Halifax on cargos going to the UK during the war. Then after the war in the early '50s was aid programs to Europe and other things like that, and so the millers here had a klondike on all they could produce.

**[0:25:03]**

NP: And then what happened to the UK market?

FR: Oh, it remained until—. What do you think happened? We were shipping to Germany, bought from Canada in the early '50s after the war. Started with aid for Belgium. We'd get vessels, until the European Common Market started up. When they started primarily at the beginning for— They developed coal companies in the war. Instead of competing among themselves, they formed a market of doing that on the common market, which made sense. But somebody then came up, "What about agriculture?" At one time, they said, "Why should we be dependent on other countries to do—?" So they started producing grain and asked countries around the world for ideas of varieties that they should, for different seeds that they have. They went for high-yielding forms of wheat. At one time, France produced more wheat than Canada.

NP: When was this? Like a year?

FR: Oh, in the '60s. Not before, oh no. Quality wise, it wasn't what we had, eh? Ours is the spring wheat. But as far as yields were concerned—and the policy of subsidizing the farmers was based on the yield. They had a price set at Rotterdam, and whatever you grew—I mean if it was 300 miles away or that—you got the subsidies that they had for producing. It got so big that they had so much grain produced, they were literally giving it away to even markets, shipping from the Common Market out to the Far East.



NP: And what was it used for, like, if it was not as high quality?

FR: Oh, they found all types of ways of using it.

NP: Mainly feed, or mostly food?

FR: Oh, no, no. Some of the bread. There are great varieties that grow wheat. Ours raises, but flatbread and pita breads and others, like in the Middle East and everything. They do now, but to limited markets.

NP: So how did Canada react to that then? One of their major—?

FR: Like our friends in the south. “It’ll never work, the common market.” [Laughing]

NP: So much they knew! So how did Canada sort of adjust to that? And were you working at the Wheat Board at that time when there was sort of the shift in the build up in the common market?

FR: There’s not much that we could do or any attempts were made to do it. What the big, big development that came here was the year that I moved to Winnipeg in ’63 when the Russians came.

NP: The Russians are coming! The Russians are coming! How did that come about?

FR: Well, in marketing of grain, of finding markets, in the mid ‘50s, I guess in ’56 or ’57 or something, those countries, Poland, and from Eastern Europe were interested in importing wheat. These are countries that had been devastated. I mean, there was big agriculture. That’s where the first shots of the war where the Germans went and the Russians came, and so they approached. At that time, basically, a special formula was made and negotiated with them that they could buy grain on credit. They would pay approximately ten percent down and the balance in three portions in 24 months or three years. And that worked out very well. We started very easily with Poland and that. So once they did, subsequently we got markets. Then came Czechoslovakia came in and imported some wheat, then wheat into East Germany. And then in the late ‘50s, the Russians came for an agreement like that, just to have an agreement, and they imported small quantities of wheat going into Leningrad and that. But some in Poland and Czechoslovakia and those that worked out quite well and became—. Many of them would say they’d like to buy, the Polish, Germans. Even when we went to China, they—. So they were familiar with it, and then, as I say, when they did the big Russian trade in 1963, the year that I got to Winnipeg, it was quite interesting how that developed in Ottawa, but I don’t think we want to—.

**[0:30:59]**

NP: Oh, I would like to hear it.

FR: Yeah, yeah. You might be interested about other countries. The Russian Trade Mission came to Canada, and Mr. McNamara, was our chief commissioner had been at the International Wheat Council meetings that were held in London, and the Russians were part of that because they imported and were exporters to the UK of really high-quality wheat. A higher quality than we had. So he had met the people from exports that had been in Moscow, Mr. Matveyev and the others. So he saw that they were on the delegation that came to Ottawa for trade. So it was a slow time at the time, so he went to Ottawa and met with them.

As it turned out, both of them had a lot in common and were straightforward. At the discussion that they had, Mr. Matveyev asked a lot of questions of how much we produced and how much could we sell and what ports could handle. They got talking quite a bit, and he quoted a certain figure that McNamara said, "Under pressure we could ship that much." He said, "I'll take that much." The other one realized, you know, he— So the next day, Mr. McNamara went to see the Deputy Minister and pointed out this. "So it's evident that it will take a lot, but," he said, "we can do that." That's what we can do, but the British and all the other buyers usually take so much a month and they have them booked there, so we have to protect the position of doing that.

NP: You had to keep your previous customers happy.

FR: Yeah, yeah. They didn't have a chance here to sell out the whole to—. Anyways, I was involved at the point of getting questioned by them in Winnipeg. "How much could shipping handle if we get it unloaded and everything?" We did a lot of logistics on that, depending on if they sent ocean boats to take it. Anyways, this was all worked out, and they explained to Mr. Matveyev that we can do so much but that it's got to be we have to protect traditional customers. So they took 5 million tons. This was in addition to all the exports that we had to any other customers. So you're asking when the first big break was, I mean, this was about all that we could deliver flat out through the railways and whatever.

NP: So it's not just a question of saying, "Well, yes. Our farmers can produce that." You also have to think about can your railways get it from—.

FR: Well, the basic one to hell with that; the basic one was he wanted it starting that September, never mind what they were producing. What did we have? What did we do to get it moving? I mean, he's not telling us two years ahead of time.

NP: [Laughs]

FR: No, no. That's another offer that the producing has to do with weather and everything else. So for the first time in history here we had, in addition to what our traditional customers are, what they were shipping. Naturally, it wasn't all going to their country. So you're asking about market development. They were exporters even to the UK, as I said, of high-quality wheat. Higher quality than ours as far as protein content. So then that was part of the discussion. Here they were shipping wheat and flour to Cuba. So whether there was any problem shipping Canadian wheat, instead of them shipping from Russia and all the distance and everything, here it's going to Cuba. Then some of their other countries that were nearby like Poland and Romania and others produced wheat that they would sell to Russia, next door neighbour.

**[0:35:42]**

But these countries—Poland and Romania and others that grew wheat—had big crops, and they were certain of shipping to Russia, but they didn't have space to store all of their grain. So what they did if that wheat was good, the Russians would take it at the beginning of the year, and then the wheat that we had shipping to them traditionally over the months of November, December, January, February would go to those countries. So we knew. We knew where every one of them went to. And then some to the Far East. Big, big quantities to the Far East.

NP: So let me get this straight. I'm getting a little confused here. So they would buy Canadian wheat and then they would end up selling Canadian wheat to other places?

FR: No, no, no. I never meant that.

NP: Or we would fill the gaps.

FR: I never mentioned that.

NP: Okay.

FR: I said they'd take it from those other countries, and they'd replace it by buying from us.

NP: Oh, okay. This is fascinating.

FR: It's just trade.

NP: Yeah. It's not simple though.

FR: I was at the centre of the whole thing keeping the records. You should see the records that I have downstairs.

NP: Amazing.

FR: I went over 40 times to Russia.

NP: So when you went to Russia, what was that like? Describe a trip to Russia. What kinds of things? Why you would go, how things progressed when you were there. Tell me a little bit about their system. Like, you were mentioning Japan's system was fantastic.

FR: Oh, you realize that Russia has ten time zones.

NP: Yes.

FR: We're talking Halifax to Tokyo.

NP: And did you visit every time zone there?

FR: Once. I went once. From here in three days, three and a half days, I went through 17 time zones.

NP: [Laughs]

FR: That's another—. The Vladivostok and the Kotka, I have pictures downstairs of it.

NP: How would you describe their grain handling to ours, for example?

FR: Oh, there's no comparison. I have no idea. The spring, you see, they were distributing to different republics. At that time, it was the Soviet Union, so they were putting wheat into Latvia, Estonia, Lithuania, and the Moldavia, these different republics which they

don't have to do now. And within their own country, I mean, even getting grain to ship out to the Far East, we're going over 6,000 miles by rail.

NP: Their markets in the Far East, were they like the communist countries in the Far East?

FR: No, no. In Russia.

NP: Just anybody?

FR: No, no. Russia goes from Poland to the Far East, which is Russia.

NP: Ah, okay.

FR: The republics were all on the outer-. Today, Vladivostok is still an old part of Russia, and that's ten time zones from there, nine from Moscow.

NP: Hm. What changed in Russia that they suddenly became such a big customer of Canada? You know, from very little sales to this major sale.

FR: Oh, they saved themselves a lot of money.

NP: How?

FR: When they had to bring from the centre of Russia to ship wheat to Cuba, and flour, and so they were going to other destinations that I'm not mentioning that our wheat then went in replacement that they took to others. They saved a lot of time to bring grain from 6,000 and 7,000 miles by railway within their own country when they could take wheat off from Vancouver. They had ships off the Pacific fleet that service their far north, and during the ice season like ours, so those ships were coming into Prince Rupert and bringing wheat into the Far East instead of them shipping it. Logistically, it made a lot of sense, and they saved a big ton of money.

**[0:40:34]**

NP: So was there somebody in Russia who finally said, "Aha, we're doing things wrong"?

FR: No. I don't know. Don't know.

NP: You know, "We could be doing this better"? Major change.

FR: I could see from the logistics of what the shipping was. In any event, that made our whole big changes in our grain handling system here at that time. Fortunately, we went to hopper cars at the time because we had the money from that contribution. That was a main start of that. Then each province had been making so much that Saskatchewan bought some, and once that started, then there's no need for country elevators for storing. We didn't have one thing. In the old days, we had to fill the terminals at Thunder Bay and fill the lakers and that. It meant the banks made a pot full of money because it all had to be financed, and those houses were financed just paying storage. Now the grain stays on the farm, and the farmer's making a lot more money. And it was all deducted from the price of the wheat. Everything in lake boats, all that 80 million bushels at Thunder Bay, financing that at the expense of the farmers, and then they paid the storage. This way they can ship it from Brandon by car to Montreal. You should see the trains that go to the east in the winter. Back within a week. 10,000 tons from Brandon to Montreal, and the cars are back in a week's time.

NP: So why did they even need the stop over in Thunder Bay then?

FR: They don't. That's a different market now.

NP: Ah.

FR: Earlier, Thunder Bay was built big because of big trade that we had with the United States.

NP: Tell me about the big trade with the United States.

FR: Well, there was one year that they shipped 60 million bushels of oats through Thunder Bay to Buffalo—60 million!

NP: Usually feed oats or food?

FR: At that time, before the horses, eh?

NP: Ah.

FR: To feed horses of all kinds. It was designed at that time prior to that.

NP: So even the growth of the automobile had an impact on the grain sales.

FR: Well, the whole western Canada, all the harvesting was done with teams of horses. One company, Birt's Saddlery, just supplied equipment for horses and that had 1,200 locals across western Canada.

NP: Down to one by the mid '70s, I guess.

FR: Yeah.

NP: So I've read a couple of things about the Great Grain Robbery. What's your experience with that? What did that refer to?

FR: That's a title of a book, and the chap that wrote the book— to sell the book.

NP: Yes. [Laughs] A good catchy title.

FR: Yeah. Not against us, no. Yeah, I'd have to refresh my memory. I know about it and everything else like that.

NP: So we had Japan as major sales, Russia?

FR: We had the UK was a major market, high-quality wheat through Churchill and that. Norway, and then when Poland came in in the mid '50s. It was developing. Then what happened with the Common Market, eventually we got out of the wheat, and by that time there was the big, big change—the dramatic change—from rapeseed into turning it into canola, and that was done by scientists here—great research. Rapeseed was starting to be grown during the war because they needed certain fine oil that they needed, and the rapeseed, I think, that we had was imported at the time from Argentina or something like that. So it was continued after the war. They could get the oil, but the meal couldn't be used. It had a very bitter taste, and the animals didn't want to eat it. The oil is good, but the meal was a major part. Like in soybean, we get soybean oil, but the meal is worth a lot more for feeding animals and everything.

**[0:46:12]**

So scientists here made a big profession. They were able to extract or change erucic acid in that so that the meal then from canola can be used for feeding. It's very, very high-quality for feeding. Not only the oil they want, but they want the meal as well, if not

more. It's worth more than the oil. So as it developed, we started from rapeseed, and now we get canola as a major, major producer. Then there were developments, like the Red River and Assiniboine flooding almost each year, and the water goes out each year. They did produce wheat in that land for years, but it was not good quality wheat. So subsequently, they changed this once they found it would be very good for root crops, and they started sugar beets. Now it's big time in peas and lentils and all kinds of others in those areas. Along the Assiniboine now between Portage and Carberry, they produce over 5 million tonnes of potatoes. That's more than New Brunswick or PEI. All that was former land they produced wheat on. So those are changes that came along.

NP: If we look at the other sales or even changes in sales made over the time that you were at the Wheat Board, there was a big shift to Russia.

FR: That is of wheat and certain barley, but then it became other grain products, and they get the priority to transportation on rye, flax, rapeseed, and that. Any demand. They get the priority, the private companies, as far as the transportation. So then we started the export of malting barley.

NP: Who were our customers for—? Where did we sell our malting barley?

FR: Well, the biggest buyers at the beginning were south of the border. Anheuser-Busch and Coors and those, certain varieties. Now some went to Japan, some high qualities went to—one or two cargos went to Belfast for the scotch industry.

NP: I bet they didn't let people know their stuff was coming from Canada to go into scotch whiskey. [Laughs]

FR: They've been doing it a long, long time though. [Laughs] Into the '30s and everything! But principally south of the border, yeah, different varieties of malting barley and that. So they get the—.

NP: Market. How did that develop? I think you had some connection there with sales to China. How did that develop?

FR: So when I was in Montreal, in the Montreal office, one of the exporters, one of the major exporters on high-quality wheat that they purchased, they'd have to let us know the destination, where it was going because we [inaudible]. But on wheat, they grade it No. 3, 4, or 5. It's still very good wheat, but maybe not high protein or damaged by frost or something else like that. They could sell to any destination.

**[0:50:03]**



NP: Who's the "they" you're referring to?

FR: The accredited exporters.

NP: Oh, the exporters. Okay.

FR: Yeah. Nobody sold but them. It's a team of ministers saying that we sell. [inaudible] sold a couple of cargos to China. So they didn't have to announce the destination to anybody who wanted this info. So when I was in the Montreal office, they called through the Wheat Board, and they told me that a member from a delegation from China were coming to Canada via the east. Since we didn't recognize them or the States, they couldn't come in by the west, so they crossed the whole of Europe into Montreal. I met them at Montreal airport and brought them to a hotel at Place Louis Riel where there was a kitchen in it. I have photographs of them here with Anita, my sister-in-law. So they had other commodities to-.

NP: Markets as well. Okay.

FR: Mmhm. So my office was in the Montreal Board of Trade or something, so I went to certain companies. Could they be in charge of that? Could they fit in any appointments with-? But they wouldn't go to Ottawa or Winnipeg.

NP: Why would they not go to Ottawa or Winnipeg?

FR: Oh, we didn't-.

NP: Recognize them?

FR: Recognize them. We give them visas to travel maybe.

NP: So they could land, but they couldn't travel.

FR: So later that year just before Christmas at the end of December, we got another message that another delegation was coming. So I went out to the airport to meet them, and on the way in from the airport, I heard on the radio that Mr. Howe had died in Montreal. They'd like to meet with our chief commissioner, who I said, "Certainly. I'll come back and let you know." But I came back and told them, "He's out in Vancouver. It's holiday season, and he's visiting his mother." In the meantime, I told him that Mr. Howe had passed away, which he'd seen. So he said that he'd come to Montreal on the pretext of going to the service. After the service, he

brought the Deputy Minister of Trade and Commerce to the hotel to meet the Chinese. We didn't recognize him, but we brought the highest civil servant.

NP: Who was it, do you remember?

FR: Oh, yes, I know. I'm not [inaudible]. [Laughing] So I made the arrangements and took him in. About two weeks later, they asked—or less than two weeks—for people to go to China, two of us. I went, and the manager of our London office. Imagine in those days. So it was a long trip by propeller aircrafts in those days. So we were about two and a half to three weeks in Hong Kong. Anyways, that's where the first major contract was signed, and the beginning of it. The key then was Canada didn't recognize them. [Laughs] Anyways, not the point of the story, but that went about.

NP: So how did it come about that we had the Chinese signed up? Was it easy sales negotiation?

FR: They knew everything. They waited for us to tell them. They didn't need us—. They knew the Polish terms. They knew all the terms of those contracts. So eventually, that's what they had to do, and to give them credit, it had to be signed by the government. In other words, it was nothing because the government for Canada—. So they signed an agreement, give them credit, and signed by the government people. And the following week, Alvin Hamilton, minister from Saskatchewan, went to Hong Kong. Never met in China, but met the office there, and came back, and landed in Canada, which was good. Out at the airport and so on with the contract in his hand. Subsequent ministers like Mr. Argue would say, "What kind of contract is it?" I said, "I didn't accompany him. I wasn't there." [Laughs] That was the first of the long-term contracts signed with China.

**[0:55:36]**

NP: And they've continued to be a major—? For your career?

FR: Yeah. Well, you know, the country runs from Churchill to Venezuela, in China. So they don't have that much, in those days, the transportation within that country. So they do produce an awful lot of wheat, as much as the Americans, and all in the northern part of the country. The south is in mainly rice and other things. So I know where the wheat does go by ship and where it unloads. I went to one Port Jinzhou at that time in those days to see a vessel unload. They have good clients. It works out perfect. This is wheat grown in the top parts of the Prairies, and most of it they get through Prince Rupert. So that was a big, big help.

NP: So any new markets that you sold to? Maybe not as big?

FR: That bought wheat from us?

NP: That bought from you, right.

FR: Well, we produce durum wheat, which the product is semolina, and from semolina is pasta. In North America, there's some grown in the Dakotas and that. Here they're grown in Saskatchewan in certain areas. A major producer is Argentina that produces, but theirs is in the old days. There's a market for it. All we know about is Italy, but southern Spain, southern part of France, and others are importers for products that they make, different types of pasta products. A major producer is Turkey, but they don't keep it segregated with other wheat, so it can't be used. So some years it's a big demand, and prices would skyrocket, and the next year, farmers would grow a lot more, and the prices would come down. That was the secret of durum. My interest was always in shipping. When vessels left Montreal, I would have a Lloyds Calendar. When a ship was named, I'd look up in Lloyds where the ship was coming from, where it had been in the last year or two years. This was my interest all the time.

So France imported durum from us. Three companies imported durum, three exporters here. I'd look up where they went, and I saw the ships would unload in North Africa in Mostaganem and Oran. It didn't bother anything to me. This was okay for them. So in 1968, we were in [inaudible]. Even the Russians bought durum and everything. So I asked permission to go to Algeria. We didn't have an embassy there, but I'd seen ships with our durum unload for years. So naturally, the three companies that were exporting here, they were exporting to an importer in France. They didn't have the ship, nor would they—. They didn't care less once they got paid where the ship went. But I asked them, "I'm going to Paris. I would like to visit these companies," which I did. Just told them I was glad to be here, to come here. I was planning to go maybe visit Algeria. "Oh. Here's who we contact with. We'll let them know that you're coming." Because I landed there and not tell them, within hours they wouldn't know somebody from the Wheat Board there. Instead, this way, "Oh, yeah, we had lunch with the guy." So this was in '68. There was no Canadian embassy. There's an attaché in Switzerland. All in French, eh? That's my first language anyway.

**[1:00:33]**

NP: So that was helpful that you were able to speak French.

FR: Mmhm. So that was quite a story anyways. Anyway, then signed an agreement a few years later. I went at least once a year from '68 to '88 to Algeria, and then from time to time to Morocco and Tunisia, whether they'd buy durum. But Algeria is a big importer of that. They produce durum wheat a lot, but just like our crops are damaged by frost, their crops are really damaged by the siroccos, the hot winds off the Sahara that come along. I was there one year, and I sensed that it was 55 degrees in the desert.

NP: That's Celsius, I take it.

FR: So that was a big market. Another one that helped introduce it over the years, Canada Food Aid, CIDA [Canadian International Development Agency], but all our aid is distributed by the World Food Program. If we could deliver it to different countries, trying to find out what they needed and everything else like that, this helped a lot in finding certain markets to move our wheat. A very good experience. Canada has been very wise in that we don't do bilateral aid. Other countries give aid, and they get other things in return. Ours, the World Food Program distributes. We know where it goes. We get credit for it, but we're not –

NP: Expecting sort of a tit-for-tat.

FR: Yeah, yeah. Other things. We're not selling arms or all these other things.

NP: How important is a country's reputation for sales? Is it strictly business, or does a country's reputation make a difference in whether you're successful at selling or not?

FR: We were successful. Generally, we have a very good reputation, particularly the quality of the wheat. The inspection system here is very highly [inaudible]. The Grain Commission laboratories that test the grains each year, the reports are very, very helpful. The rest of it, we're still a small player, you know, compared to the other countries.

NP: Small player compared to the United States?

FR: or the common market.

NP: Ah.

FR: No, I always tell them, "Don't us [inaudible]. California has a bigger population than we have." [Laughs] Changes over the years, big, big changes here in production in Alberta. They had a difficult time. Years ago, they were far from Thunder Bay, but then the West Coast, once they built elevators, then the trouble, almost year in and year out there'd be strikes. Once Thunder Bay closed. For some reason, the ports had closed down at Vancouver, longshoremen or containers or something else, and they'd shut off the grain. Alberta particularly, well, overall Canada suffered with that year in year out. Minister would always ask me, "Do you know if you have something you can do? Can you find a solution to that? Arbitrate?" But it had nothing to do with grain most times. Anyways, Alberta sometime back decided what could they do to utilize more of their grain domestically, which they have big time. They're major producers of beef now. I mean, these are big, big, big markets that they're doing.

NP: Did you ever—?

**[1:04:57]**

FR: There's a big plant, a rendering plant, in High River. It does 4,000 head a day. The most modern and the cleanest and the finest in the world. Imagine that they—. And for feeding. Once when the Minister was here, there was a—. We know about our Aboriginals, but there was a tribe in southern Alberta that came to visit the Minister here in Winnipeg, and I met with two of the older chiefs. They had 23,000 calves that spring. So in conversation, I asked them what shift did they take when the cows were sent. They said they preferred the night shift overnight. I said, "Yeah." They said they would bring the grandchildren with us, sleep under the stars, and tell them stories about this, and then if the cows had difficulties, they're there to attend to them. But imagine 23,000.

NP: Hungry little—.

FR: Huh?

NP: Hungry cattle eventually.

FR: But all high quality, all thoroughbreds. And then when I was inquiring from them, I said, "What about all the vets for looking after the problem?" "We have all our own." I say, "Yeah?" So they have Mormons that live in that area that arrange for Aboriginals to go to schools in Utah. High class. They're about the best that there is in animal husbandry. When you look at ours here and those between Thunder Bay and Regina, Aboriginals.

NP: So Alberta, then, is pretty much self-sufficient in feed grain?

FR: Oh, yeah. Yeah. And it's changed so much now, you know. One of my sons, Anthony, is an inspector. He started out in Lethbridge, has been to Rupert, been to Churchill, and now he's at head office. But a few years ago, out here at Morris. They have a facility there. I went one day, and that could load 10,000 tons in boxcars from 8:00 in the morning until 8:00 in the evening, and half of the quantity came by truck from Alberta to unload into that. Those same trucks then loaded feed wheat from Manitoba and took it back to Alberta, right to feed lots. So when you look, instead of the old system from the farm to a country elevator, from that to a feed lot, when these guys can take it from a farm here and right to a feed lot. 5,000 tons unloaded in one day from trucks, and those same trucks then reload. Whenever I hear, I go out and see. I'm interested in seeing that. I was like a wharf rat years ago. Everything, I see how they do it and what they did. This I couldn't get over, the inspection. And without an elevator!

NP: Hm! So just on the run?

FR: Oh, no. An excellent facility. Oh, no, no, no. It's inspected and everything and weighed.

NP: So what do they unload into?

FR: Straight into hopper cars.

NP: Boxcars? Oh. I'll have to go take a--.

FR: Oh, it's all designed for that.

NP: Yeah. I'll have to go take a look at that because that's a different way of doing things.

FR: Oh, yeah. Yeah. So that's where the changes are.

NP: It's at Mordon? So going back to your sales position, were there ever any situations that kept you awake at night for worry that things weren't going the way they should?

FR: No. The only upsetting thing, the major one, was the labour problems, which had nothing to do with this. You know, in Vancouver, it was from unions from the States, stuffing and de-stuffing containers and everything else.

NP: What does stuffing and de-stuffing containers mean?

**[1:10:05]**

FR: The secret of containers. You go to a plant, you put it in the container, and you seal it, and they come here, and you deliver the container to the importer. They wanted to unload it in Vancouver. They wanted to unload the container, an extra handle, and then you get 20 percent of pilferage.

NP: And so--?

FR: The whole success of container is that it's put in a container, it's not handled, and everything like that.

NP: Mmhmm. To the—?

FR: Fortunes were lost in the work stoppages in Vancouver. It was the worst for years.

NP: And those work stoppages would obviously have an impact on the getting the grain out.

FR: And they started right after the Thunder Bay closed, of course. So potential markets at the time—. Well, that's a whole story in itself.

NP: Did we ever default on deliveries?

FR: Huh?

NP: Did we ever default on deliveries?

FR: Not default but didn't make sales.

NP: This is what I'm getting from what you're saying. Like, this is what I'm learning new, and just correct me if I'm wrong. You have to have a lot of customers, and sometimes those customers are actually your competition. Is that a fair statement?

FR: You know, there's been a big, big change over the years. The wheat is good, and the durums, and high-quality malting barley. There's more malting barley today than there used to be. A lot of the land, growing a lot of peas and lentils now that we're exporting. None of it was done before. Between Portage and Carberry, there's now 5 million tons of potatoes that were never grown before. They used to grow grain. So we have less of a production.

NP: Of wheat?

FR: Yeah, yeah. Of wheat. Canola has been—. Yeah, it's changed a lot. I can't talk about a lot. I'm not familiar, but the markets have changed.

NP: But change seems to be sort of the name of the game.

FR: Oh, yeah.

NP: That if you don't change--.

FR: Oh, no. Excellent. I'm not against that. They were wonderful. It was certainly helpful. Good products. Yeah, the ideal would be dealing more free trade with the south. They would like to buy more here.

NP: South?

FR: United States.

NP: Ah. And why doesn't that happen?

FR: Representation. The Senator from North Dakota.

NP: What happens?

FR: I'm not--. It's more difficult.

NP: Trade barriers?

FR: Yeah. Delays in trade. But that, I'm not familiar with all the details.

NP: Mmhmm. You mentioned an international grain body earlier on, and I just took note of it because I wanted to ask more about it. I can't remember what it was. The International Grain? You were mentioning that they, I think, met in Britain at one time.

FR: The office was in London. There was an international place for the handling of sugar, where exporters and importers would meet, and similarly grain there was for years and years.

NP: And it was called the International Grain?

FR: No. International Wheat Council.



NP: Ah. Okay. And what did they do? Like what was their reason for being?

FR: It was a meeting. Exporters and importers would meet.

NP: And did they deal, or did they?

FR: No, no, no, no, just the fact that they had a man from South Africa and Austria and others were there, and people from the government here. Like, the Wheat Board would stop in. We had an office in London because the UK was a major market, but also to keep us in touch with the International Wheat Council. It was a meeting place for them.

**[1:15:02]**

NP: Sort of networking.

FR: Mmhm. Very, very good. But then, as I say, once the Common Market had wheat. [Laughs] There's one for sugar. There's one for other products like that. Yeah. The importers were interested in the exporters. I mean, a meeting place.

NP: Any other customers that come to—?

FR: Yeah. A lot came, as I say, through the food aid program. The countries that started eating like Ghana and others started purchasing wheat that they needed at that time. Nigeria and others. But the big development, the exporters. You know, these accredited exporters found all kinds of markets. But now that was in my time. [Laughs]

NP: Well, that's what we're interested in! We're interested in your time.

FR: Yeah.

NP: And big changes since then, of course, too.

FR: Yeah. The ministers aren't even interested.

NP: I think that's what I've noticed in my reading.

FR: Huh?

NP: That's what I've noticed in my reading.

FR: When you see that in the paper last week.

NP: Huh. Oh. Earned \$708,000, the Wheat Board head.

FR: That's what they say.

NP: That's what they say. Hm. Have to read the article. I take it that's a little different from what your salary was back in those days.

FR: When I came in '62, I was getting \$17,000.

NP: Yeah. Well, things have changed.

FR: Yeah.

NP: Yeah. I've got—.

FR: Oh, no. It was good at that time. My pension now is very good. I continued after the Board. Anyways.

NP: So I have about half an hour left on this tape, but I'm thinking that could we meet one more time for the Thunder Bay story?

FR: Yes. Today I have something that I have to—. The wartime pilots.

NP: Oh, they're meeting.

FR: There are fewer and fewer meetings.

NP: Well we'll sign off on this.

FR: No, no. I'll just show you. They're disbanding.

**End of interview.**