

Mr. E. C. Manning

Interview #29

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LS: I'd like to deal this morning with the period 1956 and 1957. To start with in 1956, Mr. Manning, there was a Royal Commission appointed to investigate "maladministration" within your Government at that time. I'm interested in the background: who was asked to head up the Commission, what generally did it look at, and what were some of the results.

ECM: The Commission you refer to was known as the Mahaffey Commission. It was chaired by a Mr. Jim Mahaffey who was a prominent Calgary lawyer and who some years prior to that period had been a Conservative Member in the Legislature. I think he sat for two terms. He was asked to chair the Commission because he was a man of absolute integrity, very highly regarded in the legal profession and by the public; and the fact that he had been an Opposition Member in the Legislature was an added reason why we were anxious to get somebody like that so there could be no suggestion that the Commission Chairman was biased in favour of the Government.

As far as that inquiry - I'll admit it's very vague in my mind now because it was not a case of any major issue of public debate or concern. But over a period of several years the Opposition had been raising various points which they charged were maladministration, and charges of this kind. And of course, what always happens in matters of that kind, they're picked up by the media and blown up out of all proportion. So there was an accumulation of probably half-a-dozen things, none of them what I would regard as really significant or important, but in the aggregate they were irritants, and they were repeating and repeating and repeating that this maladministration was going on and nothing was being done, and so on.

We finally decided, to lay the whole thing to rest, why not turn it all over to a Commission and let them look at all the major criticisms that were being made, with the intention that this would be a constructive way of having the matters reviewed, and hopefully ending this constant harping on these matters.

That was the reason the Commission was set up. As I recall there were probably half-a-dozen of these accumulated criticisms that were referred to the Commission. And they held public hearings and went through the usual procedures. In their report they found nothing wrong. They had some criticisms of errors of judgment or bad judgment on the part of officials or some Ministers. And they suggested some cleaning up of procedures in several of the Departments. That was the upshot of it, and it all died after that. There was no wrongdoing found, and no severe criticism of the Government. It was just a matter of "here's a practice going on in this Department that should be attended to, should be corrected." Or, "here's a case of an error of judgment or indiscretion in judgment, and these things should be avoided." That standard type of finding that a Commission comes up with when they do not find any wrongdoing.

LS: One of the things they did look at was a whole issue of one of your Ministers being flown to Sweden in 1954 and the airplane fares being picked up by a private company. The question is, what is your opinion on that kind of thing in terms of Ministers of Government?

ECM: As I recall that incident, at that period we were concentrating on the preparation for the Province's 50th anniversary, and we had decided to build the auditoria in Calgary and Edmonton for that anniversary year. I think the case in point was a Minister and Deputy who went over to the Scandinavian countries (I don't know where else they may have gone) to look at some auditoria to get some background information. The men that went were the Minister of Public Works, and the Deputy Minister of Public Works.

I don't recall what the outfit was that apparently flew them over; I suppose it was some company that was interested in that field of activity. It's hard to make a general judgment on issues of that kind. A couple of things should be said. In the first place, the attitudes today, in the 80's, is very different from what it was 30 years ago, on issues of that kind.

I think as far as the public were concerned (apart from the media and the official political opposition), the rank and file of the public would feel

that if the government could save \$1,000 of taxpayers' money by letting somebody hitch-hike a ride on a plane, they'd think that was good business in the interests of the taxpayer. Now today of course there has been so much abuse and things of that kind over the years that the general attitude today is very different. Now it's very suspicious that if anybody got on a plane that belonged to a company they were quite sure they'd sold out to that company.

My own belief is that in 99% of the cases that's just utter nonsense. Anybody that's had experience with dealing with responsible corporations or responsible government knows that you don't influence somebody by giving them a ride in an airplane. He couldn't care less whether he rides in your airplane or somebody else's. It may be more convenient to go along where he can talk to the people he wants to talk to there and save some time doing it that way, and save the taxpayers a bit of money in the process - in the olden days that was considered just common good business to do it that way.

Now, having said that, I should point out that it was very rare in those days. In the first place, there were not many companies that were flying around with their own airplanes. I can't recall - in fact, this is the only incident that comes to mind where there was public criticism of that kind of thing. There were certainly instances where people rode in company planes for one reason or another; I did it myself.

I think I mentioned in an earlier discussion, when the Imperial Oil company named a tanker after Alberta they asked my wife to christen the thing. They sent their plane and flew Mrs. Manning and me and the Minister of Mines and Minerals and his wife down to Chester, Pennsylvania, for the christening. Quite frankly, if we'd had to pay for that out of the public purse, I don't think I would have gone. But it was their ship; they'd honoured the Province by naming it after the Province, and they said, "There's not going to be any expense or anything to the people of the Province. We'll pick you up in our plane, fly you down, and fly you back." So we said, "Okay, we'll go."

That kind of thing was done from time to time in those days, and was regarded by the overwhelming majority of people as just routine good common sense. Today, as I say, there's a different public attitude. I think the constant negative criticism of just about everybody in public office. The impression has been given, particularly by so much of the media, that all politicians are dishonest or they wouldn't be politicians, so that anything that is done into which they can read some ulterior motive or something suspicious, they do. And as a result, today public officials are far more cautious never to expose themselves to that kind of criticism which has become very prevalent compared to what it was in those earlier days.

LS: Your government just in general did not seem to face a lot of these kinds of situations. Or do you feel that you did?

ECM: No, I would say we didn't face a lot of them. There are several reasons for that. One, as I've said, the conditions in those days were very different from what they are today. As far as corporations are concerned, there were not the number of corporations in Western Canada with private airplanes and all this kind of stuff. That form of travel, for example, was relatively new in those days. That was one thing.

The other thing is, I think it was influenced by our own attitude towards this travelling around. We didn't favour or indulge in this running all over creation every time you wanted to do something. In my mind, that's become utterly indefensible on the part of governments today.

I see this on the Federal level more than anywhere else because I've been closer to that since I left the Province, but it's just unbelievable the hundreds of thousands of dollars that are spent in civil servants and senior government people running all over creation all the time.

And really if it comes right down to what good the public gets out of this, it's very debatable how much good they do get. Certainly there's some good, of course. But you see this on these so-called "trade missions". To my mind, to send 25 or 30 people overseas to look at a factory or something is utter nonsense. Two or three good, responsible people with expertise

could go and get all the information just as well as sending a whole planeload of people.

It's just a nice free holiday at public expense for a lot of government people and government officials. And that, in the last number of years, has become excessive. It's unjustified, and the public does not get returns for their money.

I might just mention this, though it's a little off the point you've raised. One thing that we used to do occasionally - not too often. In government, ministers and departments are pressured all the time by their officials with reasons "why I should go" to this convention or that convention or that seminar or that seminar. They'll send you these memos of all of the great benefits that the public is going to get. It's always justified in the public interest. And we kept the brakes on that stuff very severely. We didn't do a lot of it, which is one reason we didn't have these situations you speak of.

But once in a while we used to say to these people, "Okay, go ahead. We think it's perhaps wise that you attend this thing now. But six months after you come back, we want you to give us a memo setting out precisely what advantages accrued to the government and the people of the Province by virtue of you having gone." It's amazing how that dampens down the enthusiasm for this kind of thing. They'll come back from these things, "Oh, it was wonderful, you know. We met so many people...."

But surely the value of these things is in the long-range after-effect. And I venture to say that there isn't one case in a hundred where a public official six months later can tell you more than one or two minor things that were advantageous to the Province by reason of him having gone. My philosophy has always been, if you can't show that there are practical, long-range benefits, then the thing isn't justified.

These conferences and seminars that these people are tearing around to all the time - the great bulk of them - produce very complete papers. The papers submitted are usually available. You can send and get the whole

bunch for less than \$1.00 and read them, and you get just the same (and even more complete) information because it's in written form, than what somebody brings back. So we did keep the lid on that type of thing very tight, which was one of the reasons why we didn't have as much of that kind of thing.

LS: It's an interesting technique. I find that attitude not only in the public sector but in the private sector too.

ECM: Oh yes, the private sector's just as bad. There are people going to conferences and seminars, and they thrash the same straw over and over again - even make the same speeches!

LS: One of the other things that the Mahaffey Commission looked at was the relationship of the Mannix O'Sullivan Paving Company to the Government. I'm not so interested in the specifics here because that's written up. But rather, I think there's a general feeling that Mannix, in whatever companies the family was involved in, had some kind of "preferred status" with your Government. I think it's important that that be addressed.

ECM: One, the company did not have any preferred status. I can say that without any reservation at all. That type of criticism surfaced from time to time, and I think for two reasons. In the first place, the Mannix company was an old, established company in Alberta that had started in the construction business in the early days. They were builders of railways at one time. They had developed over a long period of time good expertise, good people, knowledgeable people in their work, and had grown to be a major company in that field.

These projects of course are always tendered for, but because of their experience and the fact that they were very well established in Western Canada, I guess you could undoubtedly say it put that company in a position where they could bid competitively and favourably against any competitor that came along. And as a result, undoubtedly, they got a lot of tenders. Our practice was always to let tenders on the lowest bidder, unless there was some particular set of circumstances where you had to vary that. And

they were successful in many bids. They did a lot of construction - bridges and highways, and later on the Alberta Resources Railway. All of these were tendered jobs, and as I say, they were able to bid successfully on it.

The other reason why I think that kind of criticism surfaces is (and I don't say this in criticism of the ones that raised the point) it's usually the little company that's trying to get established, that is not in a position to bid (hasn't the equipment, hasn't the men), that is always suspicious of a big company getting a tender. The simplest explanation is "of course, they had an inside track". Even though that's not the reason at all why they probably got the job, that kind of criticism usually comes from the unsuccessful bidder when you're tendering work.

LS: The Mannix company or companies seemed to be very secretive. Do you think that also adds to this feeling?

ECM: I don't think it did in those days. I suppose again today, when everybody suspects everybody else the tendency would be more critical. They were not secretive other than in the sense that the Mannix Company is a private company and therefore it's not required to make public statements the same as a public company. I think it's hardly fair to a private company to say their "secretive". They're simply doing what's required by law for a private company versus what's required under law for a public company. The public has no direct interest in it because the public are not the shareholders of the company. It's not like the case of a public company where you have a lot of people who are shareholders in it; it's for their protection that they are required to file all the various statements and reports and so on - for the shareholders' protection. A private company doesn't have to do that.

LS: I think there's a feeling that it's the style of leadership(?).

ECM: I know Mr. Mannix, Senior, and the sons, who run the company now, very well. They're outstanding business people and I think outstanding citizens. I think it would be quite truthful to say they are the reserved

type of persons. They don't talk about their business in public. They don't talk about their private affairs in public. That is their style. But it just happens that they're prominent in the business world because, while they're a private company, they're a big private company.

LS: Also, I think, because people who have worked for them or with them have gone on to be public, important people.

ECM: They've always kept around them a very fine group of high-calibre people. I know it's a matter of policy with Mr. Mannix, Senior, whom I knew very well. They went out to get the best people they could get, as a business strategy. And as a result, they had people - if government or somebody else in the private sector was looking for some top-flight executives, you'd always find them around the Mannix Corporation.

There's a little sideline to this that might be interesting just to record. It illustrates what's happened in this private versus public companies. I happen to know one major Canadian company which has been a public company for many years, until a couple of years ago when the public company converted to a private company. A group of the main shareholders made an offer and bought out the other shareholders. And you see, as long as you do not have more than 50 shareholders you qualify as a private company. So they bought out the other shareholders - made an offer to them that was taken up - and converted a big, national - in fact, international - public company into a private company.

I know the people, I was associated with the company in fact, and I know the reasons. And the main reason was this everlasting time-consuming paper work which modern law requires public companies to do through. They were so sick and tired of spending half their time and energy on producing reports for governments and bureaucrats instead of being able to concentrate on their business that they said, "Well, let's convert the thing to a private company and avoid all this stuff."

But it's quite an indictment of how complicated governments have made business, when it becomes attractive not to have a public company for the

simple reason that you're driven up the wall preparing all the reports and data that you have to have when you're in the public position.

LS: Just for the administration of it.

ECM: Yes.

LS: One of the other things, and the final thing I'd like to discuss, that the Mahaffey Commission looked at were some arrangements apparently that you personally had with a company called Western Leaseholds Limited, concerning mineral rights and land exchanges made in the early 50's - 1951. What was the issue?

ECM: That was one personal thing that I asked to have referred to the Mahaffey Commission because it had been written up in the press. It was a kind of silly criticism, but it was there.

Many, many years ago, back in the 40's, I had bought a farm north-east of Edmonton. In those days, of course, long before the oil development in Alberta (other than Turner Valley), no importance was attached to mineral rights at all as far as land transactions were concerned. In fact, when I bought this farm (and I bought it purely as a farm because I was born and raised on a farm and I liked farming, having land) the question of mineral rights never arose in the transaction at all. I bought it through a real estate firm; a farmer had listed it with a real estate company, and the real estate people knew I was interested in farms. They got in touch with me, asked if I'd be interested, and it was close to Edmonton and I thought it would be appropriate, so I said, "Yes." And that's the way it was bought.

A number of years after (it would be after Leduc and Redwater came in, I guess, somewhere in the late 40's) I had a call from my solicitor one day, and he said, "Do you know that you own the mineral rights on that farm that you have?" He, incidentally, had handled the transfer of title. I said, "No, did you? You're the fellow that handled it." "No," he said, "I didn't. But I had a call the other day from a company that's leasing

mineral rights around this part of the country." They'd searched the titles in the Land Titles Office to find who were the owners of the mineral rights.

They'd found that on this title which I had, the original title was issued, if I remember the year rightly, in 1893, by the Federal Land Office before there were provinces or anything of course in Western Canada. And in those days, the minerals and land surface went together; there was no separation. It wasn't until after the turn of the century that minerals were reserved to the Crown.

So when this title was issued and transferred (it had gone through a number of hands) the minerals and surface went together! They had searched this title and found that here was a title in which the mineral rights went with the surface, and the title also had the solicitor's notation on it, which was how they got his name and they phoned the solicitor.

So he went down and searched the title, and reported back and said, "That's precisely what the score is. You own the mineral rights on the thing." He took out a separate title, because by this time there were separate titles. So I found that I then had the mineral rights on a half-section of land, which I didn't know I had. The lawyer didn't know I had them - they had no value, no significance at that time.

Now a company wanted to lease them. The company that wanted to lease them was this leaseholds company that you referred to, a Calgary company.

There was a policy going back quite a long time before this (I don't know just when). Because in drilling for oil or gas the Oil and Gas Conservation Board sets the size of the tract on which they could drill - in other words, some places you could drill one well on eighty acres, some other places one well on forty acres, depending on whether the structure was porous underneath. The idea of that is to keep you from stealing the oil off the adjacent leaseholder. If the tract is too small, then you steal the other fellow's oil.

I think the tracts in that area of the Province were about one well on 40 acres. So the policy that had been in effect for many years in the Mines and Minerals Department, where there was a transfer of mineral titles, was to square off mineral rights to the size of the drilling site. Suppose you had an area where there were several 40-acre plots and there were 35 acres in one other on the edge, and a few acres went over into another thing, they would take the 5 acres from that one and give him 5 acres of something else. You tried to end up with blocks. In other words, when the drilling sites were drawn up, you wouldn't end up with 5 acres here or 10 acres there.

In the case of these mineral rights that I had, we ran into another interesting thing. On this old title, all the surveyor's details were spelled out on the boundaries of the property - they went into great detail in those things. When we found that I owned this thing, I thought, "I'd better get a survey of the property to be sure that the modern survey conforms to the title."

So I had a survey done, and it didn't conform! The Saskatchewan River goes around two sides of the farm, and over the years the river had encroached into the land. The boundary of the original title that was issued in 1893 was out in the middle of the river, whereas the farmland was of course on the shore. So as far as minerals were concerned, I owned the mineral rights out to the middle of the river.

Anyway, it was in adjusting these surveys, and this practice in the Minerals Department, they adjusted the plots. They took a few acres off some Crown land to put on mine, and some acres off of mine. It was a routine thing that was done in those days. When they told me, the only thing I said was, "Just one stipulation. If you transfer any of my land to the Crown and the Crown land to mine, whatever you do, transfer more of mine to the Crown than the Crown back to me. I want to be on the side where it can never be said I got more Crown land in exchange for what I gave." I think it was about seven acres involved, or something like that.

That adjustment was made, and of course this showed up on the title. So

the Opposition got on this - this was some secret deal that I'd worked out within the government to exchange Crown mineral rights for my own mineral rights. So I asked the Mahaffey Commission to take a look at it and see if there was anything improper about it. Of course they said the criticism was a lot of nonsense; as far as the amount of land was concerned, I had ended up with less and the Crown ended up with more, and it was the normal practice that was done in all mineral leases where you were adjusting boundaries.

LS: It leads into another thing, and that is that there's always been (and I'm sure about most people) general curiosity about the financial status of the individual during the time of holding the office. Or the arrangements or relationships with other powerful or rich, or whatever, institutions, individuals, etc. What about your situation?

ECM: Well, certainly no associations that I had of that kind made any difference to me financially, politically or otherwise. You do have associations, of course, with powerful people, when you're in government. You're dealing with powerful people. You deal with the heads of companies if you're dealing in the private; you deal with other government people who have power. That's the realm in which you work! So the associations are there. There's no way you can stop people reading their interpretations into this.

Again I repeat what I said earlier, that it is true that in those days there was not nearly the degree of public cynicism and suspicion that is common today, and I blame the media for that, as I've said earlier. I think they hammered away at the public that everybody that gets into a public office is essentially dishonest and so everything they do - if they're seen talking to the president of a company, they're working out a deal behind the door to their personal advantage. These things simply are not true.

I don't deny for a moment there's skulduggery goes on - far too much of it goes on, it's increased tremendously from what it used to be. That's part of the overall moral decline, moral decadence, that's permeated our

society. But it's so grossly unfair to both the private and public sector to suggest that just because you have an association with somebody that is prominent in a company or somebody that's prominent in the government, the inevitable outcome of that is something dishonest. It's a grossly unfair criticism.

LS: Did you find during your tenure as Premier that this question was raised, or you felt you had to defend yourself on this over a period of time? Were there other issues?

ECM: It wasn't raised, as I've said, anything like as frequently as it's raised now. It's raised by Opposition sometimes for political purposes; and the media. It sounds as if I'm harping on this, but in all honesty, 90% of this kind of negative criticism originates with the media. The so-called "investigative reporting" which is the in-house term for paid character assassins. This is the kind of thing they do. They hold their jobs and get their promotions because they assassinate characters. So anything that they can give a negative interpretation to, or a dishonest interpretation to, they do.

I'm generalizing too much there; that's not true of all of them. But unfortunately it's true of far too many of the people in that field.

But in my own position, I didn't defend myself, or very very rarely. In this case, I asked to have this Commission look at this thing because we were having the Commission look at a number of things with the government, and this was an opportune time to say, "You look at it, and give us the answer."

I guess my philosophy has always been expressed (I don't know who coined the expression) by "Never explain. Your friends don't need it and your enemies won't believe you anyway." So as long as you're sure you're right, and you're doing the honest thing, why explain to somebody that's low enough that they're going to impute unworthy motives, no matter what the circumstances.

LS: Did you find that, as Premier, people would approach you in terms of perhaps giving you a preferred situation, or did they know that and not approach you?

ECM: In all the years I was in government, I know of only one occasion where a man suggested to me that it would be profitable financially, not for me but for the Party, in a matter of a contract (to do with insurance; this was an out-of-Province firm) - and I just told the guy to get out of my office, and I never saw him after that. It was a minor thing, but that's the only incident that I can think of. Now, there's no way of knowing when some people talk to you whether they might be sounding you out, but as far as I knew at least, it never went to the place where there was any indication that that's what they were doing. If they were doing it, it never got beyond that position.

LS: Just a final question. Do you think people were clear on where you stood?

ECM: I hope so. My own philosophy of life is that honest is something you should be because it's the right thing to be. I have nothing but - I was going to say contempt, that's too strong a term - for people that are honest only because the cop is looking over their shoulder. I don't regard that kind of honesty as very good honesty.

And that's why I have never been enthusiastic, in fact I think a great deal of the so-called "conflict of interest" legislation today is not worth the paper it's written on. It's trying to establish that kind of honesty. You're going to have the media looking over one shoulder and some commission looking over another, and an ombudsman looking over another - and a lot of laws saying, "If you do this or don't do that, you're going to be hung" or something, and that's going to make people honest. It doesn't make people honest.

They're either honest or they're not honest. If they're not honest, sure you can curb their opportunities for cashing in on their dishonesty, just the same as if you have enough cops on the street you could stop everybody speeding. But the moment you take the cops away they're all speeding

again; it doesn't change the people. And this kind of legislation doesn't change politicians; it doesn't change business people. If they're going to be dishonest, they'll be dishonest.

That brings me back to what's been a favorite topic I've harped on so often. The only real protection the public has in the public sector is the character of the people they put in charge of their affairs. If they'd pay a little attention to that (and that's usually about the bottom of the list of the qualifications that they look at), it's far more important to them than all the pressure groups for conflict of interest legislation, freedom of information legislation, and all this nonsense. It serves a certain purpose, but it certainly doesn't create honesty.

LS: No, I don't think we do look at that.

ECM: No, it's a sad thing. If you say to the average voter, "What do you regard as the qualifications of a Member?", they'll give you a lot of things, but the personal integrity of the individual is not highly rated. If you mention it, they recognize it, but it's not the thing they think of themselves. They'll get very excited, "Oh, this fellow doesn't live in the constituency; we couldn't have him for a Member." Well, I'd far rather have an honest man that didn't live in the constituency, than a dishonest man that did, if I had to make a choice! But the things we give priority to are not always the important things.

LS: In the end, then, the Commission in all the various areas, did not come up with any major recommendations?

ECM: No. As I recall it, number one, they found no wrongdoing. Number two, they found some unwise conduct, that is, poor judgment. That's the category I'd put this stuff in. To fly over to Europe in a company plane - there's nothing wrong with it. It saves the province and taxpayers some money; but it's not a wise thing to do. Certainly today anybody in the government would be stupid to permit a thing like that. So they said, this was bad judgment. In some of the departments they said, "There's inadequate supervision here; there are inadequate controls over this, that,

and the other thing." And they made some recommendations that enabled us to smarten up the provisions within some of the departments.

LS: Then your government acted on some of them?

ECM: Oh, yes.

LS: I'd like to move on now and talk about some of the legislation of 1956. The first piece that I'd like to look at is Chapter 3 which was an act about Incorporation of the Alberta Municipal Financing Corporation. What were the provisions there, and what is that corporation?

ECM: This was a corporation set up whereby the government would put the credit of the Province behind approved borrowings of the municipalities. Up until this time, each individual municipality that had to raise money by the sale of debentures went on the market on its own and borrowed its own money. Obviously, a municipality (particularly a small municipality or one that was not very rich in resources) could not get as good a rate on interest, particularly on borrowings, as compared to what the Province could get. So the thinking behind this legislation was, "Why don't we set up a provincial structure that will do all the fund-raising for municipalities (within certain limits) and put the provincial credit behind the borrowings." In other words, the borrowings would carry a provincial guarantee, which gives you the best rate on the market. And then that corporation in turn would lend this money on through to the individual municipalities.

That structure still prevails today; it's been continued. That was the birth of the Alberta Municipal Finance Corporation.

There are a couple of interesting things in connection with that. When we were examining this, before we finally decided to go ahead, we had a lot of consultation with the municipal people to find out what their thinking was, whether this was something they would favour, whether they thought it was worthwhile. And of course they were very enthusiastic about it because it was definitely going to save them money.

But I remember we tried to get a handle on what size fund we would have to anticipate before the thing would carry itself. The money repaid into this fund did not go into general revenue; it went back into the revolving fund. It was a revolving fund that was set up. So as the borrowings were repaid by some municipalities, that money was available to lend out to other municipalities.

The conclusion they came up with in those days, in consultation with the municipal people, was that if we could build up a fund of \$100 million, it would be pretty well self-sustaining from there on. There would be enough money coming back in. Even if this was lent over 20 years, that would be \$5 million a year coming back in, and that's about what you'd need in additional new money. It sounds rather ridiculous today when individual municipalities are out borrowing \$200 million! Edmonton's talking about borrowing \$600 million - just one municipality.

LS: And that's not so long ago - 1956?

ECM: Well yes, about 15-16 years ago.

LS: A second piece of legislation was Chapter 19 on the Preservation, Conservation, and Utilization of Gas Resources. What were the provisions there, and why this particular piece of legislation at this time?

ECM: This was simply an update. This Act repealed the Act of 1949. I think I mentioned before, we followed a practice of making certain minor amendments to statutes for a number of years, and then when they started to get a little mussy because they'd been amended quite a few times, rewriting the whole Act. This was a rewrite which repealed the previous one. There was nothing outstanding or new in this, but it just updated everything, embodied all the amendments which had been made since the last major revision.

LS: Another piece of legislation which is rather interesting is Chapter 39 on the Development and Planning of New Towns. I'm interested in the provisions of this, and why it was necessary at this point in time, and the

kind of strains on regulation systems and things that you were finding, that caused this kind of legislation to come forth at this point.

ECM: Primarily, the need for this legislation grew out of areas where communities of people were springing up very quickly, in most cases because of oil development. I think there was also a case or two in timber development. If an oilfield was discovered and there was a lot of drilling and a lot of wells, you would get a lot of service people, pipeline people, and pretty soon a community springs up, probably away out in the sticks because that's where the oil had perhaps been found.

We did not have provision under the normal legislation for establishing villages and towns and so on, to handle that type of development. Quite frequently this development would be on Crown land, leased land, and there was just no provision for establishing an orderly town. What was happening was that these "mushroom" towns were springing up; they were not incorporated bodies, just a bunch of people, but they had families, children - you had to consider the matter of schools, hospitals, all of the social services required, but no structure to do it with. So this Act provided for the establishment of what were called New Towns.

The community had to be designated a "New Town" by the Lieutenant-Governor in Council to come under this Act. But if there was a place where there was rapid growth, usually almost from scratch (there might have been some little hamlet or something there before), then the Province could declare that community a New Town, and it came under this Act. The Act provided that where a New Town was designated, the Government appointed a Board of Administrators. There was no machinery for elections or anything of that kind, because they were not an incorporated body. The Government would appoint a board of administrators (which really took the place of a Town Council). Then there was provision for the assessing of the property in the community, the levying of taxes, borrowing money. The council that was set up by the Province really functioned with almost the same powers as a municipal council. They were given power to borrow money, collect taxes, and all of these things.

One of the reasons for this was that in some of these areas there'd be a great upsurge of development. But when the development was done and they moved on to somewhere else, the town would die again. There was no sense in creating a permanent town in a case of that kind. If, on the other hand, the circumstances were such that the Town obviously could become permanent, and the development and growth was going to be such (population growth and otherwise) that they could become a normal town, then it was taken out from under the New Towns Act and incorporated as a regular town.

A couple that I can think of - Swan Hills was one, up in the oil development up north; Hinton, when the pulp mill went in there, there was a New Town declared there; Grand Cache, where the McIntyre mining operation went in.

LS: Would Fort McMurray have been under this?

ECM: I think Fort McMurray was started under the New Towns Act. All of these I talk of now, I think all of them, have become incorporated towns since that time. But they all started that way. If I remember rightly, Devon out here started as a New Town. In fact, if I remember correctly, Devon was a novel one - it was one town where the whole plan for the town was drawn up before anything was built. There was no development out there at all; the oil companies developed the town in cooperation with the Municipal Department.

LS: Was that unique to this province, that piece of legislation?

ECM: I really don't know. I don't know of any other area where it's in effect, but it may be.

LS: One thing, before leaving that legislation. I know that there's been a lot of criticism of government providing social infrastructures in these new towns - that they're inadequate, the housing is inadequate, the schooling, hospitals, etc., are inadequate. What were the problems that people faced with this particular thing, and what do you think of that criticism of government?

ECM: One of the unique circumstances about these towns, which bears right on this question, is that initially their future is often uncertain. As I say, there are areas where there may be a great influx of people during a construction period. Suppose you're building a huge pulp mill: you'll have 1000 people working on it. It's a community in itself. When the construction's finished, most of them will be gone, and you'll have a much smaller group that's operating the plant.

One of the problems that arises is, what do you do about the social amenities during that initial period? Do you build schools adequate to take care of the families of 1000 people there, when two years later there may be 200 people there? Do you put in sewage and water systems adequate to take care of a community of 1000 that ultimately is going to end up with 200 people? These are the practical problems.

That was one of the main reasons for this New Towns Act. It gave flexibility. What the Government tried to do, and what the New Towns themselves tried to do, was, as far as they could anticipate what the longer-range position would be in that community, if you were providing facilities like schools or hospitals, provide adequately for that. But on the other hand, you can't in good judgment provide for the peak period and then end up with a huge debt for a sewage and water system that was designed for five times the number of people that are left to pay for it later on.

On the one hand, people will say, "The government's not providing adequate facilities." On the other hand, if you did go to the extent necessary to meet that peak load, you would get even worse screams from the 200 that might be left after, who have to saddle the debt for this thing permanently. So you try to strike a reasonable balance.

LS: With hindsight, is there any other way that your Government could have handled that?

ECM: I don't know of any better way. The one great characteristic of this method is its flexibility. You assess the thing from day to day as it goes

along. As soon as the Town becomes established - maybe some town that starts out just because of an oil development or a gas development, maybe a little later lumbering starts in the area, and you get pulp mills or lumber mills - once you get a little variation of that kind, then you know that the stability of the community is far greater than if it's just dependent on one industry that's there today and in a few years most of their people are gone.

What you've got to have is flexibility. You can't pour these things into a common mold because no two communities are alike at that stage.

LS: Just a further question on that. Where there was one major industry or one major company developing a particular resource, what sort of arrangements or philosophy or policy did your government follow vis a vis that particular industry in that area?

ECM: We always involved the industry in the planning and in sharing the costs. The alternative to this (and I should have mentioned this earlier) is the old "company town". That was common in early days, particularly in the coal mining industry. If a mining company opened up in an area, they practically built and owned the town themselves. They owned all the housing; the miners leased their homes from the mining company. The mining company owned the store, and all that kind of thing.

Now, the history of company towns is not good. It leads to terrible dissatisfaction, because the tenants of all these buildings, whether commercial or residential, feel that they're under the gun because it's the man they work for, on whom they're dependent for their job (at least, the company that they work for) that dictates the rents and the prices in the stores, and all that kind of thing. So we didn't want to see company towns spring up where all this oil development and lumber development was taking place.

If we're not going to have company towns, what's the alternative? We came up with this New Towns idea. But had the companies had to provide company towns, of course they'd be saddled with all the expense. So we felt quite

justified in asking them to share the expense of the public facilities such as the water system, sewage system, schools, and hospitals in those communities where they were the dominant industry.

LS: Was there resistance to that?

ECM: No. There would be a lot of debate as to how much, but the principle was not resisted. I suppose you'd have to say there would be some cases where the companies would probably prefer to have their own towns, but not very many. They know from past experience that these always led to unhappy situations and usually government intervention.

LS: Is that particular piece of legislation still the way the government operated through your full tenure, in terms of New Towns?

ECM: This thing came in in 1956, and to my knowledge there haven't been any significant changes made in this since. I think it's still operating basically the same.

LS: Another piece of legislation of 1956 was an amendment to the Oil and Gas Resources Conservation Act of 1950. I wonder what the provisions there were.

ECM: This again was merely minor amendments. There was nothing significant or new in this. Again, it's an update of the legislation. I don't recall offhand whether it repealed the previous one. It did amend the 1950 Act.

LS: In terms of oil and gas resources and conservation, when your Government in 1950-51 (and we've talked about this) established policy for the development of oil and gas, was it consistent? We're looking at five years later; did it keep to that overall policy?

ECM: Yes, the overall policy changed very, very little. But in that type of legislation two things happen. In the first place, when the initial acts are drawn they usually leave a lot of things to be provided by regulation.

That's because you just don't know what the score is going to be. Our policy was that after a few years of operating under regulations, any of those regulations that were obviously going to be pretty permanent would be taken out of the regulations and put into the Act. It's better to have them in the Act. But you don't want to put them in when you start, because you don't know whether that regulation's going to be appropriate or not. Probably by the time a regulation gets in the Act, it's perhaps been amended half-a-dozen times. It's very easy to amend a regulation; you don't need to have the House in session to do that. It's only when the regulations became refined to the place where they're reasonably permanent that they were put in the Act.

Quite a lot of these revisions were transferring into the Act things which had started out as regulations.

LS: But the general approach of your Government didn't change during these first five years?

ECM: It didn't change, no. It was based on a very simple philosophy. (1) We wanted to encourage maximum development by the private sector. (2) We did not want to waste anything that we could avoid wasting - in other words, conservation figured prominently. (3) We insisted that there be an appropriate and fair, and even generous, return to the public of the Province as the owners of the resource on anything that was developed. Fair return to the producer, but fair to the public too.

Those principles never changed under all this legislation.

LS: A final piece of legislation from that year is Chapter 45, an Act Respecting the Revised Statutes of Alberta. What was the provision there?

ECM: This was the carrying out of a policy that had started, I believe, under the Farmers' Government. That was that once every 10 years there was a complete revision of the Statutes. All that required in the Legislature was an Act authorizing the revision. Really, all a revision is is taking

all of the statutes and putting them together in a proper index in volumes.

But in the process of revision (and provision is always made for this in a revised statute act) the Legislative Council that does the work is authorized to remove any obsolete legislation. There may be some pieces of legislation which have ceased to have any application, have been dormant for quite a number of years. You don't put those in the revised statutes. There's no point in cluttering up statutes with something that's no longer being used. For some reason it maybe hadn't been repealed, but it's dormant.

Secondly, there's provision made when you revise statutes for clearing up grammatical and typographical errors where there's an obvious error. It doesn't change the sense of the legislation, but just to tidy them up, and sometimes to improve the language of a sentence or something of that kind. They're authorized to do that.

The other thing is, if there are inconsistencies discovered between two or three statutes, to reconcile those inconsistencies provided they do not alter policy by virtue of the correction. If they alter policy, then they have to come back to the Legislature as amendments. But if there's just some trivial thing where one Act says you have to do this in three days and the other Act says you have to do it in five days, then probably you'd just say "four days".

LS: I'd like to leave the legislation for that year and talk about two different things that are really social things. This first one goes back, because we didn't touch on it, to 1953. In 1953 I understand that you and Mrs. Manning went to London to attend the coronation of the Queen. And I'm interested in any comments you have on the occasion, but I'm also interested in your thoughts in general about the relationship between the country and that institution - the Monarchy.

We've just gone through this thing with Prince Charles, but I think there's an interesting question there about your view of the usefulness or non-usefulness of that institution vis a vis Canada.

ECM: I'm a confirmed monarchist. I'm not a fanatical monarchist, but I feel that the Monarchy is extremely valuable and extremely important to the British Commonwealth of Nations and in that sense, because I feel that it adds a degree of stability, a dimension to the British Commonwealth that's not enjoyed by a lot of other countries, it is of significance and some important to the community at large.

LS: How?

ECM: Well, there is a unifying influence that comes from affection for an individual who is above and removed from the political arena. And I think this was illustrated in the example you mentioned just a moment ago - the Royal Wedding. One of the things I found most fascinating in that was, you probably saw some of the T.V. shots of groups from different T.V. stations that went down to various regions in London, and some of them were the poor regions where people are unemployed. They had every reason to be disgruntled, to be radical, and here they were with their little flags, cheering their heads off and their hearts out, forgetting their bitterness and animosities and all that for at least a few hours. I think examples like that show that there is an emotional tie between people and a person that they admire and respect and love, for whatever reason, that you don't get in any other way.

I think that's a good thing. Those examples to me were very, very encouraging. We've seen in the British Isles in the last two months, the situation becoming inflammatory. Yet at the very time when that attitude was being expressed on one hand, here are 600,000 people packing a parade route to see a couple get married. If you want to be cold, hard, calculating and logical, you can say, "It's a lot of nonsense." But it isn't nonsense; it's human. That's a human response, a constructive, positive response.

I don't know what the final figures were, but I was most interested in one report that followed the day after the Royal Wedding. They estimated 600,000 people between Buckingham Palace and St. Paul's; the police made five arrests, two of them for people that were carrying something that could be considered a weapon (a knife or something like that), one of them I think for drunkenness, and two for drugs. Now, five arrests out of a crowd of 600,000 people - I think that indicates something about the attitude of that crowd (and there must have been a lot of people among them that were not monarchists).

It does something to people; it dampens down the negative aspects. You couldn't get 600,000 people together for most any other thing, especially in a time and in a country where they've been battling each other over the head in riots night after night, without trouble, but not at that. This love, this affection for the Royal Family - I don't care who it is in the Royal Family, that's not the point. Somebody's going to be king or queen if you have a monarchy. As long as there's a human affection for that office, that has that effect on people, I think it's worth its weight in gold.

And I noticed, speaking of cost, it was typical of the media - a lot of them were running around and saying, "Don't you think it's terrible to be wasting money on this kind of thing?" And some dear old woman said, "It's the best thing they ever spent it on." To me, when a thing will do that to the attitude of people, you can't put a price on it.

LS: Does it do it for Canadians?

ECM: Not to the same extent because they're more remote from it, and Canadians are not as emotional as the British people are. Our people are probably among the least emotional people in the world.

I was rather intrigued - it would be very interesting to know how many (I would say in the millions) Canadians got up at three o'clock in the morning to watch the Royal Wedding. Why do they do it, if it means nothing? A lot

of them wouldn't admit it meant anything to them, they'd sneer at it, but they're there, glued to their televisions, to see it.

LS: You actually attended the Coronation back in 1953? Did you have an audience with the Queen at that point?

ECM: Not a personal audience. We were at Buckingham Palace. They put on a series of receptions. In fact, my wife and I had a rather interesting experience.

At the same time as the Coronation, I had taken on a lectureship for the English-Speaking Union with which you're undoubtedly familiar, and they were initiating a Memorial Lectureship for Lord Lothian who was the British Ambassador to Washington during the War. He was an outstanding man; he was very highly regarded and respected. He died, and it was considered a big loss in the diplomatic channels. So the English-Speaking Union, years later (the year of the Coronation) decided to initiate an annual lectureship called the Lord Lothian Memorial Lectureship; I don't know whether it's been carried on or not. This was the initiation of it, and I was asked to initiate this thing by giving a lecture in London and Liverpool and Edinburgh, the same lecture each time, under the auspices of the English-Speaking Union.

This was all set up before the Coronation. Shortly before we got over, the invitations came out from Buckingham Palace for all these receptions. They had a series of about four of them, one for the Diplomatic Corps from all over the world; one was for the military; one was for the political people (Premiers and Prime Ministers and Governors-General) which was the one we were invited to because I was Premier at the time.

But it happened that the night of our invitation to Buckingham Palace for this particular reception was the night that I was to give the lecture in London for the English-Speaking Union. So we had to express our profound regrets because I couldn't change this other. And this was done through the Agent-General's office in London. I don't know who was responsible for this, I suppose some of the protocol people at Buckingham Palace who were

looking after it. We thought, "Well, that's the end of it." But we got a second invitation to another night! They had called Canada House when they saw this explanation (I think there was some interest on the part of some of them in the English-Speaking Union because that's very closely tied with them), and we received an invitation to attend the night of the diplomatic corps.

It was a most fascinating thing. There were about 1600 people there, in Buckingham Palace, and of course the Queen, the Prince and all the Royal Family were there. Winston Churchill was there, and the whole crowd of them. With about 1600 people, they lined them up in this huge ballroom and corridors, a crowd of three or four deep, and the Royal Family just came down between them. I guess they spent an hour and a half making this circle, and they stopped and chatted with everybody and this kind of thing.

LS: It's interesting, through all the numbers that they would have handled, that the extra special invitation came back again.

ECM: I assume they had some provision for people that were on their guest list that couldn't attend for something that they regarded as legitimate. I thought it was very gracious, because we just wrote it off. We said, "Too bad; we'd sure have liked to attend a reception at Buckingham Palace!"

The other thing they had, and we missed one of those because we were in Edinburgh at the same time, were a couple of garden parties. These were huge things out in the grounds, but of the two we would have preferred the reception because it was more intimate - it was in the Palace and the Royal Family visited around, and most of the members of the British Cabinet. As I say, Mr. Churchill was there and all those fellows.

LS: What were you speaking to the English-Speaking Union about?

ECM: They left pretty wide discretion, but this was the inaugural, and their plan at that time (and I don't know whether they followed this up or not) was to have somebody each year from a different Commonwealth country. They wanted an overview of that country and its people, its potentials, its

hopes and dreams, and so on.

LS: So it wasn't to do with Social Credit and Douglas, or anything going back that far?

ECM: Oh no, no.

LS: Just a final question in terms of the Monarchy. Do you think, for Canadians, that it's important to preserve a consciousness of it?

ECM: I do. One of the things that disturbs me terribly with the present Federal Government is that Trudeau and his people (a majority of them) are anti-monarchist. They give lip-service to it but there's no heart to it at all. And I think that's tragic. I think it's a sad, sad thing. You see, that type of thing, in the public mind, is identified with high office. While their affection may be for the Queen - and for people that know her, she is a delightful person. We've had the privilege of knowing her before she was Queen; we've entertained her a number of times in government dinners; we've been at a lot of functions that she was at; and I must say, she's totally dedicated to a terrible job, a terrible responsibility! But a down-to-earth, common-sense, good judgment, high charactered type of person.

LS: A sense of humour?

ECM: I think so. Of course, she's so guarded in what she says, it's pretty hard to say. But little things you hear, I gather she has a sense of humour. I imagine when she's free of the limelight she probably has a good sense of humour. But she's not free to express that kind of thing.

In the public mind, the Royal Family, while they're out of the political arena, are nevertheless regarded as in high office. And if you're going to sustain public interest in and affection for that office then you can't have others in high office lukewarm or ridiculing. That's why I find it very sad and distressing that a man like Trudeau has absolutely no respect

or fondness for the Monarchy at all, and doesn't hesitate to show it even though he pays lip-service to it.

In all this legislation, they've eliminated the Queen completely for the Constitution. This isn't by chance; it's deliberate. They are progressively weaning Canada away from ties with the Monarchy. It shows up in all kinds of little things. It used to be Royal Mail, and all that kind of thing - now it's Canada Post because it sounds better to the French Canadians and is easier to express in two languages. We've seen this in dozens of things.

LS: But the institution surely will outlast the government?

ECM: Oh yes, but of course I don't know how long monarchies are going to survive in the world of today. There are not many of them left; it's been a hard century on monarchies. I think the British monarchy is probably the deepest entrenched in the affection of at least the British people. But I don't know whether it's a permanent institution or not.

But it saddens me; I would like to see every effort made on the part of those in responsible positions of Government at least to encourage its preservation. But even with that, it's going to be difficult to say that the Monarchy will survive ultimately because the whole trend is away from it.

LS: That's interesting, because it's quite earth-shaking to consider that, to think that it won't continue.

ECM: I'm only guessing, but I personally can't see it not continuing in England; but whether the Commonwealth itself.... As far as Canada's concerned, Trudeau would be happy tomorrow to declare Canada a republic, as far as he's concerned. And that type of thing is going to show up in other Commonwealth nations.

A lot of these nations that have claimed their independence - and the attitude of Westminster and the Royal Family for a long long time has never

been to oppose that; if they want their independence, fine; if they want they can stay in the Commonwealth - but I think it goes without saying that quite a number of those countries that have split off, that's the first step to the ultimate severance of their ties with the Monarchy. They don't have to sever it at the time because the Monarchy didn't oppose it, in fact went to their celebrations and celebrated their independence with them; it's pretty hard to oppose that kind of thing! But the affection is not there.

LS: One final question, and this is like going from the sublime to the ridiculous. In the years 1954, 55, and 56, the Edmonton Eskimos were very successful in the Grey Cup. Your son Preston recalled some trips to Vancouver, apparently, when the games were played there, and being picked up by a chauffeur and standing on reviewing stands and being showered with wheat - what was that all about?

ECM: I guess he was referring to a Grey Cup game that was played in Vancouver. it was the only one that I ever took Preston to. He was a pretty young lad, but he was crazy about football, and particularly about the Eskimos. That year the Grey Cup was played in Vancouver, and of course a whole contingent went out from Edmonton, so I went out and I took Preston along. Of course he was along with me for most of the stuff. In the Stadium there was a block reserved - the Premiers and so on - and he wasn't with us there, but they had a second box for a number of other young people. And he was with me at the Hotel Vancouver and the Grey Cup dinner.

And this wheat that he was talking about: they had the Grey Cup parade prior to Grey Cup Day, and this was down the streets of Vancouver. The farmers were very annoyed at that time about the price of wheat, and I think it was the Minister of Agriculture, if I remembers rightly (probably Jimmy Gardiner at that time). They had a reviewing stand where all these dignitaries were watching the Parade go by, so this one bunch of farmers came by with the truckload of wheat the scoop shovels, and when they went by they splattered everybody on the reviewing stand, particularly Jimmy

Gardiner, with shovel-fulls of this wheat that they couldn't sell because the government wasn't paying them enough.

LS: Did you get showered?

ECM: Oh, a little. It was aimed at Jimmy Gardiner. He got most of it!

LS: Are you a football fan?

ECM: I like football very much. I haven't been to a game for a long time; I used to go a lot when I was younger. But when they televise them all, I watch practically every football game on television.

LS: Okay, I think we'll close it there.