

## CHAPTER TWENTY -ONE

The Department of Welfare had already become a major spending department, exceeded in fact only by Education and Health. The total vote for the department that year exceeded fifty-six millions of dollars, a figure which we both agreed seemed to be very excessive and Mr. Manning expressed the hope that we could at least hold the line, if not reduce the total vote the next year.

I soon discovered that there was no hope whatever of a reduction and very little hope of holding the line, as the Department of Welfare had been taking on more and more the appearance of the welfare state and had, in fact, committed itself to programs whose built-in costs would call for the expenditure of more and more money each year. For a private enterpriser such as I am, to listen to the avowed socialistic programs being promoted by the professional sociologists of the department was a real education. I could not imagine how a department of government could be operating in a way so diametrically opposite to the philosophy we as Social Crediters so loudly proclaimed.

It had always been my policy to hold the number of staff in any department to a minimum, consistent, however, with adequate service to the public. At the time I became Minister of Municipal Affairs in 1955 the staff of that department consisted of three hundred and fifty people. By the end of 1966, the staff numbered only three hundred and eighty, even though we had taken over the entire program of making assessments in all our towns and villages. The staff had actually increased in number by sixty, but had decreased by thirty as a result of retirements, resignations and transfers. Calling for the history of the increase in the staff in the Welfare Department for the corresponding years, I found from the figures supplied to me by the Public Service Commissioner's office under date of July 5, 1967 that instead of fourteen per cent, as was the case in Municipal Affairs, the Department of Welfare had an increase of six hundred per cent, from a total of one hundred and thirty-eight in 1955 to eight hundred and twenty-four by the end of 1966. Parkinson's Law was running rampant in this department. The entire government staff during the same length of time had increased in numbers by two hundred and fifty per cent.

As I listened to proposed programs, I asked for information concerning costs and found that in order to carry out what was being contemplated, even that early in the fiscal year, an amount closer to sixty-five million dollars would be necessary. For some reason or other, professional "welfare state" officials seem to think that the more money they can spend and the more people they can bring on to the welfare rolls ("payroll clients" they call them) the better job that department is doing.

When I suggested, as I did often, that several of the programs they were already carrying out could be done more effectively, more efficiently, at far less cost and with a complete absence of bureaucracy by private enterprise, many regarded me, I am sure, as someone returned from the dark ages who hadn't yet learned that the only thing people are concerned about is security, even if it means a total loss of personal freedom.

I found in the department programs being carried on which overlapped completely with the Department of Health, the Department of Youth, Agriculture and even Public Works and it was obvious to me that we could, without too great an effort, overhaul the department in such a way that every deserving and unfortunate person would be adequately cared for, with far less staff and without reducing in any way the total amount of necessary service then being rendered.

To illustrate my concern for the way government money was being spent, I need only recall that in hundreds of cases, we were keeping people on welfare, paying their mortgage payments and their municipal taxes, while at the same time not placing a caveat on the home unless the department considered that extenuating circumstances existed. If, for instance, the department was paying mortgage payments greater than the rental value of a home, they occasionally registered a caveat against that property.

Questioning on my part revealed that undoubtedly many such recipients of welfare could, if they wished, operate a lovely racket at public expense. The government, over a period of years, would place such a person in a position where he received title to his home, at which time all he had to do was to dispose of it at the enhanced price of homes and make no return on payment whatever to the public coffers. I insisted that in every case where the department was, in effect, building up a person's equity in

the home he had purchased and guaranteeing to him, as it were, that he could never lose that home, that a caveat must be registered against it.

Every conceivable excuse not to do this was advanced by some members of the staff, the main argument being that where a person was not buying a home, the department paid his rent. They looked upon the paying of a mortgage, therefore, as being nothing more than paying the rent directly to a person for living in his own home. Case after case was brought to my attention by members of the general public who claimed that many wives stated they had been deserted by their husbands and then applied for welfare. The department took care of the family, paid the mortgage and taxes; in other words, took on the responsibility of the husband while he, in many cases, was earning good wages elsewhere.

I had come from the Department of Municipal Affairs where not a week went by without forms crossing my desk which, when if signed by me, resulted in an owner who might even have title to a piece of property, losing it to the municipality for non-payment of taxes. Never during my entire twelve years in the Department of Municipal Affairs, did I sign any document dispossessing an individual of his home. The housing branch was also in the Department of Municipal Affairs and because I had been the government's contact with Central Mortgage and Housing Corporation since 1945, I was well aware of numerous cases of mortgage foreclosures against home owners.

I contacted the head office in Edmonton of the Central Mortgage and Housing Corporation and asked for information concerning the number of mortgage foreclosures by their office and was informed that with the exception of Elliott Lake, Ontario, which was a special case, Central Mortgage and Housing was foreclosing on mortgages in greater numbers in Edmonton and Calgary than in any other place in Canada. The Deputy Minister of Welfare was present with me when I discussed this matter on the telephone with Mr. Stirton, Branch Manager of Central Mortgage and Housing in Edmonton and did, in fact, at my request, speak to Mr. Stirton himself and secured the same information. Following the conversation I asked the Deputy Minister what attitude the Department would have taken had these people, five hundred and twenty-three families in number in Edmonton alone, against whom foreclosure proceedings were being taken come to the Department of Welfare. Mr. Stirton had also informed us that a further one hundred and ten families were already in arrears. The Deputy Minister replied quite frankly that the department would have taken a sympathetic view and would undoubtedly have paid mortgage payments and taxes for them.

I tried to explain, without much success, I am sure, that the people who had lost their homes due to mortgage foreclosures were undoubtedly still trying to pay other taxes to enable the government to pay the mortgage payments for welfare recipients. The whole point I was trying to make was not that we should not assist people in this way, as I believe we should, but that wherever we did, in fact, pay the mortgage payments, we should, as a government, place a caveat on the property.

By this time my recommendations had been accepted by my Cabinet colleagues and had become government policy. Accordingly, the definite views of the government and instructions to place caveats were conveyed to the Deputy Minister in a memorandum dated September 28, 1967 and a copy sent to Premier Manning so that he was well aware that government policy was being carried out. In keeping with this policy, I, personally, sent the following letter to every welfare recipient upon whose property the government was paying mortgage payments, interest payments and municipal taxes:

"Dear Sir or Madam:

"The Department of Public Welfare has registered or will be registering a caveat against your property under the authority of The Public Welfare Act, R.S.A. Chapter 268, Section 48 (a) which, in part, reads as follows:

"Section 48 (a)

(1) Where a social allowance is provided to meet the payments of a land mortgage or an agreement for sale of land the Minister may cause a caveat in Form A in the Schedule to be registered in the Land Titles Office against the certificate of title for the land.

(2) On the registration of the caveat the Minister has a charge on the land equal to the amount of the payments made both before and after the registration of the caveat.

"Caveats are being registered on property owned or being purchased when social allowance is provided to meet the payments of a land mortgage or an agreement for sale.

"This caveat is not intended to disturb your occupancy and our claim will normally be made at the date of sale. At the time of sales the Department will reclaim the amount by which social allowance has reduced the balance owing on your property.

Yours very truly,

MINISTER OF PUBLIC WELFARE"

Reluctantly the members of the Department charged with this responsibility began, at my insistence, a program of placing such caveats. I soon received telephone calls and letters from the public. I distinctly remember three calls in one week, all from men who were not yet on welfare but who were, by their own admission, about to apply. In each case I was asked whether or not the story they had heard was true, that I, as Minister, would insist upon a caveat being placed against their houses if the government paid their mortgage payments for them. I assured them that that would be the case, whereupon two answered without hesitation that they would not, then, make application, as they believed they could still carry on for some time without government help. The third man, not so polite, said: "Okay, keep your damn welfare if that's what you're going to do."

I was surprised to find how many people whose mortgages were being paid went to the trouble of contacting me to tell me that they were in complete agreement with our new policy. I remember one case in particular of a man who stated that he now had title to his house and that the government had paid about twenty nine hundred dollars on his behalf. He explained what the house had cost, how much it was then worth and how much it would be possible for him to make if he sold the house as a result of the government having taken care of his mortgage when he, through illness, had been forced upon welfare. He was most profuse in his thanks.

In contrast with this generous type of program was another one carried out by the Department which I could not understand. This is the case where an individual or a family suffers reverses from one cause or another and finally approaches the Welfare Department. Instead of the department coming to their aid to assist them over a temporary rough spot, as was being done with mortgages, they were forced to dispose of anything they owned over and above a certain minimum figure set by the Department. A farmer with ten cows for instance, would be told to dispose of them one at a time, do the same even with his farm machinery and sometimes even with a piece of land, until he reached a minimum set by the Department, at which time the Department would place him upon welfare. To my way of thinking, this policy was completely wrong, because once the Department had reduced him to their minimum, he could expect to be on welfare for the rest of his days. What a glorious approach to the welfare state!

I tried desperately to reverse the process and to get the departmental officials to see that what we should be doing, rather than getting people on permanent welfare, is to assist them to become self-supporting and independent as soon as possible. Even at the time of this writing, I am, as a private member, trying to secure temporary help for a deserving couple who, for health reasons, are being faced with bills they cannot meet, despite Medicare, and are being told by the Department of Welfare (now Social Development) that they have a quarter section of land more than they require and must therefore sell it before they can expect any help. They had already sold several milk cows.

On April 8, 1968, I received a letter from a wife who had been deserted by her husband a month before her second baby was born. She pointed out that he was then living commonlaw with someone else. It seems that she had helped him to establish a business and had, in fact, borrowed approximately eight thousand dollars in her own name in order to assist him.

She now found herself in a position where not only could she expect no support from him, but she also had to repay sixty-seven hundred dollars remaining on the loan. Being a well qualified bookkeeper and secretary, she had come to the conclusion that she could take care of

her children, operate a secretarial business from her home and in time become completely self-supporting. Before coming to me directly, she had asked the Department for some assistance, to help her over this rough spot until the income from her business would bring in sufficient revenue to permit her to pay her mortgage, make monthly payments on her loan and care for the family.

She had, it seemed, received word from a departmental official that she would be permitted to earn only twenty-five dollars per month and that the remainder of her needs would be supplied by welfare. This did not, however, in any way permit her to repay the loan for which she felt completely obligated, especially considering that the money had been borrowed from her father, who, in turn, had borrowed upon his life insurance to assist her and her husband in their business.

I was impressed with several statements in her letter, such as the following: "With this facing me and my children, I feel so compelled to show by example the responsibility of working for a living and honouring one's just debts. This I am starting to do. However, I do feel that twenty-five dollars a month will do little to help my parents as payments on the huge sum I owe them. If I can't pay them back, they too may end up on assistance—especially if my mother's health continues to deteriorate." And further: "What I am asking you to consider is precisely this: Could you not increase the amount of earning exemption so that I can build up my business, get on my feet and be self-supporting. With the limited hours I can spare with so small a baby, I am forced to ask for assistance. I am not lazy; I am well trained; but a victim of circumstances beyond my control. My children, however, will not suffer because of it, if I can help it."

This letter contrasted greatly with the hundreds of others I received and certainly struck a concordant note in my thinking. I have always believed that a welfare program existed to enable people who, through no fault of their own, were forced by circumstances to ask the government to assist them over rough spots such as the one just described.

Having by now been the Minister of Welfare for several months, I had made it a point to visit many people who had written to me, in order to get a better understanding of the operation of the welfare program for which I was now responsible.

A busy minister often discusses cases with officials of his department in order to secure any information the department may already possess, of which he is not aware, and in many cases, asks an official to draft a reply for his signature.

It had not taken me long to learn, by following this course in the Department of Welfare, that all too often sociologists and other welfare workers used a jargon all their own and though I had for years been recognized as a teacher of high school English, I found it impossible to understand the meaning of several letters welfare recipients had returned to me because they could not understand them.

Nevertheless, I requested the Deputy Minister to have a letter drafted for my signature, after I had made it perfectly plain, I thought, that we could demonstrate beyond a doubt in this case that the policy I had argued for was correct. A few days later the following letter was placed on my desk for signature:

"Dear Mrs. X:

"Thank you for your letter of April 8. I hope that once the Session is over I will have an opportunity to call on you to explain the position of the Department more specifically. I do appreciate the effort you are making towards your own rehabilitation and surely hope that in time you will be completely independent of assistance.

"The matter of earning exemptions raises problems that are very difficult to resolve. Strictly speaking, when assistance is granted on a needs test basis involving the use of a budget deficit system such as the one in operation under social allowance, there should be no such thing as an income exemption. The department would very willingly be prepared to supplement all that a person could earn up to his basic needs and with this assurance there should not be a need of any further motivation. However, because of many suggestions made to us we did compromise

the system by agreeing to exempt three hundred dollars annually that a recipient earns. I think you can understand that if we raised this exemption it would be the equivalent of increasing the assistance given as well as raising the other ethical problem of subsidizing employment.

"At this time I cannot give you any hope of an early decision to increase exempted earnings."

Yours very truly,

This letter, to me, made no sense whatever and I made it known to the appropriate officials of the Department and the next day the following letter, drafted by me, went out over my signature:

"Dear Mrs. X:

"Thank you for your letter of April 8. I hope that once the Session is over I shall have an opportunity to call on you to explain the position of the Department more specifically. I do appreciate the effort you are making toward your own rehabilitation and surely hope that in time you will be completely independent of assistance.

"All too often we see examples of people whose main desire is to secure welfare and who feel that once they have done so their ambitions have been entirely realized. It is refreshing to find people who possess the same attitude you show in your letter: namely, that of asking for assistance only until such time as you can make yourself self-supporting.

"Until recently the Department of Welfare has been permitting the earning of only twenty-five dollars per month in a case such as yours but from here on the policy will be entirely reversed. Welfare assistance will be treated in the way it was originally intended: namely, to help people over a rough spot and to help them become completely rehabilitated.

"My advice to you, Mrs. X, is to earn all you possibly can and if, on the basis of need, you still require assistance, we shall be glad to render it in one form or another.

"I am sorry to hear of your unfortunate circumstances and certainly wish to congratulate you upon your determination to take care of your children and to repay the money you owe.

"Thanking you for your letter, I remain,

Yours very truly,"

In the Department of Welfare was a branch, known as the Maintenance and Recovery Branch, whose main duty it was to collect from putative fathers and from heads of families monies spent on their behalf by the government in taking care of their children, illegitimate or otherwise.

As Minister of the Department, after studying carefully the work of this branch, I insisted that we become "tougher" with these men who definitely ought to be responsible for the offspring they had brought into this world and accordingly made it known to them that collections would be enforced. During the short time I was the minister, June 29, 1967 to July 16, 1968, this branch collected, according to figures supplied to me by the branch head, an amount approximating one million two hundred thousand dollars.

By mid-summer of 1968 I believed I had become fully conversant with the workings of the department and was well aware of the many loopholes which led all too often to abuses. I had in mind the type of legislation I believed could be designed to guarantee to every unfortunate and deserving person all necessary assistance, while at the same time guaranteeing to the public, who, after all, pay the bills, that their tax dollar would not be wasted.

It was in July, however, that Mr. Manning asked me to drop in to his office to see him following a Cabinet meeting.

He told me that he had in mind making further Cabinet changes; that he appreciated very much the careful scrutiny I had been able to give to the Department of Welfare and the consequent sums of public money I was able to save, telling me, however, at the same time that he had

received complaints from some people to the effect that I was being a little too tough.

I reminded him that he had told me when he placed me in that department to be ruthless and pointed out that what I had endeavored to do was to be scrupulously fair. He agreed with me entirely but suggested that after all the years of my life I had spent in the public service, it was only fair that some young fellow "take the gaff" of this department now that our new policies had been well established and suggested that the Honourable Mr. Speaker, Minister without Portfolio, should be able to carry on where I left off. He added that he was sure that my own constituents of Rocky Mountain House would undoubtedly be very happy to see me appointed as Minister of Lands and Forests, seeing that this constituency was so vitally concerned on account of its geographical location with lands and forests. The change was made and on July 16, 1968, I took the ministerial oath for my seventh time, and became Minister of Lands and Forests.

Following the swearing in ceremony I was invited to Mr. Manning's office where we chatted in generalities for at least half an hour, during which time he told me that I should give serious thought to following suit with him and should consider definitely dropping out of the political life of the province at the end of the year. I commented that we had both been re-elected only fourteen months before and that in my opinion the people who had voted for us believed that they had elected us for another term of office.

Even though I knew that Mr. Manning intended to retire, I saw no reason why I should do likewise. Even had I felt inclined to take his advice, I could not see any reason to put the people of the province to the expense of an unnecessary by-election.

Mr. Manning commented on the fact that we had for many years built up surplus revenues but that we had at this time reached the position where our deficits were very real and he said to me: "Alf, the people of this province won't take many deficit budgets from you and me. You should consider most seriously dropping out when I do. Let's let these other fellows create a new image." Without saying so to Premier Manning, I was already well aware of the type of new image being created by some of the young and inexperienced men then being placed into positions of authority. The image was anything but that which our Social Credit government had always built up for itself. We were fast becoming exactly like the old line parties.

We had the well-earned reputation of a government developing our natural resources in such a way that the public received the most in revenue consistent with a good conservation policy. We had done a good job of government housekeeping, spent our money carefully, paid all bills, operational and capital, and built up reserves.

Having been responsible for so many departments of government and having been first acting minister for several others—on one occasion, five at one time—and first Acting Premier for a period of fourteen years, my experience was second to none. It had always been Mr. Manning's policy when a minister was moved from one department to another, that the minister should occupy the position of first acting minister of the department he had just vacated.

I always maintained a healthy interest in any department I had left, feeling not only that I wished to keep abreast of any changes being made by my successor, but believing that my experience could often be of assistance to him.

Only two months after I left the Department of Welfare, my successor, Mr. Speaker, who had previously been a minister without portfolio, yet who had supported wholeheartedly my policy of placing caveats upon all homes upon which the government was making mortgage payments or payments on agreements for sale, sent to each cabinet minister, a memorandum recommending the acceptance of the recommendation made to him by the deputy minister to discontinue placing caveats on such properties and reverting to the program followed prior to changes made by me.

The deputy minister's letter to Mr. Speaker was completely in keeping with the conversations I had had with the same deputy minister. When I read the letter and the minister's memo, I realized how easy it had been for a young and inexperienced minister, though no doubt well intentioned, to capitulate to one whose arguments he believed to be beyond question:

The minister's memo recommended acceptance by the government of the arguments of the deputy minister which read as follows:

To: Honourable R. A. Speaker, Minister

September 17, 1968

Re: Caveats and Public Assistance

The Problem

(a) The Federal Department of Welfare has advised our Department verbally that payments made under caveated property will not be shareable under the Canada Assistance Plan.

(b) The costs of administering our caveat policy is no less and may be more than monies recovered.

Data and Information

(1) Since last November approximately 1,300 caveats have been registered.

(2) Between January 1 and July 5, 1968 the sum of \$5,350.17 has been recovered from 15 claims. On this basis one might estimate \$10,000.00 is the approximate annual return.

(3) The cost to the Department to administer the placing, discharging and recovery from caveats is estimated at \$9,000.00 a year and this does not take into account the number of indirect costs such as land titles, employee time, office space and equipment, postage and photostating.

Since November 1967 when the Department decided to caveat all property on which mortgage and agreements for sale payments were being made, the Federal Department has been considering the legal implications of the decision. Their lawyers have now decided that such payments are in effect, a loan rather than a grant and as such are not eligible for sharing under the Canada Assistance Plan. Since the two Departments have worked very closely together in the past years the Federal Department advised us of this decision by telephone so that we might give some thought to it. There is no doubt that unless we are prepared to argue our position legally or amend our present policy somewhat we will be advised in writing that the payments in question are not shareable and are to be deleted from our claim. At the same time they recognized the validity of placing caveats on property in certain situations and because of this would be prepared to overlook the decision of their own legal advisors where caveats are placed under extenuating circumstances rather than the blanket policy.

Analysis

(1) Policy—

Provision is contained in The Public Welfare Act to place caveats on property at the discretion of the Minister. No change in legislation or regulation is involved. For many years the Department has placed caveats where payments were made on mortgages or agreements for sale that exceeded normal rent or where circumstances were unusual, for example: a man who has deserted his wife and family but allows them to remain in his home. A year ago this policy was changed to include all payments made on mortgages or agreements for sale. Subsequently the policy was changed to exempt from caveats any property where there was income equivalent to the mortgage payments.

(2) Economics—

Experience to date would indicate that there is no economic advantage. The attached summary of claims and the estimated administrative costs will show the kind of payments that are being

collected and the monies that would have to be expended if the policy continues. The anticipated loss from the Canada Assistance Plan would approximate \$500,000 at the present rate of reimbursement. (3) Jurisdictional—

When the Provincial and Federal Governments signed the Canada Assistance Plan there was a general recognition that the Federal Government would have an increasing role in determining public assistance policy. The provinces would lose some of their independence for the rather large sums of new federal money that was made available. This has advantages as well as disadvantages as it does give greater uniformity across Canada and in most problem situations allows for a wider expression of opinion. You will understand that the two Departments reached an amicable arrangement before November of 1967 and our sudden change precipitated the present dilemma. The situation in other provinces is similar to that which existed prior to last November and for this reason as well as the rather strong position being taken by Canada leads me to believe that unless we change we are faced with the fact that the Federal Department will declare these expenditures as non-shareable.

(4)

Social—

From the department's point of view we have since questioned the value of blanket caveating as the persons affected seem to be the ones you would least want to hurt. Again, a review of the summary of claims will emphatically illustrate this point. Most people on assistance own or rent their accommodation as they are either aged or in that class of society where they have never had enough money to make a down payment on a home. The majority of people being caveated are widows or mothers with dependent children, both of whom are normally not long-term recipients. At the present time payments on mortgages are very much less than rental payments and the increase in equity to the recipient would be very much less than the increase in equity to the landlord, many of whom at present are unscrupulously capitalizing on a shortage of housing. Our staff receives a very strong reaction from many persons who have been caveated and who, through absolutely no fault of their own, have had to apply for public assistance. Included in this group are the aged, widows and disabled, many of whom were most reluctant to approach the Department in the first place and who therefore felt further grieved by having their property caveated. (5) Political—

Undoubtedly there is a certain group in society who feel very keenly that the State should build absolutely no equity for any recipient and certainly an argument could be made for this position. At the same time there are many people who are very sensitive to caveats on their property when through no fault they are obliged to go to the State for assistance. You may recall that this matter was an issue in the administration of the pension programs and it was finally resolved that no caveats would be placed on pensioners' property. I believe that the public would be sympathetic to the kinds of people from whom we have collected to date and as long as the government can say that a caveat policy is in force I cannot see the political implications as being very significant.

### **Alternate Forms of Resolution**

There seems to be 3 alternatives from which to choose:

- (a) The Department can continue with its present policy and suffer the loss of reimbursement from Ottawa.
- (b) It can simplify administration and eliminate caveats entirely on the assumption that there is little economic value and that these people who are adversely affected are generally the ones whom the government would not wish to hurt.
- (c) The Department could revert to its position prior to November where it placed caveats with discretion.

### **Recommendation for Decision**

The Department found that its previous policy worked reasonably well in that it took advantage of situations where there was an economic as well as a social advantage to be gained from the placing of a caveat. The numbers placed were sufficiently small that no extra employees were required and we seemed to be in the position where we were protected in extenuating circumstances, yet avoided the mental anguish of

many recipients as illustrated in the summary of claims. Accordingly we recommend that we return to our previous policy. This can be done simply and without publicity.

D. W. ROGERS,

Deputy Minister,

Department of Public Welfare

In the first paragraph under the heading of "The Problem", it is stated that "the Federal Department of Welfare has advised the Provincial Department of Welfare 'verbally' that payments made under caveated property will not be shareable by the Federal government" and it is argued on page two under the subject "Economics" that the Provincial government could presumably lose five hundred thousand dollars reimbursement and the main argument, for reverting to the old policy seems to be that we accept this anticipated sum of money even though, from the Deputy's own argument, it means that the Provincial Government loses another measure of its own independence and assigns to the Federal government willingly the responsibility which, according to the constitution of Canada belongs to the Province.

I might say that the same argument of the Federal department of Welfare refusing to share had been made to me. Not being prepared to accept the word of a Federal civil servant, I doubled-checked with one of the Federal Cabinet Ministers, the Right Honourable John R. Nicholson, at the present time Lieutenant Governor of British Columbia, then Minister in charge of National Housing. Mr. Nicholson listened to my argument and agreed wholeheartedly with the program I recommended, providing that any monies recovered as a result of caveated property eventually being sold should be paid on a pro rata basis to the Federal government. In others words, if the two governments had paid, let us say, one thousand dollars each to save the man's property, each government would be entitled to one thousand dollars when the property was sold. It was only natural that this procedure would be entirely fair and it was agreed between Mr. Nicholson and me that we would both heartily recommend such a program.

I conveyed this information to the Deputy Minister and to my Cabinet colleagues and certainly believed that the public purse was being protected to the extent of many thousands of dollars.

The recommendations made by the Deputy Minister to Mr. Speaker were as vehemently opposed by me as they had been when they were made directly to me. Nevertheless, not long after my departure from the Cabinet in December of 1968, the recommendations were accepted and today mortgage payments and municipal taxes are being made by the Department of Social Development on properties, with caveats only being taken when, in the opinion of the Departmental officials, the monthly payments exceed what would be a reasonable rent.

The trend toward centralization of power in the hands of the Federal government at the expense of Provincial legislatures has gone on for many years and one only needs to realize the concessions made by Provincial governments to the Federal government, based upon the argument that centralization was necessary to assist the war effort, to realize that in many cases the provinces have undoubtedly lost forever the privileges and responsibilities allotted them under the British North America Act.

As mentioned before, even in the time of Mr. Aberhart, the government felt obliged to relinquish in the interest of national security and the war effort several fields of taxation in exchange for a Federal grant. Interestingly enough, these powers have never been returned to the Provinces.

The stress being placed today upon the need for constitutional changes is an indication to me that efforts are being made in some influential quarters to place more and more power in the hands of the Federal government, which could result in the Provinces becoming nothing more than administrative conveniences.

All too often it seems to me, because governments are constantly searching for increases in

revenue, they are prepared to exchange their freedom of action for money. It has often been said that governments are like Christopher Columbus in that when he started out he knew not where he was going; when he got there he had no idea where he was; when he returned home he wasn't sure where he had been but he knew he had done it all on borrowed money.

Too many governments, likewise, are like Esau of old who sold his birthright for a mess of pottage.