

Narrator: Edward Tyrchniewicz (ET)

Company Affiliations: University of Manitoba (Asper School of Business), University of Alberta, International Institute of Sustainable Development

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Summary: Senior scholar at the University of Manitoba Edward Tyrchniewicz discusses his long academic career in various agriculture and grain-related positions. He begins by providing a survey of his career from graduate student of agriculture to Dean of Agriculture at the University of Alberta. He then works backwards through his career, starting with his most recent position in the U of M as a senior scholar. He recounts his various positions within the Asper School of Business at U of M, spearheading new departments related to transportation and agribusiness. Tyrchniewicz also recalls his work in the International Institute of Sustainable Development, and his work to restructure the Agriculture Department at U of A. He shares the major agricultural policy issues of the day, like deregulation, country elevator consolidation, rail-line abandonment, and the Crow Rate debate. He describes his contributions to these policy debates through federal commissions, on which he served as director of research. Other topics discussed include his prediction of the Wheat Board's demise, global trends affecting Canada's grain industry, globalization of Canadian grain players, the insular nature of the grain industry, his work in foreign countries on improving grain handling, Thunder Bay's challenges with the Seaway, and notable people who impacted Canada's grain trade.

Keywords: University of Manitoba; University of Alberta; Asper School of Business; International Institute of Sustainable Development; Agricultural policy; Government policy; Agricultural economics; Agribusiness; Agriculture studies; University of Manitoba Transport Institute; Grain transportation—rail; Grain transportation logistics; Rail line abandonment; Royal commissions; Grain industry—Research; Hall Commission; Gilson Commission; KFT Report; Grain marketing; Sustainability; Grain farmers/producers; Canadian Wheat Board (CWB); Canadian International Grains Institute (CIGI); Canadian Grain Commission (CGC); Deregulation; Freight rates; Crowsnest Pass freight rate; Government subsidies; Country grain elevators; Consolidation; Grain trade—laws and legislation; International trade; Canadian International Development Agency (CIDA); Globalization; Thunder Bay; Churchill; India; Pakistan; China

Time, Speaker, Narrative

BC: Grain trade. Have you got it on? Let's make sure.

MM: The little red light is on.

BC: Yes. Okay. Good afternoon. This is May the 9th, 2011, and my name is Bea Cherniack, and I am interviewing Mr. Ed Tyrchniewicz, and Mary Mitchell is recording this session. So first of all, of course, we thank you for doing this, and if we could just start with a very simple, which is just give your name and when you were born and where you were born?

ET: Okay. My name is Edward Tyrchniewicz. I was born on January 20, 1941. That makes me 70 years old. I was born in St. Boniface Hospital, but I lived on a farm just southeast of Winnipeg.

BC: And where was that?

ET: And that's where I grew up in the community of Prairie Grove. In fact, it's so near the city that the floodway, when it was constructed in the 1960s, took a corner of our farm. I attended grade school in the country, walked to school two and a half miles—I try to tell my kids and grandkids uphill both ways [laughs]—then went to St. Boniface for high school at Provencher Collegiate.

BC: Okay. And what kind of farm did you grow up on?

ET: It was a mixed-up farm. We had grain, we had cattle, we had pigs, we had chickens. It was, I think between what my father owned and what he rented was 560 acres. It was a good living.

BC: And is there anyone--? Do you still have the farm somewhere in the family?

ET: No. My parents sold it when my dad turned 65. They bought a small acreage nearby, some 30 acres, and we still have that. My mother died a few years ago, so these 32 acres are still in the family. But I've never really felt that qualified me as anything resembling a bonafide farmer.

BC: Okay. And could you just briefly—we'll go back and forth—but describe your connections to the Canadian grain industry.

ET: Okay. After I finished high school, I went to University of Manitoba where I got a degree in agriculture, and somewhat to the chagrin of my parents, because they had hoped something a little higher up the food chain like engineering or law or whatever. But I got intrigued by agriculture and particularly the economics of agriculture. So I then went on to do a master's and PhD in the US and went to work at Kansas State University after my graduate work, and then I got an invitation to come back to Manitoba. A gentleman who was a department head, Dr. Clay Gilson, said he had two positions, and one was for a resource economist, and one was for a transportation economist. I assured him I was qualified for neither position, but I was interested in coming back. I mention this because I started from a zero-knowledge position, and that was--. He made the point. He said, "Well, at least you won't come with preconceived notions and biases."

So I ended up almost tossing a coin, and I became a transportation economist, one of the first in Canada, and that got me involved in issues related to transportation of grain—initially with transportation—but then I got involved in handling and marketing, et cetera, and did a number of things. I did research. I had graduate students under my supervision who did the research, and some of them have gone on to become fairly major players in the grain industry. And then I got involved in the public policy side of things. One of the highlights—and I think one might almost call it the crucible of my learning about the grain industry—was I was asked to be director of research for a royal commission on rail line abandonment where I had the pleasure of working with a grand old man, retired Supreme Court Justice Emmett Hall. I was his director of research.

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I was a young, hotshot researcher who thought he knew economics, et cetera, but working with an old judge who had been around for a long time, I learned an awful lot about what made the world tick or not tick, as the case may be. And because, although we were dealing with rail lines, we were also dealing with elevator abandonment and just the whole systems approach to the grain industry. So that happened in the mid '70s. I think that was sort of, in some ways, a turning point that it got me much more involved in public policy issues, not just the research. I continued on doing research, but I also got much more involved in public inquiries and the like and was director of research for another one or two, and then I actually had a couple of my own that I chaired—national committees looking at grain issues.

Also was involved in a piece of work with two really knowledgeable guys. I was just the dumb blond on the project. It was infamously known as the KFT Report—Kraft, Furtan, and Tyrchniewicz—where we did a performance review of the Canadian Wheat Board [CWB] and lived to tell about it. That was a very, very controversial area because the old adage—and I'm sure you've heard that by now—that wheat is about 13 percent protein and 87 percent politics. [Laughing] So we had--. Actually, I had a lot of fun working on that project with these other two guys. They were really knowledgeable, and I don't think we came up with

anything earth shaking, but this was in the mid '90s, and the report is still being quoted and misquoted 16 years later. So again, learned another dimension of it.

One other--. I don't know how noteworthy it is, but about six years ago, my wife and I and another couple—Ed and Marilyn Basker, who I know Mary knows—went on a grain ship from Thunder Bay to Montreal, and it was a working grain ship. We were the guests of Canada Steamship Lines [CSL]. We had the run of the ship, and just the people who were on the ship, the mates, were very knowledgeable, and learned an awful lot about the operation of the Seaway, the terminal elevators, and the like. So it was--. I'd say that's probably--. I think I may have learned something since then, but I just tried to touch on some of the things. It was hardly just an academic perspective. So.

BC: So what would the years of your career span from when you got the call to come back up to Canada through all these different things?

ET: I started in 1967 when I came back to Canada, and in terms of--. Well, I'm not doing very much on grain now, but up until a few years ago I was still involved in a variety of things. So it's--. And then for a while, I was Dean of Agriculture and Forestry at the University of Alberta. So I was really not that much into it, but it was during that time we did that KFT Report. In fact, there were calls for my being ousted as dean because some people didn't like the conclusions we drew, which I took that as a badge of honour. [Laughs] But that was, as I say, in the mid '90s.

BC: So I know I probably shouldn't ask this question, but I'll use your principle too—curiosity. You did a study on the Canadian Wheat Board, and after our last election, will there be a Wheat Board, and should there be a Wheat Board? If you're comfortable saying anything.

[0:10:11]

ET: Oh, I'm comfortable with that. Daryl Kraft and I predicted in the mid '90s after we'd done the report, a couple years later we did some back of the envelope scratching and said, "The Wheat Board is going to outlive--." Or sorry, "The economics of the Wheat Board are going to be such that there really won't be a need for it." We said that will likely happen within 10 years, so we were off by a few years. Indeed, when the Conservatives came into power, I think it was 2005, I believe, someone arranged for me to meet with the Minister of Agriculture and Minister for the Wheat Board, Chuck Strahl, and we had a delightful conversation. He was quizzing me on many things.

Finally, he said, “Well, professor, tell me, what should I do about the Wheat Board?” I said, “Leave the damn thing alone because economics and the world trade issues will--. Farmers will only support it to the extent that they believe it’s adding value to them.” Then you’ve got 20 percent on one end who are ideologically committed to it, and another 20 percent on the other end ideologically opposed to it, and the 60 percent in the middle saying, “Is it doing me any good?” Well, here’s where I’ll say something which I probably shouldn’t, but he said, “Well, that’s fine for you darned academics to say that, but my boss tells me, ‘Get rid of the damn thing.’”

I said, “Well, you’ve got two options. You can either do as your boss tells you or tell your boss he’s wrong. There’s easier ways to do it.” He said, “Thanks a hell of a lot.” [Laughing] So I’m not surprised that it’ll be going. There are reasons. It’s not that it isn’t doing some useful things, but the economics of it are such. And it isn’t anything the Board is doing. It’s more so they’ve been selling--. When we were doing our work, they were still selling a lot to state trading agencies. Now a lot of that has disappeared, so the monopoly profits they were making just aren’t likely to be there anymore. Now, you’ll certainly find others who may have a different point of view on this. My numbers are a little old, so.

BC: So how do you see if the Conservative Government gets rid of the Wheat Board, what will take its place?

ET: Well, that’s going to be interesting because they say we can have a voluntary Board. Well, I don’t think a voluntary Board is going to work. It either has power, monopoly power, or it does not. And if it does not, then it’s just like another grain company without physical facilities. I don’t see it working that way. That it’s either, okay, if you want to get rid of it, fine. You’re going to get rid of it. But don’t try and push the idea that, “Well, we’ll keep the good parts of it, and those that want to deal with it can deal with it,” because they won’t be handling that much grain. I think farmers are getting much more sophisticated in their ability to market their grains. They do it with canola and other non-board grains, so it’s not a matter of they don’t know or don’t have options.

But now there’s a lot of other issues. For example, the Wheat Board plays a very significant role in market information, market promotion through an organization called CIGI, Canadian International Grains Institute. The Board accounts for—I forget what it is—40 percent, I believe, of the cost of operating CIGI, which is a very good organization in terms of promoting Canadian grain. With the Wheat Board not there, will the government continue to pony up that money? Because right now, it’s farmers’ money, but there won’t be a mechanism for doing that.

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Also, the Wheat Board is a very significant contributor to research, grain related research—agronomic research, plant breeding, et cetera. With the Wheat Board gone, I think it's something in the neighbourhood of \$7 or 8 million a year, which is a significant chunk of money. So I think these are issues that haven't necessarily been addressed because the driver is ideology rather than what's best for the system.

BC: So as someone that's obviously not as familiar with how the system works, would then, if farmers become individual agents, do they still go through the Canadian Grain Commission for their testing and their weighing and--?

ET: Yes, the Grain Commission is a totally separate entity, which is essentially the quality control side of the operation, so it's there. Getting rid of the Wheat Board won't alter the mandate of the Canadian Grain Commission because the Canadian Grain Commission provides these services not only for wheat and barley but also for canola and all. I think it's 23 different varieties of crops. So that part of it will remain, but--.

BC: It'll be interesting times ahead.

ET: It'll be very interesting times ahead, and I think the writing was on the wall on this. I remember, I think, the scars have basically healed when Daryl Kraft and I commented that, "The Wheat Board is going to outlive its usefulness in due course." All three of us, Daryl, Hartley Furtan, and I have graduate students that are fairly senior in the Wheat Board, and they took some great umbrage with us drawing some of those conclusions, but--.

BC: Very interesting. Well, where to delve back? Where to start going back through this again, is the question.

ET: Okay! [Laughs] Well, that was an interesting route we followed.

BC: Well, yes. We kind of outlined--. We're going from '67 very active about until 2009.

ET: Yeah, okay.

BC: And you've obviously had very different jobs within the system. So just so I understand, you worked as an academic, so you worked for the University of Manitoba?

ET: Yes.

BC: University of Alberta. And--.

ET: And now I'm back in Manitoba. I've retired four times. [Laughing] First time in '96 when I retired as Dean of Agriculture and Forestry and Home Economics by the time I was done.

BC: And that was here?

ET: That was in Alberta.

BC: That was in Alberta, okay.

ET: And then I came back here. I was a senior fellow with the International Institute for Sustainable Development [IISD], and during that period of three and a half years or so, I really had not much to do with grain issues, though I was downtown in the Bank of Canada building, so I guess I did still rub shoulders with people there. Then I went back to the university in 2000 to help Daryl Kraft, who was department head, also terminally ill at the time. Then in 2003, I got lured to go over to the Business School at U of M, and a year later I was Associate Dean of the Business School for three and a half years.

BC: Oh, my goodness.

ET: And retired from there, I guess, it'll be three years ago in June. Now I'm a senior scholar at the university in Agribusiness. Yeah. That's a very nice sounding title. I have an office. I have a computer, but I don't have any money for doing anything. [Laughs] But I still work some with students, and I work with other faculty members and the like.

BC: Let's just go--. Maybe we're going to go backwards.

ET: Okay.

BC: We'll go to the Agribusiness, the last thing that you did. And you're saying that you work with students, so your area of expertise would be--? What would you be looking at working there?

ET: I guess I'm probably viewed as tolerably knowledgeable on things related to agricultural policy. I've worked a lot in other aspects of agricultural policy. I chaired a couple of inquiries on reviewing agricultural policy in Canada. I've been doing a fair bit of work on the interface between food and health through an organization called the Canadian Agrifood Policy Institute and

produced a couple of reports for them, chaired a panel for them. I guess that's probably the area I'm most involved in now is I sort of got myself involved with people who are nutritionists and the like, and in medicine. So just having a ball, learning new stuff.

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But also, some issues on transportation come up. But one of things that happened was--. Although ag transportation and logistics, et cetera, started in agribusiness, the Transport Institute which I set up in the mid 1980s has ended at the Business School, and one of the things we set up was a Department of Supply-Chain Management. A couple of my former students who did their PhDs under my direction are professors in that department, and they are both much, much more knowledgeable in terms of being involved in current issues in the transportation industry, the grain industry, than I am.

In fact, there's one person in particular—and maybe you've already got him on your list—Paul Earl. Paul is a--. Well, there's a story about Paul, of course. He's an engineer from Toronto, and I met him during the Hall Commission in the mid '70s on rail line abandonment, and he was ranting and raving about something, and I told him his biggest problem was he was from Toronto, he was an engineer, and he didn't understand history and religion. This was in a bar. [Laughs] Fast forward, I didn't get beat up, but he then started taking some courses in history and religion because--. And I said, "You know, if you're going to understand the grain industry, you've got to understand the social gospel movement and what made that tick."

So he came to see me about two years later, and he said, "I want to do a PhD in agricultural economics." I said, "What in the devil for?" He says, "Well, I want to understand why the industry did some of the things it did." And I said, "Well, agricultural economics isn't going to help you." I said, "Besides, you've got to take all this bumf that you don't want to take." And this fellow was the same age as I am, a few months younger. So eventually, to make a long story short, I said, why don't you do an interdisciplinary PhD, and I'll get two other guys on the committee—Gerry Friesen, who's probably one of the best Prairie historians, just a classic CCF-er—not necessarily a New Democrat, but just a classic socialist and delightful man; and the fellow who was head of the Religion Department, Gordon Harland, arguably one of the best, most knowledgeable social gospel people in North America. And so, that was probably one of the most fun things I ever did was ringmaster that circus.

But Paul had already worked for United Grain Growers. He had worked for CP Rail [Canadian Pacific Railway]. He had worked with the Grain Transportation Agency [GTA], and he ended up--. He finished his PhD. He ended up with the Western Canadian Wheat Growers, and his ideology is fairly right-wing. That's what I was trying to--. We took it as our objective to force him to go beyond his ideology of efficiency that he had to understand what was driving things. When a position opened up at Business School—I make no bones about saying it—I really pushed hard to get him hired on because I thought he had all this industry experience, and it would be really good to get the business students exposed to some of that. He's been with the Business School

now, I think, for six years. He too is a senior scholar in the Business faculty. But he's got a good sense of history, and I said to him, he was forced to learn it at an older age. [Laughing]

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And so, just the whole notion of what drove the cooperatives and the like because he was particularly hard on cooperatives and everything else because you don't understand what made them work. So my facetious comments about, "You're an engineer from Toronto," was not entirely facetious because unless you were actually exposed to some of this stuff, you wouldn't know. Mary knows all about them because she came from rural Manitoba.

BC: Well, there's so much to discuss here. I just don't know where to--. Well, let's go back. I guess I'm going backwards here, but every time we go backwards, you add in another piece of information. [Laughs] So do we go back to--. Maybe just talk about your time at that--. You talked about being about three years at the Asper School of Business?

ET: Five years.

BC: Five years.

ET: Yes.

BC: So could you talk about how you got there, what you did, and what your thoughts are on leaving? [Laughing]

ET: Well, how I got there was the then Dean Jerry Gray, and I've known Jerry for a long time--. He was--. And I mentioned the Transport Institute. It had been sort of drifting and floundering around campus, and it was over in Agriculture, but it was not a good fit there. The university administration pretty much unilaterally decided it's going into the Business School, which was not a bad decision. And Jerry says, "I need somebody who can help nudge this into some semblance of academic respectability." So I started off on a quarter-time basis, and part of it was essentially--. Well, at this point, there were three of my graduate students—one of them has subsequently passed away—that were sort of in this amorphous group kind of thing. And so, I was basically there to provide some semblance of guidance and nudging, et cetera, and focus.

In the meantime, we came up with the idea that what we should have is a Department of Supply-Chain Management. So the next thing you know, I was appointed the first department head just to bring quite a ragtag group of people together. Then we got a new dean who, three months into his term, called me up one Saturday and said, "Ed, I've got to come and see you." I said, "Sure. Come

on over, Glenn.” This is Glenn Feltham. He came over, and he said, “I hope you’re not insulted, but I’d like to ask you to come into the dean’s office as associate dean.” And I said, “Why would I be insulted?” And he said, “Well, you know, you’ve been a dean already, and associate dean is not number one.” I said, “Yes, but I know all the garbage number one has to deal with.” He said, “Well, that’s why I want you. You can be somebody who will be my mentor, et cetera.” And I’d already become that to him, so I said, “Well, why not?”

I said, “Well, I’ll do it for a year and a half.” He said, “Oh, no, no. Make it at least four years.” I said, “No. I may not like it.” I said, “I have some rules. I’m at the stage in life I don’t have to do anything if I don’t want. First of all, I don’t want to do just paper pushing.” He said, “Oh, no. I don’t want you doing paper pushing.” I said, “I don’t want to do dull stuff.” And he said, “No, no. This isn’t dull stuff.” I said, “And thirdly, I don’t work for jerks anymore. I don’t have to.” And I said, “So far, you haven’t shown that tendency, but if I get a hitch up with you, if you start doing things like a jerk, I quit. I’m not going to give you much notice either.” He said, “Okay.”

And he said, “Well, if you’re going to put down rules, so am I.” I said, “What are your rules?” The other thing I said, “I want to be able to work on stuff relating to agriculture.” I said, “Agricultural policy is still my love.” And he said, “Oh, by all means. My rules are twofold. One, when you’re working on that stuff, you mention you’re with the Asper School of Business. And secondly, if you get manure on your boots, clean them off before you come into the building.” [Laughing] So those were my rules. Actually, that worked out quite well, so I got that department set up and kept him out of stepping into too much doo-doo and landmines. Didn’t really do that much research because it was basically a fulltime job. I looked after the undergraduate program. I looked after the international stuff. We set up a co-op work program. I did a lot of the HR work around the school,

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then decided that maybe this was long enough, and a year before his term ended, I said-- Well, I had given him a year’s notice and said, “I’d like to retire again.” And he said, “Well, I won’t accept it.” I said, “Well, I don’t care whether you accept it or not. I can quit any time I like.” I said, “Don’t be a jerk, remember?” Anyways, the parting was quite amicable. I had the opportunity to stay in the Business School, but I’ve learned in the course of my various activities that when you’re done with a job, it’s best to wave goodbye and move a little further away, otherwise you can become a real pain in the butt to people that are your successors. I encountered that when I was dean in Alberta. The former dean didn’t leave his office until a month after he was done, and I showed up in town, and he was still in the office! It was embarrassing not for me. No, it’s okay. He’ll leave in due course, but for everybody else, it was. So I wanted to-- And Agriculture was very keen to have me come, so. I don’t know if I’m giving you anything useful or not.

BC: A lot of useful--. I'll take one step back then.

ET: I am pushing you backwards, aren't I? [Laughing]

BC: I have little notes because you went through so many things. I have something about three and a half years in the sustainable development. Now, what--?

ET: Okay. The International Institute for Sustainable Development. It's located in the Bank of Canada Building. It's a non-government organization. It was started, I think, about in the early '90s, and it's basically putting a focus on sustainability. I had been an advisor to them particularly on natural resources and agriculture. And how I ended up there was when I was ready to--. We decided that I was going to retire from the U of A, and we made the decision that we were going to move back to Winnipeg, and I had a year's sort of sabbatical, administrative leave, and so I'd be getting a salary for that year. But to move back to Winnipeg, it was going to cost money. So I let it be known that whoever paid my moving expenses back to Winnipeg could have my services for a year without salary. I made that proposition to two people—to the Dean of Agriculture--. I think Mary remembers Jim Elliot. Jim Elliot thought it was a great idea, but he was setting up a complicated contract. I said, "Elliot, that's not going to work. You either pay my moving expenses or you don't, and if you can't figure out how to do it, well--." But the International Institute, no, they just jumped at it immediately.

One of the interesting things was my son was my boss for three and a half years. My son Allen was. He was the manager of the natural resources area, and that was the area that I was working in. Although I technically reported to the president of the Institute, but on a day-to-day basis, I answered to my son.

BC: How did that go? [Laughing]

ET: It went quite fine as far as I was concerned. I had to tell him that calling me "Dad" gave him absolutely no authority or credibility. I said, "Dr. Tyrchniewicz is way too formal. Call me Ed." He says, "I can't!" I said, "Well, you darn well better," because he had about five of us answering to him. And I said, "You've got to. You've got some issues here that you've got to lay down some lumber here." I said, "You've got to apply it to me too." And he says, "But you're not the problem." I said, "Doesn't matter. If you're going to pick on anybody, pick on me. I'll even tell you what you need to pick on." Which was really quite amusing because he was not an experienced manager, and it was a pretty vicious organizational politics going on there. So I think a lot of my time was spent protecting him. "You better watch out. Something's happening here that's going to bite you in the backside pretty darn hard if you don't reposition yourself."

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But that's not the main reason why I was there, but I got quite involved. When I was Dean of Agriculture and Forestry at the University of Alberta, somewhere I got the notion that just looking at agriculture and forestry as purely an economic activity was not sufficient. Alberta was really good in both, and I came up with the notion that we needed to look at environment issues, conservation issues, broader societal issues. And so, to make a long story short, we went through quite an exercise, and we ended up introducing a new degree in Environment and Conservation Science alongside the Forestry and Agriculture, et cetera, and the Agricultural Business Management. Within three years, that new degree was bigger than all the others put together. There was a need for that, and it wasn't a tree-hugging degree. It was applying science and some biophysical science and some social science to environmental and conservation issues. That was quite unique. In fact, most people thought I was absolutely bonkers for doing that because this wasn't traditional agriculture or traditional forestry.

So the Sustainable Development Institute was really quite intrigued with what we were doing. So the president of the institute, Art Hanson, said, well, he's got all kinds of environmentalists and sociologists, et cetera. He wanted a little bit more of a red-necked economist who understood some of these things. So I was the token red-necked economist who was hired there, and part of my task was to interact with people to sort of bring a credible perspective on that whole notion of sustainability. I guess when I talk about sustainability, it's sort of the interface between economics, environment, and social issues and sort of where they all interact or overlap. That's really where you have a sustainable solution kind of thing. Anyways, I had a ball doing a variety of things. I did some management teaching in that area for a group from India. I'm way off topic.

BC: No, you're not. Just the Sustainable Development Institute, you said, is non-governmental. So who started it? Like where was the funding for that?

ET: Well, I'm at the stage in life where I can tell the story like it is. [Laughs] You may recall one of the big issues between Manitoba and the Government of Canada was the aircraft overhaul base that got stuck into Montreal. Initially, with Howard Pawly and then with Gary Filmon, that was a real sticking point, and it didn't matter which one had which politics, but they were really ticked with Brian Mulroney. As I understand it, this was some late-night shenanigans. There was this Rio de Janeiro conference in 1992, and I guess somehow Gary Filmon bludgeoned Brian Mulroney into putting up some money for an International Institute for Sustainable Development, and that's how it got started. And also, with it came promises from both the provincial government and the federal government for operational funds. That's--.

BC: It still exists?

ET: Oh, very much so. And the irony of it was that it was very strongly supported by Filmon and the Conservatives. When the NDP came in because it had been so strongly supported by the Conservatives, that's when IISD really started running into trouble that they were not getting that much provincial support. Always amusing. May I ask you a question?

[0:40:32]

BC: Sure.

ET: Cherniack, that's any relation to some of the Cherniack who are in--?

BC: Saul Cherniack? Yes.

ET: Saul, et cetera?

BC: Yes, yes. That's my father-in-law.

ET: Oh, okay. Okay.

BC: But I'm open to any discussions. This is about your point of view. [Laughs]

ET: Just curious! But that isn't going to alter anything I say.

BC: Good, good.

ET: I'm just curious. Okay.

BC: But my interest in this project is that my father worked for the Board of Grain Commissioners.

ET: And who is that?

BC: Harold Briton. He was the chief weighmaster way back.

ET: Oh, okay.

BC: So I grew up in Thunder Bay, and then the head office was moved up to Winnipeg. That's how I ended up in Winnipeg. So it's through my dad that I volunteer for this.

ET: Okay, interesting.

BC: And Nancy Perozzo's father was a weighmaster that worked with my dad. She's also involved in the project.

ET: How did Mary get involved in this?

MM: I'm a friend of Nancy's, I guess. [Laughing]

BC: The force is not in the room. Mrs. Perozzo is a very strong force in this project, so that's how she got both of us involved.

ET: Well, she called me on the phone and ascertained that I was quite willing to talk.

BC: That's good. And you know, we're getting such wonderful interviews from a whole range of people, and it is very, very important. And you're adding a lot. It's just there's so much for you to talk about that--. I'll take one more step back, I guess. Just again the Sustainable Development Institute. It sounds somewhat like you also did HR work there too.

ET: A little bit.

BC: Is that what you would identify as one of your strong skills?

ET: I guess I've never thought of it as such, but I guess so. And part of that was I became a department head of Ag Economics at a rather tender age of about 35, and there was only one professor in the department who was younger than me, and that was Daryl Kraft. Everybody else was older, and about half of them had been my professors. All of a sudden--. You know, you can be a hotshot researcher and you have graduate students, et cetera, but all of a sudden, you find yourself in a position to--. How do you manage a group of people who, A, are not really all that manageable, and secondly, still may think of you as one of their students? I mention Gerry Gray who was Dean of the Business School, and he was running a course through the Chamber of Commerce on managing people. I persuaded him to let me sit in on the course. There was heavy negotiations because he said, "I do this to make money too." I said, "You're not going to make any money off me." He says, "Okay." Eventually, all I had to do was pay for the material, but it was an amazing course.

It was a day and a half. I was the only one managing academics. There was a guy who was the manager on the killing line at Canada Packers. There was somebody else, a woman, who was the corporate secretary of a waterbed company, and another guy who was logistics manager of a concrete company. There was, I think, about 20 of us. All of us had the same challenges, and because I had already had a year and a half on the ground of trying to manage, I learned an awful lot. I guess I've sort of learned a lot about how do you motivate people and solve problems? I have actually--. And it doesn't necessarily make me a softie because tenured professors have a job for life.

BC: That's the general view.

[0:44:57]

ET: I got rid of, I think, it was three professors when I was dean in Alberta who had tenure, but for a variety of reasons they were just non-performers. There was a mechanism to do it. I followed through on it in the Business School. The dean was--. I don't think he had a stomach for this, but I got along very well with one of the people in the staff relations, and so, there was two professors that ended up they had the option of resigning quietly--. Well, they didn't have to do it quietly. They could say, "The associate dean's a jerk." "That's fine, but you either resign by Friday, or this is the procedure that I'm going to initiate, which is not going to be very pleasant because it was sexual harassment involved." So those kind of things get one quite popular with students and also with support staff.

BC: Mmhmm. And a hard job to do. Very hard.

ET: Yeah. One of the things I don't miss at all about being in the Dean's office is I always had an associate dean who would do the dirty work for me like dealing with student discipline issues. I was a disciplinarian. I was known as Dr. Death. [Laughing]

BC: Oh, my goodness.

ET: No, but a lot of it was HR and just having people come in and talk.

BC: Okay. I'm taking another step back. We're now going to talk about your years in Alberta, and how did you get that job? [Laughing]

ET: Hm! How did I get that job? Well, it wasn't because I wanted it. I was director of the Transport Institute. I was involved in getting the building built that now houses the Business School. That was probably one of the best jobs a person could have. I answered directly to President Neymark, the president of the university, and his interest was in getting a building for the Business School. This was a confluence of the president had an agenda, Lloyd Axworthy was then Minister of Transport, and Lloyd wanted to shovel money at the U of M. The Manitoba government—John Plowman especially and Howard Pawley—wanted to see some work done on transport. Well, it kind of smelt a little bit, to put it politely, and I guess I had no qualms about saying so right to the premier. About two weeks later, the president called me in. I thought, "I think I'm going to catch something for this." And he said, "I want you to be director of this Transport Institute." [Laughs] I said, "You've got to be kidding, Arnold. You know I think the whole concept stinks!" And he said, "Yes, it's not the first time we've taken a poacher and made a games keeper out of him."

To make a long story short, I got to set up that institute, do some really fascinating stuff. Life was good, and Peggy was a professor in Human Ecology at the time, and our kids were just finished high school and were sort of kind of on their own. Life is good. We were going to take a sabbatical, et cetera. I was at some meeting, and the Dean of Agriculture from Alberta came up to me and said, "I'm retiring a year from now. You should apply for my job." I said, "what the hell would I want your job for?" I said, "Besides, who the heck wants to go to Alberta?"

So he made some comment about arrogant so-and-sos, and then I got an official letter from the vice-president academic inviting me to be a candidate for the dean's job. I thought a little bit more about it, asked a few questions, and yeah, I really didn't want to do that. Then I was in the process--. Probably one of the busiest days of my life, I was going to be leaving for China the next day. I was presenting our Otto Lang for an honorary doctorate at convocation, and I had a tonne of stuff on the go, and this guy from Alberta who I knew quite well walked into my office and said, after about 17 seconds of pleasantries, sat down and said, "I'm not leaving and I'm not going to let you do anything until you tell me you're going to let your name stand for dean." I said, "Well, I don't have time for this crap. If I tell you I will let my name stand for dean, will you kindly leave?" He said, "Yes." I said, "Okay. Go." So that's how I got talked into it.

[0:50:03]

I didn't even--. Then he called me when I got back from China and said, "I haven't seen your application yet." I said, "Okay." I didn't even update my resume or anything. I just sent it in and said, "I've been asked to submit my resume for the dean's position." Never gave it another thought. Then about a month later, I got a letter asking for some references, and so I found four people who were willing to write a letter of reference and sent that in. Didn't give it another thought. Then I was leaving for Egypt, and I get a phone call from the University of Alberta saying, "Congratulations, you're on the shortlist of three for the dean's job. Can we set up an interview?" "Oh, crap." I didn't want to do that. I said, "Okay. I may as well see what interviewing for a job like that entails."

So I eventually went there. It was a three-day interview, and I was bemused by this, but I wasn't really trying to--. What you see is what you get kinds of thing.

Well, I guess the next thing I knew they were offering me a job. And I said, "Woah, just a minute now. I think I want to do another interview. This time, I'm going to interview you guys." So I basically went through the same process, but everybody who interviewed me, I interviewed them. The rest was history. But it was--.

BC: So what appealed when you did go for that final interview? What was the thing that made you think, "Yes, there's something here for me"?"

ET: Well, I'd say arguably the University of Alberta had, if not the best, one of the best faculties of Agriculture, faculty of Forestry, and they had good--. They were well resourced, which Manitoba was not. The challenge that the vice president academic gave me, he said, "Look, I want you to drag this faculty at least to the second half of the 20th century and preferably into the 21st century. You have carte blanche to do virtually whatever you want." He didn't say he was going to give me anymore money, but I thought, "Well, that looks like an interesting challenge."

I talked to a few of my mentors, who I think Mary knows these people—Clay Gilson and Ted Poiser—fully expected them to say, "Well, you know, Ed, you belong here, et cetera." Well, they didn't. They said, "Here's a great opportunity. Go for it." So it was the--. And we did a lot of things, like this whole new degree. I reduced the number of departments from eight--. Well, actually, I was forced into merging with Home Economics, so that gave me 11 departments. When the dust settled, I had four. We put them all together. We tried to give some themes, and we virtually tripled the enrolment, which they were having problems with declining enrolments, as is the case at Manitoba and most colleges of agriculture and forestry. It was by going into the environment and conservation science area and into--. I got along very well with the dean of the Business School there, and so we set up a number of joint degrees at the undergraduate level and the graduate level. Those all, for the most part, caught fire and really--.

BC: So you were there for--?

ET: Eight years.

BC: Eight years. Oh, my goodness. Things are adding up.

ET: I started young.

BC: Yes.

ET: I did. I got my PhD as I was turning 26.

BC: Okay. Right. Then we'll step back once. That was the Transport Institute, which you've spoken briefly about. Is there anything you'd like to add about that piece?

ET: That was an interesting concept because although you might say the genesis of it was quite political and the province of Manitoba wanted something to happen, I thought there was an opportunity to do--. There were a lot of policy changes happening—deregulation on transportation and the like—and a lot of it was not well understood. So we started doing sort of public policy sessions where it wasn't the question of trying to persuade somebody that this is what should happen, but bring different people together.

[0:55:20]

And I remember trying to get some of the labour unions to participate. They were not--. They said, "Oh, this is just window dressing." I said, "Well, why don't you come and find out? You'll get equal opportunity to speak." I'm just trying to think of the name. Al Cerilli is a final man and came up through the railways. Well, I remember having some great conversations with him, and he now treats me like one of his best buddies. But I got him--. Well, you get Al Cerilli with some of these slick suits from the grain industry and the railway industry, there's entertainment value there as well as useful exchange of information. So it was getting some of those kinds of things going.

And then, I was able to hire a bunch of people. I created an academic sort of title, which really was meaningless, but I answered to president, so I was able to get away with things. I learned to do things that otherwise I wouldn't have been able to do. I created a category called professional associates. So I made sure I had a couple of engineers. I had a lawyer. I had a number of economists, ag economists, and put together a team of really interesting people who we could let them take on research projects with a lot of additional perspectives. And the number of these people were--. And I guess a lot of the focus was on grain transportation issues, and many of them were also involved in grain marketing, et cetera, grain handling, so.

BC: What were the main issues at that point?

ET: I guess I would say the main issue was a move towards deregulation, that we had freight rates regulated. We had a lot of things regulated in the grain industry, and there were regulations on the location of country elevators that the Canadian Grain Commission

[CGC]—or the Board of Grain Commissioners as it was called at the time—you had to get their approval before you could build an elevator or before you could do anything with an elevator. And a lot of that has disappeared now because now if you’ve got the money, you can build an elevator anywhere you want. So when those regulations were removed, we had quite a spate of elevator construction. These big concrete elevators, they were monuments, and there wasn’t enough grain to go through them.

So you ended up with a very different environment where it was who was going to be the last person standing? This was particularly an issue in western Manitoba where all these big elevators were being built. On the one hand, it was good competition for farmers, but if there was only enough grain for one elevator, when it got down to one elevator, those poor guys are really going to be paying through the nose for handling. To a certain extent, the other issue was the removal of the Crow Rates on grain, which is a subsidized, fixed rate. I was quite heavily involved in that on a couple of commissions of inquiry, one of which I chaired.

BC: Okay. Before we go into that, who was building these big terminals, grain terminals?

ET: Well, Cargill built a couple of them. They were the first ones, and they were in the mid ‘70s. Then we got--. It was the Pools were building them. Pioneer was building them. Dreyfus was building them. So you had the sort of the big six. Or United Grain Growers [UGG] as well. So I think it was a big six or seven grain companies were all building these.

BC: Why would they do it if--? Wouldn’t you think their research departments would say, “This is the amount of volume that’s coming out of the Prairies? This is--?”

[1:00:08]

ET: One would think that, but I think part of it is one of my former students—who shall remain nameless because he’s still in the industry—said, “Look, it’s a question of who’s got the deepest pockets. We want to knock these guys out.” So you went from a situation where there was essentially no competition to sort of unbridled competition, and I guess I would perhaps go so far as to say an element of greed. You see this happens whenever deregulation happens, that there’s--. Until some stability is reached that, well, some people call it collusion as well. You don’t see anywhere near that kind of overbuilding happening now. There’s a lot of trading off of facilities and a lot of consolidation. What used to be about eight big companies, most of them are gone. Viterra is--.

BC: The last one standing. [Laughs]

ET: Basically, the last one. No, Pioneer or Richardson, JRI [James Richardson International] are certainly standing. Cargill is certainly around, and then there’s sort of some of the international ones like Louis-Dreyfus, who had nothing and are now building.

They've built some facilities, and they're into canola crushing. So the development of the industry is--. So during that time, it was sort of like the wild west. You never knew who was going to be doing what kind of thing. It was fun to be doing research at that time, and because we were closely connected to the industry, we had access to a lot of--. And putting on seminars where we got some of these people talking about what was happening, it was a lot of fun.

BC: Now, the deregulation came through the repeal of the Crow's Rate, right?

ET: Well, there was several. There was the deregulation of the rail line abandonment, and that was the commission with Justice Emmett Hall.

BC: And you were on that?

ET: And I was on that. And so, that sort of broke the log jam on railways being able to abandon branch lines that were unprofitable. And then along with that came the abandonment of elevators that were unprofitable, and the elevator companies were quite happy with that because all the heat was on the railways, and they were more than happy to, you know, "We can't really have an elevator there if the railways aren't going to run."

BC: Right.

ET: So it was an interesting time.

BC: I ran out. I just had to get another pen. It stopped, so that's why I went over there.

ET: Okay.

BC: Well, there's so much in this part now to talk about.

ET: Yeah. This was really a fascinating time. And then the freight rates got deregulated, and some of these things hadn't happened yet. The freight rates hadn't been deregulated yet, although there was movement in that direction. It really wasn't until the mid '90s, which was interesting because although I had sort of bowed out of some of this stuff, I got asked to chair something called the Producer Payment Panel in 1993 to--. I had a group of six farmers on my panel from across the country, and our task was to recommend. The government had more or less decided they were going to do away with the Crow Rate, and how do you pay compensation to producers? So we were appointed by the Conservatives, and just as we were about halfway through, that's when

the Conservatives got wiped out in the election of the fall of '93. So I then had to answer to a Liberal minister, who happened to be Ralph Goodale, and I knew Otto Lang quite well.

[1:05:00]

The interesting thing was when Charlie Mayer appointed this panel, I was-- I am apolitical. I've known Charlie for a long time, and he said, "You know, you're not my first choice because I'm not sure I trust you, but I really have no choice." [Laughs] I said, "Well, thanks a hell of a lot for the vote of confidence." Anyways, but he put on three definite card-carrying Conservatives, a couple of constituency presidents, and a former federal Minister of Agriculture, John Wise. So there was no question the political stripe was there. We had a number of hearings, but we didn't have public hearings. I said, "We don't need public circuses anymore. I think we need to meet with industry groups," and we did. We just finished up just as the election was called. So I said, "Okay, folks. You're citizens. You're free to do as you wish. May I suggest that as you do your various politicking, you do not, do not bring up what we're doing because I'd like us to basically go underground for the duration so that--." Because everybody had a pretty good idea what the outcome was going to be. To their credit, they did not--. This was not an election issue, even on the Prairies where it really should have been.

But I figured we were having enough of a challenge without it becoming a public election issue. I said, "And furthermore, I'm going to talk to Otto Lang," since I knew him quite well. Well, I was the one who had set it up for him to get an honorary doctorate at the U of M. I figured, "Well, I'll get him as my go-between." Charlie Mayer wasn't very happy about that, but that's okay. I did it anyways. So when the Liberals won, I guess Ralph Goodale called up Otto Lang. Goodale was a, I guess, he was mentored by Otto Lang in politics. I guess Otto apparently told him--well, Goodale told me this--Otto said, "Just leave Ed's panel alone. They may have Conservatives on it, but they're doing the job that needs to be done. Leave him be."

So to the amazement of many, we did finish up our work, and we did submit a report, which basically was the end of the Crow. It was Goodale who implemented it. Well, actually, it was Paul Martin who said, "We've got to get the budget problems under control." I guess he saw this subsidy of roughly \$600 million a year to grain farmers, so they cut it and made some provisions, but--

BC: So it was a subsidy to get the grain from the western Prairies through the mountains to water?

ET: To export, yeah. It could be through Thunder Bay or the West Coast.

BC: But it got called the Crow's just as a name?

ET: Yeah, because the origin was from 1897 when the Crow Rate was established on grain.

BC: So the Crow was a person not a place?

ET: No, no. It was the Crowsnest Pass.

BC: Pass, that's what I thought. Okay. Okay.

ET: Yeah, mmhmm.

BC: Okay, but it counted for the subsidy either direction?

ET: Yes.

BC: Okay, I didn't know that.

ET: And at that time, it was covering, I think, approximately—people will always debate this—but approximately 20 percent of the cost of moving grain. So the railways were getting bailed out, and that was the debate. Should the money go to the railways, or should it go to the producers? Well, the argument that eventually won the day—and I guess it was the one side that I was on too—was pay it to the producers who can then decide whether they want to ship grain or whether they want to broaden the economy of western Canada because we were very heavily dependent on exporting grain. Some would argue that that was one of the reasons we've had such a growth in the hog industry is that it became too expensive to ship the grain to export positions, so you kept it to feed the animals. Now, there are many other factors involved, but that was the essential argument. So that's basically the route they went.

[1:10:28]

BC: So now in 2011, most grain goes west, doesn't it?

ET: Yes. I think it's probably around 60 percent. I haven't looked at the numbers recently, but definitely more and more of it is going west. Well, it's a year--. We've got Vancouver, we've got Prince Rupert, and these are year-round ports. Whereas Thunder Bay is essentially a nine-month port.

BC: Mmhmm. And Hudson Bay is--?

ET: Two months.

BC: It's never developed?

ET: Well, it's an interesting issue. In Manitoba, Churchill is a hot political item. I didn't exactly endear myself to the Manitoba Government when I made the observation that Thunder Bay can move all the Churchill grain in one good weekend.

BC: Yet Thunder Bay has suffered over the last number of years because the capacity is way down there. Have we reduced our exports?

ET: I don't think we have. I think the exports are--. But certainly, the shift as we've already mentioned, much more of it going through the western ports. We used to ship a lot more grain to Europe, but now Europe has its own surpluses. I'm involved in another project now on marketing forages—hay—out of Manitoba. A lot of emphasis on moving it through Churchill, which is not really all that viable because normally you'd compact the hay and ship it in containers rather than in bulk, but there's not a container handling facility in the port of Churchill. With climate change, the railway keeps sinking. The shipping season is longer, but the railway sinks into the muskeg.

BC: That was a question I was going to ask. With climate change, the port is, unfortunately, open a lot more.

ET: Well, and it's getting it to the port that's the issue.

BC: Someone I interviewed said the sooner you can get the grain on water, you've reduced your costs substantially.

ET: Oh, absolutely. And from that standpoint, Churchill is the cheapest, particularly from the drawing area of northwestern Manitoba, northeastern Saskatchewan. But there's only so much capacity, and I know insurance used to be a big issue because Lloyd's of London would not ensure if there were ice cubes—or not ice cubes, icebergs—in Hudson's Bay. So there was just so many little factors. Well, they weren't little factors. They were factors. But--.

BC: My goodness. I'm just looking at the time, and we're not--. How are we doing on the time there? Okay. Let's--.

ET: I can always come back a second time if you wish.

BC: Well, I'm thinking Nancy Perozzo has to do some of the probing and the delving down into some of these subjects. Oh, my goodness. This whole rail abandonment, elevator abandonment, freight rate drops, what's the time period that this all played out?

ET: I would say probably from about the mid '70s into the mid '90s. It started with rail line abandonment, and then the, I think--. I'm trying to remember the year that the deregulation in sort of the grain handling happened. I think that was in the '80s. It was somewhere in that time period. Then the freight rates deregulation was in the mid '90s.

BC: So out of all of the factors, what do you think is the biggest thing that has impacted on the international grain trade?

[1:15:14]

ET: I'd be hard pressed, but I'd be almost inclined to say it's not been what's happened so much here as what's happened elsewhere that I think as we've seen the Green Revolution--. I guess that's more related to rice, but countries like India and Pakistan—I've worked in both those countries—as they've improved their grain production, that's created much more competition. We've moved away from what I refer to as state-trading agencies. For example, Russia used to buy a lot of wheat through Export Kleb, which doesn't even exist anymore. China is probably the only major grain buyer that still has a state trading agency. I guess Japan does too. But I guess one of the complicating things was when we got into some of those issues of grain embargoes, the political grain embargoes, that countries like Japan said, "We're going to--." I happened to be in Japan one time when they made their allocations. The Japanese were saying, "Oh, so sorry, but this wasn't Canada's turn." They gave the sale to Australia. They just spread the sales around.

So I guess I would--. If we're talking--. When we talk grain as a total commodity, I don't think we've really reduced maybe quite that much, but the shift has happened. I think it's less wheat, and I think more canola because the emphasis being on improving production. Well, even in China, they're just using less wheat.

BC: Now, dare I ask who you were working for when you were working in India and Pakistan?

ET: Well, in Pakistan, I was involved in a project on developing a master plan for grain handling, storage, and transportation. It was a CIDA project, Canadian International Development Agency project, and it was basically they were interested--. Pakistan wanted to improve their post-production. Pakistan is now an exporter, which is an amazing thing that they have moved, and a lot of it was

they didn't have the storage facilities, they didn't have the transport facilities. I'm not sure who I was working for. [Laughing] I call it the people of Pakistan. That sounds pretty noble, doesn't it?

In India, I was involved there with--. I was actually teaching a management course at IISD. We had about 25 middle management people mostly interested in sustainability. So I had them here for—I had three different groups—had them here for a month in Canada, and then I was in India a couple of times because they were all doing projects. And I was also involved in some grain storage work in China and took a look at what was happening in India.

BC: And your Canadian base of work in all of these was--?

ET: University.

BC: University, okay. That's pretty exciting. It gives you such a broad perspective.

ET: Well, actually, I didn't have to worry about where my next project was coming from because they always seemed to materialize. One of the really enjoyable things was I could then take this information and use it in my teaching. Probably one of the most fun courses I taught was world agriculture because I'd been on the board of trustees of an international research institute in Africa on agro-forestry, and so there was just--. I had the African experience. I think my last trip to China was my 13th in 2009. I've done a number of things in China. So you pick up bits and pieces.

[1:20:23]

BC: Okay, going backward a little bit more here, we've got--.

MM: Talk about some of the other--.

BC: You're right. I was just going to say, we're going back to--. Just I'm looking and making a note of the time, but certainly, the KFT Report, the Emmett Hall Commission, your whole area in public policy, I do want to cover that today. So should we back up to--? Do you think the KFT one?

MM: Some of the other special commissions and special inquiries that you have chaired. Are there others that you wanted to speak about?

ET: Well, there was--. I was director of research for a commission headed up by Dr. Clay Gilson on freight rates on grain, and that was sort of the--. You might say that was the one that kind of broke the log jam that it used to be. You couldn't even talk about this in polite company. We chaired a—or Gilson chaired, and I was his director of research—a consultation which had the two railway presidents, I think it was five grain company presidents in there, I think about five farm organization leaders, all told about 20 people, and our job was to get their views and come up with a consensus, which was somewhat amusing because we had absolutely no power base. It was the fuzzy academic Gilson, and I was really no different, and we had--. Oh, the other guy in our troika was Don Leech, who had been the clerk of the executive council for Filmon. So Don understood policy, and his job was to keep us sorted out.

But that was a very intense four-month operation where we, in many ways--. Well, all we accomplished was there was a need for change, and I think oftentimes the first step in a lot of these public policy things was, "We can't continue doing what we're doing." We were not experts on costing of rail operations, but we knew enough to ask some of the questions, and for the most part, everybody was cooperating. I think a lot of that is attributed to Clay Gilson, who was an interesting fellow. He was a farm boy from Deloraine, and he could be about as naïve as naïve could be, but he could also rise above these things. He had been my teacher. He hired me four times, which you think the guy would have learned after a while. [Laughing]

But it was interesting watching how he would work a group. I remember when we had got the two railway presidents, each with a platoon of 25 experts, you ask a question, and the railways were great because they actually competed with each other who could provide the answer the quickest. So we were getting deluged with information. Our biggest problem was sifting through it. So I handpicked about three people out of the grain industry, all who were my former graduate students, and we seconded them. Their job was to essentially make sure we weren't taking too many wooden nickels. I've used that as a technique on virtually every commission I've chaired. I've chaired one in Manitoba 11 years ago on livestock and hog development, and again, I did the same thing because I figured there's just no way I can possibly know what's legitimate. So I always had a handful of people who were--. And I knew them well enough, and they knew me well enough that these were conversations that were often off the record.

[1:24:58]

But one of the fun things was when I was working with Gilson. Part of what his technique was was we'd have this raucous debate and then say, "Okay, what I've heard are the following three points. One, two, three." My job, among other things, was to have a running tally of key points that were being made. So I'd be passing him notes all the time, and people wanted to know what was in my notes. I said, "None of your business." At the end of the--. Those notes were of no use to anybody, and so, he'd call for a break, and it got to be almost a ritual. I'd take my notes, crumpled the paper, rip it up, and stuff it in my pocket. [Laughing] But anyways, that's sidebars.

BC: So what was the main recommendation that came out of this?

ET: Out of the Gilson inquiry was that the railways were losing money on the movement of grain, and that's about as far as we could go. We got accused of selling out to the railways, and some of the farmers agreed, and some didn't. The grain companies, well, yeah, they generally agreed, but they couldn't--. Politically, the Pools couldn't endorse it because that was just not their policy. But it basically set the stage for--. There was another commission at the time specifically on the cost of moving grain. These pieces were coming together, so we established the principle or the notion that the railways were losing money on the movement of grain, but this was an inalienable right of the Prairies, et cetera, the magna carta and all this. So the next policy issue was, "Okay, how do you compensate the grain producers for the removal of this?" And that virtually took another ten years before that got through the policy process.

That was part of the fun part was when I was asked to chair that Producer Payment Panel essentially ten years after we completed the Gilson Commission. That it was, "Okay, now we're going to get a chance to tackle that question of how do you rectify this?"

BC: My goodness. I'm assuming you have copies of all these reports?

ET: Yes.

BC: All right. Well, we'll have to somehow get a list of them so we have them for the records, at least.

ET: No, there's--. Actually, a lot of this is what might best be described as gray literature because the commissions, the reports—the complete set of documents—goes into the National Archives on any federal commission. So there is a copy available for somebody. I also have a bunch of stuff, and a number of people have said, "You should write your own version of the evolution of grain transportation policy." I don't know, I guess I could.

BC: You should. I agree.

ET: I've got a family history to write. I've got to write my story so the kids and grandkids know what made Eddy run. [Laughs]

BC: You've got lots of writing to do then! All right. Let's go back again. Special inquiries. Perhaps talk a bit about the commission on the rail lines with Emmett Hall in the mid '70s.

ET: Okay. I guess it was another sort of sacred cow that the railways--. When the rail lines were built in the end of the 19th century, the beginning of the 20th century, the method of conveyance of grain was by horses and wagon, and you could make a trip from the farm to the elevator and back in a day. So that was seven to ten miles apart. As the method of conveyance improved that people started using tractors and starting using trucks, et cetera, it started becoming an issue, actually, probably in the late '50s. [Coughs] Excuse me. The railways were losing traffic from these branch lines because they used to be not only hauling grain, they used to haul cream to the creamery and bring in supplies, et cetera. But with improved roads and improved vehicles after the Second World War, these rail lines were just not profitable, and the railways wanted to abandon them.

[1:30:19]

But the grain companies had money invested in the elevators and because the co-ops—Sask, Manitoba, and Alberta, plus UGG—these were member-owned. So it wasn't like shutting down a corporate--. Like, "You're shutting down my elevator in which grandpa invested \$150," kind of thing. So it was a very emotional issue, much like the freight rate issue. So the government, as governments are want to do when they don't know what to do, "Well, let's put a freeze on rail line abandonment," and they did. I think it was somewhere about 1967 or something like that. But the issue was not resolved. And so, the pressures increased to do something.

And so, Otto Lang was then Minister of Transport. I think he was also Minister of the Wheat Board at the time. He approached Justice Emmett Hall to chair this commission, and they had three farmers that were part of this. No, four. Two from Saskatchewan, and one from Alberta, one from Manitoba. Reg Forbes was on that. Mary knows Reg. The judge was noted for being anti-railway, and so there was a certain--. The old boy was 80 years old, and so he decided we were going to hold public hearings. We had global hearings. The guy was great because we said, "We're going to have global hearings," to which he summoned the railway presidents and the grain company presidents to make their case. Then we were going to have regional hearings to get a regional perspective, and then we're going to have local hearings. I think we had 80 local hearings. Anybody who wanted to could speak.

Part of my job was to do the filtering of what's correct information because there was really not an awful lot of filtering. Although we tried to provide the commissioners—the judge and the four commissioners—with essentially information from the Canadian Grain Commission, et cetera, well, they wouldn't trust anything coming from the railways. It was a definite anti-railway bias, which wasn't surprising. I guess I was finding that a little hard to deal with in that the railways had the best information, and some guy gets up and says, "Heck, we moved 100 cars of grain off here." Well, the actual statistics was 13, you know? [Laughing] So it made for an interesting time, and the judge never--. He would rip apart railway people and grain company people, but he would always encourage local people to talk.

And so, we'd have these. It was wonderful in that you heard some amazing stories. We had little girls who would come and sing a song for Judge Hall, and we'd have some old fellow come and reminisce. We had some rules about how long you could speak. Rules didn't count when it came to kids and old people. So it was really quite a populous set of meetings. Well, the media and regulators in Ottawa were just beside themselves. "What's going to happen? What's this old guy going to do?" I said, "I don't know." They said, "Well, you're his director of research." I said, "Research doesn't have a hell of a lot to do with this. This is a populous event."

I guess to not get too far off on this, when the dust all settled, the judge had done this very deliberately. He said, "We have to lay the groundwork for change." He said, "These people got to say their piece, but every one of them had to listen to the railway argument and the grain company argument." And he says, "Although I kind of worked these guys over, but the railways and grain companies should thank me that their story got told in 80 local meetings that otherwise would never have been told." So in the final analysis, I forget how many miles of rail line we recommended for abandonment, but it was considerably more than anybody thought would happen because they thought the judge was so biased against this. But he had laid the groundwork for change, and some people whose rail lines were abandoned said, "Well, I don't like it, but the old judge gave us a fair hearing." I learned an awful lot from that exercise in terms of how do you manage change?

[1:36:06]

So in that sense, the issue itself was probably not anywhere near as significant as the freight rate issue. Farmers were abandoning these elevators already anyways. They were hauling--. They had trucks. They would haul greater distances. And of course, the issue was, "Well, all these communities are going to die." Well, the truth of the matter was most of these communities were long gone already, that all you had was the elevator and maybe the elevator manager's house. There was no community left. It already shrivelled up what with the consolidation of schools. I had a little task force I set up about what makes communities grow or die, and it focused around health facilities and educational facilities. You get a high school? Place is going to boom. You get a doctor, you get a dentist? Oh, then you've got--. And this was in the mid '70s, and that's when senior citizens' homes were being built. I said, "You know guys? Don't worry about your stupid elevator. Get a senior's home here because with that will come pharmacy, et cetera. There will be a quality-of-life improvement that has nothing to do with the grain industry."

BC: That's true. Yeah. I know communities they fight when they think they're losing their school because they've got it figured out. If the school's gone, then the next thing will be gone before you know it. Oh, boy. The--. Oh, man. I'll ask you some very broad questions. I know I haven't delved into--. You have so many areas of expertise, even though you downplay it. Under the title here of changes, they have a question. What were the major changes you saw in your grain related work over the years?

ET: I guess I would come back to part of what I was talking about, the deregulation of transportation. That's the branch line abandonment, the freight rate, the deregulation of the grain handling system. I think consolidation, and I guess I would go so far as to call it the internationalization of the grain handling system because we really have--. Viterra, although it's a quote "Canadian" company, it's actually controlled by a pension fund out of New York. The only Canadian company really left is JRI or Pioneer. I think the industry used to be much more Canadian. It's now much more international, and I think then that means the policy decisions are driven by—not speaking out against Cargill or anybody—but a lot of what happens in Cargill Canada is decided in Minneapolis. What Dreyfus is doing is decided in New York or Paris, wherever kind of thing. I think to me that's a very important change. It's the internationalization of the industry. I guess I would say those are the main ones that come to mind at this point.

[1:40:07]

BC: Okay. Now, you have answered the next question, but it would be great to put it into a couple of sentences to summarize it.

ET: See if I can get it the same way.

BC: Well, did your research contribute in any way to changes in the grain industry. Well, I mean, that's a resounding, "Yes," but maybe you could just summarize that research part of your job that did that.

ET: Well, there were a number of dimensions. When I first started, it was sort of very technical things like the cost of moving grain by farm truck, the cost of operating elevators, et cetera. So in a sense, it was getting some of the building blocks, that these issues were not just emotional issues. You could actually bring together some numbers that would help. That was sort of, you might say, my early phase. Then it was sort of getting involved, and it wasn't so much research as the whole notion of policymaking and how do you nudge a group of people together to reach a consensus. I guess that's probably been more what I've been doing in more recent years.

BC: Okay. Looking back over this very broad career, what were the major challenges that you faced?

ET: Well, I think part of it being an academic and getting involved in an industry that sort of took pride in working your way up from sweeping the elevator to--. And the number of times having to refer, "Well, I came from Prairie Grove." And I remember when we were doing a number of these things that I had some city folks working, and I said, "Jeez, can't you lie a little bit?" Clay Gilson came from Medora, and I came from Prairie Grove. Well, you know, that--. But I say that in some jest, but I think part of it is the industry, it's not all that inclusive. It's pretty insular. Driving change is not easy.

My very first exposure to the industry was I started at the U of M in July of 1967. Gilson threw me into the deep end to give a presentation at an industry meeting in September of 1967, and he wasn't even there. I didn't know anything really about the area, but I had some ideas. They were relatively polite, but one old guy who was with National Grain at the time—a company that no longer exists—took me aside and says, “You know, you've got some bright ideas, but jeez, are you naïve!” He said, “I'll tell you what. I'm happy to sit down with you and teach you a thing or two.” I said, “Okay. We've got a deal. When I write something, I want you to read it.” And actually, this fellow became really good because he had not finished high school. I think he had Grade 9 or Grade 10, but he had worked his way up. But he was, for whatever reason, he said, “I think you're teachable.” [Laughing] Many tried, fella! I think that was part of the challenge was learning enough that you could have credibility with the industry.

And walking a path that you weren't seen as in the pockets of the Wheat Board or the railways or the grain companies, and that's where being at a university was great. And professing to be apolitical, and sort of following through on that. I've done work regardless of which political party is--. Charlie Mayer paying me the ultimate compliment, “I'm not sure I can trust you.” But that was strictly on the political side that I wouldn't come up with a political answer that he might want.

BC: Isn't that also one of the strengths? Because I was thinking when you were talking that you also had to politically stickhandle your way through your career too, and that the strength in the grain industry—and I again go back to the strong civil service that we had—people in the Board of Grain Commission who it didn't matter which government we're in, they were the standards people, and that's what kind of made us the gold standard in the world.

[1:45:04]

ET: Mmhmm. Yeah.

BC: And that again, I guess one of your strong skills is as someone with a lot of people skills who brought a lot of knowledge to the area. And as you say, many governments came and went while you had your career, and they made use of your talents, luckily. There's two areas—well, one main area. Of course, a lot of this project is driven through the Lakehead, Thunder Bay. Is there anything that you can comment on in Thunder Bay's role or past, future in terms of the international grain trade? Advice?

ET: I think the major constraint for Thunder Bay is the Seaway. I think as we're going on that grain ship, it was one of the newest grain ships, and it was 20 years old. Because the capacity of the Seaway is such that you can only--. And this ship was 76 feet wide, 725 feet long, and the Seaway, a lot of the channels we went through were 80 feet wide. So I really admired the captain being able to guide this vessel with 26,000 tonnes of wheat on it without banging into the sides. But that's as big as they're going to be able to manage.

And then, that adds the cost when you--. So if you're going into export, those ships don't go on the ocean, so you've got to transship it—Trois Rivieres or wherever. They don't have that issue in Vancouver or Prince Rupert, that they can load ocean-going vessels immediately. So there is the extra cost, and whether there's justification to rebuild the Seaway to permit larger ships, I think is an interesting one to debate. I doubt if it would sell.

BC: Yeah.

ET: Quite frankly, I doubt if it would sell. So that to me is probably the biggest challenge, and it's not the Lakehead itself or Thunder Bay.

BC: It's where it sits in the chain.

ET: Where it sits in the chain going through. It's an amazing feat, the building of the Seaway and stuff going through it, and at the time—it's not a criticism of the builders—they built it to what was likely more than adequate standards at the time.

BC: Is there anything that I didn't ask? Oh, just a whole page here.

MM: I'm just wondering about the future of the faculty and Ed's perspective on the food science component in the grain industry.

BC: Why don't you say that nice and loudly? This is Mary.

MM: You had talked, Ed, about you're currently a senior scholar with the Faculty of Agriculture and Food Science and some of the nutraceutical kind of work you're doing. What do you see there as the future of the grain industry in that whole nutraceutical field? Is there anything to add to that?

ET: I think there's a great future there, and there was, in fact, in today's *Free Press*, there was an article about the Richardson Nutraceutical and Functional Food Centre. A lot of their work is grain based. I think part of it is taking a different view of grain than simply a raw export commodity and doing the value-added. We tend to think of value-added as feeding animals, et cetera, or biofuels, et cetera, but it's being able to understand what's in that grain and do the chemistry on it, the food sciences on it, and particularly relating it to health. I think that's really the big issue in Canadian society is the cost of our health system and how we go about doing preventative health as opposed to trying to fix up people who have gone astray.

[1:50:00]

BC: Is there anything else that we should have asked you that we didn't know to ask you, or did you get a chance to just talk about absolutely the highlights of your career?

ET: Oh, gosh. I don't know. [Laughs] We never talked about people, but then I don't think that's necessarily the intent to talk about people.

BC: Well, no. It's an open field for everything.

ET: Because there's--. I think about some of the people who had a major impact in the industry, and some of them there's no way that you're going to talk to them because they're dead, but I've mentioned Clay Gilson. Another one is Mac Runciman who was president of UGG. Had a tremendous influence in terms of he saw what was happening, what some of the drivers were, and the need for a grain company to take a different tack on some of these issues.

BC: For example?

ET: For example, on the elevator abandonment, the Crow Rate issue, he was--. And because it was a cooperative, it was doubly hard for him to deal with those issues. The Pools retreated to a comfortable position. They were just opposed publicly, and yet, when we were doing our work on this Producer Payment Panel, the reason I chose to not have public meetings but to have one-on-one meetings with organizations was we got a much more forward-looking answer than their public policy position would allow. Runciman went and got ahead of that crowd. Actually, there's a book that Paul Earl wrote on Mac Runciman, and if you wish—I don't have it here at home—I have it at the university, but I could give you a reference to it. But I think about people who had an impact. Another person who I think is still alive, Ted Turner. He was president of Saskatchewan Wheat Pool for a long time and an absolutely astute, astute farm leader.

BC: Do you think he's in Winnipeg?

ET: No. I think he lives in Regina. He's retired. As far as I know, he's still alive. He was a couple of years ago. He was chancellor of the University of Saskatchewan, oh, this is going back at least a dozen or 15 years ago. We one time had an opportunity to compare notes on some of the techniques used in negotiating, and we had one on him because he was one of these people--. And that was part of my job, too, was being able to read people. When I was working with Gilson, Ted Turner was there, and Ted was a

short guy, but he had a big voice, and he pounded the table. The only thing he didn't do was take off his shoe and bang it on the table, but he would--. And the thing is, you couldn't tell whether the guy was outright bluffing or for real.

And I remember—and it was a fellow who I remembered who used to do the same—but what he would do, you could tell when he was agitated was his feet were tapping. The way we had the room set up, you could see peoples' feet. So I told Clay Gilson, I said, “Okay, let's watch Ted's feet,” because we were trying to figure out--. Because he was just playing his cards just wonderfully, and part of the game was figuring out whether he was serious or how far we could push him. Finally, I said, “I think we can correlate his mental state and his attitude on what his feet are doing.” So we tested some of this, and it was testing just right. Finally, we got to a pretty major issue, and his feet were not moving, and I just gave Clay a note and said, “Push!” That's all I had to do was push.

Gilson, who was a very mild-mannered man, just was pounding Turner and just backed him right into the corner. Well, everybody was like, “Holy smokes! This old professor has gone nuts!” And Turner, we backed him into a corner. We got a concession out of him. Nothing was ever said. Then it was literally about 15 years later that we got to chatting about this, and finally I told Ted, and he uttered forth a string of profanity. He says, “You blank-blank so-and-sos.” He says, “I could never figure out how you knew that I was bluffing.” And I said, “Here's what it was, Ted.” Anyways, but the guy had an amazing impact on the industry.

[1:55:43]

BC: Neat. Okay.

ET: But I think in terms of somebody to talk to, Paul Earl would be--. And certainly, you could use my name, and I can probably give you his--. I think it's [gives phone number] It's Paul Earl. He's in the Supply Chain Management Department in Asper.

BC: This is a very broad question at the end. It says what part of the history of the industry, if any, do you feel is important to preserve and share with the public? Is there--? I mean, in this project we're filling a little bit of a gap, but is there other areas that you really think something needs to be done?

ET: I guess I would say more needs to--. And it's not a criticism of the oral history because I think that's very important. I think that's a wonderful project, but I think some of the written history from different perspectives because there are some people who have written some things. They had been in the employ of certain organizations, and it's getting some of that broader perspective. I know Paul Earl and I have been debating about whether we should write something together. I keep saying, “Paul, you're too darn biased for me to work with you,” which, of course, gets him going. There are some marvellous books, earlier books. I've got a senior's moment here. I'm just trying to think of the guy who wrote a great book on the history of the grain industry until about

1952. I've even got the book in the office at the university. But the guy was an academic. He was--. I don't think there's anybody doing that kind of stuff now.

BC: Because that would certainly fit with different parts of this project, which is having a grain-based centre, which could certainly be the place where this could all be stored, plus the oral history, plus having kind of an interactive kind of learning institute for children to understand the history of the grain trade in this country.

ET: Yeah. There's one initiative—and I'm not sure where it sits now—at the University of Manitoba. Paul Earl and I met with the archivist. I think her last name is Sweeny. I think it's Sharon Sweeny. Because I've got a fair bit of grain literature, Paul has some, and there was a variety of things that the university had, but nobody was really doing anything with it, and we were trying to get some focus on it that--. And I guess that just happened to be because we were at the University of Manitoba. But trying to find some of that literature is very difficult. I guess I'd let it be known that certainly I was prepared to donate my things, providing they weren't going to end up in boxes stuffed under a table, and that's not--. So if Lakehead University is focused on actually making this—how would I put it?—a living collection I think all the more power to them. You could probably get a variety of things of a grain literature nature because I've got documents from the Gilson process and the various ones I've chaired that, yeah, one could find them in the National Archives, but for most researchers, going to the National Archives is not something they do every third Wednesday kind of thing. [Laughs]

[2:00:35]

BC: No, no.

ET: But I think it's a great idea however it might be managed.

BC: Okay. Well, thank you so much. I've learned a lot today, so I'm assuming anyone listening to this tape will also learn a lot. I can just hear our colleague Nancy Perozzo—she will be listening to this tape—just having a million questions. So you may get another phone call. [Laughs]

ET: Oh, that's okay. As I say, I'm in my anecdotage, and I think I've proven it. [Laughing]

BC: Oh, wonderful. Thank you. Good. [Audio pauses] Well, just going down the side of the page it was very hard. Wow. This was wonderful. I think you do need to write a book.

MM: I think so. I was just thinking of one of the final questions is to ask you about the current work you're doing with your son Allen. Bea might be interested in some of what--. Aren't you and Allen doing a course together?

BC: That's interesting. I wrote down at the bottom of the page "son," and I never got back to it.

ET: Well, actually, that's--.

BC: Did you turn it on?

MM: Okay, we can--.

End of interview.