

CHAPTER FIFTEEN

Although Ernest Manning was only thirty-four years old, it seemed to the vast majority of the Social Credit members of the Legislature that he was the natural successor to Mr. Aberhart. After all, he had been tutored at the Bible Institute, had lived in the Aberhart home and had become well known throughout the Province for his Sunday radio broadcasts, in association with Mr. Aberhart, as well as having held for eight years the position of first Acting Premier.

Mr. Manning was chosen at a caucus of the Social Credit members which saw Mr. Solon Low also nominated. While the vote was never made public, I can relate at this date that Mr. Manning received all but two of the votes. Naturally the vast majority of the members had expected a Manning acclamation and it was a great surprise when Mr. Fred Anderson, M.L.A. from Calgary, arose in his place and nominated Mr. Low. As a matter of fact, it seemed to surprise even Mr. Low. Mr. Manning has stated to me since that his ballot was cast in Low's favor; however, Mr. Low likewise assured me that his ballot was cast for Mr. Manning, which simply leaves one to wonder.

Mr. Manning retained the Aberhart Cabinet, Mr. Low becoming Minister of Education, in addition to the post he had previously held as Provincial Treasurer. Mr. C. E. Gerhart from Coronation, and father of the present Attorney General, was sworn in as Minister of Municipal Affairs, and I became Provincial Secretary, assuming the post Mr. Manning himself held from 1935. I was succeeded as Chairman of the Social Credit Board by Mr. R. E. Ansley who had previously been a Board member. Shortly after Mr. Ansley was appointed to the Cabinet as Minister of Education and Mr. A. V. Bourcier succeeded him as Chairman of the Board and William Tomyn was added to the Board. The new Premier assured the people of the Province that it was his intention to carry on in the footsteps of his predecessor and that the battle for monetary reform would continue to be waged.

It was most interesting at that time to see the change in attitude of the public toward the Social Credit government. Countless people who had bitterly opposed Mr. Aberhart expressed themselves as being prepared to support Premier Manning. It seemed in many cases that personal pride had prevented them from expressing similar support for Mr. Aberhart, even though they knew that his program was working in the interests of the common people of this province.

Mr. Manning had assured the people in no uncertain way that the long range program of Mr. Aberhart would be continued with renewed vigor, when in a public address on June 11, 1943, he said: "As long as my colleagues and I have anything to do with the government of this Province, we will see to it that Alberta continues to lead the world in the great fight to secure for every man, woman and child complete and permanent freedom from fear and worry and from social insecurity. We are determined to continue to do everything in our power to break this vicious money monopoly in accordance with the mandate given to us by the citizens of Alberta in 1935 and again in 1940. We will never give up until effective control of the monetary system has been restored to the democratically elected representatives of the people themselves and is being used to provide every man, woman and child with sufficient purchasing power to enable them to enjoy a secure standard of living commensurate with the productive capacity of the country of which they are citizens."

About the same time Premier Manning said in a broadcast: "Let us state the broad objectives of our social and economic systems. There is no difficulty about this. The broad objectives for which mankind is striving today are the same as those for which our forefathers struggled for centuries. They are the attainment of the maximum economic security accompanied by the greatest possible personal freedom compatible with an effective, happy and abundant social life.

"But let us be more definite. It is necessary that we express those broad objectives in terms of the results our people want in such matters as wages, prices, employment, health, provision for old age, and so forth, with the maximum of individual freedom, under a properly functioning democratic system . . . and everybody wants the maximum of personal freedom, without interfering with anybody else's right to be free, with a minimum of bureaucracy, regimentation or domination. We all want freedom from debt; and freedom from unnecessary taxation.

"Next, we have to consider our basic industries. The foundation of our economy is agriculture, and unless we have a prosperous and flourishing agriculture, we cannot hope to have a stable, progressive economic structure. Generally speaking, there seems to be complete agreement among our farmers

regarding what they want.

"They want just prices for their products which will enable them to recover their production costs and give them reasonable return for their services on a parity with manufacturing industries. They want a fair adjustment of the debt burdens pressing upon them which have accumulated due to conditions beyond their control and through no fault of their own. They want adequate credit facilities and reasonable stable marketing conditions; and they want security in their homes and on their land.

"With the vast resources at our disposal, these results are all entirely possible—BUT NOT UNDER OUR PRESENT MONOPOLISTIC FINANCIAL SYSTEM.

"First: Every Canadian citizen should be guaranteed basic social and economic security under conditions which will give him the maximum of freedom with no unnecessary bureaucracy or regimentation.

"Second: Every Canadian should have access to all essential medical services and educational facilities. A healthy and well informed people is essential to a vigorous democracy—and, moreover, access to proper health and educational services in this modern age should be the right of a free and sovereign people.

"Third: The people should at all time have sufficient purchasing power to buy the total national production. Therefore, through Parliament they should and must have the effective control of the issue of all money—both currency and credit—so that they may thereby control the nature and the volume of production, as well as its equitable distribution. Without this effective control over the monetary system, we can never hope to have a properly functioning democracy.

"Fourth: Everybody is heartily sick of unnecessary government bureaucracy, state regimentation, harsh taxation and crushing debt—and when the need for putting up with these evils no longer exists, they should be swept into the limbo of the past as features which are incompatible with the democratic way of life. MOREOVER IT IS REASONABLE AND PRACTICAL, IT IS NOT COMPLICATED AND INVOLVED AND WHAT IS MORE THERE IS NOTHING IN IT WHICH CANNOT BE MADE A REALITY."

Thus commenced the long regime of Ernest Manning which ended with his voluntary retirement from the Premiership in December, 1968.

The election of 1944 saw the Social Credit forces returned to power with a membership of fifty-one to five in the opposition. The credit for this landslide has been often given to Mr. Manning and his Cabinet, but when we realize that Mr. Aberhart had left the scene only a year before, the correct assumption is that the people of Alberta had voted overwhelming confidence in the Aberhart program, which Mr. Manning had vowed to continue.

During the regular session of 1946 an act known as the Alberta Bill of Rights was passed. It represented an all-out effort to establish Social Credit financial proposals in the Province. It provided for a guaranteed income of not less than \$600.00 a year to all Alberta citizens between the ages of nineteen and sixty. Part One of the Act outlined those rights which democracy guarantees to every individual, while Part Two was devoted to the methods of making Part One operative. Provision was made in the bill for its submission directly by the government to the Supreme Court of Alberta for a ruling on its validity. This was done before the bill was to become law.

In its ruling the Supreme Court of Alberta found that Part One was valid but that Part Two was *ultra vires* of Provincial jurisdiction. Following this decision, an appeal was made directly to the Privy Council. The Privy Council held that whereas the Act was possessed of two parts and whereas Part Two was *ultra vires* of the Province and whereas Part One could not be effected without Part Two, the entire Act was therefore *ultra vires*. This was to be the first and last attempt of the Manning government to challenge by legislation the entrenched powers of high finance.

During the term of Mr. Aberhart, every effort was made to encourage the oil companies to search for new sources of oil throughout the length and breadth of the Province. During the latter years of his term and through the early years of the Manning term, seismic crews were seen in great numbers and many wells were drilled. Millions of dollars were invested in this way and in February of 1947 the first new oil field was discovered when the area west of Leduc yielded its abundance. This great find was followed in quick succession with the discoveries at Redwater and Drayton Valley.

The result was that the sale of oil leases conducted on a tender-bid basis brought to the coffers of the province revenues undreamed of a few years before.

The discovery of these three great oil fields, with their potential millions of dollars of production, gave the Socialists a new lease on life. Propaganda campaigns were carried on showing how much money was being made by the oil companies and how much, therefore, could have been made by the government, if only "they had had the sense" to drill these wells themselves. They were always extremely careful not to mention the fact that between September 1, 1935 and February 1, 1947, the oil companies drilled and abandoned three hundred and fifty-four dry holes, representing, in all, nearly three hundred miles of drilling and approximately twenty million dollars of expenditure—a colossal sum in those days. It was not until February 13, 1947 that the first producer came in. How any government could have remained in office while gambling twenty millions of the people's money in dry holes the Socialists never explained.

In 1945, when the Department of Economic Affairs was established, every possible effort was made to induce industry to come to Alberta. It became my responsibility, as Minister of Economic Affairs, to bring Alberta's industrial potential to the notice of the English-speaking world. It seemed that the first two years of this program were fraught with difficulties, as industrialists, one after the other, reminded us that Alberta was at the apex of the freight rate structure throughout Canada, that its Social Credit government was noted for not honoring its contractual obligations and we were told in no uncertain terms by many that our debt legislation alone was sufficient to frighten investors away from the Province.

With the discovery of the Leduc oil field, however, the situation changed entirely and representatives of industry, both primary and secondary, contacted the Department of Economic Affairs in ever-increasing numbers in order to secure facts concerning Alberta's potential.

During the summer of 1947, as a result of the interest being shown in Alberta by British industrialists, it was decided by the government that an office should be opened in London, England, and staffed by qualified Alberta personnel and that the function of the office should be two-fold. First of all, our province showed every sign of economic expansion and skilled tradesmen and professional men, including school teachers, were in short supply; secondly, we needed the "know-how" of British industry to develop our natural resources.

On December 14, 1947, Mr. R. A. McMullen, a former R.C.M.P., and the Assistant Deputy Minister of Mr. L. D. Byrne of the Department of Economic Affairs, journeyed with me to London, England, our object being to secure premises for an Alberta House, to inform the British public of Alberta's desire to obtain industry and immigrants and to establish Mr. McMullen as Alberta's Agent General.

Upon our arrival in Liverpool, I took the train for Gloucestershire and my birthplace in the Forest of Dean. I visited with relatives and friends for four days before travelling on to London and settling down to the business at hand.

I had an opportunity of seeing first-hand England's struggle to emerge from the aftermath of war. Food was severely rationed and I was told on more than one occasion that the shortages of food essentials were more acute than they were during the darkest days of war. Queues of people were to be seen almost everywhere as they sought to secure the meagre rations allowed them.

Coming from Alberta where one is accustomed to bacon and eggs every morning, if he so desires, it was hard to believe that the shortages in Britain were so great that a person was allowed only one egg and two ounces of bacon per week. White flour was practically unknown and bread, cakes and pastries were made from the same type of dark flour.

Despite these severities, however, the people appeared to be remarkably well and, strange as it may seem, the English sense of humor enabled them to joke at their own misfortunes in a way that drew admiration, especially from Canadian and American visitors.

Many articles of clothing were just as drastically rationed. Among the many friends I met during my stay in London, I chanced to visit one evening at the home of a gentleman who undoubtedly was a British millionaire. His law office was equipped with furnishings which had come from the office of Napoleon and in his home were several rooms filled with antiques from various nations which he and his forebears had accumulated over many years. During dinner, our talk turned to economics and our host pointed out that while so far as money was concerned, he was wealthy, so far as the necessities of life were concerned, he was poor. Illustrating his point, he referred to the shirt he was wearing.

I had noticed in London on more than one occasion a sign "shirt hospital" over a door. Our friend explained that this was one business which had grown out of the shortage of materials. The cuffs of his own shirt were actually made from what had been the tails, while the collar was made from the fronts. Attached to the bottom of what still looked like a decent garment was colored material of a different kind entirely. I could not help but recall how a few years earlier the American government paid farmers to plough under their cotton because they had a supposed surplus, when, in fact, their problem was a shortage of money.

London had been heavily bombed during the war and in some parts of the city large areas had been flattened, while in many other districts, buildings had suffered such damage that extensive renovations had to be carried out before they were available for occupancy. Office space, such as we required, appeared to be almost non-existent and was something like searching for the proverbial needle in a haystack. Government regulations concerning rent control were being enforced by the government, apparently to the best of their ability and knowledge, but nevertheless were being flagrantly abused. Day after day we accompanied real estate agents, travelling from one building to another and finding nothing we could recommend to the government.

It was not uncommon to be taken to the third or fourth storey of a building and told that one or two or three floors could be made available for rent, providing the bomb damage, which was usually extensive, would be repaired by the Alberta government. In many cases the roof had disappeared completely.

In order to get around rent control, various schemes were devised by owners and agents in order to live within the regulations on the one hand, while making an excess profit on the other. There was no law to say that an owner had to supply the tenant with a front door key free of charge and time after time we were told that if we agreed to take a property at the going rate, it would be necessary to purchase the key.

I kept a record of many of these offerings, mainly to report to the Alberta Legislature the absurd situations which at that time existed and no doubt they will be of interest to some of my readers.

Property No. 1 consisted of ten thousand feet of floor space spread over seven floors. A forty-year lease of the building had fourteen years to run. We were asked to pay twelve thousand pounds for the privilege of taking the lease and, in addition to paying taxes and the insurance premium, were asked twenty-five thousand pounds for the key. This building was in a reasonable state of repair.

Property No. 2 consisted of nineteen hundred square feet of space scattered over five floors. The roof had been blown away and every floor was badly damaged by bombs. In addition to completely repairing the building, and paying the taxes, we were asked for three thousand pounds per annum rent and five hundred pounds for the key.

Property No. 3, consisting of seven thousand square feet and badly damaged by bombs, was offered to us in that state for five thousand two hundred and fifty pounds per annum and the key was free.

Property No. 4 consisted of two thousand square feet, most of which was in a basement. The building, several storeys high, had suffered extreme damage, all of which we were asked to repair. The rent charged was fifteen hundred pounds per annum, in addition to which we were expected to pay the insurance and taxes on the entire building and pay the owner five hundred pounds for the key.

Another property consisted of twenty-five hundred square feet on two floors and this we could have obtained for twenty-three hundred pounds per annum, plus insurance on the entire building, so long as we paid the owner five thousand pounds for the key.

Another property offered consisted of a small space seventeen feet by thirty-five feet for which the rent was twenty-five hundred pounds per year. The only extra stipulation in this case was that the Alberta government persuade the British government to derequisition the remainder of the building which they were about to take over.

A property located on famous Piccadilly, consisting of four thousand square feet of space on four floors was offered to us for nine thousand pounds per annum, plus four thousand five hundred pounds for the key. We were, incidentally, taken by the agent to see this property in the evening. The remainder of the building consisted of a men's wear store and theatrical agency, a bookie establishment and a fortune telling joint. Walking down the stairs, we were accosted no fewer than four times by ladies of the night. Needless to say we wondered what this address would do for the prestige of our province.

Another property close by consisted of an area sixteen feet by twenty feet. It was in a good state of repair, the rent was thirty-five hundred pounds per annum, the key was to cost us forty-five hundred pounds and the light fixtures had to be purchased.

The property which amazed me most was one consisting of four floors of thirteen hundred square feet each. The unexpired lease had a further nine hundred years to run and had been in existence, according to what we were told by the agent, before Columbus discovered America. The proposition offered to us was that we were to pay thirty thousand pounds for the privilege of taking over the lease and buying the building when the lease expired in nine hundred years.

All the while we were searching for property, we were brought daily face to face with more and more government regulations. In almost every paper stories appeared pointing out how the railroads and the coal mines were losing more and more money daily after nationalization. It seemed that even bankruptcy had become a national monopoly. In the House of Commons many of the Labor Socialist Members of Parliament were appealing to the government to halt the nationalization. Pitiful stories appeared from time to time indicating how people had been fined because they had transgressed a government regulation.

I listened from the gallery of the House of Commons to a debate concerning the case of an old age pensioner in Yorkshire who had run afoul of government regulations in connection with the disposition of the carcass of a pig he had raised in the back yard. The story is illustrative of what happens when governments attempt to regulate people's lives.

Though meat was in short supply, the regulations stated that if a person wished to raise and slaughter a pig for his own use, he must first secure a permit from the government in order to buy the pig. He had to agree to keep the pig for a minimum of four months and then secure a second permit to buy the feed. When the time came to slaughter the animal, the owner had to secure a permit for that purpose and apparently employ a qualified butcher to do the slaughtering or take the animal to a designated abattoir. After this was done, a government inspector calculated how long the meat should last, whereupon the owner of the pig forfeited his meat coupons for that length of time.

In the *Evening Standard* of February 11, 1948, under the caption "Don't Forget Us" appeared the following story: "David James Standen, age eighty-two, builder and farmer of Ashingdon, Essex, was fined ten pounds, and four pounds, four shillings costs, at Southend today for slaughtering a pig without a licence. The chairman of the county magistrates (Mr. T. W. Moss) told him: 'Don't forget the magistrates in your next distribution'." It appeared that Mr. Standen had given a roast or two to some of his friends.

Apparently it was this story which prompted a *Daily Express* editorial on February 24, 1948 under the caption "Law of the Sty." It read as follows: "Mr. Strachey is in search of the Little Pig which does not go to market. So he lays down some laws.

"He won't tell you how much he pays the Argentinos for pig food. But you must not keep a pig without telling Mr. Strachey. You must not have it killed except at one of his abbatoirs.

"If you have it killed at home you must ask Mr. Strachey's permission and get his approval for the man who kills it.

"In short, Mr. Strachey makes it more difficult for anyone to keep pigs.

"Still untouched are the spivs who are said to run the black market in pigs.

"What is the state of Britain's pig supply? Less than half what it was in 1939; much less than what it was in 1946. But it is not the spivs and drones who brought about that reduction. A government policy of animal starvation alone is chargeable with that.

"If Mr. Strachey really wants to get rid of a black market he should set the pig-keepers free. Give them food and let them keep as many pigs as they can. Let them send the pigs to any market they can."

The London papers were expressing themselves daily, denouncing for the most part the results of the rigid regulations being forced upon the public.