

**LS:** Mr. Manning, before going into the historical events of 1963-64, I'd like to talk a little bit about the recent (two days ago) Supreme Court decision regarding the legality of Mr. Trudeau's repatriation plans. I'm interested in your reaction to the Court decision.

**ECM:** The Court decision of course was a very long and complicated judgment involving a number of minority judgments. Basically, the Court has found that from a strictly legal standpoint the Federal Government can proceed unilaterally with the package of constitutional amendments that it has proposed. Secondly, it has found (by a 6-3 decision) that from the standpoint of what is referred to as "constitutional convention" - that is, the established procedures for doing things that you can do legally - the Federal Government should not proceed unilaterally but should have the consent of the Provinces.

The implications of that are very far-reaching. Those who take the strict legalistic approach to the matter naturally will seize on the Court's finding that from a straight legal standpoint the Federal Government does not require the consent of the Provinces to proceed and say, "Well then that settles it."

Those who give weight to the constitutional convention aspect have a very strong case established by the judgment of the Court, that while there are certain things in the realm of the Constitution that you can do from a legal standpoint you do not, and should not, do those things unless you also recognize the conventions which have developed over many, many years, and which, it would not be exaggeration to say, modify and temper the strictly legalistic aspects of constitutional matters.

The Provinces, of course, have taken that position all along, that whether this was strictly legal or not it was certainly not the proper way to proceed; their case is tremendously strengthened by the Court's findings.

Mr. Trudeau, on the other hand, who has always brushed off convention saying, "Well it would be nice to have agreement, but if we can't get it, so what?", will undoubtedly take the position that all he's interested in is the legality and he now has the green light to proceed.

What this means for the country, of course, is that if the Federal Government persists in proceeding unilaterally in the light of what the Supreme Court has said on the matter of constitutional convention, it will certainly deepen and intensify the animosity and antagonism and divisions which are already created in the country by this unfortunate issue. So it's a very, very serious situation. The Court's decision has not resolved the problem at all, in that sense.

I think it should also be recorded that the emphasis that the Supreme Court has placed on the role of constitutional convention in this issue is very, very remarkable. I understand this is the first time on record that a judgment of the Supreme Court has ever dealt with a matter of that kind. The Court normally only deals with the legalistic aspects of legislation. It is within the law, or it isn't within the law. And the fact that the Court has departed from normal practice to give the attention and emphasis it gave, even to the extent of issuing a judgment on that questions - which was over and above what they were asked by the reference to the Court - shows the importance that they attach to the relationship between constitutional convention and constitutional law.

This is understandable when you remember that under the British parliamentary system convention has been an integral part of our constitutional matters from the inception of Confederation. This of course goes back to the Old Country, which has no constitution, and whose constitution is based primarily on convention. "This is the way we do it," not that the law says we have to do it. There are so many things in our Parliamentary procedures and matters that pertain to the application of the Constitution where convention has become so entrenched that as far as the public are concerned, I would venture to say the majority of people think they are the law.

Just to take a simple example (and this has been cited by some of the analysts of the judgment) - the position under which a Government resigns if it is defeated on a money bill or a budget address. There's nothing in the Constitution that says a Government has to resign because a budget or a money bill is defeated. That's entirely convention. And yet I'll venture to say that 90% of the Canadian people regard that as part of the Constitution of Canada. It's so entrenched. That's a simple example, and there are scores of those things.

I mention them simply because I think they underscore the fact that if you are going to assess the Constitution objectively, and procedures for dealing with the Constitution, you simply can't divorce constitutional convention from constitutional legality. And what we're going to find in the days ahead is whether the Prime Minister is going to try to do that. If he does, he'll divide this country seriously, and do irreparable damage to Confederation in the days ahead.

**LS:** What is your opinion (or an educated guess) about what he will do, knowing the man and knowing the history of this situation.

**ECM:** There are three options open to the Government in the light of the Court's decision. One would be to set the whole matter aside for a while. To my mind, that would be the intelligent thing to do. I say that for three reasons.

In the first place, it's not a matter of urgency. This matter of constitutional amendment has become a national issue only because the Prime Minister's insisted on making it so. It never became a serious, urgent national matter because of public demand. So there's no urgency.

Number two, Canada today is faced with a number of very serious national problems: high interest rates, mortgage renewal problems, budget deficits, balance of payments problems, international difficulties with the United States and others, economic stagnation. These matters have been crying out for attention now for a couple of years, with little or nothing being done

about them. To my mind, it would be tragic to divert the time and attention of Parliament from those issues to engage in another protracted wrangle over a constitution which, as I say, is not an urgent matter at all.

Thirdly, the players on the stage today, federally and provincially, who have been involved in these controversies of the last 18 months over this whole thing, have entrenched their position so deeply that it's extremely questionable if they're going to move sufficiently to get accommodation. In my judgment, it would be a very wise thing to put the whole thing on the back burner until that group of players have moved on and a new group are there who can take this thing up in the light of the unhappy experience of the group that have been dealing with it for the last year, and come to a resolution. I can see little hope of accommodation as long as some of the present players remain in the act, because they've entrenched themselves too deeply in a fixed position.

So the first option I see for them is, put the whole thing on the back burner and forget about it for a few years, which as I say, to my mind would be the intelligent thing to do. Because of it, I have little confidence that the present Government will do it!

The second option is the extreme of the Prime Minister saying, "Well, we have the Court's judgment saying this thing is legal, so we're going to jam it through Parliament, we're not going to pay any attention to the conventions." He justifies that position by saying, "We've tried for 54 years to get agreement and it's hopeless, so what's the good of trying further."

Again, I think it should be clearly recorded that that is a very misleading and devious kind of statement. I happen to have had the privilege and opportunity of being associated with constitutional conferences for over 25 years of those 50 years he's talking about, and it is simply not true to say that for 54 years the governments of Canada have been struggling to patriate and amend the Constitution. The matter has come up repeatedly.

It's been debated; the desirability of doing something has been discussed; suggestions have been made of how it might be done, how the Constitution might be amended, and so on. There hasn't been agreement, it's true, with one or two exceptions. Then the matter was stood over on the sidelines again, and often has gone for five, six, seven years with nobody even mentioning the Constitution. For the Prime Minister to give the impression that a group of men have been sitting around a table for 54 years trying to resolve this just simply is ridiculous. It has never been a matter of urgency at any of the Federal/Provincial conferences on the Constitution. However, he justifies ignoring convention, or tries to justify it, on the ground that "We should have that agreement and the Court said we ought to have it; we can't get it, so let's be realistic and go ahead without it."

That's another option. If he follows that course, as I've said, to my mind he will aggravate still further the serious divisions that this issue already has created in Canada, and even if he is successful in forcing it through Parliament (which he can do because of his majority in the two Houses) it will still not be accepted by many Canadians - or accepted in an atmosphere of antagonism, which is the worst situation. A Constitution is something that everybody ought to be proud of, and support, and be enthusiastic about. There isn't a chance in the world of getting that public reaction, if he arbitrarily forces the thing through.

Furthermore, there is a grave question of whether the British Parliament will pass it. The British Parliament pays much more attention to constitutional convention than we do on this continent, because most of their Constitution is convention. And I would not be at all surprised if Westminster said, "Look, we have to assess this from the overall constitutionality, not just the legal constitutionality but the conventional constitutionality." And they may very well say, "We don't feel that we can endorse it."

Now I don't want to misjudge the Prime Minister and misinterpret what may be his reactions to these things, but from my observation of his attitudes toward the Crown and Westminster and so on, I'm not sure that he would be

unhappy if they took that position. I think he would then try and whip up anti-British sentiment saying, "They're treating us as a colony," and all this kind of nonsense, "and so the only course open to us is to go ahead on our own, and we'll declare this the Constitution of Canada, period. And let Westminster go and jump in the ocean." I'm not sure that he would be unhappy with that scenario. On the other hand, I have no reason specifically for saying that, other than his general attitude towards procedures and so on.

The third option would be to get the representatives of the Provinces and the Federal Government around the table again and try to reach an accommodation on the conventional end of it. I come back there to what I've said so often before. If they try to get agreement on the total package as it now sits, I think it's impossible under the present atmosphere. If they would concentrate on agreement to go ahead with patriation, there would be no opposition to that. And an amending formula, which would be difficult but I think there would be a very good possibility of getting an agreement on an amending formula if they concentrated on that only and on patriation.

I think I've said in our earlier conversations on this that in the series of meetings that were held with the representatives of the Provinces and the Federal Government, prior to the Prime Minister's decision to move unilaterally, they failed to reach agreement. But I think the reason they failed was very obvious. There was put on the table before them a package involving a lot of contentious issues, including all this stuff in the Charter of Rights and things of this kind, and they were asked to come to an agreement on the total package. And it was emphasized that they couldn't separate items; it had to be the package - all or none. Well, that's the most stupid way of going about getting agreements. If you have a big problem, the best way to solve it is to chip away at it. Take a piece off it, and solve that. Take another piece off, and deal with that. And by and by, you've only got one little piece left, and you can solve it.

But if you try and tackle the whole thing at once, the chances are remote. That conference, in my mind, failed for that reason. Had they, at that time, concentrated on agreeing on patriation and agreeing on an amending formula, I'm sure they could have worked out an amending formula that would have been generally acceptable.

Then they could have brought the Constitution back to Canada, with an amending formula, and in this country we could have gone ahead with all of the hassles we'd like to have on how we should amend it. Are we going to put in a Charter of Rights, or aren't we? What's going to be in it? What shouldn't be in it? But we'd do it here in Canada among ourselves, with our own amending formula, not asking the government of another country to do it for us.

In order of that I've said, it would be number one, put the thing on the back burner. That's by far the most sensible. Number two, accommodation - try to get accommodation, and try to get it by forgetting about the whole package and get agreement on the things that are pertinent to patriating the Constitution. Number three, the worst course, would be to arbitrarily try to push it through Parliament and further divide the country.

**LS:** Some observers have said it might be significant that Mr. Trudeau hasn't brought up the Charter of Rights in his reaction to the Court decision, that maybe he's thinking in terms of one of those alternatives. Do you think that's possible?

**ECM:** Anything is possible; I wouldn't bet the mortgage on it, though.

**LS:** What about the actual Court decision? You've mentioned a unique characteristic in its commenting on the importance of convention. What is your opinion about the way they found, their decision?

**ECM:** Well, having regard to the fact that the Court was handed a very difficult and very sensitive subject on which to adjudicate, I think they did an excellent job. I'm unhappy in that it didn't resolve the divisions in the

country, but looking at it from the standpoint of being fair to the Court... You see, we can't ignore the fact that the problem handed to them was as much (or more) a political issue as a legal issue. And here is a Court which is not intended to deal with political issues - not designed to deal with political issues - given a subject which is inevitably political. And I think this is why they took a long time to formulate their judgments, and of course they couldn't agree on it. The only unanimous judgment in the whole thing - and this is interesting - is that the federal package does infringe on the rights of the provinces. They all agreed on that. Then when it came to whether it was legal or wasn't legal, they split 7-2 on that question, in favour of legality. When it came to whether it was unconstitutional from the standpoint of constitutional convention, 2/3 of the Court said it was unconstitutional, 1/3 said it wasn't. They were completely divided in their judgments, which was one reason why it took so long.

I think, having regard to the subject that they had to deal with, they did a very detailed and thorough job.

**LS:** What do the Premiers of the eight dissenting provinces do now? One gets a feeling as a lay person that it's out of my hands - and yet it's going to affect my country, it's going to affect me. What do the Premiers do?

**ECM:** As of now, only two things have emerged, and it's too early to say really what their position is, because some of them have not even commented yet. Certainly they all draw from the Court's emphasis on the fact that constitutional convention is an integral part of the overall constitutionality of this matter. They draw a lot of comfort and support from that, because it's vindicated their stand that even if you can do it this way, you shouldn't do it this way. That's really been the heart of their case.

So I imagine some of them will be very strong on just pursuing that argument, both with the Federal Government, in Parliament, and particularly with the British Parliament. They seem to be attaching a lot of importance

to the possibility of influencing the British Parliament on that point - that'll be their strong point with the British Parliament. I'm not sure that they're on very strong grounds there as far as the ultimate outcome is concerned. In my opinion, while the British Parliament may well refuse to deal with it, I don't think that Mr. Trudeau (being the type he is) is going to say, "Well, then we'll forget about it, or go back and do it the way the Court says we should do it." Having regard to his arrogant contempt for convention and the way he should do things, he's more apt to say, "Well, this is the way I'm going to do it. I'm king, and this is what I say, and we're just going to declare it the Constitution of Canada and go from here." There's not much the Provinces can do in that case.

**LS:** Some of his ministers - I'm thinking in particular of Chretien whose initial reaction the day of the decision was basically to say, "We've got it. We've got the legal backing and we're going." I haven't heard that Trudeau has actually said that. Have you?

**ECM:** No, I heard the Prime Minister's speech from Seoul, and he was much more cautious and more subdued in his manner of presentation and what he said than Chretien was. Chretien was belligerent - "This is our position, and it's vindicated, and full speed ahead." Trudeau did say that we have no option except to push ahead. He said some people will say it should be put on the back burner, but no government could do that without being irresponsible - that was his comment on that point, which is utterly ridiculous.

Trudeau left his doors open. I wouldn't get too enthusiastic over that, because in what he said (to me at least) he seemed to be implying, "The door is open for us to have an agreement, provided you will change your position." That's just a very polite, diplomatic way of saying, "If you abandon your position and agree with me, then of course we're going to have agreement, and we'll have constitutional convention, and we'll all live happily ever after."

Interestingly, in what the provinces have said, it hasn't been too far from that same position the other way around. "Mr. Prime Minister, we're happy to sit around a table with you and reach agreement, if you are prepared to change your position"! Now, if that's the underlying thinking, of course they're just going through the motions, and when they get around the table all they'll do is disagree, Trudeau will say, "I told you - this is one more attempt." And it'll be more ammunition for him to act unilaterally.

**LS:** One final question. If you took the worst possible scenario, and the impact of that on the country, what, in your opinion, would be some of the specific things that would happen? What are your fears about that?

**ECM:** It's hard to define them, because they're not clear-cut. I mean by that, they all have so many variations. They may be extreme, they may be mild. The major serious aspects that I see in this thing - and I think these are very serious: Number one, Quebec. Quebec, initially, in their statements and in their meeting in their Legislature today to take a formal position, has said, "We will not accept this." Some of their spokesmen (now I don't say these are speaking for the Government) have said, "We don't care what the Prime Minister says, we won't accept it anyway." That of course is just one shade removed from anarchy, and that's the worst thing that can happen in any country.

I heard a commentator, the day after the judgment, talking about the Quebec situation, and he summed it up this way. If the Prime Minister persisted in ramming this thing through without some accommodation and agreement from the Provinces, particularly Quebec, he would anticipate another referendum in Quebec on separation within two years, and that in all probability it would pass. That's the great fear there; that he would split the country by driving Quebec out of Confederation.

In the rest of the country, if he does succeed in forcing his constitution on the rest of Canadians, there will be support in a lot of quarters. I don't want to give a false impression that all Canadians are opposed to Trudeau's package. There are a lot of them in favour of it. But there are

so many against it that it will inflict wounds on Confederation that will not heal for many years. I don't think anybody can say at this stage what the consequences of those wounds may be. They may fester and get worse, or they may heal, but you don't know. It's a terrible, terrible risk to take.

On a slightly different line - and I don't know how many are in this position - one of the sad things I see in this whole thing (and I've noticed this over the last year) is the position of a lot of Canadians, and when I say this I'm talking about many thousands of Canadians, and probably this is more true among the older generation who've known Canada for a long time and were rabid Canadians and proud of their heritage and their pioneer work that built the country, and all of this - it saddens you when you hear so many of these people say something like, "I could never have any part in, and I want no part of, the kind of Canada into which Trudeau is trying to turn this once-great nation." You feel sad for people like that. Their pride in their country, and their enthusiasm for their country, will be completely destroyed by this type of action. And I don't think you can destroy the pride and enthusiasm of that type of citizen - many of these are the pioneers who gave the best years of their lives trying to make this a great country - and then to have them come to the place where they'll say, "As far as I'm concerned, I have no more pride in my country, and I certainly have no enthusiasm for the whole thing"... They may tolerate it. They're not the kind that pick up little signs and run around Parliament and protest, but their hearts are broken, and their enthusiasm is gone, and the country is the loser.

**LS:** Is there anything in terms of that scenario in terms of the Prairies or Alberta and separatism? Do you see that coming out of it?

**ECM:** Well, of course, I am completely opposed to breaking up this country. I can understand why people incline to separatism. That's an expression of utter frustration and anger at what's being done to their country. I don't think that's the solution. I still have confidence that there are enough more stable, clear-thinking people, sounder judgment and wiser heads that will prevail. To me, to talk about separatism is saying, "We're prepared

in Western Canada (or in any other part of Canada for that matter) to let a man like Trudeau, who's inflicted this whole mess on the country (it would never have been there apart from him) drive us out of our own country. I'm not prepared to let Trudeau drive me out of Canada, or my province out of Canada. He can get out if anybody's going to get out. It isn't going to be us! That's my attitude.

**LS:** Do you think that that's understood, though, by people?

**ECM:** No, not generally. But when the chips are down.... And the surveys that have been taken show that people will be very vocal in their protest of what's going on and what's being done to the country, but if you ask them, "Do you want to separate?", they skirt around that question in their own minds. When it's bluntly put to them and they're confronted with it, they say, "Oh, no, no, not that."

**LS:** They don't perhaps here, but I think to go back to Quebec...

**ECM:** Quebec is different, yes. The reasons for separation there are different altogether. There its the traditional, emotional ties to their culture, their language, their French background which is entirely different from the people, for example, in Western Canada.

**LS:** Is it a realistic option for that province?

**ECM:** I don't think so. I say that for two reasons. First of all - and Quebecers should realize this - from the standpoint of the protection of their language and culture, they enjoy a far greater protection within Canada than they would enjoy as a little island in North America on their own. Sure, they could be sovereign in the sense that they could pass all the laws they liked saying, "You can only speak French in Quebec," and all that kind of stuff, and "You can only have this type of culture." But you can't stop ideas and things like this flowing across a border. One little nation of that kind in the midst of North America which is a different culture and different language - I think their young people would be

leaving the place so fast because they want the bigger, broader scope in the continent as a whole - I don't think it would be viable. It's an emotional thing with them, and I can understand how they feel, but I don't think it's viable.

**LS:** What about economically?

**ECM:** Economically they'd have difficulty. Quebec has always had economic problems. Quebec has a lot of resources, but Quebec has for years drawn very, very heavily on Federal assistance. They are one of the provinces that get the largest amount of equalization payments of any province in Canada. If all of this was cut off, I think they'd have difficulty.

Then take matters such as energy. They're an importer of energy. Once they were a separate country they'd get none of the benefits of all this protection that's been given to energy costs in Canada. They've enjoyed that because they're Canadians, not because they're Quebecers. And certainly the rest of Canada would sell to Quebec the same as they sell to any other foreign country, if they were a separate country.

I don't think they've fully assessed the implications of things like that. Take the matter of employment. Would Ontario, with its industry, be prepared to let workmen from what would then be a foreign country come in to take work without work permits, or all this kind of stuff? There are all sorts of ramifications, economically, that would be very adverse to their interests.

**LS:** Yet the emotional reaction to this...

**ECM:** Emotions override the practical realities of economics, and that's why the situation is dangerous. People acting under emotions do a lot of things that they'd never do under quiet, calm, intelligent assessment.

**LS:** We may come back to this as things unfold.

I'd like to move back now to the historical look at the years 1963 and 1964. Starting with 1963, I'd like to have you talk a little bit about the five-year plan that you instituted in 1958. It went from 1958 to 1963. I think it was the first five-year plan of your Government. What were its provisions? And before looking at specific provisions, why was it introduced?

**ECM:** Following the War of course we went through a period of time of great readjustment - all the post-War reconstruction, the conversion from a wartime economy and wartime society to a peacetime society. That involved a lot of activities, a lot of legislation, a lot of programs, and so on. By the time we got on into the fifties, more than ten years after the war, we had shifted our attention more to the future economic wellbeing of the Province. Economic conditions in Canada were going downhill in that period.

It's rather interesting. If you compare the statistics of those days with today, at that time (in 1958) we had the highest unemployment in Canada that we'd had since the War began. We had the biggest budgetary deficits. We had the biggest debt. I'm speaking about the whole country. In other words, very similar to today, except of course on a smaller scale. But the country was moving rapidly into a position of serious economic problems, from the standpoint of rising taxation, rising unemployment, rising debt - all of these things which go hand in hand with economic difficulties.

By that time, through the careful development of our resources and building up reserve funds from our resources, we had built up (we didn't call it a Heritage Trust Fund in those days) a financial reserve by 1958 of approximately \$330 million, which was a lot of money in those days, and certainly more than any other province in Canada, because we not only were not borrowing any money, we were not going into debt, we were retiring our debt, and we had a \$330 million reserve.

We worked on this for a long time, and we decided that we should initiate what we ended up by calling a "five year plan" to stabilize the economy of

the Province and move ahead at the time when the general trend was in the opposite direction. We called it, in fact, in the announcement, an "anti-recession" program.

What we proposed to do in the five-year program was, for each of the five years, starting in 1959, we would draw on our accumulated reserves. The estimated cost of this total five-year program would be anywhere from \$50 to \$100 million dollars, and we were prepared to draw that amount from our accumulated reserves to implement this five-year economic development program.

What we did was break it down into one or two major projects that we'd initiate in each of the years, starting with 1959. I can't recall all of these, but just briefly to give you the highlights. The 1959 project was the construction of senior citizens' homes all over the province (I think we've talked about this a little bit before). What we did was divide Alberta into fifty zones; in each of these zones we'd build one senior citizens' lodge to accommodate 50 people, and in the two cities of Edmonton and Calgary, special facilities that would accommodate 800 in each of the cities. That meant in total something over 4,000 senior citizens would be provided for in these homes. The Government paid the entire capital cost of the homes; foundations were set up for their administration; and the administrative costs were shared with the municipalities. But all the capital costs were borne by the Province and they were paid for in cash as they were built. There was no debt. And those homes of course are still operating today. It was really a pretty fantastic thing for the senior citizens from that time on.

In 1960 we proposed a \$10 million program for local community improvements. This involved street paving in some 200 major towns, villages, and hamlets. It provided for recreational centres strategically located; youth projects; campsites, and so on. And in that connection, we made grants to the municipalities for these recreational facilities and we set up campsites all along the highways. I've forgotten - there were scores of them.

In 1961 the special project was a provincial hospital and diagnostic treatment centre in Calgary. That is tied in now with the University in Calgary - the medical facility there. The Calgary University was just getting under way and there was no medical faculty there until that time. Well, the medical faculty had been agreed to and established, but this was a treatment and diagnostic hospital facility that would round out the medical facilities in Calgary similar to the University Hospital in Edmonton.

In 1962 there were two projects proposed. One was an institution for the care of emotionally disturbed children and the second a provincial school for the training of cerebral palsy and other physically handicapped children. That was not done as extensively as we had initially hoped. It was done through a major enlargement of the Red Deer school, hospital, and training facilities there.

In 1963 we proposed a Provincial Archives and Museum. Alberta, we felt, was getting to the place where there should be provision made to preserve its past, so that was the one for 1963.

Now those were the five years. The combined cost of those special projects over the five-year period were estimated at at least \$10 million a year, and this was over and above the normal expenditures. This wasn't substituting for something that we would have done anyway. And to that end we were prepared to draw on our accumulated reserves.

The other thing we did at that time - we had been paying these citizens' dividends out of a share of royalty from our resources. We discontinued those citizens' dividends, and that money was diverted in the first year to the construction of the senior citizens' homes. I think I mentioned earlier that we did that as a result of a careful survey we made. We found that the majority of the people of the Province said they would prefer to see that money going into permanent capital facilities that people could use, rather than paid out in a small amount of cash once a year that was spent very quickly.

**LS:** It sounds like, Mr. Manning, the cost of the project would be completed in that year. The Province would finance a capital project, and that was it. It wasn't an ongoing financial commitment to any particular project.

**ECM:** The emphasis in the five-year program was on capital projects. Now, in addition to that, for example - in the official statement when I announced this on the province-wide radio and television network, I summarized it this way: I said, "Let me give you a few of the highlights of the projected programs for major government departments. A \$350 million program for education, including a scholarship fund large enough to ensure that no deserving student in Alberta will through a lack of money be deprived of an opportunity to obtain a university education." The reason this figure is far bigger than the ones I've talked about is that this was the total picture for our educational program. It was enlarged, but it was the total. And that scholarship fund was set up and is still operating today, as far as I know.

"2. A technical and apprenticeship training program at Edmonton to serve Northern Alberta (that was the Northern Alberta Tech - it grew out of this)."

"3. Effective immediately, the abolition of gasoline taxes on all gasoline used in farm trucks. (That was a big boon to the agriculture end of the Province. Prior to that the farmers paid gasoline tax on the gas they used in farm trucks.) 4. A program of government-guaranteed farm home improvement loans through the Treasury Branches (and that program was implemented). 5. The Provincial Government will assume the capital costs involved in the new Dominion/Provincial Hospital Program. (That was a major help to the municipalities and the hospital districts. The Federal Government by this time had proceeded and implemented the national hospitalization and health program - this was a shared-cost program - but the capital costs of building the hospitals still remained with the local hospital district and municipalities. We picked up the total cost as of that time.) The progressive introduction of nursing home care to the program and the provision of outpatient services."

I might just say there that in the health care program, as far as facilities were concerned, we had developed years before a program that envisaged four entities: the active treatment hospitals, the auxiliary hospitals that provided auxiliary services, nursing home care (which was the one we brought in here), and senior citizens' homes, which we've already referred to. What we had in mind was to start out with the senior citizens' homes which were for people that didn't require medical care. If they got to the place where they needed some nursing care, they could move on to a nursing home where nursing care was provided. Then if the situation became a little more aggravated (as they grew older or something) they would go to an auxiliary hospital. It was a coordinated four-phase health program for the Province.

Seventh in that program that I announced at that time, "At the next session of the Legislature a separate Department of Labour will be established under its own Minister, and fair wage clauses will be inserted in all provincial contracts." And that was done. That's when we split the Department of Trade and Industry into two departments, the Industry Department and the Labour Department.

"8. A Junior Forest Ranger organization will be established." And that was done. That was for training young people in forestry, who later would be qualified to go into it and work as forest rangers and so on.

**LS:** It sounds like a fairly innovative and unique program at that time. Was that the case?

**ECM:** Yes, it was. It was by far the most innovative of any overall program in any province in Canada.

**LS:** And again, just a comment on how that fit in with the overall government politics in terms of providing those kinds of things for the people of the Province. You called it an "anti-recession" program. Can you enlarge on that?

**ECM:** It was anti-recession in the sense that the implementation of these things created a tremendous amount of work. For example, the construction of all these institutions and homes, the community improvement programs in some 200 towns - paving and creating recreational facilities, parks, and all of this. All this meant work, and this was done as far as possible by the local people. And it pumped this amount of additional buying power into the hands of the consumers at a time when that was pretty important. So it had a significant impact on the economic bouyancy of the Province.

**LS:** Is there any conflict between that and your economic and political philosophy?

**ECM:** No. We felt this was quite consistent. This was not the Government interjecting itself into the business realm. We were using a portion of the revenue which had accrued from the development of our oil and mineral resources to provide other physical facilities. It was completely in line with the policy we followed for a long time of not using those resources in the social service end. We used them, hopefully, to provide capital facilities. Now, you can't put them in watertight compartments. If you build a hospital you're going to have to operate the hospital. Nevertheless, the capital costs were paid out of these things, and paid for. So we avoided all the debt costs which are killing these institutions today. The tremendous thing about this program was that when it was all finished, there wasn't a dollar of debt. We'd done it out of the accumulated revenues in our financial reserve, and we didn't create any debt to do it.

**LS:** Quite a unique experience in the country.

**ECM:** Well you know, it's perhaps not appropriate even for me to say this, but I confess sometimes to feeling quite amused when I hear some of the programs that are announced today as "modern, innovative programs", and heavens above, a lot of them are far less imaginative and innovative than things we were doing twenty years ago!

**LS:** Perhaps you just didn't work the press as well.

**ECM:** We didn't. We weren't concerned with the publicity end of it particularly. We never went out of our way to find a television camera.

**LS:** 1963 was also the year of a Provincial Election. At that point in time your Party elected 60 out of 62 seats. During the campaign - and I think it's a continuation in some way of that - you introduced something called a "four-year program". A couple of the provisions on that had to do with voluntary pre-paid medical services for the Province, and also trained police personnel to assist municipalities.

Question one, did your Government see the four-year program as a continuation of the five-year? And what about these particular provisions?

**ECM:** The four-year program was really a rounding-off of the five-year program that we'd had. I don't know why we called the one "five years" and the other "four years", but anyway it involved new things. But they were more things implemented with the idea of rounding out, fleshing out, the program where there were in our view areas that hadn't been attended to in the five-year program.

The two things that you mentioned - on the medical services program. By this time there was a lot of discussion going on across Canada, particularly at the Federal Government level, on the implementation of a national medical services program and national hospital program. In fact, the hospital program I think was in effect. The Federal approach to this thing was the straight welfare-state approach. In other words, a compulsory program financed out of revenue, and people not paying for it themselves. We didn't agree with that philosophy.

First of all, we didn't believe in the welfare state. We believed in trying to preserve the role for the individual citizen. So we went ahead. We'd done a lot of work on this prior to the Federal thing coming up, but I

think I'd have to say it stimulated getting the thing into place because of the public interest in the whole question of health care. We implemented a provincial pre-paid medical services plan. It was known as MSI, Medical Services Incorporated. The medical association had had a program - that was the Blue Cross program. There were a lot of these things already in effect. This was sort of an umbrella program that pulled all of this together. And under the Medical Services program there was a schedule of services provided; there were premiums charged. First of all, it was voluntary. People enrolled in the plan. If their income was over a certain figure (I've forgotten where the lines were drawn), then they paid 100% of the premium themselves. It was the same as any other insurance program - it was an insurance program. We had three or four categories. Those who fell between A and B in the salary range, the Province picked up X% of the premium. And you got down to those who were below a certain level where the Province paid 100% of the premiums.

The philosophy behind this was that no one would be deprived of pre-paid medical services for financial reasons, because if they fell below the level where it was reasonably assumed that they could carry this premium cost then the Government picked up a portion, or if they were in the low income brackets, 100%.

There was also what was known (many people called it) in those days as a "deterrent fee" - when people went to hospital they paid, I think, \$2 a day themselves. This was to try at least to discourage people from staying at the hospital because it was cheaper to board there than outside. So they paid a small "deterrent" fee.

Frankly, it was a good program. I think I could say it was enthusiastically received by people on the whole. I remember one of the most serious decisions that we had to make was when the Federal Government persisted in going ahead with a national program which was compulsory (you had to be in it whether you wanted to or not), while they were not able to prevent a lot of the provinces still charging premiums for the Province's share of the cost, they frowned on it, and they were always opposed to it.

They did everything to make it as difficult as possible. But one of the very difficult decisions we had to make was whether we would come into the Federal program or whether we would continue with our own.

This is so long ago, I've forgotten the figures, but vaguely (and I wouldn't give these figures as being accurate), if I remember correctly, at the time the Federal program came in, I think our voluntary Medical Services program in Alberta was costing the public Treasury about \$40 million or something like this. The cost of the Federal program was something like 2 1/2 times that amount! This was because they eliminated all the premiums.

So we had to decide whether to continue our own or to come into theirs. Many of the provinces were in the same boat - ones that had implemented plans, and quite a few of them had. Probably I should back up a little bit to say that when it came to the discussions on the Federal program what happened was very understandable. The provinces that were in the worst financial conditions were very enthusiastic about the Federal program because this would relieve them of having to do as much. They were not in a position to do, for example, what we were doing. So they welcomed the Federal thing. And one of the sad things that you learn in public life is, a lot of vehement professed adherence to certain basic principles seems to fade into the background when the dollars and cents get into the picture. And as long as Ottawa would say, "Here's X dollars for you," they would say, "That's wonderful. We don't like compulsory insurance, but it's not worth that much!"

However, the way the Federal Government practically forced the provinces into it, I always thought was very unfair. They had Federal taxation of course to pay for this, and they said, "Well, you don't have to come in. It's up to you if you want to stay out. If you stay out, you won't get any of the grants for this. (They were going to pay 50% of the costs.) But as far as the taxation to pay for the national program, your people will pay that whether you're in it or not. So we, and other provinces, were put in the untenable position where if we didn't participate our people were going

to be paying exactly the same as if they were participating and then on top of that would be paying the premiums and government subsidies to have their local program. We realized that you couldn't ask people to do that, it was so unfair to them, so we very reluctantly caved in.

But we really had a very good program, and that's the legislation referred to.

As to the provision of police officers, that was not a big thing. We did provide a training centre where the municipalities could send their police people for training. The thinking behind that was that the large centres like Edmonton and Calgary that had their own police force of course could have their own training centres, and had them. But you take these little towns that had a two-man or three-man police force, there was no way they could afford to put on training courses for them. So we arranged this central training thing for them, in cooperation with the RCMP and the Edmonton and Calgary police forces, and the small communities could send their men into these places for a training course. It was an effort to upgrade the quality of training among police officers.

**LS:** So it wasn't actually a provincial police force?

**ECM:** No, no. This was training a municipal policeman.

**LS:** In the election of 1963, is there anything particularly significant that you remember during the campaign?

**ECM:** No, not especially. It was a good election as far as we were concerned. Of course, the people were enthused about the five-year program with things booming along, and we didn't work unduly hard in that election, but we ended up with 60 out of 63 seats, which wasn't a bad result.

That was the one I guess I mentioned before where we had the fun afterward because the three people elected were all from different parties - the

Opposition - and they couldn't agree who was going to be their leader. So we ended up with a troika; they didn't have any leader, and we recognized all three of them the same.

LS: I'd like to move on to some of the legislation of 1963, about five or six pieces.

The first piece, I understand, was actually an appendix to the five-year plan. Chapter 41, the Northern Alberta Development Council. The provisions of that, and also one particular provision of interest was a program for Metis rehabilitation. Can you talk about that particular piece of legislation?

ECM: That grew out of the increased activity in the northern part of Alberta. There was some Federal activity away up in Wood Buffalo Park; there was mining development; there was the building of the railway up into that area; and a general shift of business activity into the northern part, the Peace River region and so on. And that had reached the proportions that we felt that it was desirable to have some body that would concentrate on the problems and the needs of that region of the Province. In many respects they were different from the long-developed areas. It was a new frontier.

By legislation we created this Northern Alberta Development Council - I think there were a total of five or six on it, and it was chaired by a member of Cabinet, Ira McLachlin, who was the member from Grande Prairie. We made him a Cabinet Minister without portfolio, and he chaired the Council. Later on that was taken over by a Mr. Fimrite who was the Member from Spirit River, and he also served as Chairman and Minister without portfolio.

This was an advisory and supervisory and coordinating body. They didn't enter into any activities themselves. They opened up an office, I think in Grande Prairie, so the people and businesses up there could have direct access to the Government through this Council. I don't know what became of

that Council; I think a later Government in Alberta introduced or appointed some Commissioner or something in charge of it. But it carried on, and was still there at the time I left the Government.

**LS:** I'm interested particularly in what was called a Rehabilitation Program for the Metis, and your comments on that part of the Alberta population, and how successful a program such as that can be or has been.

**ECM:** One reason why we moved in that field was that the increased economic development and activity in the northern part of the Province naturally disturbed a lot of those people. They lived there, they had their traplines there, they carried out whatever line of work they had in there. And inevitably people like that are disrupted by the influx of people from other parts whose way of doing things is altogether different - and so on. And we wanted to try and insure that the Metis were not pushed around in this development that was taking place, and also hoped to see that they had a chance to participate as far as it was possible in getting work.

We extended to them a number of the provisions that were available on Indian Reservations and things of that kind. It wasn't a major program; I wouldn't want to give the impression it was some great big operation. But it was an endeavour to look out for their interests and to provide them with a higher standard of provincial services than they'd had in the past, and primarily to see that they had a chance to participate in the economic growth that was taking place.

**LS:** I don't think this is unique to this Province at all, but that portion of our population - with the economic inequities and perhaps political for all that - what is your opinion about that kind of situation?

**ECM:** It's one of the difficult areas. The Metis people - and there are some splendid people among them - have always been sort of jammed in the middle, so to speak. The Treaty Indian is recognized as such; he had his Reservations, and while the conditions were far from proper and adequate at least he was recognized, and the Federal Indian Act and Indian Department

had things for him. On the other side you had the white population, so called, and it looked after itself and had a lot of government services available to it. The Metis was neither one nor the other, in a sense. They were sort of half-and-half. And I think they often fell between two stones in the growth of Western Canada.

I certainly have a great deal of sympathy for those people. As I say, I haven't had the opportunity of knowing a lot of them, but I've known quite a number of their leaders, and I've been quite impressed with their desire to be self-supporting, to take their place in society with dignity as human beings, and they've had a pretty rough time doing it. I wouldn't want to give the impression that's just because nobody cares or nobody tried. I think federally and provincially a lot of efforts have been.

I think what people need to recognize is that it is simply not a situation for which there is any easy solution. If you try to integrate those people entirely into the so-called "white man's economy and society" they're not happy and they don't fit, and you're forcing them into a mold that's not the shape into which they should be forced. So that isn't the answer.

On the other hand, if you put them on reservations and treat them like the Indians, that's not fair. They're not Indians; that's not their way of life; their way of life differs from the Indian way of life considerably. So really you have a segment of society that is a society in itself, but because it's small in number there's no way you can set up a whole economic structure just for that segment of society. So all you can do is do your best to respect their desires and interests and way of life that they prefer, and at the same time make available to them whatever is reasonable that they can draw on to improve their lot by their own effort.

I think, on the whole, they are people that like to do things for themselves. I don't think they're people that want the welfare state, which is the simple bureaucratic solution to Indian and Metis problems.

**LS:** Just to expand from that, that's a special problem facing governments and people like yourself who've headed a government. What about all these special kinds of cultures and people and interests in fact?

**ECM:** It is a special problem, but it's a problem - I think you have to recognize - for which there is no solution. When I say that I don't mean there isn't a lot that can be done, but it can never be completely solved because if you carry that concept to the ultimate then you set up a different social structure for every segment of society. And you might as well say that people who came over here from the Ukraine didn't live exactly the same as people who'd been living in North America. So we should have a Ukrainian society, with special provisions there. Should we have one for the people that came from Scotland? They don't have the same background as a lot of other people. You see, there's no end to it.

It seems to me what you have to if you're going to have a society at all is, first of all, integrate into that society everybody that can be integrated voluntarily as far as possible. And having said that, you recognize at the same time that there are some that can never be integrated, or only to a limited extent, voluntarily. Beyond that they don't want anything to do with it. If you try to force them beyond that point you create very unhappy conditions for them, and you add nothing to society. So you try to integrate them to the maximum extent that they are able to integrate and will voluntarily integrate. And then you try to make what special provisions (if you want to call them special) you can to take care of the situation created by the fact that they're not wholly integrated. And there's no end to it, and there's no simple solution to it. It goes on and on and on. It's a tough one.

**LS:** I'd like to look at some other legislation of that same period - 1963. Chapter 70 had to do with the Treatment Services Act.

**ECM:** Yes, this was only an amendment to the existing Treatment Services Act. There were a number of provisions in the Bill. It set up a section dealing

with the handicapped which it had only treated to a very limited extent in previous legislation. It provided an Advisory Council in cooperation with the College of Physicians and Surgeons; it dealt with agreements under the Voluntary Medical Services program that I've referred to, where the handicapped or different groups could enter into agreements for medical care; and it also provided that they could enter into agreements with hospitals. These were the types of amendments. It was only an amendment; it wasn't a new act. And it also provided for a greater measure of direct financial assistance to handicapped people.

**LS:** Another piece of legislation, Chapter 14, had to do with an amendment to the Credit and Loans Agreement.

**ECM:** Yes. That Act, as I recall, was an attempt to come to grips with a problem that's still being debated very vehemently from time to time today, and that is the disclosure of interest charges in credit agreements. On the surface that sounds so simple. You just say to everybody that sells good on time and charges a certain debt charge for carrying the thing - "All you have to do is tell them, this is the rate." It isn't that simple at all. It's an extremely complicated thing. You get into all kinds of complications when you try to develop disclosures, because these charges turn up in a dozen different ways. It isn't just a straight X% and that's it.

This was a piece of legislation in which we attempted to require those providing credit facilities to make clear to the borrower, "This is what the credit is going to cost you." It was vehemently opposed by all the credit granters, and the consumer groups all said it didn't go far enough, so I wouldn't say it was a screaming success from either side!

**LS:** There was an amendment to the Health Unit Act the same year.

**ECM:** Yes. This again was not a major thing. It broadened the services payments, that is the services for which the Province would make payments under the Health Unit Act, and it also, if I recall, provided that Health Units could enter into agreements to provide their services to Indians, which was a new thing. Again, it wasn't a major thing; it was simply broadening some of the powers that they already possessed.

**LS:** Another Act, Chapter 9, an amendment to the City Act.

**ECM:** That again was an amendment. What happens there is, the City having its own act (Edmonton and Calgary), in their operations they come across something every year where they say, "If we can improve the legislation we could take care of this situation," and they come in with a bunch of amendments. From time to time the Province opens the Acts and usually they're put in pretty much as they ask for them, unless it's going contrary to some other legislation or something of this kind.

One of the things in that legislation, as I recall, was that it empowered the cities to elect their Mayor and Councillors for a period of two years. As I recall, prior to that they had to elect them annually, or something of this kind. It did provide for a longer term, and I think later on that was lengthened still further.

It also had a provision trying to cope with some of the annexation problems which cropped up even in those days. It required that if a city, for example, wanted to annex land from an adjacent municipality, they were first required to obtain the consent of the Municipal Council from whom they wanted to take the land. It did provide, if they were unable to obtain that consent, that they could then go through the process of the Local Authorities Board, through public hearings and so on. But it set out a procedure for annexing land, and it was successful, to some extent, because we had had complaints before that sometimes these annexation programs went ahead without the municipalities from whom the land was taken knowing that much about it until it was a fait accompli.

It also dealt with city power utilities, and empowered them, if I recall correctly, to enter into stand-by contracts with other utility companies, for example in electric power. Take Edmonton as an example, with their own generation system. If they wanted to enter into a stand-by contract with, say, Calgary Power or Alberta Power, they could do it. It was giving them that additional power. This kind of stand-by contract is a very common thing among utility companies because you can have a breakdown or a peak load and it's always nice to know you can get a little extra power when you need it.

**LS:** The final piece of legislation from that year, Chapter 43, Planning and Regulation of Use and Development of Land.

**ECM:** That was a new Act, although it was drawing together the various planning provisions that had been in effect before that time. It was quite a lengthy Act; it had five parts to it. Part one set up a Provincial Planning Board which was supposed to coordinate planning on a province-wide basis.

**LS:** Was that new?

**ECM:** I believe it was new on a province-wide basis. There were Planning Boards, but I think this was the first time there was one on a province-wide basis. It provided also under that section of the Act for regional Planning Boards. In other words, you'd have an overall Provincial Planning Board to sort of ride herd on the whole business, and then the various regions of the Province could set up Planning Boards.

The second part dealt with the subdivision of land, and this was just the procedures for subdividing. The third part dealt with regional planning, and this again spelled out all the powers that the Regional Planning Board and planning people had. The fourth part dealt with municipal planning - that's where you had an incorporated municipality. And there was a fifth miscellaneous part that dealt with all the auxiliary powers.

There wasn't anything startling about it, but it was an attempt to draw all this stuff together under one statute.

**LS:** It wasn't a new thrust or anything?

**ECM:** No, no. I think you could say in all legislation of this kind, it was really the outgrowth of the increase in population and increase in economic activity. There was more need of planning because there was more growth and activity going on.

**LS:** I'd like to move on then and spend a little time talking about this period of time, particularly because it was the time of Mike Pearson as Prime Minister. I'm interested in your opinion of his particular view of Canadian federalism. Preston has referred to this time as one of "the institutionalization of the welfare state". I'm interested in the Canadian federalism that you thought Pearson held, this specific thing about the welfare state, and other opinions and experiences you had with Mike Pearson.

**ECM:** Mr. Pearson, as you know, prior to becoming active in the political arena, and prior to becoming Prime Minister, had been in the field of international diplomacy. He had been very successful in that. In fact, to my mind Mr. Pearson was an ideal diplomat in the international field. I think he was by nature and attitude much better equipped to be outstanding in that field than he was as an administrator and a Prime Minister.

Perhaps because of his long years in the field of diplomacy, he was a negotiator, he was a compromiser (and I don't use that word in the nasty sense). He always wanted to compromise conflicting positions and arrive at a consensus. That was Mr. Pearson's way of running the country and doing everything. And that's perhaps understandable with a man of that background.

There's a fundamental difference, of course, between serving in a key diplomatic post and being the Prime Minister of a country. In the field of international diplomacy, you're dealing with sovereign governments. You can't tell them what they have to do. The best you can do is reconcile, or try to reconcile their conflicting positions, and get a consensus. And Mr. Pearson was eminently successful at that. Mr. Pearson would have made an outstanding Secretary-General of the United Nations - that was his type.

In my view, that type of individual does not make a good Prime Minister, because the role of the Prime Minister is so different. In the case of a Prime Minister, you are faced with making decisions, where you have the authority as a government to carry out your decision. The diplomat doesn't have that. He can get three or four foreign governments around a table and try to reconcile their viewpoints, but that's all he can do.

Now, Mr. Pearson ran the government with that same general approach, so he was not decisive. And that was one of the criticisms of Mr. Pearson; he wouldn't be decisive. If there was a conflict of interests he would launch into his diplomatic role - we're going to reconcile this. And I must say that that played a very worthwhile part on such fields as Dominion/Provincial conferences. Mr. Pearson was excellent at a Dominion/Provincial conference in reconciling the viewpoints, because he was patient. He attached a great importance to getting a consensus. He was entirely different, for example, from our present Prime Minister, who couldn't care less about the position of the other people. ("I know what's right, that this is what we're going to do. You can like it or lump it.")

I liked Mr. Pearson very much; he was a kindly man, a nice person to deal with, a nice person to discuss things with. He was strongly oriented to the welfare state. I think that comment you mentioned that Preston made is certainly true. And he had around him a bunch of very strong welfare state advocates. And Mr. Pearson could be influenced by their strong views very much. Again, he wouldn't oppose them; he wouldn't take a dogmatic position. The late Judy LaMarsh was his Minister of Welfare, and Judy LaMarsh was totally committed to the welfare state. She was the one that

worked on unemployment insurance and the national health plan and all of this stuff. Mr. Pearson wouldn't resist it.

I don't think he had any firm convictions on the matter of welfare state versus private initiative and individual initiative and so on. Perhaps because he was a kindly man, a sympathetic man, he was very easily sold on the socialist propaganda that only socialists are interested in people. That people who believe in private enterprise and individual initiative are cold-blooded, hard-hearted parasites, and all this nonsense, which has been the propaganda that the socialist crowd have peddled very successfully for years. And I think Mr. Pearson had bought it, almost hook, line and sinker. So he was a strong champion of the welfare state.

And it is true that during his regime most of these national socialistic programs, compulsory welfare programs, were put in place. Their projections were of course very much in error. I can remember the long drawn out arguments over this national medicare program that we talked about.

This was launched initially prior to a federal election; it was the Liberal election platform. But before they announced the election they called us all down to Ottawa for a Federal/Provincial conference on this thing, and they announced this national program. It was the program that was going to be their election platform - this shared-cost national health program. It was to be compulsory, everybody was going to be in it whether they liked it or not, and the Federal Government was going to pay 50% of it, the Provinces paid 50% of it. The Federal Government would have no premiums or anything of this kind, they would pay it out of general taxation. And the whole idea was to take away from the individual any direct financial connection.

We protested this strongly for a number of reasons. First, because we didn't like the compulsory aspect; we always held that it was up to the individual to decide for himself whether he wanted to look after his own

health or whether he wanted to go into a plan, but that he should have the freedom to choose.

We opposed it on the grounds that, in our view, their projections of the ultimate costs of this were very, very distorted - at least they were not reliable. You couldn't tell for sure what they were going to be. Walter Gordon was the Finance Minister in those days, and I remember at this conference they brought in all these reams of charts and figures, and this thing was going to level off at about \$1 billion - that's what it was going to cost to run it. They were going to split it 50/50. Well, of course, \$1 billion wouldn't pay the interest on the money they spend on it! It shows how totally inaccurate were the projected costs.

Thirdly, we objected to it because we were always skeptical of these shared-cost programs because of past experience. When they're initiated by the Federal Government, in the first place, they were programs which from the standpoint of constitutional responsibility were primarily provincial responsibilities anyway. The provinces are responsible for health; that's a provincial matter. The Federal Government were going to make big fellows of themselves by saying, "It's your responsibility, but we'll come in with a national program and pay 50% of the costs." As I said earlier, a lot of the provinces said, "Well, we'll forget about our provincial autonomy if that's the case; we want the dollars."

But what we had seen happen before - and of course it's happening now just as some of us predicted at the time this thing went in - the Federal Government initiates these things on that basis, and after they're entrenched they decide to withdraw, in whole or in part. And this creates an impossible position for provincial governments. For example, in the health care program which is so deeply entrenched now in Canadian society. If Ottawa said (and they're already saying this in part), "We're not going to pay 50% any more," what's a little province like Newfoundland or Nova Scotia going to do? They haven't the resources like provinces like Ontario and B.C. and Alberta. What are they going to do? They haven't the revenue to pick this up. And it seemed to us always to be so unfair to have a

national government initiate these things, build up the public expectations, give them the services at federal cost (or 50% federal cost) and then decide later to pull out. So we didn't like it for that reason.

But primarily we didn't like it because it was purely a welfare state socialistic program.

And we had a good program in Alberta, as I've already said, which was costing significantly less than this one was going to cost, and was providing in our view as good services (and in some cases better). And nobody was being hurt. If they couldn't afford the premiums, the Province paid them, so they weren't denied by virtue of dollars and cents.

But Mr. Pearson was all for this kind of thing; this was the great welfare gift to Canada.

**LS:** When you, for instance, would make that kind of argument to Mr. Pearson, what was his style? Would he hear you out? Would he have a real discussion?

**ECM:** He'd hear you out with the greatest patience and kindness and sympathize with everything you said, and he'd go back into a Cabinet meeting and Judy would say, "Look, this is what we ought to do," and he'd come back and say, "Well, you know, we've talked it over and this is what we're going to do."

**LS:** In terms of leadership qualities, you've mentioned his diplomacy which is part of a leadership quality. But the ability and the understanding that you have to have to make decisions - was that an uncomfortable thing for him? Did he not see that as part of leadership?

**ECM:** I think it was an uncomfortable thing for him. I don't think he liked making decisions. As I say, what he liked to get was agreement. Instead of having to say, "Look, this is what we're going to do," he liked to have the interests involved say, "Let's do this." Then Mike could say, "By all means, let's do it," and he'd get behind it with great enthusiasm.

Making decisions, particularly hard decisions, I think was very difficult for Mr. Pearson. And I think one classic example which is often cited is, they had a very serious strike at one time at the Seafarers Union, and these fellows were demanding fantastic wage adjustments - at that time at least, considered fantastic. And they couldn't get the thing settled so they decided to legislate them back to work. But in this legislation Mike gave them practically everything they asked for! It was a fantastic increase. And that thing has been cited to this day as the start of the chain reaction in spiraling wage costs in Canada among labour unions, particularly in the public service.

**LS:** What about situations where someone like that finds himself where in fact you've got a great many dissenting opinions. Does no decision get made?

**ECM:** Very often no decision is made, or some compromise decision that really doesn't solve the problem but which takes the pressure off temporarily. I guess you'd say this is one of the most serious things of that kind of leadership. So few problems are ever actually solved. It so frequently goes only to the extent of doing something that takes the pressure off where the strongest pressure has been. You give a little bit of compromise to this interest group versus this interest group, and you watch where it builds up - this is where it's going to explode, so let's do something to dampen that down. So you dampen that down. And that was characteristic of Mr. Pearson's administration.

**LS:** What about some of his chief Cabinet Ministers, the people he surrounded himself with. What sort of person do you think he looked for there?

**ECM:** Well, he had some fairly strong people, especially in the early days of his government. That government was socialistically oriented. It was a period when that type were coming into the limelight pretty prominently, and certainly that would be one of the dominant characteristics. I would assume - and of course here you only have to go on assumptions - that his dealings with his Ministers were much along the same line. It was sort of a consensus government.

In the traditional concept of a Prime Minister or Premier, he's the First Minister, the one responsible to take the responsibility of what's done or isn't done. And the traditional process is that you call your Ministers together for a policy decision. You ask for their full input - "What's your best judgment on this? Here's a decision I have to make. Here are the pros and cons." And you hear them out. They may not all agree, but you don't ask them to make a decision. In all the years I was in government I don't think we ever took a vote in Cabinet. You don't do it that way. You hear them out; you get their input, then you make the judgment.

Mr. Pearson wouldn't do it that way. His judgments would be consensus judgments. So they were always a little bit of three or four things; that's why they're not clear-cut, they're not positive, they're not bold. They are compromises.

**LS:** That would be difficult to work under as well.

**ECM:** Well, I would think it would be, because you're never quite sure which way the wind's going to blow the next day.

**LS:** One final question on Mr. Pearson in terms of Canadian federalism. What, in your opinion, was his view of the role of the Provinces and of the West in particular?

**ECM:** Well, I don't want to be unfair to Mr. Pearson, because I think he was very sincerely motivated. But consistent with what we've just said, things were never black or white; it was always this grey type of administration, because as I say he wouldn't take strong leadership positions. Now, he did things to compromise situations which I think, in the light of what's transpired since, have been very, very detrimental to this country.

Just to give a simple example (and I know this is one that's dynamite to talk about because people so readily misunderstand it), Mr. Pearson set up the B & B Commission. This was done to pacify the pressures that were

building up in Quebec, for greater recognition of the French language across Canada. Mr. Pearson wouldn't face that as an issue; the simple thing when you're in a jam is to set up a commission - put it over, get it on somebody else's doorstep; maybe they'll say something that you can get a consensus on.

To my mind, that was a very, very serious mistake, ever setting up that Commission. I know that view is not shared by the majority of Canadians, but I still think it was a mistake. We happened to be the only Province that opposed it at the time. And we opposed it, not on the grounds of anything anti-French or anti-Quebec, but we said, "What you're going to do is make an issue which is a local issue, a national issue. You're going to give the hassle over language in Quebec national status, by putting this before a national commission. And it isn't a national issue. If you get outside Quebec, and maybe a few people in New Brunswick and a few in Ontario, you'll find people who'll yawn when you talk to them about bilingualism. It's not on their agenda; they're not thinking about it. If you make it a national commission on a local issue, you're going to open a Pandora's box that you'll never get closed."

And I submit, in all sincerity, that that's precisely what's happened. We've had this hassle ever since, and Pearson is the man responsible for it. He started this whole hassle by setting up that Commission. He did it with the best of intentions, it was to pacify the Quebec aspirations by giving them a national inquiry.

**LS:** Did you make your views known at that point in time?

**ECM:** Yes! Pearson wrote all the Provincial Premiers confidentially and asked their views on this, and we expressed ours very positively. We didn't know what the others had said, and it was quite a long time after that somebody asked Mr. Pearson in Parliament if he would table the correspondence with the Premiers on this subject. This was after they got into the hassle over Official Languages Act, and B & B Commission reports, and so on. He said it was confidential correspondence, but they pressed him, so he said, "I

will write the Premiers and if they consent of course I can table it." So he wrote all of us and said, "Have you any objection to tabling it?" We said, "We haven't; we'd be happy to have ours tabled." So he tabled it, and of course this is when this all came out - we were the only one in the ten provinces that had expressed a very grave reservation on the wisdom of this whole thing. So we weren't too popular in Quebec for a while after that!

I remember, incidentally, just a little sideline on this. Not too long after that stuff was released there was a Federal/Provincial conference held, I think in Quebec City, and I remember the security people getting in touch with me wanting to give me a few special security fellows down there because we weren't too popular!

**LS:** Did you take them up?

**ECM:** Oh, they provided them. Quebec of course was pretty much in turmoil at that time, and we were driven by armed services people with a personal security guy with us all the time, even stationed outside our hotel rooms - everybody. They treated us all the same, of course. I remember this fellow coming - I said, "Is this necessary?" and he said, "Well, I think it is in your case!"