

**LEGISLATIVE ASSEMBLY OF SASKATCHEWAN**  
**Fifth Session - Tenth Legislature**

Friday March 5, 1948.

The House met at 3 o'clock

**BUDGET DEBATE**

The House resumed from Thursday, March 4, 1948, the adjourned debate on the proposed motion of Hon. C.M. Fines (Provincial Treasurer): that Mr. Speaker do now leave the Chair (the House to go into Committee of Supply).

**Mr. P.J. Hooge (Rosthern):** — I wish to congratulate the Provincial Treasurer on his budget speech. As a literary effort it was superb, but I, who am used to dollars and cents, was somewhat dazed and bewildered by this juggling of \$61,000,000 and considerable net account, as rather a financial nightmare.

I was told sometime before the presentation of the Budget . . .

**Mr. Speaker:** — Order. The hon. member cannot accuse the Provincial Treasurer of juggling figures.

**Mr. Hooge:** — . . . If I left the impression that he was juggling figures, that is not the case at all. What I had in mind was the tossing around of millions in a sort of a juggling act like throwing balls and catching them again.

I understand that the hon. minister, sometime before the presentation of the Budget, suffered from sciatica. I was very sorry to hear this; but after all, when a person prepares a 'bill of iniquity' of this kind, he surely cannot hope to escape all retributions. In fact I should have thought that in addition to feeling these physical pains, he would have also experienced the most excruciating pains of conscience if he has any.

We are told by the Provincial Treasurer in his budget speech that the total value of the oats, wheat, barley, rye and flax, this year, in Saskatchewan, was \$327,341,000. Of course, the farmers would not get nearly this amount because a very large proportion of this would be used for seed and feed purposes. And the Budget, being over \$61,000,000, after all, it is at least 20 per cent of the total income that the farmers get for these grains. In terms of paying off this indebtedness it means that 840,000 of the people of this province will have to expend a great deal of labour, sweat and toil and tears.

The Budget has already been previously analyzed by an expert in the person of the Leader of the Opposition — incidentally it was not an expert who was imported — and having already been so ably analyzed, I only intend to make some general remarks concerning it. I fully

**March 5, 1948**

realize that I am not prepared to prepare a Budget, and in my simple unsophisticated dollars-and-cents mind, I was wondering just what thoughts passed through the nimble mind of the Provincial Treasurer in preparing such a document as this. I considered that, among other things, he might take the following practice into consideration: anticipation of the amount of revenue, the realization of the revenue, and the liquidation of the revenue. I propose under these headings to make some remarks concerning this Budget.

Now, as to the matter of anticipation of revenues, I think that possibly that should be treated under two headings again, namely, the source and the size. In connection with the source, of course, the revenue derived from the dominion and the province, this government is very fortunate in having a very substantial subsidy of \$15,391,490, and I believe, this year it will be increased to some extent. With regard to the provincial sources, apparently the Provincial Treasurer was not able to find any new field of revenue and he has followed the fields that were formerly explored for this purpose. I do not wish to deal with all of these; I only wish to deal with two. Both of these, incidentally, are fields of which the government is not very proud because they continually underestimate the amount to be derived from these two sources. I refer to the Education Tax and the Liquor Profits.

In regard to Education Tax, it must really be a bitter pill for the Provincial Treasurer to swallow, to have to refer and keep this Education Act in force because, prior to the election of this government, this was an abomination that should be and would be cancelled immediately this government took office.

**Mr. A.L.S. Brown (Bengough):** — Who said that?

**Mr. G.H. Danielson (Arm River):** — It was said all over the province.

**Mr. Hooge:** — Even now, I believe, some of the government members call it 'that stinking to tax'; but still that is not what the Provincial Treasurer does. He wants to 'popularize' it, and he says, "We have already removed 40 per cent of it and that should be sufficient"; but I wish to point out that the remaining per cent is still more than we ever collected when, under the Liberal administration, 200 per cent was in effect.

With regard to the Liquor Profits, this is generally underestimated, and I understand that the Liquor Profits actually, for this last year, were around \$8,000,000. Now this only represents profits; I do not know exactly what percentage this represents of the cost; but I imagine that it would be at least — that is the government would take at least 25 per cent, so that the total liquor bill to the province would be at least, \$30,000,000 to \$32,000,000. Or in other words, about \$35.00 for every man, woman and child in this province. I am not a connoisseur in the matter of liquor, but I understand that people that use it extensively, do it in moments of either exuberance or frustration. I cannot see anything at the moment, that would make any person very exuberant

and consequently, it seems to me, that this excessive drinking that is going on in this province must be caused by a feeling of frustration. Surely, when you present a Budget of \$61,000,000, you do not want frustrated people; you want buoyant people and buoyant finances. I should think that the government would turn its attention to eliminating this feeling of frustration, and initiate a series of temperance lectures. We have a lot of able speakers on the government side; we have the Premier, we have the Attorney General — who is so very expert on the radio — we have the Minister of Natural Resources, the Minister of Education and a number of others who are quite able. I should like to make this suggestion that, instead of the socialistic drivel we hear over the Air, that series of temperance lectures be commenced immediately in order to stop this excessive spending for liquor. Among other things, I might suggest an appropriate heading for the Provincial Treasurer — "Alcohol, the Thief of the Purse". The Minister of Natural Resources is very well acquainted with fish. He might chose as a subject "The Evils of Drinking Like a Fish", or he might even combine with his talk an encouragement of the tourist trade. He could say, "If you must drown yourself, do not do it in liquor but do it in our northern lakes so that your otherwise worthless carcass would at least furnish some food for our fish."

In connection with the size of the Budget, the various members of the government do not seem to be quite agreed. We have a tone of pessimism from certain members, and we have a tone of optimism from others. In connection with the tone of pessimism,, we read in the Speech from the Throne something to this effect:

"Since the last Session of the Legislature, there has developed a keener awareness of the economic problems with which Canada and the other nations of the world are faced. The peace which force of arms secured, is jeopardized by the imminence of economic dislocation; hunger stalks the greater part of Europe and Asia; insecurity and fear are springing up in the wake of the devastation of the late war. The work of the United Nations in striving to realize one world is being seriously impaired by maldistribution of the world's wealth.

"At the same time, the economy of the Province is being strained by a national policy of decontrol. Agricultural production, which My Government has sought to increase and stabilize, is threatened by the uncertainties of uncontrolled prices."

Now we have left the remarks made by the Provincial Treasurer in which he says:

"I would be failing in my duty as your Treasurer if I did not point out to you that we have been living in a period of great prosperity where revenues were buoyant and that I anticipate that the revenues of the province will not enable us to go any

**March 5, 1948**

farther in the extension of social services and economic development, unless the Legislature is prepared to find new source of revenue."

We have also heard from the Minister of Agriculture and others Cassandra-like remarks prognosticating woe. We have heard the British markets referred to as 'slipping away from us'. I might also mention that possibly Russian competition will enter the field — they will no doubt supply the Balkan States, under their domination, with grain, and so will imperil some of our sources of export. It is also general knowledge that our farming population is dwindling. We heard a good deal of the loss of livestock owing to the pernicious practice indulged in by the federal government in their measures of decontrol. The member for Elrose (M.J. Willis) mentioned the grasshopper infestations. Now these are various notes of pessimism; but, the Provincial Treasurer, this year, ignores all that. He breathes the spirit of optimism — the largest Budget in history, \$26,000,000 more than it was in 1944, and he tries to justify it in this way, or at least one of the means of justification is: "Well, look at the other provinces; look at Manitoba, look at Alberta, look at British Columbia, etc. They all have larger budgets!" I do not intend to discuss the budgets of these other provinces. I am not familiar with them, and I do not think we should. After all, we are concerned chiefly with Saskatchewan; I think we should remain in Saskatchewan. But I would like to just point out, with reference to the province of Manitoba — it is my native province and it is for that reason that I know a little about it and keep track of it to some extent: I noticed in the paper that their budget is \$29,405,000, and their population is around 740,000 while ours is around 840,000 — only a difference of about 100,000 people.

**Hon. C.M. Fines (Provincial Treasurer):** —That is not correct.

**Mr. Hooge:** — And still their budget is less than half of ours.

**Hon. Mr. Fines:** — Mr. Speaker, on a point of privilege: here is the Manitoba Free Press which says: "New Manitoba estimates hit 43 and one-half million dollar record — \$4,273,000 over the last fiscal year." That is only the Revenue budget; nothing to do with Capital.

**Mr. Hooge:** — If the Provincial Treasurer wants to say that he is wrong, that is alright; I was quoting from his own speech in which he said . . .

**Hon. Mr. Fines:** — That was last year, Mr. Speaker.

**Premier:** — This is 1948.

**Mr. Hooge:** — Even assuming that there has been an increase, this year, — I think the Provincial Treasurer mentioned \$33,000,000, still that is practically half only of what our Budget is; and if you figure what likely will be the supplementary estimate next March, I think that our Budget certainly will be more

than twice that of Manitoba. And, after all, Manitoba has a great many things that we have not got. They have a great deal of rural electrification; they have very good roads — I happen to know these things, personally.

The trouble with these ministers is, in my opinion, that they do not seem to stay at home. They are always either physically away or else their mind is wandering in the adjoining provinces or other countries. They have a sort of a nomadic instinct; even during the debates in the House here, every country under the globe has been mentioned; certainly every province of the dominion has been mentioned. We have been taken on imaginary trips to Russia; we have been taken to Great Britain, taken to New Zealand, taken to Japan and various other countries. I was very much surprised and I always waited for it, I thought somebody was going to take us to Palestine. After all, there is a good deal of strife going on there. The C.C.F. Party is noted for its love of strife. I think they must be chiefly Irishmen. They are either fighting various sections of the C.C.F. — fighting among themselves when they do not have the same ideas concerning a certain matter — or else they are fighting with the employers of this province; and I thought that if we are taking an imaginary trip to Palestine, where there is a lot of fighting going on between the Jews and the Arabs, there might be some new technique that the government members might learn.

**Mr. A.T. Procter (Moosomin):** — You would do pretty fair in Czechoslovakia right now.

**Mr. Hooge:** — This excuse of always turning to saying that somebody else does something — that alibi is pretty old. The first time that was used was when Adam was caught in an act of transgression. He said "Well, it was my wife who made me do this." I think this alibi is getting somewhat stale.

The Minister of Natural Resources also came to the rescue of the Provincial Treasurer, and endeavoured to justify this Budget. He thought it was a lovely Budget, and seemed to like the size. In fact he would like better and bigger budgets. I sometimes wonder just why it is that the Minister of Natural Resources likes, or has such a love for bigger things. Possibly it is because his voice is bigger than the voice of any of the others.

We have heard from the member for Athabaska as to how much the Minister of Natural Resources has done for the Metis and the Indians of the North. We have some Indians in the constituency of Rosthern, and I happen to be personally acquainted with one of the chiefs. His name is Almighty Voice.

**Premier:** — That is better than "Whispering Willow."

**March 5, 1948**

**Mr. Hooge:** — He is the son of a former chief who had the same name, so this present chief is Almighty Voice No. 2.

I expect the Indians of this province are quite grateful and I would not be at all surprised if, for all the services which the Minister of Natural Resources has rendered, they will at some future time — as they have in the case of the Premier — make him a member of their tribe. If such an investiture should take place, I cannot at the moment think of any more appropriate name to bestow on the Minister of Natural Resources, than to call him Almighty Voice No. 3.

**Premier:** — Or "Piping Pete".

**Mr. Hooge:** — The Minister of Natural Resources says that not only does he like this Budget, but he is looking for better and bigger budgets. I believe he likes this phrase "better and bigger", as a sort of a euphonious ring seems to roll off his tongue. He must have borrowed it — I do not think he invented this phrase himself — he must have borrowed it from the Saskatoon Fair because that has been their slogan for a number of years. Now it might apply to the Saskatoon Fair; I have visited it a number of occasions and sometimes doubt if it applies even there. I think the phrase could very aptly be applied if you compared, for instance Mr. Tucker, the Liberal Party Leader, with the Premier; I think the phrase "bigger and better" be quite applicable, but that does not necessarily say that this phrase was applicable in all cases. Certainly, I did not hear any vociferous applause from any of the government members when this phrase "bigger and better" was used by the Minister of Natural Resources, and I certainly have not heard any applause from the people of this province since this statement was made; but I have heard a good deal of groaning and goofing since it was made. After all the people of this province understand that bigger budgets certainly mean bigger bills against the people of this province, which they must pay. The people of this province know that, when this Budget was brought down, they will have to pay more education tax than they did before. They know that — they will have to drink more liquor than they did before. They will have to drink substantially more liquor than they did, not only to cover this larger Budget, but they should anticipate that in March, 1949 supplementary estimates — probably to the extent of about \$15,000,000 — will be brought down. Now then, instead of buying liquor to the extent of \$35.00, every man, woman and child should consider it their patriotic duty to buy three or four extra crocks — make it \$50.00 for every man, woman and child. This 'ship of state' must be brought home to the port in the month of March, 1949, even if this 'ship of state' has to be floated on a sea of liquor.

This adjective 'bigger', is not only liked by the Minister of Natural Resources, it seems to be a beloved word of the C.C.F. Party in general. They have bigger cabinets, they have bigger staffs, they believe in bigger budgets, bigger taxes, bigger planning boards. in this connection I might just say that, in answer to a question of how many

members constitute the planning board, I was told that there were nine members on the planning board and seventeen of a staff — total of twenty-six — to run the affairs of this small province; and the total wages of all these twenty-six was \$27,747. They believe in bigger education, bigger municipal units, bigger health regions. In connection with a reply to a question, I was told that twelve people were engaged in the promotion of Health Region No. 8, and that the bill for this was \$1,909.13.

Another notable contribution which the Minister of Natural Resources made in his speech on the Budget was when he told the story of the frogs. He was telling us about a frog that stood on its hind legs and looked backwards, and this was intended to exemplify the attitude of the Liberals. I never, personally, saw such a thing. Of course, I have not the same opportunity to associate with reptiles, that he has, and he, being in that favourable position, ought to know. I am not disputing that that is correct; but I do not think there is very much in this contention about looking back. I quite admit that the C.C.F. have never looked back. They have never had anything to look back at; they have no history, they have no tradition; certainly they do not look back. The chief trouble with the C.C.F. is that they never look at all. They simply jump without looking any place. They have their head in a cloud of fantasy; and if they look back — I think it would be certainly advisable for them to look back — they would see that everywhere socialism has been tried it has been a dismal failure before.

The Liberals do not place any particular emphasis on size. They expect, incidentally of course, to elect one who compares with the Premier. He is physically bigger, he has a bigger family, and we confidently expect that he will have a bigger following at the next election; but that is merely by the way.

The Liberals certainly do promise that they will provide big budgets, but they do promise that they will provide better budgets.

The Liberals look back, certainly, we look back to obtain knowledge, we look back to learn, to note the former mistakes that have been made by us and by others, to avoid experimentation. After we look back though, then we look forward — not only look forward but move forward. That is certainly better than not moving at all.

The next matter I would like to discuss for a moment is the realization. I chiefly object to the views of this government on realization. After all, I realize that the government has to realize a certain amount of money. We, the Liberals, have done that for a number of years; every government has to do it, but there certainly is a difference in the method of realizing. There is a certain amount of merit — I am not so foolish so to say that there is no merit in anything that the C.C.F. Party does; but what I object to particularly is the compulsory feature of most of the things that they do. They force the fisherman to sell their fish to the government. They force the lumbermen to sell their lumber to the government. They take the fire insurance of education institutions from the companies. They take the automobile accident insurance from the companies. They force educational institutions to insure with government offices; They deprive the Greyhound

**March 5, 1948**

Bus Company from part of their transportation. They take over the equipment of smaller transportation companies. They take over the Box Factory. They forced a hospitalization scheme on this province. They forced people to insure their cars with the government. They forced the larger school units. Now, as I say, there is a certain amount of merit in some of these measures, — but it is the compulsory feature that I object to in the realization in this connection, and one of the chief instruments . . .

**Premier:** — May I ask my hon. friend if he voted, last night, to compel the farmers to sell their coarse grains to the Wheat Board?

**Mr. Danielson:** — The farmers are asking for that.

**Mr. Hooge:** — This has nothing to do with government matters whatsoever. This is something unanimously asked for by the farmers of this province. One of the chief instruments which the government used in carrying out this particular method is, of course, the creation of the various promises; but the iniquities of this system have been told so often that it is hardly worthwhile repeating, but I just want to mention them in passing. There is the danger of it becoming a monopoly; there is the danger of the interlocking directorates. The same people, practically, belonging to the same Crown Corporations. There is a Planning Board which directs the activities of all. If they make a mistake, it is a collective mistake which affects the whole of the province. These Crown Corporations pay no taxes — neither municipal nor income taxes. They compete with the taxpayers on an unequal basis, and they deprive the Legislature of the power of granting moneys. Under The Crown Corporations Act they can establish a large number of others — we have already a dozen or more of these and there is no limit to the number which can be established, and eventually it will dominate the whole economic life of this province. This can again be justified by the old alibi that somebody else has done it namely, the Dominion Government. That is true enough, the Dominion Government has established various Crown Corporations, but the majority of them were constituted during the last war as a war measure, and the government is endeavouring, as fast possible, to get out of them.

The Minister of Natural Resources also defends these Crown Corporations on the ground of expansion. I think that his term 'expansion' should be called I 'expension', because that is really all it amounted to at the present time. Certainly these profits, derived or anticipated profits, are not very apparent as yet, if you eliminate the two, namely, the Power Commission and the Telephone Department. When all is said and done, when you take the whole expansion into consideration it really represents an outlay of \$6,000,000 which is still a debt due to the province — that is practically all it amounts to, all this talk of expansion.

I certainly hope that the government will reach this objective of \$61,000,000. It is a 'balloon' budget; in my opinion, it is quite likely to burst, but if it does burst, it will mean new taxation. I do not know what

new tax the government would impose in case this should happen. I would just like to offer this suggestion that they will probably have to have another education tax. The first education tax, now in force, is meant chiefly for juveniles. I think possibly the next tax that they will have to impose will be that of adult education tax. They can then really tax the farmers, one category of business men and another category in the professions.

The third ground of consideration, in connection with the Budget would be that of the liquidation or the application. Even though I have expressed some objections to the matter of 'anticipation' of the Budget and its method of 'realization,' after all if the revenue collected were properly applied, one could not have any very serious quarrel with the government, but, that is where the chief objection comes in — about the matter of using the funds that have been collected.

The Liberal Government has always been more or less tolerant. At first we thought that the government would likely take a fling — never having been in power before. We thought that they would likely look on this new government, more or less, in the nature of a toy. Possibly they were overcome by the glamour of it. Just something like Wordsworth when he got married; in describing his bride, he said:

"She was a Phantom of delight  
When first she gleamed upon our sight;  
A lovely apparition, sent  
To be a moment's ornament."

The Liberals are, therefore, inclined to forgive the escapades of youthful members like those from Hanley, Humboldt, Canora, Shellbrook, Kindersley, and even more juvenile associates. But, Mr. Speaker, even Wordsworth recognized that the honeymoon is over, where he said, in the same poem that I quoted:

"And now I see with eyes serene  
The very pulse of the machine."

But this government does not seem to realize that the honeymoon is over. They keep right on. After all, life is real.

In the 1944 campaign — it was their first big Session — they could probably be excused on grounds of inexperience. But the continuation of this regime of fantasy, experimentation, regimentation, confiscation, certainly should not be tolerated.

The C.C.F. Party in this 1944 campaign were elected on a promise which was so often expressed on every platform in this province. They would always see to it that humanity came first, that their activities would be

**March 5, 1948**

for use and not for profits. But, when we review the record of the government we find that it is merely a cold-blooded, callous and mercenary body. There is no love in connection with it; no charity. All these phrases have just become so much like clanging brass cymbals. There is no relief from taxation. There is no compensation to insurance agents for loss of business. No compensation to private owners to business who lost it. No compensation to owners of box factories except just barely paying them for the value of the property. No compensation to those sustaining loss by selling at competitive prices. No compensation to municipalities for loss of taxes. No return of funds when you overpaid your insurance. It's just like paying group insurance. It reminds me of going to a store where you buy something for \$5.00 and hand them a \$10.00 bill; well, you expect \$5.00 in change.

Well, that is what we did when we bought this insurance, a year or two ago. We overpaid it to the extent of \$750,000, but we didn't get any change back — the Government said, no, we will give you other goods."

**Mr. Procter:** — Pretty shoddy ones, too.

**Mr. Hooge:** — The attitude of the C.C.F. is simply this: they think that the state is above reproach — I think that has been clearly demonstrated; and they consider that the individual is merely a pawn under their control.

There is a very real concern, among the Liberals and the people of this province, for the future of the province if this Government should continue. They, in spite of denials to the contrary from the members of this Government that they do not intend to socialize the land, still fear that that is their ultimate objective — they want to socialize everything. Now, certainly some C.C.F. members subscribe to this theory: the member for Prince Albert (Mr. E.L. Bowerman), the constituency adjoining Rosthern, certainly seems to believe that that would be desirable. I quote from Hansard, dated February 25, of this year, where he is quoted to have said: "We are driven to the conclusion that the only thing that will solve our present-day social and economic problems is the absolute Christian socialization of the means of production and distribution of all the necessities of life". He was then asked by Mr. Graydon if that included farmers. "That would include everybody", Mr. Bowerman said. I know, of course, Mr. Speaker, that not all the members of the C.C.F. subscribe to that; I know that Mr. Burton, for instance, the C.C.F. member for Humboldt does not subscribe to that. Shortly after Mr. Bowerman had made that statement he said this "The C.C.F. Party does not advocate the socialization of any product, be it farm or otherwise, unless it comes within the category of a monopoly, or otherwise giving an individual, or any group of individuals, the opportunity to exploit his fellow man". Even on that basis I cannot see any reason why various industries in this province should have been socialized — certainly as far as the insurance was concerned, that was a highly competitive field and there was so much competition that the rates were reasonable. I pointed out to the Government that we had in the constituency of Rosthern a small mutual fire insurance company that were quoting rates that were hardly comparable to any rates of any other company, and still they had to go with the rest. So, even on the basis of Mr. Burton's statement, we have no assurance that the C.C.F. Government will not do what it intends to. When different people in the same party express different ideas, there is a feeling of uncertainty. We know that other people hold the same opinion as Mr. Bowerman — we know that Mr. Winch of British Columbia, for instance, holds that opinion, and others the same. I think we are justified in our concern that the ultimate objective of the C.C.F. is actually to eradicate all capital from the province, and to socialize everything.

**March 5, 1948**

**Mr. Procter:** — They told us that.

**Mr. Hooge:** — I freely admit that in the C.C.F. Party there are sincere men, men that would not wish this to be done; but, I also know, from my own experience, that the C.C.F. Party contains a huge element of radicals and agitators. Very often these people get control and there is, therefore, a very real danger, in my opinion, that Socialism may degenerate to licence; that planning may become compliant; that publicity may sink to the level of propaganda; that industrial relations may become exploitation; that taxation may become annexation; education may become training units; that leadership may become regimentation; and that reason may give way to fanaticism; and that Socialism will leave the door open to Communism.

The Liberal attitude has always been to regard government as a sacred trust imposed on them by the people, and to be discharged for the people. It is true that in the execution of this trust they have been sometimes too cautious — I admit that — but surely it is better to err on the side of cautiousness than to err on the side of recklessness.

I notice that my time is practically up, Mr. Speaker, and in conclusion I just wish to say that most members are familiar with our opinions and theory which holds that the ancestor of man is the monkey, and that by a slow process of evolution we have finally come to the stage of perfection which is so well exemplified by the fine physical physique of the member for Qu'Appelle-Wolseley (Mr. Warden Burgess); but, Mr. Speaker, in view of the record of this Government, I am, personally, deeply concerned, and I know that very many people in the province share this concern with me, that if this Government is permitted to continue in its present activities there is very great danger, indeed that this Party will, in a very short time, succeed in reversing this Darwinian theory and make monkeys out of men.

**Mr. Niles L. Buchanan (Notukeu-Willowbunch):** — Mr. Speaker, we are once again in a Budget Debate and, so far, the criticism of the opposition has been, the same as it was from the very first — nothing of constructiveness in it, their only theme, that the Budget is too large just like a little bird that has only one small tune — the Budget's too large; the Budget's too large. I have yet to hear as a humble private member any suggestion that I could hang on to that would support reducing that Budget. They do not say where to cut expenditures and they do not give us any solution. They just come back to the same old story that the Budget is too large. I am not particularly worried about a large Budget, I am chiefly interested in this Budget, and other Budgets brought down in this Legislature, in how the appropriations contained in the Budget are going to be spent; whether the people's money is going to be spent wisely or whether it is going to be spent foolishly; whether the people of the province, as a whole are going to be the main beneficiaries of the money that is going to be spent; whether this money, to a large extent, is going in fat, juicy contracts to swell the coffers of any particular party campaign funds — that in what I am concerned in, Mr. Speaker.

Wise government spending, regardless of what the amount might be, is, I believe, to be to the advantage of the people. We say that exemplified during the war. At the beginning of the war it was said we were coming out of the depression. I do not know whether we were coming out or not; as far as I was concerned we were still in the depression. But, at the beginning of the war, huge appropriations were made and large amounts of money were spent. Government spending in this country, as in others at that time, reached an all-time high. What was the result? The result was that our people were able to buy meat; they were able to buy bread; they were able to buy clothing, and everything else that was necessary to give them a decent living and with almost a leap and a bound we jumped from the middle of a depression into prosperity, and that was a direct result of heavy government expenditures.

The people of this province know that the money this Budget proposes to spend is going into the hands of the people, of this province; into the hands of the Old Age Pensioners; into the hands of the teachers; into the hands of the civil servants. It is going to be spent by them, and so the money is not going to be lost.

Mr. Speaker, I do not think that wise government spending has ever made a province or a nation poor — it cannot, for the reasons I have given. What I am chiefly concerned about is the wisdom of that spending. I find, Mr. Speaker, in looking over the Budget, that, among other things, the Government intends to spend \$7,098,175 on Education, this year. That is a per capita expenditure of \$8.52. In other words, this Government is going to spend \$8.52 for every person in this province on the education of this province's children. In going over the years, I find that, in 1936, the per capita expenditure was \$3.31; in 1943, it was \$4.42; in 1944, it was \$4.81; in 1945, \$5.31; in 1946, \$6.50; in 1947, \$6.82; and this year, as I said, it will be \$8.52. That is an increase over 1944 of 77.1 per cent, on education. At the same time the net Budget has only increased by 52.9 per cent. In other words, a greater proportion of our Budget is being set aside for educational purposes.

Mr. Speaker, this is all to the good, and I do not think that even the hon. members of the Opposition would dare to criticize this tendency. Our most important and precious possession in this province, and in any nation, is our children, and it is the duty of each generation to provide them with the best education possible. They are a nation's investment in the future, and that investment if not properly protected, one can never tell what our future may be.

I taught school during the thirties. I tried to raise a small family on \$200 per year. I was not the only one. I remember applying for schools at a salary of \$40 per month and being advised that there were 50, sometimes hundreds, of applications from other teachers, some of them applying for that same school for nothing more than their board and room. Now,

**March 5, 1948**

that is a fact; it is no stretch of the imagination at all. We taught then, most of us in the rural areas of Southern Saskatchewan, at the rate of \$1 per teaching day — \$1.00 per teaching day and 200 teaching days in the year adds up to \$200 per year. Is it any wonder, Mr. Speaker, that teachers left the profession just as fast as they could find something that would pay them better to do? Men teachers flocked to the colours when war was declared, and vowed that they would never go back to the teaching profession again. Women teachers went to war industries; to offices; some of them for the first time in their lives, had an opportunity to get married and so they took it. Now, I wouldn't belittle the school 'marms' but this might be misunderstood, so I want to point out that their boy friends, until the war came along, didn't have enough money and could not set up housekeeping together. As a result of those years, we lost to the teaching profession some of the finest men and women who were ever in that profession, and we can never get them back again.

The hon. members across the way are blaming this Government for the shortage of teachers. Mr. Speaker, there is the answer to the shortage of teachers in this province. There was no provision to make the profession interesting, to make the profession permanent, or attractive. As soon as they had an opportunity to leave it, they took that opportunity as fast as they could.

Under pressure of the Teachers' organizations at that time, the Liberal government of that day placed on the Statute Books The Larger Administrative Unit Act. That Act was 'stillborn'. Any creature, living or inanimate, in order to carry on life within itself must be descended from virile parents; and that 'stillborn' child has nothing but its parents to blame for it. It was offered as a sop to the Teachers' Federation, and yet, at the same time, it was possible under its terms to do nothing and so lose no political prestige in its implementation. In other words, the administration of that day did not have the political fortitude to come to the rescue of the children of this province. I do not for a moment pretend that the Act is the answer to all our educational problems, financial or otherwise — far from it; but it would have then, and it has now, brought about a great improvement in the educational problems of this province. All we have to do, if we are sincere, is to look over some of the things the Larger Units of Administration has made possible for the children within those areas that are organized. For purposes of comparison, I have taken two areas in my own district -the Assiniboia Larger Administrative Unit and the Willowbunch Superintendency. Now, these two areas cover a comparative area of country; that is, the land approximately of the same type, the people are very much the same, and the number of children about the same.

In the Willowbunch Superintendency where we have local administration — that is, the old system of small school districts — the rates charged for school services are as follows:

Rural Municipality No. 10: Average rate for operating and non-operating schools, 14 mills for the sixteen school districts; but 7 S.D.'s have rates varying from 16 to 20 mills.

Rural Municipality No. 12: Average for all school districts, including closed schools, is 13.1 mills. Rates for operating schools vary from a low of 11 mills to a high of 21.5 mills.

L.I.D. No. 13: The average rate for all schools is 13.7 mills; the average rate for operating schools is 18.8 mills; and they have such individual rates as seven school districts, all rural, with an average of from 17 to 28 mills.

L.I.D. No. 43: The average rate is 17.2 mills. The individual rates in eight school districts are as follows: 17, 18, 18, 20, 22, 28, 30 and 33 mills. The rate of 33 applies in a village, all others are rural.

Rural Municipality No. 40: The average rate is 13. The rates for operating schools are as follows: all the way from 16 to 20 mills.

Rural Municipality No. 42: The average rate is 14.7 mills. The individual rates there range from 14 to 33 mills.

These schools provide only standard service, only the service such as we have all known when we started in to the little public school out in the country — reading, writing, 'rithmetic. There is very little effort made to supply library facilities; the blackboards are in a state of disrepair; the buildings need repainting; out-buildings are tumble-down and unsanitary; and barns are in a state of repair that it is not fit to put an animal into them. I taught school in these districts — I know what I am talking about; and I see those districts every once in a while when I am travelling around the country. I taught school in some of those districts where the children had never in their lives seen a moving picture show, not even a 16mm-projector show. One day, I remember particularly talking about skates, and there was a blank stare on some of the children's faces; and so I went and got my skates and put them on and went out skating for them. It was the first time they had ever seen skates. Now, that is what is happening in these Local Administrative Districts where we have local jurisdiction and local responsibility for taxation.

Now I turn to the Assiniboia Larger Administrative Unit. The mill-rate is, of course, uniform — 13 mills on rural assessment, and 17 mills on villages. In addition to the services provided in the unorganized area, this is what the Assiniboia Larger Administrative Unit has done: established a salary schedule for teachers which is among the best in the province, providing for annual increments and with present salaries ranging from \$1,200 to \$2,600. The unit has employed a supervisory teacher, or helping teacher, to give assistance to young and inexperienced teachers needing any special assistance. They also employ an audio-visual instructor to give rural school children the benefit of educational films.

It has spent an average of over \$3,000 every year for improved library facilities. It has paid off \$12,500 in arrears of debentures and has reduced debenture indebtedness of the Unit by a total of \$60,000. It has also paid off old accounts of about \$8,000. With the aid of the Department, it has cleared off about \$7,000 arrears of teachers' salaries still owing from 1945.

**March 5, 1948**

It has made capital expenditures for new schools, now teacherages, etc., of about \$40,000, paid for in cash, without adding to the debenture indebtedness of the unit. The unit has remodelled and completely renewed over 50 per cent of the schools in the unit — made major repairs to some and minor repairs to others, at a total cost of about \$90,000, all paid for in cash. It has replaced old heating systems in 45 schools.

It has paid grants of \$15,000 a year to encourage high school pupils to take up high school to study and work in a regularly organized high school. (Grants are paid to pupils in grades 9, 10, 11, and 12.)

It has employed two full-time repair men to attend to all types of repair work in the schools.

Now, compare these — even the mill-rate. The average mill-rate is lower than it is in the unorganized units; but, at the same time, we must remember, Mr. Speaker, that in the unorganized areas the high mill-rates are on the low assessed land — the land least able to afford to pay, while the increase in taxes in the Larger Administrative Unit falls on the better land.

The hon. members of the Opposition have never been averse to playing politics with anything they could get their fingers on; but I think it is going pretty low when they stoop to play politics with a child's education. That, in my opinion, Mr. Speaker, is what it amounts to. Political consideration comes to them first, last, and always. They would measure in dollars and cents, and political expediency, the most precious right of any child, the right to the highest education that it is within that child's ability to acquire.

Today, we hear from the Opposition benches pressing for a vote to be taken in those unorganized areas which have signified that they want a vote. They want that vote to be taken before the success of the Larger Administrative Unit has become apparent. Well, Mr. Speaker, I live in an unorganized area. I have children going to school in an unorganized area, and I want those children to enjoy the benefits that I have shown to be possible within the boundaries of the Larger Administrative Units; certainly I do not want anything done which might jeopardize the success of that vote in the area, when it is taken.

As I stated before, Mr. Speaker, I do not think the Larger Administrative Unit is the complete answer to our educational problems, either financial or otherwise. Education, even in spite of what we have done and that has not been little, to a large extent still has a price tag on it. There are parents in this province who can afford to buy a university education for their child while poor parents have such more difficulty in doing this. I do not think that is right. It is beyond the means of a province to make it possible for every child to have the highest education in the land, providing he has the ability to acquire it. We have always believed in this party that the responsibility of providing a child with an education lies in three places: first, with the local authorities; second, with the provincial government, and, third, with the Federal Government — a joint responsibility in which we should all share. A child that receives an education in any part of this province does not give to that community only

the benefit of his higher learning. An educated man is an asset to the entire Dominion of Canada, wherever he may be; he is also an asset to the province and to his community.

We saw, during the war, what happened in this province particularly. There were large airports established, and we started training our young men to become aviators, to become pilots, to become gunners. We didn't ask those young men if their fathers had the money to provide them with a navigator's training, with a gunner's education, or a pilot's education. All we asked, in our time of need as a nation, was, has he the ability to become a navigator, or to pilot a plane; and if they had there was no limit placed on their education.

I have in mind the story of a young man at this time. The day he completed his grade 12 examinations, he hitchhiked to Saskatoon, and there he joined the air force. Eventually he became a navigator. Now that young man's lifetime desire, up to that time, was to be a doctor. That was his whole ambition, and he had the will to go through with it; but he was the younger member of a large family; his father was a farmer and had suffered poor crops, drought, grasshoppers, and all the rest of it, and it would have been very difficult for him to have gone through with his course. But the war came along and he became a navigator. At the time he received his wings it was estimated that it cost \$28,000 to train a navigator; they also estimated at that time that the average fighting life of a navigator was one hour — one hour in action: \$28,000 for one hour's worth of service, \$28,000 for an hour of destruction to rain down bombs and death on the Fascist strongholds of Europe. I am not finished — that young man came back after four or five years' service overseas and returned again to civilian life, and he is today trying to realise his original lifetime ambition — he is today studying to be a Doctor. He is finding it very difficult, however. First of all, he claims that the allowance which he receives barely allows him to keep body and soul together. He gave five years of his life; five years of terrific nerve strain; and so he is five years older in years; but in mind and in body he is many, many years older, and he finds it very difficult in that way, Mr. Speaker.

When he was in the services he met and fell in love with a young lady. The two of them would like to be married, today, but they can't until he has completed his course; because he says what he is receiving, and what he would receive, is not sufficient for him to ask any young lady to undergo it until he has finished his course. Just consider what this \$28,000 would have meant to this young man towards a doctor's degree: — I do not know what it costs, but I imagine \$28,000 would have helped him a long, long way towards becoming a doctor.

Mr. Speaker, education is the heritage of those who have gone before, handed down to us, and we, in this generation are charged with the responsibility of seeing that the coming generation benefit from those great truths and those great discoveries which are ours to give to them.

**March 5, 1948**

There have been suggestions made in this House of political patronage, and in the appointment of the Deputy Minister of Education. I haven't very much to say about this, Mr. Speaker. Evidence has been produced which would indicate otherwise; but, even so, I wonder, just because a man happens to be a defeated candidate of some political party should that forever bar him from giving any ability which he may possess, giving the benefit of his knowledge and experience, to the people of Saskatchewan as a whole? It has not been true in the past, Mr. Speaker.

I have a list here of the defeated M.L.A.'s appointed to the Civil Service. This is not exhaustive and it is not complete, and, incidentally, Mr. Speaker, this list contains the names of men who all sat in the Liberal benches. The first I have is Mr. G. Ens — he resigned in 1914 — he was appointed to the public service on May 1, 1914. Dr. McNeill resigned in 1913, and was appointed to public service on March 15, 1913. Mr. A.B. Cunningham was defeated in 1917, and appointed to public service in 1934. Mrs. S.K. Ramsland — defeated 1925, appointed to public service in 1925. Dr. G.W. Sahlmark — defeated 1929, appointed 1934 (you will notice there were quite a few appointed in 1931, Mr. Speaker). Mr. D.J. Sykes — defeated 1929, appointed 1935. Mr. H. Halvorson — defeated 1929, appointed 1943. Mr. S.J. Latta — defeated 1929, appointed October 29, 1934. Mr. E.S. Clinch — defeated 1934, appointed 1935. G. Cockburn — defeated 1934, appointed 1935 to public service. R. J. Gordon — defeated 1934, and appointed August 6, 1936. O.D. Hill — defeated 1929, appointed to public service April 12, 1943.

It has been said that 'truly the Lord loves an honest man, but the devil looks after his own'.

**Hon. C.C. Williams (Minister of Labour):** — In speaking on the Budget which is before this House, I intend to give a resume of my Department, but first let me suggest that I might, on behalf of the Government, express appreciation to the people of this province who directly or indirectly, provide the money which makes the Budget possible.

Looking around this House, Mr. Speaker, I see the hon. Premier and realize he is going to need more money in the 1948 year to take care of improvements in Mental Hospitals, the Air Ambulance, and better facilities for cancer, and so forth. The Minister of Social Welfare is going to need funds to take care of Old Age Pensioners, Mothers' Allowances, new buildings, social aid and other things. The Minister of Highways is going to require more money for highways. To his right sits the Minister of Agriculture, and to his left the Minister of Education, who are going to require more money. Now, we hope and believe that the way this money is spent will meet with the approval of the citizens generally.

To return to the Department of Labour, primarily we are interested in the welfare of the wage earners in this province, and I submit, Mr. Speaker; that this Government has done a great deal toward the improvement of working conditions, hours and wages of this group. One of the duties of the Department is to investigate, conciliate and report in matters of disputes. During the year, five Conciliation Boards were set up — four of them have submitted reports and one of them has still to do that; but in three cases the report was of a settlement of the dispute. This is not all, Mr. Speaker. In addition, the Conciliation Office assisted, on an informal basis, in settling 78 disputes which never reached the extreme action of setting up a Board, or the more extreme action of coming to a strike. There is no doubt about it that these things done by our men — taken in time — probably averted a good deal of what might have been serious difficulties.

I would like to take a few minutes, Mr. Speaker, to report to this House on the packing-house strike of last fall that has received a great deal of publicity in one way and another. Because of increased living costs, the employees, after a breakdown of negotiations which had gone over a period of weeks, did go on strike, starting the 27 of August, and it gradually spread to all provinces in the Dominion — Saskatchewan, I think, about the 6 of September; but by the middle of September all provinces were involved and practically all plants were closed down, certainly all of the larger companies.

The Saskatchewan Government immediately called on the Dominion Government to intervene in the dispute, and deal with it on a national basis, and on the first day we agreed to waive any jurisdiction we might have in the matter. We still believe, Mr. Speaker, that such industries that are national should not be under provincial jurisdiction but rather under federal; and we are on record as far back as the early part of 1946 with this viewpoint. A constitutional amendment would be necessary, however, and although we think it should be proceeded with, an industry such as the one we are discussing, together with railways, coal and metal mining, oil industry and others, which extend over the entire Dominion of Canada, should be regulated federally. However, I will not belabour that point further, but will get along with the packing-house strike that we are discussing.

The Dominion, however, refused to take any action, claiming that, since P.C. 1003 had gone out of force during the year, it had no jurisdiction. This was rather difficult for us to understand at the time, because the meat-packing industry had never been under 1003, and earlier in the year they had interfered in some difficulty in that industry. However, they took the attitude that they would do nothing.

**March 5, 1948**

About this time, the Rt. Hon. J.G. Gardiner, having just returned from a trip to Britain; was reported in the press to have said that he was going to take some action as soon as he got to Ottawa. Actually, nothing further was heard from him until after the strike was over. The Federal Government appeared to take a 'hands off' policy, and was prepared to let the eight provinces concerned do the best they could with a bad situation, on an individual basis.

The situation, bad enough as it was, was further aggravated by controls being removed about the middle of September — prices started to go up and, of course, that did not improve the temper of those who were on strike. This Government proceeded immediately to promote the next best alternative — that is, that of appointing a common conciliator; and our Premier was successful in getting the other Western provinces to concur tentatively, to this proposal. It was obviously preferable though that the provinces should co-operate and that, particularly, Ontario should come in. Our Premier suggested then that the Premier of Ontario (Premier Drew) should call a conference of all provinces with a view toward united action; and though he hedged on this point for several days he finally did call a conference in Toronto. All provincial Ministers of Labour attended, most of them with their deputies, with the exception of British Columbia and New Brunswick, and the latter province sent their deputy minister.

We met in Toronto September 26-27. Premier Drew, although he had called the conference himself, was apparently too big to come in for a few minutes and see us. Can you imagine, Mr. Speaker, a representative group of this kind meeting in this building without our Premier not dropping in to say 'hello'? Well, I cannot either — however, that is not important.

The first day was largely spent in deciding that nothing could be done, because the strike had been called without following certain procedure followed in the past. None of our laws were violated, but some of the provinces claimed that theirs were. The next day was practically taken up in preparing press statements explaining why nothing could be done. We did not go along with this procedure and urged that constructive action should be taken by the conference; and stated we would be prepared to agree on the appointment of a common conciliator — that was following along the action the Premier had taken a few days before — or any other reasonable proposal that was put forward.

We also held that some consultation should be had with the employers, and the employers' and employees' representatives. We couldn't get anywhere there; all our efforts were of no avail with the implacable opposition of the three provinces (when I say those three provinces, I refer to Quebec, Ontario, and Nova Scotia). The first statement got out by the other seven provinces was completely negative and contributed nothing towards the settlement. Saskatchewan disassociated itself entirely with this statement, and we got out one of our own stating we favoured constructive action which might lead to a settlement.

None of the other provinces actually joined us, Mr. Speaker, in this statement. After the group broke up, three of them approached us with the suggestion that the three provinces (Manitoba, Alberta and New Brunswick) might go along and appoint a common conciliator. Rather late at night, I recall, we sat around a table, and brought up name after name and finally the name of Mr. L.W. Brockington, K.C. — well known all across Canada, and a former resident of the West, now living in Ottawa — was agreeable to all of us. The Premier of British Columbia was contacted and he was quite willing to go along.

The other ministers returned home, but I stayed for the time being in Toronto, and had an interview with Mr. Brockington a few days later. He was quite agreeable — in fact, he was quite anxious to do anything he could in any way to bring the strike to a successful conclusion. Unfortunately, however, the Premier of Manitoba came down a few days later — rushed around, and had an interview with Premier Drew and some of the heads of the meatpacking industry and he 'muddied the water' enough that the meat packers then would not accept Mr. Brockington. However, he only stayed two days and then he sent his Minister of Labour, the Hon. Rhodes Smith, down, and there was an improvement after that.

Eventually, however, Mr. McTague, a former Ontario judge, accepted the chairmanship of the Board in place of Mr. Brockington. The Ontario government then, apparently, began to realize that it was placed in an unenviable position by refusing to co-operate with the five provinces, and the Ontario Minister of Labour finally proposed to the companies, and the union, that a single arbitrator be appointed to deal with the dispute; and then Mr. McTague was appointed.

At first the Swift Canadian Company refused to accept this proposal — and I might just mention here, Mr. Speaker that they adopted a position of determined opposition, right from the start. Their head offices were in Chicago, and we found that their representative in Toronto, the head of the Canadian plants, could do nothing without referring to their Chicago executives. They flatly refused to consider any suggestions put forward by provincial authorities, or to accept assistance in the settlement, of the dispute, offered by those authorities. I recall, on one Sunday, the Ontario Minister of Labour, his deputy, and the conciliation officer flew to Chicago to see these men, and they flew back the same evening, but just got nowhere.

Our Premier then contacted the head of the Swift Canadian Company by telephone and intimated to him that Saskatchewan could not tolerate such an attitude, and, if the strike was not speedily settled, we would have no alternative but to take steps to take the packing plants over in this province. I remained in Toronto and, after several telephone calls with the Premier, issued a press statement, and the evening before I issued the statement, I had an interview with the heads of the Swift Canadian Company. I could see what the score was; they couldn't do anything until they referred the matter to Chicago, as I said a few moments ago.

**March 5, 1948**

Now, I would just like to take a moment to read this press statement, a quotation from the 'Toronto Star' of October 15. Here is what I am reported to have said, and I think it is almost word for word: "As a stock-raising province, and in the interests of its citizens, the Saskatchewan Government does not propose to stand idly by and see the present impasse continue indefinitely, Mr. Williams stated. This statement is not issued in the nature of a threat, or an ultimatum, but we feel that there is too much at stake to delay much longer, especially because of the shortage of feed in Saskatchewan, due to drought, the accumulation of loss in grading of marketable stock, and the possibility of a snowstorm at any time. The export trade also has suffered, and it will take some time to resume a normal output, particularly to Great Britain. He said present negotiations between the packing house companies and unions appeared to be close enough together that a quick settlement can be made. The union has arrived at a tentative 'back to work' agreement with Canada Packers and Burns, and work could be resumed immediately if Swift's would agree to similar or nearly similar, terms. The latter company, while reported not to be in serious disagreement with the proposed increase, believes the differences in general terms of their agreement are of minor importance and could be settled quickly. Union officials, however, do not agree and take a serious view of the differences of opinion on such matters as seniority and union security which, they insist, must be maintained or granted." And then it goes on to other matters — "Swift's reject arbitrations" refers to ten pickets, including one woman, being arrested by provincial police in Montreal.

Almost immediately the Swift Canadian Company adopted a more approachable attitude and it was only a very few days before negotiations were brought to a conclusion and an agreement was signed. The other two companies, of course, had practically agreed before that, and the proposal for a single arbitrator was gone ahead with, and Mr. McTague acted, and the strike was brought to an end in a few days. I think the men went back to work here about October 22, or 23.

In my opinion, the deciding factor ending the strike was the unified action of the four Western provinces and New Brunswick. Premier Douglas did a tremendous amount of work from the first, and was continually in touch with the Premiers of other provinces. To him the credit should be given for arranging that the governments of the four Western provinces were willing to take over the plants unless a settlement was reached reasonably soon. In other words, Premier Douglas 'sparkplugged' the actions of all provincial governments from the start, and the united action taken by the five provinces was the principal reason for settlement.

I believe, Mr. Speaker, that the large packing plants were well able to afford a prolonged 'out of production' period, and were prepared to sit it out until jarred into action by public and governmental opinion of the four Western Provinces. I trust there will be no further difficulty in the packing-house industry for a long time — it affects too many of our citizens, both urban and rural.

The only other serious strike in this province that could anywhere compare to that, was in the baking industry in Regina, last May. The employees were off work from May 3 to May 31. It was just one of those strikes where negotiations were deadlocked and broke down; neither side seemed to be able to agree and, as a result, it lasted approximately four weeks. There has been no difficulty experienced in this industry since that time, and none is expected. Other strikes were of a minor nature and most of them of only a few days' duration.

I am going to leave that, Mr. Speaker, and take a few moments to mention the 1947 employment and earnings in the province. Statistics and figures become tiresome, and I am not going to go into too much detail, but will take a moment or two to compare the average wage increase with the increased cost of living. On January 1, 1944, the average wage in this province was \$28.94 per week; January 1, 1946 - \$31.60 per week; January 1, 1947 — \$34.26; January 1, 1948 — \$36.58: an actual increase of approximately \$2 per week, per year.

I would like to suggest, Mr. Speaker, that this Government can take credit for a considerable part of this increase by reason of, first, the raise in the minimum wage from \$9, \$11, \$14 per week, we found in 1944, to \$18.50 for both male and female help, that is in existence at the present time. Second, The Trade Union Act passed by this Government in October 1944 has permitted employees to bargain collectively through unions of their own choice, with the result that a higher scale of wages is now in effect in many industries, which would not have been possible without this Act. I think that is quite reasonable.

Let us now take a look at the cost of living index for Saskatoon, compiled by the Dominion Bureau of Statistics. This rose nine points from January, 1944, to January 1947, and during the year of 1947 the index rose 29 points. Or, in other words, the increase in living costs, as 100 in 1939, stood at 119.7, January 1, 1947, and is now up to 148. This is only an average figure and many commodities, including the necessities of life, have increased in price to the consumer far in excess of 48 per cent. I will not quote examples, Mr. Speaker, as the members of the House know that as well as I do.

The point I was making is that while wages increased approximately 15 per cent in 1947, the cost of living increased to 29 per cent during the same period and, as I said a moment ago, the cost of many articles increased a great deal more than 48 per cent. This means, then, that real earnings, or the net difference to the wage-earner, suffered a decline in 1947, due to the rapid rise in living costs, especially in the last three months of that year. This was brought about first by the removal of subsidies and later by the gradual removal of price controls. I know that labour is

**March 5, 1948**

often blamed for increased living costs, and the claim, is made that because of increased wages the price of commodities is forced up. This sounds plausible enough on the surface, but when we enquire into the reason it becomes evident that wages follow prices, as a matter of necessity. We do not agree that labour, organized or unorganized, is responsible for increased living costs, but rather, through the avarice and greed of the manufacturers and wholesalers, the wage-earner must insist on a better wage in order to survive or maintain anything of a reasonable standard of living.

A few weeks ago in a radio address, Mr. Speaker, I said this — I will just read two or three paragraphs; it follows along with what I have been saying:

"Five major decontrol steps were taken in 1947; in January, April, June, July and September, only one major item remaining, that of rent control. On September 17, I sent the Hon. Humphrey Mitchell, Minister of Labour at Ottawa, a telegram of protest. I do not know just why he was chosen excepting that I know him personally and at that time it seemed to be a matter which would almost immediately affect the wage-earners. Please remember, this was on September 17, over four months ago, before the storm of protest arose and before the sharp upward spiral of prices. I am not going to say I told you so, but here is what was in the telegram: "AS YOU KNOW GRADUAL REMOVAL OF SUBSIDIES HAS BEEN RESPONSIBLE FOR INCREASED LIVING COSTS DURING THE PAST FEW MONTHS WITH REMOVAL OF CONTROLS ON MANY ARTICLES INCLUDING THE NECESSITIES OF LIFE A SEVERE BLOW HAS BEEN DEALT THE PURCHASING POWER OF WAGE-EARNERS THE PRESS CARRYING STORIES OF IMMEDIATE INCREASE OF MANY COMMODITIES WHICH AUTOMATICALLY REDUCE REAL WAGES TO THE EXTENT OF MANY MILLIONS PER YEAR ACROSS CANADA. DO NOT AGREE WITH EXPLANATION THAT PRICE ADVANCE CAUSED BY INCREASE IN WAGES BUT BELIEVE OPPOSITE TO BE THE CASE NAMELY THAT WAGES FOLLOW OR TEND TO FOLLOW INCREASED LIVING COSTS AND USUALLY LAG FAR BEHIND. SITUATION SERIOUS AND BOUND TO RESULT IN LABOUR UNREST AND ALMOST IMMEDIATE DEMANDS FOR HIGHER PAY WHICH CANNOT BE DISPUTED IS NECESSARY. SUGGEST QUICK ACTION. WOULD URGE YOU TAKE UP WITH YOUR COLLEAGUES WITH VIEW TOWARD REESTABLISHING CONTROLS OTHERWISE ACUTE INFLATION WHICH THE COUNTRY HAS BEEN ATTEMPTING TO AVOID IS HERE".

"Mr. Mitchell replied a few days later saying that he was taking the matter up with his colleagues. About that time, and since, Mr. Coldwell and the C.C.F. Federal members have attacked decontrols; so has the Provincial Government, individually and collectively, not for political reasons but in the interests of humanity and common-sense.

"Mr. Walker, of Saskatoon, secretary of the Saskatchewan Retail Merchants' Association stated that 85 per cent of the membership of his group, are in the small business class and that they are helpless to prevent, and were not responsible for the spiralling cost of the commodities they sell. I have every reason to believe Mr. Walker.

"The prices of commodities are determined by the manufacturer and wholesaler who distribute the articles to the small businessman in quantities, and at prices they see fit. The latter must do the best he can, therefore, for his customers. So much for the cost of living, it is a headache to all of us

and, in my opinion, will become worse instead of better unless controls are again put on and maintained at proper levels. The Federal Government did an excellent job of controls during the war and during the post-war years, to give them their just due. Why then should they take them off and subject hundreds of thousands of people in this country to hardship and a lower standard of living? In my opinion, this is the greatest political blunder in decades."

There are three Acts in the Labour Department, Mr. Speaker, namely, The Minimum Wage, Hours of Work, and Annual Holidays, which provide our inspectors with the greatest amount of work. We have five inspectors, by the way, three with headquarters in Regina and two in Saskatoon. They were busy people in 1947 having made 5,075 inspections, as compared with less than 4,000 in 1946. In addition, 6,439 firms filed returns during that year.

You may recall, Mr. Speaker, that two years ago this House passed legislation providing that employers should forward moneys to the Labour Department in cases where they had underpaid their employees. This prevented the 'unfair' employer putting pressure on his employee to forgo the amount, or to endorse the cheque back and no money change hands; and now this Department mails the money directly to the employee, as soon as possible after it is received. I might say that such employers were not numerous, but there were just enough of them to make the procedure necessary, if all the employees were to receive their just due.

It is of interest to know, and I will quote some figures, that during 1947, \$41,727.00 was collected for 1,508 employees for underpayments under The Minimum Wage and Hours of Work Act; 460 firms were involved. An amount of \$11,967 was collected for 813 employees, involving 321 firms. Of this amount, though, it would be only fair to say that \$6,000 was collected from one large firm, affecting 200 employees. Perhaps I can make that clearer: the latter amount referred to The Holidays with Pay Act.

Generally speaking, employers co-operate very well with the Department, and most of them are anxious to pay whatever the law provides. That many do not is largely caused by unfamiliarity with the requirements, and once a check is made there is usually no further difficulty. Some employers, however, are stubborn and make repeated violations. In such cases we have no option but to take court action, and, last year, the Department instituted eight prosecutions, out of which five convictions were registered and three dismissed. There was only one prosecution under The Holidays with Pay Act, and conviction was registered there. It should be understood, Mr. Speaker, and I want to make this quite clear, we take court action only in glaring cases of defiance, or continued violations.

**March 5, 1948**

I have a brief list of court cases that we have become involved in, in the last three or four years; there was considerable publicity given to this from time to time, not by our department. I am going to go over these, just briefly, and try and show this House that there has not been an awful lot to it.

The first was under The Trades Union Act — the case of Martin J. Bruton, who was then chief of police in the city of Regina. He appeared to be unfavourable toward his own Union at that time, and upon receiving an order from the Labour Relations Board to bargain with the policemen's representative, did not do it — the order was passed and he still refused to follow it and, I believe, took the case to the Court of King's Bench. He won that case — I might say that since that time legislation has been passed, and that, particular loophole has been plugged up.

The next was in 1946 and involved a machine and electrical company of Saskatoon, which applied to the Court of King's Bench to quash an order from the Labour Relations Board, with practically the same procedure that Mr. Bruton had followed in Regina. There was some fumbling around in the courts with this case and it was finally withdrawn.

In 1946, also, the next case involved the Dominion Fire and Brick Clay, Limited, of Claybank. This was rather an involved case and, I believe, went to the Court of King's Bench here, and the decision was lost by our Department, who appealed to the Court of Appeal, and we also lost that here. I believe the Court of Appeal stated that the Department of Labour had no status to make an appeal. However, we finally went to the Supreme Court of Canada, and won there and were awarded the costs. That was rather an unusual case, Mr. Speaker. Mining did not, at that time, come under provincial legislation, and the men put the clay and so forth into the brick kilns were considered by the courts to be miners. We were convinced in our mind that they were not miners; they were above ground at all times and that is, apparently, the reason we won when we went to the Supreme Court.

The next involved a local funeral home, who again appealed to the court to have the order before it quashed. We lost that one.

Last summer the Labour Relations Board ordered the John East Iron Works Limited, in Saskatoon, to reinstate five employees, who were found by the Board to have been dismissed for trade union activity. At the present time that is pending; we intend to take this to the Supreme Court in England -the Privy Council — and we understand that it is going to be some time in July before we will be able to have it heard.

Here is an interesting document, Mr. Speaker, which just came to my attention this morning; I know it is a case that is sub judice and cannot be discussed and I am not discussing this — but this is an editorial note from 'The Dominion Law Report', part nine, page 653, and here is what it says: "The present judgment" — it refers at the top to the John East Iron Works

Limited, versus United Steel Workers of America. Local 3493 — "is a good example of conceptualist policy-making because nowhere is there any discussion of the relation of the challenged powers of the Board to discharge its functions under The Trade Union Act. It is permissible intention that the sanction of 85E is not of substantive significance in itself but is a vindication of the unfair practices listed elsewhere in the article. Even accepting the confident assertions of the court that enforcement of contracts of hiring is a traditional judicial function, enforcement of unfair labour practices is not. The artificiality of judicial reliance on section 96 of the B.N.A. Act to stultify administrative policies and procedures has been adequately discussed elsewhere (see Willis, section 96, B.N.A. Act, 1940). It may be noted that provincially-appointed magistrates exercise high judicial functions, without any apparent concern by the superior courts. Such magistrates have not been given the security of tenure required by section 99 of the B.N.A. Act. To rationalize that they exercise such powers by virtue of Federal authority does not square with the B.N.A. Act requirements of appointment by the Governor General. And with respect to labour relations, this would give the queer result that a Federal Administrative Board could exercise powers prohibited to provincial boards. One wonders why the Saskatchewan Court of Appeal failed to discuss provincial Workmen's Compensation legislation vis-a-vis the B.N.A. Act, because it is a more apt analogy to Trade Union legislation than the individual hiring contract frame of reference in which The Trade Union Act was put.

"It may not be out of the way to mention, also, that the modern industrial system exhibits very little evidence of individual contracts of hiring. Most industrial workers are hourly-rated, and collective agreements or customary arrangements determine actual conditions of employment."

I hope our legal friends in this House will know what I have been talking about. I am sure none of the rest of us do.

**Mr. Procter (Moosomin):** — You have been out of order for a long while.

**Mr. D.S. Valleau (A.S.V.R.):** — He has been out of order throughout the whole of it.

**Hon. Mr. Williams:** — I believe it might be as well to briefly review the work of the Steam Boilers Branch — my time is getting on so I will cut out a lot of the figures I have here. This has been administered by this Department since 1944, and we are now responsible for the inspection service and related safety work in connection with boilers, steam plants, pressure vessels, refrigeration plants, passenger and freight elevators, factories and grain elevators, and last year were given the responsibility of regulating the handling of liquefied petroleum gas, or propane, as it is ordinarily called.

**March 5, 1948**

Reference was made a year ago, Mr. Speakers to the fact that this gas was being used in Saskatchewan as a fuel, for the first time. It was stated that a study was being made of available data with a view towards drawing up regulations to govern the handling of this inflammable substance. These regulations were made during 1947, and provide every known safeguard for the handling and use of this gas. They are the first of the kind in Canada, and have received favourable comment in the industry, both in Canada and the United States. Our chief inspector has had an active voice on the National Code committees covering high and low-pressure vessels and so forth, and is very well thought of in this connection by his inter-provincial colleagues.

Examination of candidates for engineers and firemen's certificates were held three times during 1947, in Saskatoon, Prince Albert and Moose Jaw, and candidates may sit at any time in Regina. 168 engineers' final certificates were issued, compared to 150 the year previously; eight of these were first class, 15 second class, 39 third class and 84 fourth class; 19 refrigeration certificates, and three traction certificates were also issued.

I come up to this point purposely, Mr., Speaker, to say that there is still a serious shortage of properly qualified steam engineers in this province, and it makes it difficult, at times, for the owners to obtain qualified men to handle their equipment. Regulations respecting the prevention of accidents, and improvement of working conditions, in garages, automobile service stations were approved under The Factories Act; and these regulations contain detailed requirements for ventilation, spray painting and the repair of batteries. Provision is also made for reducing mechanical hazards arising from work under vehicles, and from gearing, pulleys, belting, grinding wheels and so forth; and special provision has been made for eye protection. Since these regulations came into force, ventilation and physical conditions generally have been improved in such places.

Passenger and freight elevators — I will just briefly go over that. Several new passenger elevators were put into operation and numerous others were in the process of installation at the end of the year. Repairs were ordered by the Department in many cases, to bring the older units, both passenger and freight up-to-date, or more closely in accord with the standard regulations of the C.S.A. Safety Code. Most of these repairs had been finished by the end of the year, but owners were still having difficulty in getting prompt service from firms specializing in this type of work. There were a few accidents during the past year; fortunately none resulted in fatalities.

In theatres and public halls, the owners, in most cases, have shown themselves anxious to co-operate with the Department in meeting the requirements of the regulations. It is still difficult to obtain materials and experienced help to make the improvements recommended. I might mention that we have been very fortunate insofar as theatre fires are concerned, but there were three film fires during the year, caused by faulty splicing, which destroyed a total of 1,280 feet of film, but resulted in no other damage. One theatre, while it was being used for a meeting, was destroyed by a fire of unknown origins which started in the basement; another was destroyed while preparations were being made for a show, supposedly by a defective chimney. There were no casualties in either case.

Our censor reviewed a total of 2,079 — 35mm, and 566 — 16mm features, which were censored and stamped during the year. Eliminations, which means undesirable scenes or dialogue, were made in some 17 features, while four pictures were rejected entirely, and two were reconstructed and passed. In the past three months the owners of two films have appealed the censors rejection and a board of five citizens was set up to review the films. The censor's rejection was held up on both occasions. Both films were of American origin although there has been a substantial increase in the number of British films coming in.

On The Workmens' Compensation (Accident Fund) Act, Mr. Speaker, this Act, as you know, was brought in by the Anderson government in 1930 and with the improvements made by amendments during the past four Sessions, we consider it is the outstanding legislation of its kind on the continent. I have enumerated to this House, on previous occasions, the benefits we have added, and will not repeat them again. The Bill to which I gave first reading today, Mr. Speaker, will still further improve the lot of the injured worker and his dependants; but that will go through later in the natural course of events.

In 1947, there were 11,860 accidents, of which 27 were fatal, as compared with 10,787 in 1946 — 26 were fatal in that year. The increase in accidents has, of course, been caused by the additional number of persons covered by the Act, which must naturally increase the accident ratio. Labour-Management Safety Committees have been established, and recommendations for improvement in safety devices are received regularly.

The Board has also developed the practice — and I think this is quite important, Mr. Speaker — of interviewing claimants who have disabilities preventing them from carrying on their former occupation, with a view toward giving courses of instruction, or assistance in establishing the workman in some suitable vocation or business undertaking. I would like to suggest here that employers of labour should develop the policy of giving preference, where there are light jobs to be filled, to persons who have disabilities, whether from the war or industry, persons getting on in years and unable to compete with younger men on equal footing — I refer to such positions as caretakers, night watchmen, elevator operators and so forth.

I was going to refer to The Apprenticeship Act, Mr. Speaker — we had originally what we called 'designated trades' and we had fourteen of them under the Act, and approximately 700 apprentices. During 1947, two additional groups were brought under this Act.

Our plans for 1948 are rather limited. We have no major legislation coming up in the present Session, and our plans during the coming year are to improve administrative techniques and otherwise consolidate the substantial progress made during the past three and one-half years in improving labour in this province. I believe we have gone quite a distance since October, 1944, as far as the Department of Labour is concerned, and we plan, during the next few years, to make other changes too. I will support the Budget, Mr. Speaker.

The Debate was adjourned by Mr. A.T. Procter (Moosomin).

**March 5, 1948**

The Debate continuing, it was, on motion of Mr. Procter, adjourned.

## **SECOND READING**

### **Bill No. 64 — An Act to provide for a Bridge, over the Saskatchewan River at Saskatchewan Landing.**

**Hon. C.M. Fines (Provincial Treasurer):** —Mr. Speaker, this Bill is to enable the Government to raise the sum of \$1,000,000 for the construction of a bridge across the Saskatchewan River at Saskatchewan Leading. The money is being raised by the subscriptions of people in the community. I might say that, when it was talked of a year ago, we had a number of offers from people in the district to put up the cash. I met with the Committee which was set up a few weeks ago, and they are very enthusiastic in their support of this particular issue.

I might say that the money is being raised over a 20-year period, 3 1/4 per cent debentures; and I feel confident that the issue will be fully subscribed. It is estimated the cost of the bridge will be about \$600,000. We are making provision in this for \$1,000,000 in case the plans are changed in any way, to provide either for a higher bridge, on a joint basis with the Dominion Government. If, however, we proceed with the construction of a low-level bridge, as recommended in this House, last year, by the former Minister of Highways, the member for Moosomin (Mr. A.T. Procter), we do not think it will cost lower than \$600,000. It is then proposed that we will use the balance of the money for the approaches to the bridge. We would like to give the people a good hard-surface approach to the bridge, as far as it will go.

I am sure, in view of the statements made a year ago, this will meet with unanimous support of the members of this House.

I, therefore, move second reading of this Bill.

The motion for second reading was agreed to.

The Assembly then adjourned at 6 o'clock p.m.