

**LEGISLATIVE ASSEMBLY OF SASKATCHEWAN**  
**Second Session — Eleventh Legislature**  
**23rd Day**

**Monday, March 20, 1950.**

The House met at 3 o'clock p.m.

**ON ORDERS OF THE DAY**

**Hon. J.H. Brockelbank:** — I want to take this opportunity of calling to the attention of the House that a Saskatchewan lady, Major Edna E. Andrews, of Battle Heights, Saskatchewan, has been appointed as Matron-in-chief of the Royal Canadian Army Medical Corps. Battle Heights is in the Tisdale constituency, east of Carrot River, and has been one of the far-out country post offices, and I am sure that the community will be proud of the achievement of this daughter of that community.

**BUDGET DEBATE**

The House resumed from Friday, March 17, 1950, the adjourned debate on the Motion of Hon. C.M. Fines. That Mr. Speaker do now leave the chair. (The Assembly to go into Committee of Supply).

**Mr. A.P. Swallow (Yorkton):** — I am glad to rise and support this Budget, because it assures the people of Saskatchewan that the services they have come to appreciate so much will be continued, and our old people will again know that they will receive their health cards in 1950. We know that a lot more roads will be built in Saskatchewan, this year, to a higher standard than ever before. It will mean that thousands of homes will turn the electric light on, this year, for the first time, and that is a wonderful feeling, Mr. Speaker. We experienced that, last year. We were promised electric lights twenty years ago by the former Government, and we received them last year. It is a great experience for the first time in your life to switch on electric lights in your home; and after all these services are given to the people, the province will continue to be financially sound.

We have noticed a great change in the attitude of the Opposition in the past two or three years. We can remember, when we were elected in 1944 when legislation was being introduced to fulfil the promises that were made by the C.C.F., how the Opposition tried their very best to block that legislation. They said we were going too fast, and they did everything in their power to stop us. It was quite a surprise to them to see that Government really intended to get down to business and keep their promises.

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Some of the things that they so strenuously opposed when they were being brought into effect — one I can remember quite well is the Car Insurance Act, or Accident Insurance Act. They put up a very strenuous fight at that time for the insurance companies. The establishment of the Bus Service was another thing that they fought against, and the purchase of the Dominion Electric was another; so it was quite a surprise to the Government and to us all when recently, the Opposition suggested that the Insurance Office extend their services to a wider field and they almost congratulated the Government on the success of this Office.

The hon. member for Souris-Estevan (Mr. McCormack) when speaking recently, invited all the members to go down to his town and see, among other things, the Government brick factory, the Government power plant, and the other things down in that area, and he mentioned that the power, today, was being taken to Yorkton, and he stated that this area would become a great source of supply in the future for this province. I think we all agree with the hon. member to that effect, and that is the reason the Government of 1945 purchased the Dominion Electric. He did not mention, though, that if the Opposition had had their way, the Dominion Electric would not have been purchased and the people of Yorkton, today, would not have that power connected. They would still be paying 15 cents across the board more than they are today, and the towns along the line and the many farms that are being electrified by having that power would not have it today.

I wonder if the Liberal Opposition will be like the Conservatives in England when the next election comes around. Remember that they opposed everything that the Labour Government did; they called it Socialism (that sounds like what we hear in this House), and when the election came around they promised the people of England that they would continue practically the whole programme. Although they are not opposing, or getting up in the House and speaking against, these services that we have today that they formerly opposed, still, after listening to them for one month, we do not know yet what their policy is. We do not know, if these services would be discontinued, and we feel that the Insurance Office would be closed. We feel that the pressure from the insurance companies would be so strong. And that would mean that the car-owners of this province would be paying very much higher premiums. It would mean that the people would pay very much higher fire premiums; and I surely feel that the Bus service would be discontinued. This would be handed back to private enterprise and many of the lines, today, that are serving areas that never had service before would be discontinued, because some of those lines would not pay dividends to the companies. I am sure that we feel, after listening to the criticism, that the larger school unit would go. I think if we listened to the Leader of the Opposition, the other day, when the Minister of Education was speaking, we could not help but come to the conclusion that he was opposed to the larger unit, and I think we feel that that would be disorganized.

We have not forgotten, Mr. Speaker, the slogan of the Liberal Party of 1948, that “Tucker will lead you back”. We have not forgotten that. We would certainly be going back if such a thing ever happened — if they were to get into power.

Apart from the time that the Opposition has spent in trying to prove that we are Communists and that we are spending too much money and then in the next breath asking us to spend more money, they seem to have one aim, this Session, and that is to prove to the people of Saskatchewan that this Government is responsible for the increase in taxation. They are especially stressing rural taxation. Now if this were a fact, how do they account for Alberta, under a Social Credit Government, having taxes higher than Saskatchewan? and in Manitoba, with a Liberal Government, taxes are higher? This would seem to prove that they are wrong.

I want to consider for a minute what makes the things that set the levy for taxation. I think every one of us who have property today admit that taxes are very high; they are getting to the point where it is hard to pay them, and we want to consider what sets the tax levy. Now, the member for Gravelbourg, speaking in this debate, stated that the taxes had increased from 17 mills average, under a Liberal Government, to 27 mills today; that is an increase of approximately 60 per cent, and, of course, he blamed that on this Government. That is not a true picture because, as we all know, the re-assessment of the province has been completed since that time, and the total assessment has been reduced, so it would not be a 60 per cent increase.

I have a list here of some of the things that make up the levy of, say, a rural municipality. One of the most important items is road machinery, and I have got the increases on these things. We find that road machinery has increased, since 1944, by 45 per cent. Fuel to work this machinery is a very large item. We find that has increased 54 per cent and I am sure that even the Opposition cannot say that the C.C.F. Government has any control over road machinery, and they certainly know we have no control over the Imperial Oil Limited. The fir timber used for bridgings has increased 120 per cent, culverts have increased 14 per cent and labour 60 per cent. Now these five items are great factors in determining the levy of a rural municipality, that is, the municipal side of the assessment, and the average of those five items is an increase of 58 per cent. Now this, as I say, raises the municipal tax. There are many other responsibilities that a rural municipality has, that also termines their tax, among these being education, construction of hospitals, social aid and care of the sick.

Before I go on further, I want to just give what this Government is doing in taking care of that increase on the items I gave you. In 1943 and 1944, the Liberal Government gave to the municipalities in road grants, \$208,000. In 1949, this Government gave to the municipalities, \$565,000 which is an increase of \$357,000 or 160 per cent. Now that is taking care of a lot of the increase of the municipality regarding the building of roads which we all know is a very costly, important item. As I stated there are other responsibilities, such as education, and every one of us can think of the many items that have raised

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the cost of education. I imagine the percentage of timber or for lumber for building of schools would be practically the same as the timber for bridges, over 100 per cent. We know that school furniture has risen. We know that fuel is away up; term papers; and we are very glad to say that teachers' salaries are going up. If there is anything we would gladly take the responsibility for, I am sure it would be that teachers' salaries are much higher than they were.

In taking the case of education, we have another comparison of what this Government has done towards education. In 1943-44, the grants were \$2,765,000; in 1951, they will be \$7,335,000, and that is an increase of 160 per cent. That will go a long way towards taking care of the increase that there is in education. These grants can be compared in any way you wish. They can be compared from a student per capita basis or on a percentage basis in relationship with the revenue that a school receives.

Before this Government was elected, the municipalities were responsible for medical and hospital care for our old age pensioners. Anyone that has had experience on our councils knows that, in the past, that was a quite high item. We know that, in many cases, people had to go to hospitals and the bills often would be over \$100 and sometimes much higher. Now the granting of health cards to our old age pensioners, to our widowed mothers with children, I believe, takes care of approximately 40,000 people, but I may be wrong in that. However, roughly, that takes care of 40,000 people in this province. This has taken a great load off the municipalities, and it would again prove that this Government is not responsible for raising the taxes.

Just at this point, Mr. Speaker, I would like to remind you that even yet, in the province of Manitoba, (and I think it is a wealthier province) under a Liberal Government (and they have a larger budget than we have) old age pensioners and mothers' allowance cases do not receive hospitalization; they do not receive medical or dental care or anything that they receive in Saskatchewan. In Manitoba, mothers' allowance is still charged back to the property of the mother as it was in Saskatchewan under a Liberal Government. I think we should be proud of the fact that this Government was the first, and is almost the only one, that has realized that they have a responsibility to our old people and that we are treating them in this manner. It is quite humorous to sit over here and have the members of the Opposition rise and claim to be the defenders of the aged and the unfortunate and to think that they ever in their wildest moments suggested they would bring these services in. We know, as in the past, even if they had promised it, it would take years before they would bring them into effect. We have not forgotten that the Liberal Government in Ottawa promised us health insurance away back in 1919, and they have promised it in every election since.

I mentioned also that it was the responsibility of the municipality to supply hospitals. Some years ago, the Liberal Government passed a Union Hospital Act, and under that Act 26 union hospitals

were constructed; but that Government did not give grants to help build hospitals. That meant that only the wealthier areas could build hospitals and pay for them themselves; the poor areas could not afford it.

In speaking the other day, the member for Gravelbourg mentioned and took credit for (I think he said) one hundred rural municipalities who had set up municipal doctor schemes under a Liberal Government. It was much the same as the union hospitals under the Liberal Government. The local areas paid the total shot. Now this Government realized, after they surveyed this province, that there were areas that would never have hospitals if it was left to the local people. They decided that government would have to come to their assistance. So The Union Hospitals Act was amended, I think in 1945 to permit this Government to give grants to build hospitals. These hospitals, as you know, were organized by the local people. They decided the area; they elected their own boards; they took a vote, and then the government made a survey of these areas and decided what they thought they could pay themselves, and they decided on the grant that would be given.

Mr. Speaker, I am glad to give you the results of what has happened since that was done. As I stated, in 1944, when the Liberals went out of power, there were 26 union hospitals; in 1945, we had 37 union hospitals; in 1946 we had 60 union hospitals; in 1947, 66; in 1948, 78, and incidentally that was the end of each year; and in 1949, at the present time, we have 94 union hospitals in Saskatchewan. I would just like to give an area in my own district which takes in more than my constituency — it is about 75 miles by 100 miles in area. It takes in what is about half of the south half of the Wheat Pool District No. 8, and there are 13 hospitals either being newly constructed or re-constructed, and the grants given in that area would come to \$200,000. In our district alone, our taxes would have been raised 2 mills for the next twenty years, if we had not had this grant. So this is a definite reduction in what the taxes would have been if we had not had a C.C.F. Government. I am sure that it is better to see these hospitals dotted across our province than to have some millions of dollars lying in the banks as was suggested by the hon. member for Gravelbourg. I am sure that these will be monuments to the co-operation between this Government and the people.

I am glad to say also that these services that I have mentioned are available in areas regardless of how people vote or who their member is. I noticed in the paper just recently that there has been grants for the construction of hospitals in the seat of the hon. member for Melville, at Balcarres and Neudorf; and last fall, I happened to be in the constituency of Cannington. I drove into a little town there and the first thing I noticed was a hospital just the same as we had at home, and it naturally caught my eye. In getting into conversation with the people, I found that they had received a grant for \$20,000, which was one-third of the total cost of the building. The next thing I noticed was that the town had just been re-wired up to its present high standard. People had electric lights in their homes, and it went on through the country and then I saw them constructing an airport — an air landing field to enable the air ambulance to land more conveniently.

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I found that that district had had the air ambulance visit them at least twenty-five times.

Now I would like to compare that with our town, a place where the majority of the people vote C.C.F., and we have only had the air ambulance once; that is all we needed. I am not saying that the air ambulance was not as justified in going to Cannington; I think it was. They had a lot of snow in the last two winters, but I would want to point out that, if it had not been for the C.C.F. Government, that hospital would not be there at the present time, the electric lights or the power coming from Estevan would not have been in that town; they would not have had an air ambulance that has picked up their sick and probably saved many lives. They would not have had those things that the C.C.F. Government has given, had the Liberal Government still been in power even if the premier, who was the Liberal Premier, was still the member for that constituency. So I am sure that I have proved, Mr. Speaker, that this Government is not responsible for the increase in taxation. I will support the budget Mr. Speaker.

**Mr. L.W. Larsen (Shellbrook):** — Mr. Speaker, before I begin my speech here, I would like to pay a little tribute to some of our past members. I want particularly to pay tribute to the previous member for the Shellbrook constituency, Mr. Van Eaton, who passed away lately, and who represented the constituency so ably. He was very active in all progressive movements in community life of the Shellbrook constituency, and he is indeed greatly missed in that constituency today. I may also say that we have been very unfortunate in that particular constituency, because we have not only lost Mr. Van Eaton, but our member, Mr. Vic Sterling, who passed away a few months after his election, has also been missed very deeply in our constituency. I fully realize that I am not able to measure up to the leadership of these fine men, but I can assure this House that I shall do my best.

I would also like to pay tribute to Mr. Murray of Gull Lake and to Mr. Prince from Battleford. Both of these were fine men and I can assure this House that I miss them greatly in this Session.

I would like to congratulate Mr. Bentley for his election in Gull Lake, and compliment the Premier on selecting Mr. Bentley for the most important job of Minister of Public Health. I had the privilege of working with Mr. Bentley in a few organizations for some twenty years, and there is no need for me to refer to Mr. Bentley, as he has already proven himself in this Legislature.

I would like to say a few words, not only on behalf of my own constituency, but the province as a whole, as far as agriculture is concerned. I do not think that nearly enough has been said, particularly from the other side, of the importance of agriculture in this province. I will agree that Shellbrook is one of these small constituencies. Most of the farmers are small farmers with one or two or three quarter sections of land, except in the north where we have timber and fish. I may also state that 90 per cent of the Waskesiu Park is in the Shellbrook constituency, and I would invite everybody up there, as my friend from Athabaska

said, last year, to take a canoe and go up and visit his constituency at Ile a La Crosse and up that way. But they are quiet people and do not discuss politics very much. I will grant that we do hear a little noise now and then, particularly when there was a by-election, and then you could almost hear the Saskatchewan River water racing over there to beat sixty; but so far we have not been able to swim in it anyway.

These little farmers up there naturally are interested in mixed farming, and on account of their interest in mixed farming (they are forced to be that way on account of their having only one or two or three quarter sections of land) I, therefore, must congratulate the Department of Agriculture for the wonderful work they have done up there, particularly the representative who is doing a wonderful job up there. I will give you a few instances where the Waskesiu Park turned a few thousand acres over — I think it was 15,000 acres — into agricultural purposes, and in co-operation between the Agricultural Department and the settlers up there, it did not take them very long to fence four or five thousand acres before the summer was out, and it makes a wonderful pasture. The people did the work and the Department supplied the wire, and I say that that was real co-operation. I think the programme is to fence the balance of the 15,000 acres, next year, on the same scale. We also have another programmer in Municipality No. 465 up there. We have fenced about half a township, last year, and I understand there is another programme of 65,000 acres for next year. These things are indeed needed if you carry on mixed farming, so they can produce their winter fodder on their own little farms and turn their cattle out to these community pastures. We have cheese factories, and a couple of creameries and a couple of hospitals, and the old age home up there, and we are well taken care of.

I know the Opposition do not like us to mention Federal affairs; but Federal policies affect these people greatly when they come to sell their produce and buy the machinery they need to produce their crop with. Therefore, after the organized farm movements and this group in this House put Jimmy Gardiner over a barrel and made him promise to come across and say that the coarse grain was going to be handled by the Wheat Board. I don't think any member in this House realized at that time that, as soon as the election was over, it was going to be turned over to the gamblers down at Winnipeg Grain Exchange to play with, and that indeed has worked a great hardship. We all know that barley went up to three cents a pound, and the breeding section of our hog population has just disappeared. There is hardly a hog left in the country due to these policies. There were sure some poor policies there somewhere. Now, would it not have been better to control? Since our bacon is controlled, why did we not control our coarse grain as well? It really is raising deep regret amongst these small farmers that they cannot buy their goods, the feed or the fodder, that they can make a dollar for. They have to go in the home. I might say we also had a dry season up our way, and we all realize that barley is one of the hardest crops to raise if we are short of moisture.

Now, I see in the papers that 'Jimmy' Gardiner has proposed to take three or four million acres out of production of wheat. If we do that and put it into barley and our breeding stock is gone, I have a good idea what the farmers of the province will get for the barley

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crop next fall. Now these farmers who had reserved a half-dozen or a dozen of these young gilts for breeding purposes found out that they were paying three cents a pound, just at the time that Jimmy Gardiner was reducing the pork price from 27½ cents to 23½ cents top grades. Well now when they disposed of these animals, and they dressed 205 to 210 pounds, they netted them 16 cents a pound dressed. And they sometimes wonder where they are getting that 50 cent ham from, and 80 cent bacon. Some of the householders in the city must wonder and think that it is the farmers are getting it. I can assure these householders that it is not the farmers that are getting it, because the farmer went in the hole on raising 16 or 23 cent bacon on three cent barley. Some might say they can raise it themselves; but in dry seasons you know, if your barley crop fails, you must go to the market and buy it, and the set-up they have now is Winnipeg price less 10 cents plus three cents. So you can look up in the paper yourselves and it went up close to \$1.50 a bushel for feed barley. I am not even mentioning other barley which ran up around \$1.60 to \$1.70 a bushel. So you can easily see, when barley is three cents a pound, that nobody is going to raise hogs for 23 cents a pound, and I don't blame the housewives of this city or any place else kicking that the farmers are getting too much money and charging them 90 cents for ham and 80 cents for bacon. And, of course, when they know where it comes from, they know who to blame; it is somewhere between the producer and the consumer. There is no question about that. And, of course, there is that old saying 'there is something rotten in Denmark somewhere'. Well, I can assure this House it is not bacon you get and eat and eat it for 90 cents or 80 cents a pound.

I don't like to mention these Federal policies but they are the ones that are the mixers-up in my constituency. They look on the Provincial Government more or less as a big municipality who looks after the education, our road problems, our social aids and so on. But when it comes to the economical picture, it is Federal policies that we must pay some attention to, otherwise we cannot carry on the policy we have today with social aids and hospital aids and so on down the line. So these people up that way, where I come from, we don't talk much politics. They are something like the Scotch, although they are not Scotch; they do take dollars and cents more than they do talk politics. And we do not even need to stay in Saskatchewan. In Ontario they have big farmers' meetings down there; four and five thousand people holding meetings and criticizing the Federal policies the length and breadth of this country. Now I can not blame the C.C.F. down there, Mr. Speaker. The people down there must have found out, or thought, there was something wrong with the policies that are coming out of Ottawa all the time. We don't need to go back. It is old stories now, but we might as well look at facts as facts. The farmers in this province did not get half the price that the market price should command for their cattle from 1940 or from the time the war broke out, till the Federal election came around, although at the same time we were paying United States prices for the things we bought to raise these crops with. Not only that, but if you bought a car or truck you paid three or four hundred dollars more than the United States' farmers bought their goods for. Still we sold our wheat for less than half what they got down there. These are the economical structures that are wrecking the country or a province like the province of Saskatchewan.



To deal with it very shortly, I had a case up in my constituency (it is pitiful indeed). When they took the egg controls over. I remember I spoke to one of the members of the chain stores one day, and he had lost a considerable amount of money on a little egg shipment. So I asked what are you paying? "Oh", he said, "I am paying 15 cents a dozen now." "Well", I said, "it's hardly fair to ask hens to lay a dozen eggs for 15 cents in 40-below zero." And he was paying four cents a pound for his wheat to feed them. Now this party happened to be a returned man who had used his own money and his gratuity for service overseas to build a lovely chicken establishment there, and had installed 600 or 800 birds. But he found that his crop was very low, — he just had a quarter-section: so he sold 300 of these birds, they happened to be Leghorns. He got the large sum of 25 cents apiece for them. So, of course, the next day he went out and bought some wheat at four cents a pound to raise some more 15 cent dozen eggs. Well I can assure you there will be no surplus of eggs in the province of Saskatchewan for the coming year; they don't need to worry today. I can say that applies to bacon, too. If a war should break out tomorrow, you would not have enough bacon here in the Dominion of Canada to feed an army for one week, due to these policies. That is why I am against these Federal policies which wrecks the whole economical set-up. The Federal Department of Agriculture and the Department of Agriculture of the province have spent a lot of money and a lot of work in trying to get best farming policies into force, and just with a stroke of the pen they disappear like that, on account of the Federal policies established here just very lately.

You cannot sell eggs at 15 cents and pay four cents a pound for wheat to feed these little chickens with. So you can be sure there will be no surplus eggs.

We heard a lot about these Crown Corporations: all the money lost. No, I am not altogether satisfied with the luck we had with them. If we have lost \$1.00 apiece or so, well, that is a million dollars that will cover a few of the holes. I know in my constituency we went up there in the north where there is a heavy Metis population, and it was either social welfare aid here or there, and if they did go up there and subsidize the fisherman a certain amount, then chances were good. I don't think they went up there with the intention to make money on it. I know they have not been successful; but I say just the same when it came to money trouble, last year, the Federal Government had to dish out a lot of money down there to pay some of this store bills that these fisherman had contracted down there to keep the wheels moving. In other words it has been another social welfare aid down there.

When we come to the hospitalization tax of one per cent. Well, I don't like it perhaps any more than the members over there. We went, roughly speaking, five million dollars in the hole on it, and I don't think anybody is in favour of curtailing that service. Then there is the question of which way they are going to raise that money. I know that if some of my friends are able to buy a \$3000 car they will have to pay \$30.00 extra. The little workingman that is working on a small salary, if he manages to buy \$300 worth of clothes, he will pay

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\$3. And perhaps it is a budget, take most of us, where the people can afford it. I don't know, but I don't think we should curtail that hospital service. Perhaps we can find some way of eliminating some people that are in there that should go into an old people's home or be taken care of somewhere else. But in the meantime, if there is no other place to go, we must use the institutions we have got. I realize it perhaps costs too much money to keep some of them and they could be somewhere else, but until we get somewhere else to put them let us give them the benefit of the doubt and put them in the hospitals if there is room for them.

Regarding the bus lines, I know they are not making very much money, but they are into districts and fields that no private capital would be interested in, because they would not give enough profit. I know the city of Prince Albert tried it. A year ago, when their buses burned up, I know they bought new buses to serve this city here, and I think we should commend them for it. And the same thing applies to the Provincial Government here. They are trying to build up a line and give that service as much as possible to these outlying districts. I am quite satisfied, I don't think they started with the idea to try to make a lot of money.

Go back to the car insurance; I know this is a compulsion; we don't like that. But all the people who can afford to drive cars (and they sometimes feel a little high) should be forced to take on protection of the people they might run over on the roads. I hope no driver ever thinks that regardless of where they get insurance. They should be forced to take out an insurance policy before they ever get a license. So I can also support that very well.

With regard to power electrification, well, I know that a lot of farmers got electricity that they never got under the Liberal system. I think they might have made a mistake in reducing the rate four times. They should have built up a surplus, so that they could have sent the electricity out in some of these areas that will always show a deficit. And perhaps that is what will happen from now on. We are going further and further out, and there is not enough load to pay the expenses, and that is most likely the same thing as your Federal Government. They have the post office in Regina here; no doubt it shows a nice profit. But then they go up 100 miles north of Big River and put in a postmaster there, I know they won't break even on it. It is an expense; but it is put up there to give service to the people, and there is no difference between the two items.

Now perhaps we have stuck our neck out to a certain amount with our hospitalization and our health programme, but I guess, if I had been in this House in 1944 and the Liberals in Ottawa came up with their health scheme where they were going to contribute 60 per cent towards it, I might have been in favour of going that far. I know it is too big for the province to carry. Absolutely. There is no question about it. But if the Federal Government had lived up to their promises there, we had nothing to worry about because they

promised to contribute 60 per cent. We could even abolish this Education Tax altogether if they had lived up to their word. So we should not criticize ourselves too much; perhaps we were too eager to believe all we hear, you know sometime, all these promises. I know from past experience they don't come through with all of them. I could just give you a little instance.

I have a good friend at home who managed to buy \$1200 worth of Victory Bonds. Of course, I know a lot of them made a lot of capital out of it; that is how generous and how patriotic some were. To buy ten or twenty or thirty thousand dollars or more, I would figure, is the best investment anybody could make if they have the money to spare. They got three per cent and it was good security. But this good friend of mine, he managed to buy \$1200 worth of bonds. So he came in one night and was pretty proud, and said to his wife, "Well now, I can buy that new rubber-tire tractor; Monday I will." And his wife said "I thought we were going to buy that new car" (and that was the price that these things sold at at that time). And when this friend of mine bought his \$1200 of bonds, they thought it was worth 100 cents on a dollar. So the time got around that the tractor or the car was available. Well they found out by the time they would get that new car or that new tractor, that they would have to have another \$1200. Well, the question here, Mr. Speaker, is, who stole that \$1200? I was just figuring it out on paper here just this morning, that if there is one in a family of four that would give us out of 800,000 in the province about 200,000 people. I know some bought a million-dollar bond and some bought maybe a hundred thousand and maybe some bought nothing. But if they ever were worth \$1200 to a family, you have the great total sum of \$240,000,000 that these people, if there were 200,000 people who were able to buy \$1200 worth, a dollar for the dollar. And the \$1200 disappeared, and they had to take out another \$1200 that discounts with \$240,000,000. I could just imagine what our Treasurer down here could do with that. He could really go to town, abolish the Education Tax and everything else. But with just a stroke of a pen the Federal policies can ruin this country overnight.

I have another item. My neighbour, last fall, managed to buy one of these English Ford cars. He could not make enough money to buy one of the Canadian makes. He paid \$1825. And I have a friend here, who made a trip to Omaha, Nebraska, the first day of the summer — he happened to be a Scandinavian, like my friend Mr. Danielson, over there, too, and you know how patriotic and good-natured they are when it comes around Christmas time. So they said, "Go home, visit your friends in Denmark; go home to Sweden and Norway and so on!" And here is an advertisement I would like to read to this House and show you where the price controls come in. This neighbour of mine paid \$1825 for an English Ford car. And here is the ad. here, and I would like to read it to this House:

"Send the family a Ford car as a Christmas present. Now after devaluation they can deliver in Scandinavia an English Ford car for \$685 any place in the Scandinavian

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countries. Or a four-door Prefect for \$785.”

And it was \$825! So you can see the handicap the producer in this country is under. They are buying on the highest market in the world and generally sell our produce at the lowest market in the world. That is the reason why Saskatchewan only has a miserable 800,000 people today. So you can see yourself that it is not Provincial policies; it is Federal policies that make or break us. Don't let us forget about it.

Now, I have not got very much more to say. I could go on and on and on. I think most of the figures have been quoted up here. As I said a moment ago, people up in my constituency don't talk politics at all; they talk dollars and cents and they are not all Scotchmen either.

I should, before I close this little speech, refer to the member from Melfort. He is like the cuckoo-bird flying backwards. But I am sure that bird will be turned around when the next election comes around. And the same thing applies to the Member from Redberry, who is five hundred thousand years behind in his speeches over there. I am quite familiar with the farmers in the Redberry district, I used to live up there myself, for five years. And how that happened I don't know. But I can assure you that the cuckoo bird will disappear in a very short time because let us stay down to fundamental facts with the economical picture that we are supposed to remedy down here, and since it does not come under provincial jurisdiction there is only one place I can lay the blame — right at the doorstep down at Ottawa. I have seen editorial after editorial about Premier Johnson, of B.C., the other day, criticizing because he only got seventeen or eighteen million dollars of grants from the Federal Government. (We always hear a lot about these grants) and the Federal Government took out \$130,000,000 to \$140,000,000 out of the taxes of B.C. Well, they are not going far behind in Saskatchewan.

**Mr. Maurice J. Willis (Elrose):** — Mr. Speaker, may I join the other members who have spoken in expressing my regrets at the passing of the two former members of this Legislature — Mr. Alvin Murray, of Gull Lake, and Mr. Paul Prince, of The Battlefords. I feel sure that their unstinted service to the people of Saskatchewan possibly accounted for their early passing.

And to the new members; I hope that they will enjoy the work in this Legislature, and I hope the time spent will be both pleasant and enjoyable. To the new member for Gull Lake, I extend my expression of appreciation of having him in this Legislature and as a member of this Government. I have known him for a number of years and I know something of his work when I was a rural school teacher in northern Saskatchewan.

The budget has been presented to this Legislature by the Provincial Treasurer in his usual capable manner, and I know that I am in no way making any statements that he is not entitled to. I have had this from a friend in Ottawa who saw him at the Dominion-Provincial conference in 1945. This friend heard from others who were there that

we in Saskatchewan “had the smartest Provincial Treasurer in Canada” attending that conference.

I cannot entirely agree with the member for Gravelbourg that the budget should be smaller and money put in the bank. How the story changes in a few years! When this Government was elected in 1944, there was very little money in the bank — very little; but oh, they had lots of notes in this province, over \$76,000,000 of treasury bills. The 1935 seed, the 1936 seed, the 1937 seed, the 1938 seed, and we even found that we had to pay for seed prior to 1935. Was there money in the bank? Now I know that the policy has changed. We have paid our way in this province out of our revenues. Our budget is large, but we know what the purchasing power of the dollar is, as individuals, as municipalities, as councillors. We know the purchasing power of the dollar today only represents 60 per cent of its former purchasing power. So, while we have a large budget of \$55,000,000, on that basis it actually represents a budget of \$33,000,000 of former times.

A lot has been said by the Opposition members in this House that the Government has done nothing for rural municipalities. Now let us look up the figures as they apply to the constituency of Elrose, in regard to money spent on market road improvement. Within the boundaries of the Elrose constituency I have thirteen rural municipalities. I have taken and ascertained the amounts of money that have been spent by the rural municipalities on road improvement, or moneys that have been granted by this Government, and I did not take the thirties. I realize, as well as many others in this province, the conditions and finances and times in the ‘thirties’; but I took 1940. Now, what do we find in those thirteen municipalities? In 1940-41 (and I am going to give the names of the municipalities and, if my friends want the numbers, I shall give them too); in 1940-41, they gave as a road grant to the municipality of Lacadena No. 228, \$513; to the municipality of Coteau No. 255, they gave \$18.01; to the municipality of Fairview No. 258, they gave \$440; to Pleasant Valley No. 288, they gave \$3.50 — a grand total of \$974.51. Now, Mr. Speaker, I prefer not to answer questions. The member for Arm River has spoken about six hours in this House already and I have never interrupted him once and this is the usual game on the air. He has a lot of questions and he resents being asked questions himself and, therefore, I am not going to utilize my time in bickering. Now I know these hard facts are stinging over there, but there will be more of them before I am through. In 1941-42, \$300 was granted to those thirteen municipalities. The only one that got anything was the municipality of Lacadena. In 1942-43, they gave \$1000 to the thirteen municipalities — \$500 to Fairview and \$500 to Hillsboro. In 1943-44 a significant year in this province — election year — a little better. To . . . municipality the first grant they had made \$136.35; to Victory municipality, \$175.30; to Coteau municipality, \$500; to Monette \$500; to Pleasant Valley, \$457.36; to Hillsboro \$600 — all, a total of \$2,369.01. If you add those figures together you will find it is about \$4700 in that period. In 1944-45 to the municipalities this Government gave \$4,156.38; in 1945-46, they gave \$6,452.50; in 1946-47, they gave \$5,914.43; in 1947-48, they gave \$16,298; in 1948-49, they gave \$28,619; in 1949-50, they gave \$25,900.

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or, in other words, in a four-year period, the former Government gave \$4700 to the municipalities; this Government has given, in six years, \$87,000 for market road improvement.

Does the record show that this Government has not helped rural municipalities? They know it over there; certainly we do. Those are the facts that apply to the constituency of Elrose and I commend any Government that aids the municipalities on grants for the making of market roads for two reasons. First of all, under the policy that has been adopted here, the road programme in the municipality is mapped out and the grant spent on it. I do not believe in the old policy of taking municipal money and spending it purely by divisions or, in other words as we heard, roads around where the councillor lived, or patchwork. I think it is a mistake. Now, where these grants are made from year to year, the municipality lay their plans before the Minister and he 'okays' them, and that money is spent on it and I think it is a very satisfactory method of building roads.

Now, for a few minutes, I want to speak on the Matador Co-operative Farm. It is a new departure in farming where the young men who served in the services came back to work and to share in the fruits of their labour. This farm was started in May, of 1946, when seventeen veterans arrived at the site of the farm which is south and east of Kyle. During the summer of 1945 two of the seventeen veterans left, as they did not agree with the terms of the lease that the remainder had accepted, but two more joined in 1947, and later one more making a total at the present time of eighteen members. Today, there are 47 people living on the farm including eighteen, twelve women and fifteen children. Four of these children are attending school. The first year, 1946, there were three hundred acres broken in the spring; later on in the summer of 1946, 2300 more acres were broken. The second year, there was 1700 acres and the third year 950, and the fourth year 3,000 acres broken; or, in other words, today they have under cultivation 8,250 acres. All the entire land now that they wish to bring under cultivation is broken.

When this Co-operative was organized, four members were married, and consequently, they purchased an airport building at Swift Current and brought it over on the ice and they built four houses, 30 x 30 for the married couples and a dormitory 30 x 45 to house the single members. Three more houses were constructed in 1947 at \$2800; three more in 1948 at \$3500 and three more in 1949, at \$4000 each. These houses are not all built the same. The couples for whom these houses are built, draw plans so that they are different; they are built in a semi-circle around the driveway of the Co-op farm. Now, these houses are paid for. Besides that, they have today five tractors and also one wheeled tractor. They have five Co-op tiller combines, two nineteen-foot Co-op discers, three 28-run drills, one 41-run seed drill, one 34-foot flexible cultivator, six five-furrow disc plows, two sets of nine section flexible Co-op harrows, two 12-foot self-propelled combines and two 20-foot pull type combines. They have harrows, a grain cleaner and grain separating crusher. Now the value of all their machinery today

stands, at its depreciated value, at \$31,000 which represents an investment of \$1727.78 per member. If we will compare these figures with the investment that would be required of an individual to farm 480 acres, I am sure all the farmer members will agree, it would be very low. Now during the year 1946, they broke in the early spring 300 acres and sowed it to flax, and they only got back sufficient flax to seed the next year. In 1947 their entire crop was hailed out. In 1948, they grew 15,000 bushels of flax and 45,000 bushels of wheat. In 1949, the crop summer was a dry year in that area, and only enough wheat and flax were grown in sufficient quantities for seed for 1950.

Now the going has not been easy. The best crop that was grown in that area was hailed out, and then, this year, we had dry weather in much of the Elrose constituency and on account of that our crop was very light. Since that time they are using the dormitory for a recreation hall and are holding meetings there, card parties and dances. They have their own baseball team, and so the social life is not lost sight of on this farm. The PFRA built a dam 500 yards from the building which would hold enough water to irrigate 150 acres, and they hope to purchase a sprinkling system this spring. The basis reason for organization was security. It is not entirely accomplished as yet. However, a member who is injured on the farm, his wages and labour dividends continue until he is able to work again. They take two weeks holidays and five other days during the season to attend local picnics or ball tournaments and so, in spite of a certain amount of hardship encountered during the first years, due to the hailstorm and a crop failure, these members have made more progress than had each settled on three-quarters of a section of land and operated on an individual basis.

As we look at the budget, in the Department of Highways we find they will spend over six million dollars on current account and three million on capital account, or over nine million on highway construction and maintenance and, in addition, about two million to meet sinking fund and interest charges on the debt of over \$30 million. This Government will spend on behalf of highways over \$11½ million, more than five times as much as was spent in the five years prior to 1944. This summer, the Saskatchewan Landing Bridge will be built. This has been looked forward to by the pioneers for the last 35 years. At last their dream is coming true, and not only will it give an outlet across the river but that bridge will encourage our tourists from the south on their way to Prince Albert National Park.

I extend an invitation to you members, when this bridge is opened, to come and visit us, and you will not have to wait an hour or half an hour at the ferry, as has been the case for the past thirty-five years. I want to say about this bridge, that part of it was built by the people in that area who have faith in this province and in this Government, and over \$300,000 of it, bonds, were floated by the local people. Now, of course we are told that when we get the bridge up, they are going to build a huge dam down at Outlook and the bridge will be flooded. Now, to a gentleman who does not support me, I said, "Well, it would be too bad if we get this bridge built and you fellows come along and flood it over." He says, "Well, you have nothing to worry

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about. The bridge will be worn out before the water will be brought up that high.” However, I do hope that the project on the South Saskatchewan does go ahead. I hope the dam is built, and I think it will affect the entire economy of this province if that dam is built to hold back the water so that much irrigation can be done along the South Saskatchewan. We find out what can be done with water on the same river further west, and we know that it brings security to a large number of people there. We know too, that much of the land along that river is suitable for irrigation.

I want to touch on the field of education. The grants will be increased over a million dollars this year, making a total of \$6,455,000 or a total amount to be spent on education of over \$9,000,000. It has been said in this House, “What are you doing for the teachers? What are you doing for Education?” I want to answer that, this afternoon. Last year there were 400 short-term normalities and 200 supervisors or ‘sitters’, making a total of 600. This year there are no short-term normalities and there are 400 sitters so there is some improvement there. There are 200 less of partly trained teachers this year than last year, so that there is some slight improvement. Of the remainder, 800 improved their certificates by attending University. Consequently there has been some certificates by attending University. Consequently there has been some improvement. Now, why the shortage? I am quite surprised at the member for Melfort saying “Why, this teacher shortage? and what is the Minister on this side of the House going to do about it?” Let us give some of the facts that caused the shortage in this province. What did the Liberals do when they were in power in the field of education? Was there a salary schedule of any kind? No. What was the retirement that they paid in the service pension in this Province? When we came into office in 1944, it was \$13.00 per year of service. We increased it to \$20.00 a year and, this year, we are going to increase it to \$25.00 a year of service. What does that mean to the teacher with 30 years service? Supposing a teacher had a service of 30 years, 30 times 13 is \$390.00 — that is what the Liberals paid. In 1945, 30 years at \$20.00 is \$600.00. In 1950, 30 times \$25.00 is \$750.00. Are we doing anything for the teachers?

**Mr. Egnatoff:** — Not enough!

**Mr. Willis:** — You did not do anything. Not a thing. I am surprised that you even mention teachers. There was an increase of \$380 on the service pension alone. This is a record that the C.C.F. Government is proud of, and I am sorry to say the Liberals must feel ashamed. Why did the teachers leave this province? Because of \$400 salaries. I know degree’d people in this province and all that they received was \$400.

**Mr. Egnatoff:** — What did the farmer get at that time?

**Mr. Willis:** — That is the record my friends show in the field of education, yet now they come championing the cause of education! I know my friend at Melfort does not like to hear these facts and yet he made a speech for ninety minutes in this House on the budget, and not once did he even mention the larger unit. The hon. member for Redberry



spoke. Did he mention the larger unit? No. We have been told in this House that we will possibly erect a trapeze; but I just wonder what we are going to have in this House. The hon. member for Melfort, he had a 'worry bird'; another exhibit. I am told by the member for Melfort, one time in his speech and I listened very attentively, that the boundary of this province was not to be expanded — there was only one way north and south; but the member for Maple Creek, the Federal member has stated that the boundary is going to be taken away altogether. Now, I think they should get together on this. I may not have a place to go home to in Saskatchewan before the Session is over.

**Mr. Dundas:** — Not after the next election.

**Mr. Willis:** — Now, the member for Melfort on the other hand, mentioned how the tax rate had gone up in the R.M. of Connaught. So I looked up the financial statement of the R.M. of Connaught in 1938 and 1948, and what do I find? Out of the fourteen schools that are entirely within the municipality of Connaught, one school had an assessment of less than \$100,000, two schools had more than \$200,000, seven schools had between \$150,000 and \$200,000 and four schools between \$100,000 and \$150,000. And during that time in 1938, that district did not have crop failures. What did they pay their teachers? Out of the fourteen school districts entirely within that R.M. of Connaught one school district paid their teacher \$850, the lowest paid \$500 and I submit, Mr. Speaker, that is why the teachers left this province.

**Mr. Tucker:** — Why are they leaving now?

**Mr. Danielson:** — And not coming back?

**Mr. Willis:** — No, and they will not come back to this province if there is a Liberal Party in it either. Now, how many larger units were established in this province by the Liberal Party? None. Of course they only had four years. You know, it takes them thirty years to do anything. They are the thirty-year boys across the way, and now they come back and say 'in six years you fellows should do a lot more than you are doing'. But they were in power for thirty years and not one unit; but the remarkable thing is that while they had an Act on the statutes, the larger unit Act of 1940, look at the Act and see what it says. Just let us look at the 1940 Act. It was a honey. It said: the local school district can retain its assets, its cash balance, but if a new school is to be erected, that local school must pay for it. Now just imagine the new schools that would be built in the poor areas of this province at \$5000 per classroom, and I know whereof I talk because I know what it is costing in many of the districts today; \$5000 for rural classrooms.

Now I agree with the hon. member for Turtleford that politics should not come into the field of education. I agree with him heartily, because I think that education should be larger in this province than to mix it with politics. However, I say that sometimes politics have been mixed with education in this province and particularly

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in regard to the vote on the larger unit. I have before me a copy of the 'Eston Press' October 12, 1949. A large ad. "Oppose School Unit being formed" — the word "oppose" was spelled wrong and I think that is one more reason why we should have the larger unit. They have "appose" instead of "oppose"; but what does it say in regard to the opposition to it? "From information which is at hand, this no doubt is public knowledge, it would appear that the Provincial Government would not look with disfavour upon a plan to constitute the R.M. of Snipe Lake and the town of Eston, a high school district, leaving the matter of public school management as it is. This would be, of course, if the proposal to be voted upon, October 21st, failed to carry." I say to the members of this House that there are certain Liberals in that area who used education to defeat the larger unit vote. I say that, and I want one of them to get up and contradict me at any time while I am a member sitting for Elrose. Now it's a new high-low when we will mix up politics to defeat the larger unit, not give it a chance; when the same delegation that came down (some of them) to ask the Government to have a vote on the larger unit, saying "We want to have a vote." and then go out deliberately to sabotage it. Now, I say again, that during the time the larger unit vote was held in the Elrose-Eston area, I refused to attend or take part in it. I think that a member should leave that to the local people. I went to one meeting at which Professor Hardy spoke. I have heard Professor Hardy on several occasions speaking to farm groups, and I have always found him a man that knew his facts and also was pleasant to listen to; and he holds a very high place, I know, with the farm people. That was the only meeting I attended during the campaign and, as I said, I think that education should be kept out of politics; but my friends, some of them, if it will win them some votes, will mix anything with it.

**Mr. Egnatoff:** — Nonsense!

**Mr. Willis:** — It is not nonsense. We have heard for the past 10 days in this House, speeches from the Opposition day after day, every second day, and to date we do not know the policy of the Liberal Party on the larger unit. They haven't one and so, when they build a trapeze in this House, as was suggested by a former Liberal, I suggest they buy mats so the Liberals over there can take somersaults in regard to their views on the larger unit.

In regard to the larger unit, I state, and I have stated for 30 years, that I am for the larger unit, and members on the Government side are in favour of the larger unit for the reason that we bring to the rural children some of the things that can be done in their vocational schools in the cities. It might be interesting to know there is only one other province in the Dominion (and that is the Province of New Brunswick) that has taken grants for vocational work into the rural areas. The other provinces have taken vocational grants, but they have been for schools in the larger places, in the cities. Now, there is only one other Government, and that is the Government of New Brunswick. On the basis of the larger unit, most of us who have taught in this province know that we, in the past (and I admit it as frankly as anyone else) have been trying and endeavouring in our high school courses

in the main to have certain examinations set forth and the question is mainly for entrance for University and yet there is a very small percentage of our students to go the University. I feel sorry, particularly where I teach. I see boys there to whom the academic courses does not appeal. I see girls in my classes that the academic course does not appeal to. But we have not the tools to work with. We haven't other vocation classes, and I know that some of them, if we had those vocation classes, would be happier; they would become more useful citizens when they get out. And what is the result today from Grade 9 to Grade 12? A lot start in Grade 9 and when you look over the records for Grade 12, you see there is a terrific loss. Yet only a very small portion, even those with their Grade 12, go on to the University. And I say that these larger units can make provision for those people. It cannot be done otherwise, and I make an appeal to my friends across the way to give the larger unit their support on behalf of those young people and make them useful citizens.

Every school has the same problem of students that are not suited and cannot adjust themselves toward academic courses, where if we had the vocational schools, they would take advantage of them. Whenever the next provincial election is held in this province, I would rather go down to defeat than try to win it by endeavouring to win votes by changing my principals in regard to the larger units. I would rather try to give to the young people something that I know should be theirs than win the seat. On the west side we have the Kindersley unit and on the east side I have the Outlook in my area. The Kindersley unit have an assessment of about \$14,000,000. They have received from 1945 to 1949 an equalization grant of \$15,000. They have a dormitory there worth \$15,000; it is of more value than \$15,000 but the Provincial Government has given them a grant of \$15,000. They have also given them a free grant of \$6000. In the Kindersley unit they have one of the finest composite schools in this province. Now, irrespective of our political beliefs, the Dominion and the Provincial Governments, on a 50-50 basis, have given them a grant of \$10,700, of which 80 per cent is paid, the 40 per cent by the Dominion Government and 40 per cent by the province; the remaining 20 per cent must be paid by themselves, and they still have \$5,300 to call upon. The mill rates are: in the rural 13 mills; in the village 17, and the town of Kindersley, 21. They have fine shopwork. I was over there at the end of October, and I saw some tin shopwork there that was a credit to whoever is teaching it (I did not meet the teacher) because it would stand up to some of the finest tinsmith work that is done in any tinsmith shop where an apprentice is taken and has worked for twice the length of time those students have been there. They have woodworking; they have stenography and they have home economics. Now this type of work would have been impossible to undertake by the school board of the town of Eston or Kindersley alone. In the dormitory, they have 55 students. They give them board (I don't know how they do it) at \$25 a month. In the dormitory they have facilities so that students who are interested in music may take piano, and the teachers from the town come in and give them lessons. Now, if they did not have the larger unit that would not have been available.

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You will note that the provincial government has borne a substantial amount of the educational costs in this unit.

Then I go to Outlook unit on the east. It has an assessment of \$14,700,000. It has a mill rate of 16 in the rural, 19 in the urban part and in the town of Outlook, 24. They have received equalization grant of \$76,000; building grant of \$12,000, and repair grants of \$23,000. And their equalization grants for 1950-51 will be over \$40,000.

Now, when people get up here and say that this Government has not done anything for the people in the rural areas, they are not holding to the facts. I was quite surprised when I was in the Library on Friday; I was looking up to see if the local press from my home town was on the rack and since it came under the 'Eston Press' other "E's" were there, and I picked up the 'Eastend Enterprise' and on the very first page I saw "School Unit Report shows Progress". Now, I have never been in the Eastend unit. I do not know the gentleman; they give their names here. I don't know these gentlemen. They have listed 27 points showing improvements of school plants and equipment. And among these things, I am just going to take time to read two or three; the exteriors of 48 schools have been painted; the inside walls and ceilings of 20 classrooms, where plaster was beyond repair, have been covered with plasterboard; 26 classrooms have new blackboards; 7 districts have been provided with teacherages; school library books have averaged per school from 2.94 to 26.16 in 1948; a new four-room school was built at Frontier; six school houses were moved to new locations where they were repaired and equipped, and the unit's share in providing facilities to Eastend for teaching vocational work and other subjects that cannot be offered in small high schools. The last paragraph struck me: "It should be mentioned that all expenditures have been covered by current tax levies and grants and no funds have been raised by means of long-term loans or debentures." That unit is a small one. There are 37 units that have larger assessment than the Eastend unit. They have received, from 1945 to 1948, equalization grants of \$38,000. They have received on the Dominion-Provincial grant basis, \$19,520, and an equipment grant of \$4000. They received a special provincial grant of \$23,000, a repair grant of \$20,000, and a building grant of \$20,000. This unit has only an assessment of slightly over \$8,000,000. Is not that helping the district — those grants where they are at least able to help themselves?

Now let us look at what this Government has done in the northern areas, since 1945. Previously this was left to the local people and private organizations. Buffalo Narrows — 2 classrooms built; Portage la Loche — 2 rooms; Beauval — 2 rooms; Green Lake — 4; Candle Lake — 1; Montreal Lake — 1; Kettle Rapids — 1; Denare Beach — 1; Snake Lake — 1; Lac la Ronge — 2; Sandy Beach — 2; Cumberland House — 2; or a total of 21 rooms or classrooms have been built there. Those schools are provided with modern equipment. There are looms provided at Loon Lake and Ile a la Crosse; sewing machines at Cumberland House, Beauval, Green Lake, Ile a la Crosse and Lac la Ronge. Libraries in schools have been enlarged. They ought to have travelling libraries. Film Service. There have been 10 teacherages built there. A minimum of \$1500 salary is guaranteed teachers with an annual increase of \$150, and also a

larger increment if a married man, and free transportation to the schools. There is payments of grants for adult night classes and the entire cost of constructing and equipping the schools and operating costs, libraries and teachers' salaries are borne by the Department.

Now this Government has a record for its assistance in those districts that require it, and we on this side of the House are proud of that fact, and we are proud of our Minister of Education. We have taken (and we have no apologies to make) leadership in establishing the larger unit. Our friends across the way have the Act of 1940; then they went to the people in 1944 and not one larger unit was even set up and it is strange in this House that, as I read the Speech from the Throne in the Province of Manitoba, the seconder of the Address-in-Reply there, and he is a member of the Manitoba Government, said: "Why aren't you doing something like they are doing in Saskatchewan in the setting up of larger unit?" Since that time I picked up the Winnipeg "Tribune" over the weekend, and the same statement is made by another member. They have established one unit in the province of Manitoba: one unit. The member who spoke — you can get it in the Saturday "Tribune" from Winnipeg — said: "Let's get on with the job. If it is good in one place at Dauphin, it is good for the rest of the province."

Let us see some of the accomplishments of this Government. This Government has given leadership in establishment of larger units. They have made grants for buildings, for repairs. They have established equalization grants. They have set aside a million dollars to assist students to attend higher institutions of learning. They have raised the pension from \$13 to \$20 and now it will be \$25 for the retirement of teachers. When we came into office, the minimum salary for teachers was \$700; it was raised to \$1000 for temporary certificates and then to \$1200 for those with permanent certificates. They also brought into this House a negotiating Act that allowed the teachers to have the right to bargain, and in most of the Units there are bodies set up to work under this negotiating Act with their boards of trustees. As far as I can ascertain, there are salary schedules set up now in many of the units, so I say that greater progress has been made in the field of education in six years under the C.C.F. Government than in the last thirty years under the Liberal Party. It will require more than the appearance of "worry-bird" in this House to draw the attention of the people of this province away from the achievements of the Government in the field of education.

Now this budget has been criticized because it is too large, but the major increase is in the Department of Education, Health and Social Welfare. I think the imposition of the one per cent tax for hospitalization is a fair tax. In British Columbia, where the hospitalization tax is \$21 for single people and \$33 for families, there is a tax of three per cent for hospitalization, and I noted over the weekend that the Legislature has made provision to amend its regulation that it can change the amount to be charged to single people and married people, and it has limited the length of stay in the hospitals, and also amended the Act so that it can collect it.

So, in closing, I would like to ask the members this one question. In private life would you rather have money in the bank than

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spend it on education of your children? or would you rather have money in the bank and allow your family to become ill and someone else have to look after them? I am glad that one teacher in this province has money in the bank, because I have not any. Or would you rather bank money and not share with your friends, your neighbours, who are in dire need? I leave that question with you; but I can say that I for one will continue to share, and will support the motion before the House.

**Mr. Danielson:** — I move the adjournment of the debate.

Motion agreed to and debate adjourned.

The House resumed from Thursday, March 16, 1950, the adjourned debate on the proposed motion of the Hon. Mr. Fines for Second Reading of

**Bill No. 39 — An Act for the Imposition and Collection of Taxes on Consumers and Users of Tangible Personal Property in Order to raise Moneys for Educational and Hospitalization Purposes.**

**Mr. W.A. Tucker:** — This Bill was introduced by the Provincial Treasurer with an air of gaiety designed to cover up an anguish of spirit. It reminded me very much of the saying about whistling as you pass a graveyard, and that is not surprising, Mr. Speaker, because when one looks back over the record of the C.C.F. Party in this regard, it is not surprising that an attitude like that should be taken, because, of course, it is very hard to justify what has been done in this regard. I intend, just briefly, to review the history of this particular tax and indicate our position in the matter.

As you know, Mr. Speaker, this tax was imposed in 1937, at a time when the situation was a great deal different from what it is today. It is hard to realize, when one looks back, how different the situation was at that time from what it is today. We just came through a period of tremendous crop failures and the year 1937 was probably the worst crop failure year in all our history — I think the average yield over the whole province was about three bushels an acres. There had been a depression which was practically world-wide. It was marked in some countries, much as the Soviet Union, by the deal of millions of farmers, their wives and children, and it was not restricted to any particular part of the earth's surface.

In this province, the Government that was in office from 1929 to 1934 was endeavouring to finance on a budget of somewhere around twelve million dollars, and it had found it difficult to collect even the small amount of taxes that had to be levied. It had found it necessary even to reduce the school grants which were being paid.

The next Government found that, in spite of the fact its expenditure on current account for the fiscal year ending April 30, 1937 was

only \$16,526,000, there was a deficit on revenue account. When one considers the amount that is being spent today — fifty-six million, or about that — one can see that sixteen million is a relatively small amount; but even so, as I said, there was a deficit on revenue account. We were in such a condition we were not able to pay the amount of expenditures, even at that low level, and the deficit on revenue account that year was \$929,000 — not quite a million dollars.

At that time the Dominion subsidy was only a little over two million dollars — \$2,120,000 to be exact. When one considers the boasting that now goes on about what is being done by the Government in office, and when one considers what they are counting on as grant from the Dominion Government (which is based upon no taxation being levied upon incomes or upon succession duties in this province), and remembers that at this particular time in 1937, the people of the province had to pay income taxes and success duties and got from the Dominion only two million dollars as compared with seventeen million as budgeted for today, it is rather a different picture, Mr. Speaker. The actual estimate is \$17,360,000 that we are to get from the Dominion, this year, without laying a single cent of taxation on our people. Now consider the burden upon the people of the province back in 1937, with only two million dollars from the Dominion and also having to pay heavy income taxes as well.

The Jacoby Commission was appointed to look into the situation. Conditions were such that even teachers' salaries were in arrears; there was the problem which the Government had to contend with in regard to relief — a terrific situation as we all remember. It was no fault of any government, yet Mr. Speaker, you would think, when you hear the talk that goes on of some of the hon. members supporting the Government, that this tremendous relief problem which faced our people and our Governments in the 'thirties was somehow their fault. I wonder if they think there is something about a C.C.F. Government that causes it to rain or something of the sort.

We have just come through one of the worst crop failures in this province that we have had for some time, and the reason why we have not had this same tremendous relief problem now is because there will be paid out in this province somewhere around \$15,000,000 alone in Prairie Farm Assistance. Surely the members opposite do not claim any credit for that! And then there will be paid out in this province between nineteen and twenty million dollars in Family Allowances. Surely the hon. members opposite do not claim any credit for that! Of course, they do try to claim credit for the old age pension but, as a matter of fact, when old age pensions were originally passed in Ottawa, the Liberal Party at that time had a large majority. They were not dependent upon support from anyone but themselves when they passed that Act. It is quite true that other parties were favourable to the Act being passed; but there is an amazing attitude taken in such matters by the members of the C.C.F. Party. They always try to take credit for anything done by the present Government at Ottawa, and then, with the next breath, they blame them for not doing other things that they would like to see done. If they have as much power as they sometimes pretend, they should be able to get anything passed that they want. They can't have it both ways: if they do write the policy of the Federal Government, then, of course, they should not always be complaining about it; if they do not, they should not always

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be claiming that they are entitled to all the credit for what is done. However, there was a time when they were getting away with it. It really must have encouraged some members of the C.C.F. Party the way that sort of an attitude seemed to succeed, Mr. Speaker; but it is not succeeding any longer, and it doesn't show any signs of succeeding any longer. Of course, I can understand that the people who have managed to put that sort of an argument across for years and years and find that it doesn't succeed any longer, must be rather baffled and bewildered. However, I will let it go at that.

I want now to give the relevant figures. The actual amount spent by the Provincial Government for relief and agricultural assistance from September 1, 1929, to December 31, 1936 — which takes in the period as you can see, Mr. Speaker, from the beginning of the regime of the Anderson Government up until just before this tax was imposed — the Provincial Government, with these small revenues running from twelve million to seventeen million had had to spend the stupendous total of \$102,000,000 on relief to keep our people and the livestock in the province alive. Now, of that total, about \$29,500,000 was paid by the Dominion, and \$4,934,000 was repaid by the individual municipalities, which left \$67,671,000 that was paid by the Provincial Government. For the time being, that was the burden of the Provincial Government, but, of course, that was paid, to some extent, by borrowing from the Dominion; but it was money that the Province had to arrange to get somehow — \$67,671,000 in that period of six to seven years. It accounted to just about six and a half years, and this meant that there was an average expenditure there by the Provincial Government of just about \$10,000,000 a year which the Province, with its small income, had to finance somehow.

I could not help but think of the situation at the time the tax was put on, when the Provincial Treasurer was lambasting people in his Budget Speech because, he said, “for political purposes, they were talking about the abolition of this tax”. At this time, Mr. Speaker, is the situation not different from what it was then? And at that particular time when this tax was put on, the C.C.F. movement unanimously condemned it and continued to condemn it right up to the time of the election in 1944. Surely if there was any reason to condemn it then, under the circumstances which I have just outlined to you, how much more reason there is today to condemn it — and I couldn't help but think that when the Provincial Treasurer was condemning people who said this tax should be taken off, he did not dare to look to his left or right or behind him, because he would feel that everyone he might look at would feel that he was condemning them and not us, Mr. Speaker.

I have mentioned the question of school grants, the question of teachers' salaries and the question of relief. All of these questions, and the matter of the deficit on actually conducting the affairs of the province were considered by the Jacoby Commission which was made up of very able men. They came to the conclusion that the best way of meeting this problem was to impose a sales tax, a tax upon tangible goods, which should be used — that is, the proceeds should be used — and paid into an account which, along with the proceeds from the sale of school lands, should be used for educational purposes.

When this tax was imposed (to show what a different situation



we have today compared to then), it was calculated that the total education tax at that time, plus the total receipts from the sale of school lands, would fall short by a million dollars of carrying the cost of education. How different from today! It seems to me that it is an amazing attitude when the hon. members opposite talk about how much more is being done today compared to what was done when the Government of the province was in the situation which I have just indicated to this Assembly.

I would like now to give an example in regard to a few items of Provincial receipts. I have already referred to the Dominion subsidy — a little over two million dollars in 1936-37, actually in 1948-49 over sixteen million dollars, an increase, Mr. Speaker, of Dominion subsidy of almost \$14,000,000. Liquor profits: in 1936-37, these profits were less than a million and a half dollars — \$1,451,000, in 1948-49, they were \$8,300,000, almost seven million dollars more. In Education Tax — of course there was none in 1936-37, but in 1948-49 they received from the education tax \$6,820,000. Now the total increase in those three receipts in 1948, as compared with 1936-37 when this education tax was imposed, was \$27,660,000. There is the situation as it is today: receipts from three items alone higher than they were in 1936-37 by over twenty-seven and a half million dollars.

Take the total receipts on revenue account in the budgets. In 1936-37, the receipts, as I have said, were \$16,526,000. In 1948-49, receipts were \$55,622,000, and now we are told, under those circumstances, Mr. Speaker, that these swollen revenues are not enough, that this tax must be increased, this tax that was put on at the time when our finances were in such a dire condition due to crop conditions, world conditions, and when we are getting in Government revenue fifty-five and a half million dollars as compared with sixteen and a half million dollars. The very people that condemned the imposition of this tax now are proposing to increase it by 50 per cent. I said it was attacked at once by the C.C.F. Party at that time and the C.C.F. Party is in office today because of the attitude that was taken in this Legislature by their predecessors. They can't wash their hands of the attitude of their predecessors here. So I am going to read, Mr. Speaker, part of an amendment that was moved on March 25, 1937, and which was supported by all members of the C.C.F. Party in the Legislature at that time. Here is the amendment that they moved to the Budget Address — at least part of it:

“That the estimates submitted be withdrawn . . .”

and this was, Mr. Speaker, when it was proposed to take from the people in revenues only sixteen and a half million dollars. Here is the amendment moved by the C.C.F. Party:

“That the estimates submitted be withdrawn . . .”

I wonder what my hon. friends would think if we were to move an amendment like that. Well, I would just like to see it — I think it would be worthwhile seeing. But to go on, listen to this, Mr. Speaker:

“. . . and others substituted which do not include additional taxation . . .”

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That was the C.C.F. when they were in Opposition;

“ . . . because, in the opinion of this Assembly, the necessary funds for educational purposes and other services could be adequately provided by obtaining the additional subsidy . . . ”

(Haven't they got it?)

“ . . . by setting up of additional proprietary bodies . . . ”

(They have set them up; they have Crown Corporations galore)

“ . . . such as the Liquor Board . . . ”

(Aren't they getting increased receipts from the Liquor Board?)

“ . . . to operate in other fields; by savings accomplished through the refunding of the public debt at lower rates of interest; by reasonable economy of Governmental services . . . ”

(Hear the C.C.F. talking when we only had sixteen and a half million dollars, and they move an amendment that there should be reasonable economy in the public services! Well, no wonder the Provincial Treasurer laughs; it is enough to make anybody laugh. And then they go on and say):

“ . . . by reasonable economy of Governmental services . . . ”

(and list to this!)

“ . . . that the burden of relief expenditures, past, present and future be borne by the Federal Government.”

Wasn't that done in a large measure? Didn't they write off \$44,000,000 of it?

. . . (Interruption) . . .

I should have said \$36,000,000 in one lump sum and other amounts were written-off in addition to that.

It is a very interesting amendment, and every member of the C.C.F. Party voted for it. Now, Mr. Speaker, if there ever was any reason for the people of the C.C.F. Party, in the eyes of the people of this province, voting against increased taxation, against the imposition of this tax in the first place, calling for economy — if they meant it then, surely there is ten times as much reason for them standing by what their predecessors

said — and voting against an increase in the tax . . . Now, . . .

(Interruption by Mr. Walker) . . .

Mr. Speaker, it will be very interesting to see if my hon. friend from Hanley will support this. He probably was too young to know what was going on in the Legislature at that time, but he should, after all, pay some attention to what the people who are responsible for getting him here think; so it seems to me that he should pay some attention to what is being said.

Now in regard to the attitude during the time between the elections of 1944 . . . (interruption) . . .

I guess that at that time most of the people who are sitting on the opposite side here, got here partly as a result of the work done by the people who sat here on behalf of the C.C.F. from 1934 to 1938. However, they took this attitude. Now we come along to the elections of 1944, and then the C.C.F. — and we have many of the people who are at present in the Government who were taking part in that election and, of course, I took part in it myself. Wherever I went C.C.F. canvassers and speakers were arguing that people should vote for the C.C.F. Party because, if the C.C.F. were elected, the education tax would be taken off. At every meeting I went to, that was the most predominant issue in that election campaign.

Now that was not surprising because of the remarks of Mr. Coldwell, the Leader of the C.C.F. Party, speaking in Saskatoon, on June 9th just before the election — and at that particular time, Mr. Speaker, I think Mr. Coldwell spoke with more authority in this province on behalf of the C.C.F. Party than anyone else. There was no C.C.F. Government, no member of a C.C.F. Government and Mr. Coldwell was the Leader of the Party. Here is what he said: “The C.C.F. will abolish the education tax as rapidly as new sources of revenue are found.”

**Mr. A.G. Kuziak (Canora):** — Hear, hear!

**Mr. Tucker:** — My hon. friend says, “hear, hear!” Now then, that makes it even more ridiculous as I will go on to show. If they are still maintaining that that is still their intention, Mr. Speaker, then, of course, they are proceeding towards their goal by walking backwards. I do not know just what animal that would be, but it is not a worry bird; it is something else.

Here is what my good friend, the Attorney General, who is so entertaining over the radio with his jokes, his stories and fables and myths; here is what he had to say — and isn't this typical of our good friend the Attorney General? He said: “Just one word about the education tax.” Well, you know I certainly have to take off my hat to the Attorney General, because of course, the idea is to create an impression and do it in such a way that you are not bound down to it. As I read these statements, I would say that the Attorney General did not do a bad job of that but, after all, when it came to a showdown, he had nothing in that regard on the Provincial Treasurer. But it was the impression given to the people that counts, and this is what the Attorney General at that time said — June 15, 1944 was a day of fate:

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“Just one word about the education tax. The C.C.F. is the only party that will abolish it . . .”

(Well, of course, it looks as if we are going to have to wait a long time.)

“ . . . we have always been against it in principle . . .”

(Mr. Speaker, I know you can rely on the word of the Attorney General in that regard)

“ . . . and are pledged to work as fast as possible for its removal.”

Now haven't they worked hard, Mr. Speaker, for its removal? They have got the revenues up to over \$55 million, and now they are proposing to increase it by 50 per cent: And so he said, “We are pledged to work as fast as possible for its removal.” Well, that is the Attorney General.

Now, in the seat of Rosthern, there was a man running, who wasn't so skilled as perhaps my hon. friend the Attorney General, or my hon. friend the Provincial Treasurer. He was a man who said what he thought and what he understood the party stood for, without any ifs, ands or buts. Here is what he said, and this is the sort of thing I ran into in different parts of the province: “A C.C.F. government would abolish the education tax within twelve months.” There were no ifs, ands or buts there. That was the way the C.C.F. schooled them to go out and talk about it apparently. He said — and this shows that he had sat at the feet of some of the great leaders of the C.C.F. Party. He went . . . (Interruption) . . . No, he did not get elected, because our people know better than to believe some of this stuff, in Rosthern seat anyway — Thank goodness for that, Mr. Speaker! He went on to explain that plenty of revenue to take its place, plenty of revenue, could be obtained by developing natural resources. Of course, he was just saying what he was told to say by the Leaders of his party.

I could refer to my hon. friend from Last Mountain (Mr. J. Benson). He has talked about this tax since, has urged his party to live up to its promises in that regard, for which I give him credit. Mr. Benson said he had made some references to election promises. He said he had made some before the last provincial election. He said he was going to be “on the spot” because of them when he got back to his constituency. He had told the people the education tax would not be removed until the Government found a similar amount from some other source. Because the Government had obtained some millions of dollars more from Ottawa and was receiving large revenues from other sources, he was going to have some trouble explaining why the tax was not being abolished. He said in 1947, in the Legislature:

“Now the C.C.F. pledges to lower taxation by refunding the public debt at lower rates of interest and to repeal the education tax as soon as possible. That is what we told the people, and I do not enjoy being a political hypocrite. I think several of

the members gave their constituents to believe that if a C.C.F. government was elected, we would abolish the education tax.”

Now there was a man speaking honestly, Mr. Speaker, as to what went on in the councils of the C.C.F. Party, and what the C.C.F. Party had told the people.

I do not think there can be any quarrel with that statement. It was an unvarnished and unexaggerated statement of the situation. He goes on to say:

“I was very careful during the campaign and I said that we would not abolish it until funds were found from some other sources to take the place of that education tax; but I really believe, Mr. Speaker, that the Education Tax could have been abolished, and I tell my people that quite frankly.”

Now then, that speech as your Honour will remember, was made in this Legislature before the general elections of 1948, in March, 1947. There, I say, was a man speaking exactly as he understood the situation, and I do not think there can be any doubt but what he said was true, that the C.C.F. Party led the people to believe that the education tax would be removed and that there was no doubt it would be removed when another source of revenue was found to take its place.

There were other speakers who were quite definite and quite honest in beseeching their party to try to live up to their obligations to the country, under promises made on which they got elected. For example my hon. friend from Swift Current, Mr. H. Gibbs who is not the kind of man either that says anything different from what he believes or thinks. If he thinks something, he says it; that is all. And here is what he says:

“In spite of the fact that it had not been mentioned on the C.C.F. Platform, we talked about its abolition. It is not good enough to say we will take it off when other revenue becomes available. All our good legislation will be forgotten if we still have that stinking tax, regardless of what Mr. Brockelbank or other Cabinet Ministers say.”

Well, now, there was a man speaking not in the presence, I suppose of the Cabinet Ministers, but I do not think for a single minute he would have been afraid to say it in the presence of the Cabinet Ministers. I do not think that. I think he is a man that will say what he believes any place. And here is what he said at this particular time:

“Regardless of what Cabinet Ministers say, it is a stinking tax.”

Now if it was a stinking tax at two per cent, then, of course, I wonder what

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it is at three per cent! Of course, I am waiting with considerable interest to see whether the hon. member for Swift Current feels that its stinking nature has been removed by its increase by 50 per cent. Just because I quoted these two members does not mean to say that I could not quote other members. I have no intention of doing so, because, when the hon. member for Last Mountain, and the hon. member from Swift Current say, "we promised to take the tax off", I think we can take their word, Mr. Speaker. That other members did the same thing may be accepted without my reading it and proving it.

The question is where do we hear now a great deal about this great new movement — the C.C.F.? It was not going to do the things that the old parties had done. It was not going, for example, to promise one thing and do another. Oh, I remember the Premier: He was particularly strong on that attitude. I would never want to quote all that he said — it is quite a big book; but I would just like to read one or two things that he did say in this regard. Here is one of the things he said as reported in the 'Saskatchewan Commonwealth,' that great people's tribune that is so independent and, of course, makes sure that everybody is faithfully reported, and particularly sees to it that the Liberals get a square deal in their reports as compared with the C.C.F.! Here is what they reported about the Premier's speech:

"The one thing about which I am quite determined . . . "

(and I can just see the Premier setting his chin)

". . . is that no C.C.F. government will ever be elected in Saskatchewan by promising to do things which we know perfectly well cannot be done by a provincial government."

Well, I am glad that there are at least two people found here to applaud that. Now then, if it was carried out by performance, I suppose the good people on the opposite side would all applaud; but, of course, they haven't all got the hardihood of the Minister of Natural Resources and the member for Canora in applauding something that obviously is incorrect. And I give them credit for it.

Now then, here is . . . (interruption) You know when the question came up of how in the world you were going to finance this programme, and I wonder that the Provincial Treasurer did not talk to the Premier the way he has lectured us, in the last three or four years, because the Premier was promising to take off the education tax, he was promising to do all these things without worrying about whether they were getting help from Ottawa or not. He said how they were going to finance the programme. This is what they were elected on. This is what the Provincial Treasurer was elected on. Allow me to put this to him so that he can think of this when he comes to vote in this particular measure, because this is what he was elected on, Mr. Speaker; this is what his Leader said would be done, and I think he should carry that out instead of doing exactly the opposite. Here are the things they were going to do: "Save considerable money by taking the civil service out of politics." Now that is a laugh when one sees what they have done. If ever there was a government that put the civil service into politics right up to its neck, it is this government.

Then he charged the daily papers were given large printing contracts in payment for propaganda fed to the people and the taxes were used to keep up a political machine. Well, here there was \$34,000,000 being spent at that particular time he was speaking. In 1943-44, the revenue was \$34 million and the suggestion was made about taxes being paid out to keep up a political machine. Anybody who sits these days in some of the committees of this House and then thinks that the leader of the present Government made statements like this, it is rather amazing.

Then the Premier goes on to say: "the raising of revenue by government engaging in revenue producing business." They certainly have not got very far by going into business, Mr. Speaker. The only place where they have made any money to speak of, is, for example, in cases like the Timber Board where they fixed the prices paid producers, the Government Insurance Office where they force people to patronize them. In the Timber Board, they set prices at which they force people to deliver their timber at below market prices. There is no doubt about that, Mr. Speaker. They fixed prices, two years ago, at least ten dollars below what producers could sell at outside on the open market. Then such was their inefficiency in management that they did not make half as much as they should on that exploitation of the producers of lumber. They could just as well call it a profit if the Wheat Board forced the farmer to give wheat to them at a dollar a bushel, sold it for a dollar and a half, called the difference a profit, and kept it.

These are the only places where they made any real profits, outside, of course, of the Power Commission and the Telephone system. Under the Liberals it was always understood that those were services at cost. If you set up a monopoly, as is our Telephone system, and try to make a profit out of it, it is nothing more nor less than concealed taxation. People must use it and pay whatever rates are set. That is all it is. It is not a profit. It is concealed taxation. There is no question about it. And then they call that a profit.

They talk about the Fur Board, forcing people to deal with them even if they do not wish to do so — and call that a profit! Well, that was the way they were going to make a profit. Take the things they were going to go into business in, as the Premier said. Take the Tanning Plant, the Wool Factory or the Box Factory. Can it be said they have made a lot of money in those ventures? But that was the basis upon which they were elected. Then they were going to set up commodity boards to sell goods now being sold by monopolies. They set up six stores in the North and we are told that they made money on three of them and lost on three of them. We are told that, in one set of transactions up there, they have outstanding accounts of \$90,000. To cover that \$90,000, they have had to set aside \$50,000 to cover the portion of those debts that they do not expect to collect. Well now, I can imagine how fast they are going to make money that way!

Then the Premier goes on to suggest cement as a possible commodity that could be taken over by the Government, with the sole right to sell and distribute. Well, why does not the Provincial Treasurer go into handling cement instead of increasing this tax?

**Hon. C.M. Fines:** — Do you recommend that?

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**Mr. Tucker:** — That is what his leader said they were going to do. Why do you not carry out the policy on which you were elected?

The next thing suggested by the Premier was the taxing of interest payments to corporations outside of the province. Now that was really interesting. He said that at present between thirty-five and forty millions of dollars were going out of Saskatchewan in interest payments. I heard all about this myself, for I took part in a joint meeting with the hon. Premier of this province before he was elected — (interruption) — Well, if I was prepared to indulge in the sort of nonsense that I am reading now, then, of course, perhaps I would have done a better job; but when he stood up and talked about the thirty-five or forty millions of dollars that they were going to get their hands on and so on, why, my goodness! that really sounded like something. But what has come of it? Was it just an attempt to catch votes? Was that all it was? Well, this is what was said anyway.

Then the next thing suggested by the Premier was the “sponsoring of the development of natural resources by public or co-operative ownership.” Now that has certainly been exemplified, this last few months, by what has gone on in the oil business, and the uranium business. I will not say anything further about that. But that is very interesting, as to what extent they have kept that promise. Why, they talk about us not keeping promises! I have just read one thing after another and certainly we reached the climax in public development of natural resources.

There is the way in which the Premier said he was going to raise money, knowing that his followers were saying that they were going to do away with the education tax all over the province, and here is what we are met with, today: an increase in this tax which they said and indicated they were going to take off, if they got revenue to take its place.

Now let us look at that question of whether they did get revenue to take its place. The revenues in 1943-44 were \$34 million. The revenues in 1948-49 were \$55 million, an increase of \$21 million. The education tax which they were talking about taking off if they got revenues to take its place, in 1943-44, brought in \$4,228,000. Here was a tax that yielded four and a quarter million dollars and when I said, tonight, that the promises made were to take it off when revenue was found to take its place, some of my friends over there said, “hear, hear”. They have got those revenues today — increased revenues of \$21 million — five times as much as the amount of the education tax. They did not say that they had to have five times the amount of the education tax before they would take it off. But they are not taking it off today. They are increasing it. That is the situation, Mr. Speaker.

I spoke a moment ago about hardihood. When I said that the promise was made to take it off when they had revenues to take its place and some of the members opposite applauded that, I say then to those members, “Are you going to stand up and vote against this increase? When you promised to take it off when you got revenues to take its place; when you have \$21 million to take the place of \$4 million; is that what you applaud? Are you going to stand up and vote for it being increased?” Oh, yes. That is hardihood if you can do that. Apparently they can do that, Mr. Speaker. They can do anything. They can promise one thing and do exactly the opposite. This is



the day in which people who made those promises should indicate whether they stand by those promises because by whether they do so or not they will be judged in the promises that they make from now on.

Now, Mr. Speaker, we were told that the reason for increasing this tax is that more money is needed. More money is needed! Well, now then, here is the time of the highest revenues in our history and the old taxes are not enough. We have got to increase them. Supposing the situation develops that the Provincial Treasurer talks about — a falling-off in revenues? Just what is he going to do then? He is going to hire more civil servants to keep down the costs of government, he told the newspapers the other day! Of course, nobody except himself has been able to figure that one out since; but, in any event, does this mean that, now we are on the verge of revenue going down, this tax is now going to start going up? If this is the place that he figures he can strike at most easily for more revenue I suppose this is just the beginning. A great deal is said about the necessity of providing money for various social services. A great deal is said by the Minister of Education about increasing school grants. Well, actually, school grants were increased between the fiscal years 1943-44 and 1948-49 by about two and a half million dollars, to be exact by \$2,496,000 between 1943-44 and 1948-49. The increase in school grants was between \$2½ million and the increase in education tax as between the same two fiscal years is a little bit more than 1943-44 and 1948-49 by a little bit less than the amount paid in on education tax. Now, isn't that generosity for you? It is amazing. But these are the figures.

**Mr. Kuziak:** — You have got your figures wrong.

**Mr. Tucker:** — I have not got the figures wrong. Now then, the increased social services. I believe in taking figures that are fairly easy to remember, and I took the Budget Speeches. I took the amount spent on public welfare and found out that the increase between 1943-44 and 1948-49 is a little over ten million dollars. Now this is the thing that there is so much credit taken for; but, actually, an increase in the Federal grant was made, during the same period, in the amount of \$7¾ million. This doesn't take into account the increase of nearly two million in increased payments by the Federal Government towards old age and blind pensions, you are getting almost the same amount in extra payments from the Federal Government as you have increased expenditure on public welfare.

I must take from the groan that has come from my friend from Bengough (Mr. Brown), that these figures must be new to him. Then I partly forgive him for running around the province trying to take a great deal of credit for spending money on social services, practically every cent of which his friends, the Government, have got from the Federal Government.

Now, if you add to those \$7¾ million in increased Federal grants, the \$5 million increase in liquor profits, you get \$12¾ million, and, as I say, if you add the increased payments on old age and blind pensions from the Federal Government, you are actually getting from the Federal Government in increased grants, and in increased liquor profits, several million dollars more than the increased amount paid in social welfare. Those are the

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things that my hon. friends go out through the country trying to take so much credit for. Well, if they do not know the figures, of course, perhaps we should forgive them, but I took it for granted that they did know them.

Now here are those increased millions of dollars coming in to the present Government as compared to the years 1943-44, and yet we have got to increase taxation! I just wish to give you, in four particular items, the difference between revenues in 1943-44 and in 1948-49. Increased education tax, \$2,592,000; increase in subsidy, \$7,723,000; increase in liquor profits, \$4,964,000; increase in the gas tax and licence fees, \$4,921,000. In those four items alone, the present Government, in 1948-49, took in twenty million dollars more than the Government took in 1943-44. In four items alone, this Government took in over twenty million dollars more in the year 1948-49 than the Government in 1943-44. That is for one year; and yet that is not enough for this Government. No, they have to go on increasing taxation and they have to do it in the face of those mounting revenues, and the Government majority in this Legislature endorses them. Well then, I wonder just how far we are going to go before a halt is called! I wonder in the face of these promises held out to the people, this situation which I have outlined to you, Mr. Speaker, and the emphasis that is put upon the fact that I have had to listen to, and others have listened to, that in the C.C.F. party the people are free to vote as they think right, that they are not forced to vote as they think right, that they are not forced to vote as the Government tells them to vote, and that here is something that is going exactly opposite to what they promised us; I wonder what we are going to see when the vote comes, and it is going to come, Mr. Speaker. We have listened in this country for a matter of sixteen years to the C.C.F. beating its breast and pretending to be better than the people of the older parties. Yes, we have listened to it. Now we are going to see, in this particular instance, and the province is going to see, whether they will live up to the promises they made, or whether they are going to support a Government that does exactly the opposite.

The province will be very interested in this because the C.C.F. Party, and I may well point out to the member for Last Mountain, because he got up and called attention to the very things I have mentioned, the appeal that the C.C.F. Party made to the people that they were not going to be the same as the Liberal and Conservative Parties; that they were not going to do these things that they condemned the Liberal and Conservative Parties for doing. He said that he joined the party because he believed that, and so did many others. Hundreds and thousands of others joined the party because they believed in it. And just as he, finding that apparently it was not meant, that there was no intention of living up to those high ideals, that they had no intention of conducting themselves any differently in spite of their high protestations, got up in this House and said that as far as he was concerned, he was not going to submit to this sort of thing — I wonder, Mr. Speaker, if there are not literally thousands and thousands of idealistic people in this province who feel exactly as the hon. member for Last Mountain does? His former colleagues in the C.C.F. Party may try to laugh it off, but I am telling them, Mr. Speaker, that when he spoke as he did, I feel he spoke for thousands of people in this province who do not believe in being

promised things like that and then the opposite being done, and being done in the way that it was done by the Provincial Treasurer.

I suppose we should not find fault with his lightheartedness. Perhaps he might as well be happy; there is not so much time left. He might as well be happy. He is one of the many people in the C.C.F. who thought that they could pull the wool over the eyes of the people and get away with it. Many governments have thought that. Here is the Provincial Treasurer speaking in this House in 1945: "We recognize the tax as a regressive one and a nuisance, but have consistently declared that it could be removed only when new forms of revenue could replace it." Hasn't he got the increased revenue, Mr. Speaker? And then, in 1946, and this is not speaking in the . . .

**Hon. Mr. Fines:** — Why don't you read the rest of it?

**Mr. Tucker:** — I'm not going to read your whole budget speech. You can read it if you want to. And then, in 1946 he said: "The position we have taken was expressed, last year, when I said . . ." He spoke about the Legislature and repeated the words used in 1945 agreeing to suspend the levying of income tax and implied that once we got an agreement with the Dominion, it was going to be much easier to proceed along this line. Then in 1946, the Provincial Treasurer, speaking on behalf of the C.C.F. Party, said this:

"My hon. friend the Leader of the Opposition has on many occasions pointed out that not one dollar has been used for anything else but education. The statement is true, but at the same time I think the people of Saskatchewan should know that expenditures for education have not increased by the amount of the education tax."

Surely they haven't increased under this Government by the amount of the education tax! Then he goes on to say:

"Indeed a study of the Public Accounts of the past five years will show that, in each of those years, the amount which was spent on education was less than the amount received in the Education Fund, which includes the education tax and the revenue from the School Lands Fund. In other words, for the past five years not one dollar for education was spent out of the ordinary revenue of the province. For many years there has been a demand for the abolition of the education tax . . ."

fostered and led by the C.C.F. Party.

**Hon. Mr. Fines:** — I did not say that.

**Mr. Tucker:** — I say it was fostered and led by the C.C.F. Party. Then he goes on:

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“The position we have taken was expressed by myself, last year, when I said: ‘We recognize the tax as a regressive one and a nuisance.’ . . .”

and these are the words of the Provincial Treasurer — “that it could be removed only when new forms of revenue could replace it.” Does not twenty million dollars replace four million dollars? I know the Provincial Treasurer is good at rearranging figures, but I do not think he can say that twenty million dollars does not replace four million.

There are the quotations, Mr. Speaker, from the Provincial Treasurer’s Budget speeches. Now a few words in regard to exemptions. When it was suggested in 1947 that the exemptions then being introduced were going to reduce the tax by 40 per cent, I well remember (I was just a year in provincial affairs then), when I said that I was satisfied that there was going to be no dropping off in receipts from the education tax, the Provincial Treasurer was kind enough to say to myself, a comparative newcomer to this sort of work, that I should find out the facts before I talk. Well, what were the facts? What are the facts? What is the picture of the receipts from education tax during that particular time? These small exemptions were welcome; but these exemptions that were going to reduce the education tax by 40 per cent, did they do so? Well, it should have shown. If they were going to reduce it by 40 per cent, it should have reduced the yield of the tax by at least 20 per cent. But here is the record of the yield of the education tax: in 1946-47, \$5,433,000; in 1947-48, \$6,190,000; in 1948-49, \$6,820,000. And then they try to tell the people before the 1948 campaign that they had reduced the education tax by 40 per cent: There is the record in their own Public Accounts, Mr. Speaker. The Premier did it, but he is relying on the Provincial Treasurer, I think. One might have been relying on the other perhaps. I do not know. But I heard it even out in British Columbia.

**Hon. Mr. Fines:** — Don’t you believe it?

**Mr. Tucker:** — The figures do not show it, and if you can show that you reduced the education tax and took in, in 1948-49, \$6,800,000 when you only took in, in 1944-45, \$4,895,000 — almost \$2,000,000 less, and you say you reduced the tax by 40 per cent! If you can prove that, well then of course, I have no doubt you can prove anything.

**Hon. Mr. Fines:** — I can prove it.

**Mr. Tucker:** — All I can say is that if a man can prove that, he is a dangerous man to have out doing some figuring. That is all I can say; because he is certainly able to do some figuring if he can prove that.

The Provincial Treasurer said this was a regressive tax. A regressive tax, as I understand it, is a tax that bears more heavily upon the people of low income. Here is the fact that is left, Mr. Speaker. It is taken off food. It was always off many articles of food; many articles of food were exempt right from the beginning. When the tax was first

passed, the exemptions provided for bread, flour, milk, buttermilk, cream, butter, eggs, sugar, fresh meats, fresh poultry, fresh fish, water, coal, wood, newspapers, gasoline, farm implements and parts, farm machinery and parts, grain and mill feeds, binder twine, fishing nets, agricultural products, including livestock produced within the province and sold by the producer thereof, railway rolling stock, ties and steel rails. Those were the original exemptions. Now my hon. friends did add some exemptions to them, but the fact that the receipts from the tax went on increasing shows that the regressive features of that tax were not affected very much. I think that is a clear indication of that fact.

And what do we find today? Obviously one of the main things that worries people with families to support, today, is the high cost of clothes for their children. There is one redeeming feature to me in that part of the Provincial Treasurer's Budget Speech where he, with apparently qualms of conscience about children's clothing, said, 'we did worry about it, we would like to have taken it off.' But we are supposed to be satisfied because his tender heart beat and worried about it, but in spite of that it still stays on. Now in that regard it is just as much a regressive tax as it ever was, except in regard to the few products that were added to the exemptions which do not amount to enough to reduce the total amount of the tax, for it goes on increasing.

What is the actual situation? Nobody can say that this tax is not going to bear very heavily on the heads of large families, for example, who must spend practically all of their income on food and clothes and shelter. Surely, when they spend practically all their income on that, every bit of their income, except such as they spend on food, is going to bear this increased tax. To that extent it is regressive. To that extent it bears upon the poor man with a large family, much more than it does, for example, on the bachelor who is able to leave the province, take a trip every now and again elsewhere, and buy what he needs elsewhere. Is it suggested that this tax is going to bear upon him the same as it does on the head of a family with children, where he has to provide them with clothes and shelter? If it bore evenly on everybody, the cost of this increased tax would be about \$3.70 per capita. It is actually going to bear more heavily upon the poor man with a large family. Even if it bore on him with the average weight that it bears on others — let us take a family of six, for example. Supposing it is a family of six. Multiply \$3.70 by six and you have an increased tax of \$22.20 that has to be voted by this Legislature on that man today, whom the C.C.F. takes the lead in expressing sympathy for, and claiming he is not getting enough to buy his food and his clothes! This Government, that is collecting more than any government in all the history of our province, is proposing to put upon him a tax upon the clothes he must buy for his children and the shelter he must provide for them, of \$22.20. Surely, it cannot be said that this tax is not regressive and is not a nuisance!

Well, the Government has spoken, I take it from the applause particularly from the defenders of the faith, over there, who apparently do not worry about past promises or anything like that. It just does affect them. But remember, Mr. Speaker, we are answerable to the people who sent us here. If we do not respect the promises we made, upon which we were sent here, we

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may laugh, today; but remember, Mr. Speaker — and I do not need to remind you that the people that can laugh last are our masters, the people who send us here; and they are not going to tolerate playing with them as is being done by these promises to take a tax off and then lightheartedly going right ahead and increasing it by 50 per cent.

In the days of difficulty, Manitoba put on a wage tax, but, when times got better, took it off. I know Alberta put on a similar sales tax, but when times got better Alberta took it off. Saskatchewan, of all the prairie provinces not only does not fulfil the promises of her present Government to take it off, but she proceeds to increase it by 50 per cent! She stands alone amongst the three prairie provinces in not taking it off, but in increasing it.

**Mr. Kuziak:** — What about B.C.?

**Mr. Tucker:** — I am talking about the Prairie Provinces. If you were in B.C. probably you would be advocating a four or five per cent tax; that is what you would probably be doing out there.

Now then, the question is as we face this situation with the largest revenues we have ever had. The estimates indicate, that we will actually, if you include the supplementaries for 1949-50, have spent this year, 1949-50, on revenue account about \$62 million — \$61,645,964 to be exact. We will have collected approximately the same amount, \$61,645,000, in the fiscal year ending March 31, 1950. The estimated expenditures for next year are \$62,036,000, and if there are supplementaries on top of that, as there has been for the last two years, it may bring it up, without the personal hospitalization tax alone, to expenditures of probably around \$70,000,000 and that in the face of all that has been said about our precarious position as an agricultural province, all that has been said about the fact that we are probably facing declining revenues.

Well, Mr. Speaker, I suggest the time now has come to call a halt, in the interests of the people that sent us here, to say that we cannot go on increasing expenditures in this province and go on increasing taxation, and that we have got to do it, today. If we do not call a halt now, what are we going to do next year and the year after? I suggest that, so far as the Opposition is concerned, they are ready to call a halt now. They are ready to say that we are not going to agree to this tax which still is a regressive one, still is a nuisance; we are not going to agree to it being increased, and we call on the people who were elected here on the same basis, to support us in that view.

**Mr. Gibbs (Swift Current):** — Mr. Speaker, I don't think I am going to take as long as my hon. friend, the Leader of the Opposition did. I think he wasted quite a bit of time, because I don't think he is going to convince the majority over on this side of the House to support him. However, I still take the stand on this tax that we took some years ago. They say this is the place to say it, and I am going to tell this House I have the courage to stand on my feet and say what I mean.

Now, possibly some of my hon. friends for the Opposition have not heard me speak on this before, and I would just like to give them a little background about this tax. I know that this tax was put on by the Liberal Government of 1937, or around about that time. At that time I was a member of the City Council in Swift Current, and by some form or other it fell to me to strike a resolution for the urban municipalities. In 1939 we sent a resolution from the City of Swift Current, and the resolution was passed by the urban municipalities, to try and get this tax abolished. That was the Education Tax, and I have tried ever since to try and do something about it because I know that it was not very well liked even before we came in office and there was an awful lot of discussion about it. But still it was said we would try and cut it off when other revenues could take its place.

We have been listening also to what other provinces are doing about it — not about this tax, but by raising the taxes in other provinces. I am not concerned about other provinces or what they do; we want to get at something that this province should do here, and let the other provinces look after themselves. As far as I am concerned, I am still convinced, Mr. Speaker, that our Government could have raised this revenue from other sources. I may be wrong; but I am convinced that they could. I may be a minority of one, as far as that goes. However, I am convinced that it could have been raised and can be raised from other sources yet, without imposing another one cent onto this Education Tax and doubling it up, trebling it up, and calling it some other name. "Imposition" — I'll say it is an imposition, as far as I am concerned.

In my part of the country, Mr. Speaker, we are in a crop failure area and I am going to tell you when people have been faced with increased taxation it is no laughing matter. It is no laughing matter, whatsoever. When you go over to the part of the province where they have good crops, possibly it does not amount to anything to those people; but when you take it into the crop failure fields, I do think it is an imposition to ask extra taxation on it. I say that without fear, as far as I am concerned in my own particular case, of any contradiction.

Now, then, Mr. Speaker, I am going to come back to something that our Government — my Government and your Government — believe in, the Regina Manifesto. I think there can be a chance probably now for some of the thoughts and the working of the Regina Manifesto in action. We are talking about this Education Tax and the Hospitalization Tax, and raising money to get over the deficit of \$3,000,000. I don't know what you have seen, Mr. Speaker, in your constituency or other parts of the province. I don't know whether you have seen abuses used in the Hospitalization Tax, but I know in my constituency, according to what I hear, I think it has been abused and is being abused today. I do not think it is right that the medical profession — although they are good doctors and I am not saying that I would even go so far as to say there are unscrupulous medical men; but the salaries they have been making since the hospitalization and regional boards have come into effect in the province to

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me is something scandalous, and I think it ought to be looked into. I am a chap who works for a living. In my profession as a machinist I am getting the going rate. I like to see each and everybody, the farmer included, get the value of his work, and everybody even down to the common labourer is worthy of his hire. I know that the cost of living and everything pertaining to it has gone up, and we need good wages in these days. The majority has been getting fairly good wages. But when we see a profession like the medical profession since this hospitalization has come into effect, increasing their rates four- five- and six-fold, I say then, Mr. Speaker, there is something wrong with the setup. I say that absolutely conscientiously.

There is another thing I think we should look into, too, that has possibly caused some of the deficits. As far as Region No. 1 is concerned, you go to a medical practitioner with a cut finger, a broken toe, or what have you, they fix you up; all right, come back again in a couple of days, that is, if you are going to the clinic. But I have never signed anything, I don't know what the doctors do; I have never signed anything, so I don't know. I believe we should look into that thing that when an out-patient goes to a clinic if they can possibly sign at the time the consultation goes on or any treatment is being given, it should be there, so that the patient has a check on it just as well as the medical profession. And I think it would be well worth looking into. I have heard rumours about consultations and all that's in it — well, they have all got to be paid for and I think a large per cent of those consultations could be entirely done away with, as far as that is concerned.

There is another thing, too, that might add to the deficiency and that is that every Tom, Dick and Harry with a bit of a scratch on his finger or his leg goes to the clinic. I don't think that is necessary; but they do it just the same and we have to pay for it. If there was a small charge made to go to these clinics I think you would cut down a whole lot of expense in that matter, too. For instance, young mothers taking their young children up to be examined and weighed and one thing and another. They did not weigh me when I was a kid. But there you go, Mr. Speaker, how do you know it is a fact? You can't deny it, the clinics are full with them going up and having their children weighed every other day and somebody has got to pay for that, and that is one of the reasons that the hospitalization is facing now a deficit of \$3,000,000 — for that simple fact, for some of those facts, anyway. I think a lot of that sort of thing should be gone into. If there was a nominal charge put on visits of that sort, I am going to tell you, Mr. Speaker, those visits would be cut down 75 per cent in this province.

There is another thing. Why don't we study the socializing of the medical services? Why don't we study the socializing of drugs? There's another big drain on our hospitalization setup, and there is no reason to my mind why it can't be done, Mr. Speaker.

You heard the hon. Leader of the Opposition mention the children's clothes. I mentioned this the very last time I spoke on the budget debate, a couple of years ago. I asked specifically to have that, by all means if possible, taken off. But no, nothing was done about it — and I think something should be done about it. Children are growing out of their clothes; every six months they need something. They are not like us old codgers who are grown up now and anything will do us for a while. But kids are growing up and they need these things. But that is one thing, Mr. Speaker, that again has come up: clothes. There is no doubt about it in my mind, and anybody that has raised a family knows that, too. I've only got two children and I



don't have to look after them now because they are married; but I know what it was when I had them home to buy their clothes, and there is one thing I do think the tax could come off.

Now, there is one other thought that we have mentioned before, Mr. Speaker, with regards to raising funds for hospitalization, and I know that the Government, my hon. friends on this side of the House, some of them already were talking about it. And that is, Mr. Speaker, setting up a state lottery with provision for funds for hospitalization. When I spoke to the Attorney-General some years ago, he said: "By gosh, that's all right too". He is not against it anyway; I know that. So, Mr. Speaker, going into channels of that description, I know we are going to get opposition about being gamblers and one thing and another, but we have gambled all our life on some things. We have gambled to be here today. This struggle for existence under this life of ours for economy — nothing but a gamble! The thousands of soldiers and service-men who went over in the conflict — they gambled. And I think it is only right, if we can bring cheer into all hospitals, and build hospitals so that the people in general and the cripples all over this Canada of ours and especially in this province can get proper care, and I am not afraid to get up and say we should have a state lottery — and mind you, Mr. Speaker, that would not be compulsory. If you did not want to give a buck to take a chance on getting a horse, O.K., then it's up to you. It would not be compulsory. And I am going to tell you, Mr. Speaker, I believe in a matter of two or three years we would have no deficit whatsoever as far as the hospitalization in this province is concerned. In fact, we would have surpluses to build hospitals, or something of that nature. So, I am not going to say very much more, Mr. Speaker, but I thought I would just like to outline what I had in my mind in regard to this tax and I cannot support it. That is definite — and I am not ashamed to get up on my feet and be counted, either!

**Mr. J. Benson (Last Mountain):** — Mr. Speaker, sometimes I think perhaps it would be better if we never at any time sat on both sides of the House. I might say that I never thought that I would ever see this day in this Legislature. The Leader of the Opposition quoted from a speech that I made here two years ago. I might tell him that I brought the same quotation along with me, and I was going to quote it myself; but, since he has done it, I don't think it is necessary for me to repeat it. When I sat on the other side of the House I condemned the Education Tax to the utmost of my ability. As was stated by the Leader of the Opposition, in the last provincial campaign and the one in 1944, I told the people that the Education Tax could not be removed until the Province found revenue from some other source. And I believe that we have found plenty of revenue from other sources so that we could have removed this Education Tax.

I was very much surprised when I heard the Provincial Treasurer, the other day, announce that we were going to repeal that tax. He is increasing it and calling it the Education and Hospitalization Tax. I criticized the Liberal Party for calling the tax in the first place an Education Tax, because I thought it was a sugar-coating on a bitter pill in order that the people of this province might swallow it a little more easily. And I say that same thing today: that it is just another bit of sugar-coating on a bitter pill. I know that, perhaps, some of those who see differently than I do on this question will say that we were voting against this tax because we had previously said that we were opposed to it but that when we are voting against it now, we are

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voting against providing hospital services in this province.

I am opposed to definitely ear-marking any particular tax for any particular purpose because, sooner or later, you are going to get into trouble when you do that sort of thing. When the Education Tax became far more successful than it was ever thought it would be, we found that we had more money in the Education Fund than the Province was prepared to spend for education purposes, so they repealed certain Acts in this Legislature which we were collecting money under, definitely ear-marked for educational purposes, because the fund was growing too large. And I say that any tax in particular, such as this, should be called a straight sales-purchasing tax, and the money should go into the general fund without any ear-marking, and if you want so much for your educational purposes or for hospitalization purposes, then you vote it from the general fund. I do not like this camouflage about taxes.

I definitely have taken the stand while on the other side of the House that I was opposed to this Education Tax. I take the same stand while I am on this side of the House, Mr. Speaker, and I am going to vote against it.

**Mr. J. Wellbelove (Kerrobot-Kindersley):** — Mr. Speaker, I am in the happy position that I never made any promise to get elected either in 1944 or 1948, but I would like just for a few minutes to draw attention to one or two facts. The Leader of the Opposition, speaking just now, spoke about the very difficult times that the Liberal Party had in raising funds to carry on the services of government through the drought period. I think we all realize that. None of us have ever criticized the Government for the dire straits that they were in at that particular time. But when he talks about the way the present Government is spending their money, he overlooks the fact that year by year we are paying out \$2,000,000 to take the burden off the farmers and the municipalities in the seed grain and relief which was incurred previous to 1938.

Then there is the increase in old age pension (I'm only just going to touch on one or two things) which runs about \$2,000,000 a year to what it did previous to 1944. From 1916 to 1944, the Government of the day never spent one cent to enable municipalities to build hospitals. This Government, since it came into office, has spent over a million dollars for that purpose alone. When you take in the mental institutions, I have not the combined figures, but as everybody knows, this Government has undertaken to pay the entire costs of the patients in the mental institutions at Weyburn and Battleford, with the exception of those estates where there is no heir to the estate, or people who have come from provinces or countries other than the province of Saskatchewan. Before this Government came into power, the staff in these institutions worked 72 hours a week; they are now working 44 hours a week. That means that there is a third complete staff in those institutions, in addition to the province carrying the full expense incurred by the people in those two hospitals. Then, too, the wages have been increased from the 72-hour week as distinguished with a 44-hour week — I think I have those figures here: \$83 a month they used to get, previous to 1944; the ward staff are not getting \$167 a month, more than twice as much.

Now, when you talk about where the money is going you could go on and quote scores of other legitimate avenues where the money is being spent. I, for one, am not prepared to reduce any of those services as long as the economic conditions in the province of Saskatchewan are up to their present.

standards. It has been said that there were other sources from which the money could be raised. I agree that there are. There are five other sources. We could have put a direct tax on the land the same as we had to do under the municipal hospital scheme, that our friends across the aisle talk so much about. We could have raised that amount as British Columbia has done. We could have raised the fees to produce that particular amount. But I think, Mr. Speaker, that would have fallen most heavily on those least able to pay.

It fell to my lot to be a member of the board that built the first hospital in the province of Saskatchewan under the Union Hospital Plan in 1916-17, and we were one of the early municipalities that went into the municipal doctor scheme. And when we had the hospital we thought we were meeting the requirements of our patients, but when we went into the doctor scheme we found there was a tremendous backlog of people that absolutely could not pay doctors' bills and so were not going into the hospital. We find that same condition here at the present time. There may be abuses. I think there are abuses in our hospital plan, but it is very, very difficult to eradicate them. I, for one, would not support that second means of raising money by an increase in the individual hospital payment.

Then it has been suggested that we should charge the patient a portion of the hospital bill. It is said the people who use the hospitals should pay for them. That would be an entire negation of the present plan that we have. I do not think we should encourage that idea at all. It has been said that patients should pay the first \$20, possibly, of their hospital bill. I do not believe we should entertain that at all.

Then it has been suggested that by reducing services we could meet the deficit. Well, we could, if we made those that were using the hospitals pay for the services which are given now without direct charge to them. We could raise a considerable amount of money there toward reducing the cost. But I believe that the one per cent increase in the consumer's tax is the best and most effective way of getting the money necessary to maintain this hospitalization scheme. I was more than ever confirmed in that stand this morning, Mr. Speaker, when a good old Liberal, one of the leading officials in my constituency who has always tried his best to prevent me getting here — and I guess he will again if I were foolish enough to run again — wrote me, and said "I wish to congratulate the Government on the manner in which they decided to find the necessary supplementary revenue to finance the present Provincial Hospital Plan." So even in our own constituency, a Liberal holding official position in the country, Mr. Speaker, there is some glimpse of sanity, so I am going to support it.

**Mr. F.A. Dewhurst (Wadena):** — Mr. Speaker, I don't intend to take much time. I would just like to make one or two comments on some of the statements of the Leader of the Opposition. He mentioned that the tax would bear heaviest on those who could least afford to pay. I wonder how much money he spends. Say he gets \$40; if he paid \$10 for rent; that is not taxable. That would leave him \$30. If he spent \$20 on food and the like; that is not taxable. So it only leaves \$10 at the most that would be taxable, so he would not pay much tax per month. But the mere fact of having been able to have this little additional money helps that line of social services, because if we did not have this money for hospitalization, the deficit would have

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to be made up from somewhere else. So, therefore, if this money is not paying direct for the old age pensioners cards, to help them out with their hospitalization, it did help in a round-about way. So the amount they have paid is very little. But the person with a good income who spends a lot of money on taxable goods does pay more — and rightly so. They can afford it.

He mentions the great Liberals of the past that have done so many good things. He mentioned the old age pensions that the Liberals put in without any force or pressure from any other part or anything else. It is very evident that the Leader of the Opposition has not gone back into the history of the Dominion of Canada as to how the old age pension came into effect in Canada. It was due to J.S. Woodsworth, who was the first national leader of our C.C.F. movement, and his group of followers of that day that forced on Mr. Mackenzie King the necessity of bringing in old age pensions, or we would have still been waiting for them yet. It would have still been among their 1919 social reform promises.

He talked about whistling in the graveyard and political hypocrites; if he would take the trouble of going back to Hansard and reading the various speeches of the leading Liberals at Ottawa at the time that the tax was placed on co-operatives he would find a pretty good example of whistling in the graveyard and political hypocrites. So people who live in glass houses should be pretty careful about throwing stones. And it is all very well to say that we should do away with this tax at this time, but I believe the people of this province for years have been wanting some security, and as long as we are able to help to give them security, I am all in favour of it.

It is not the amount of the taxes that one pays that affects one. It is what one gets back in return for those taxes, and I think that we can justify every cent that we have had in taxation in that it has gone back to the people by far and greater remuneration to them than it ever did under any former Government. We do not continue to spend money on behalf of the province wilfully and wastefully as has been done in the past.

On the 'Questions and Answers' of this Legislature, there is a question on there which the members of the Opposition would do well to look over. We all know there has been a definite increase in the prices of all commodities. But there is a question on here — I am not going into the detail of it — as to what was the price paid by the province for the dye used in dying purple gasoline back five or six years ago and the cost today. The answer to that alone speaks for itself. That is one example of how we are saving money for the people of this province. But, unfortunately, they don't see fit to try to give credit where credit is due. They are just out to try to make political capital out of it, but I am sure, Mr. Speaker, it has been a backfire, and I, for one, will support this Bill.

**Mr. A.L.S. Brown (Bengough):** — The hon. Leader of the Opposition suggested that I groaned over here one time when he was referring to figures. Well, I have taken a lot in my lifetime and possibly I may have been justified a little groan when that was thrown across the floor of the House here. And he was suggesting that possibly I did not believe some of the figures which he was reading out to us. While I suggest that possibly the figures that he was quoting were authentic, I suggest that they do not give the whole story and, to substantiate the feeling that I had when he made these figures, I have seen the estimates for 1944-45, the last year in which the Government of that day passed the estimates, and I note from the estimation

of that time that the difference between what they were voting on three items, namely, Health, Social Welfare and Education, and what we are proposing to vote in this budget on those same three items, is some \$20,000,000 which is, in round figures, the difference between the Budget of 1944-45 and the Budget of 1949-50.

I suggest that in those three items we can justify an increase of expenditure as is provided through the medium of this Act. For I suggest that, while we have been increasing expenditures in these three particular and very important items, we have also been increasing expenditures in other items as well, which leaves us in the position where a deficit has been created of some \$3,000,000 in the total of these very three important items, Health, Social Welfare and Education. And if that deficit was to be considered, if a deficit was not to be continued, then it became necessary to increase our sources of revenue in some regard. He suggests that we have increased sources of revenue, and one of these increased sources of revenue which he suggests we have, was assistance from the Federal Government. As I pointed out here on one other occasion, and has been pointed out on several different occasions in this House, this is not a "gift" that we are given in this respect; that in the return for the assistance, grants or subsidies (whichever you wish to call it) from the Federal Government, we give up certain taxation fields which, today, may very well have been giving us an amount of revenue somewhere near equal to that which we are receiving in the form of subsidies or grants from the Federal Government. So I suggest that that in itself is not a new source of revenue, when we consider that we have increased our expenditures in these three very important items by considerably more than the grants which we received from the Federal Government.

However, his main objection to this question of an increase in our sales tax to be applied in regard to Education and Health were that we were not fulfilling C.C.F. commitments or C.C.F. promises that were made to the people in 1944, when that Party was attempting to gain the reins of government in this province. I am in somewhat the same position as the hon. member for Kerrobert-Kindersley. I have certainly never made any commitments as far as this particular tax is concerned. I realized then as I realize now that any government which is prepared to give services to the people must obtain its revenue from the only source which it has at its disposal, and that is the people who produce the wealth in this province. But I did suggest at that time that there were certain regressive features in this Education Tax (as it was known at that time), features which, I thought, could be and would be removed by this Government. And that commitment has been fulfilled.

I wish to point out to my hon. friend, also, that, when we were asking the people for support in 1944, we made other commitments, and I am certain that every member on this side of the House made other commitments to the people; and when it comes to a choice as to which commitments would have priority I have little question in my mind which commitment will have priority. We promised at that time we would undertake to provide in Saskatchewan a medium of socialized health service and, as far as I am concerned, that is the first commitment which this Government must fulfil. And when we took office in 1944, and during the election campaign of 1945, and in the Dominion-Provincial conference that was held in 1945, the promise was made to us that, if we as a province undertook to provide a system of socialized health services, the Federal Government would come through with some financial assistance. We undertook to provide these health services in good faith, with the understanding that some financial assistance would be obtained in that respect. We fulfilled

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our part of the bargain; the other part has not been fulfilled, and we are certainly not going to refuse to the people our provision of health services here in the province of Saskatchewan simply because the Federal Government has not come through with its commitments. If it becomes necessary to make a choice as to whether we shall impose additional taxation on a collective basis to provide ourselves with individual security or a choice, on the other hand, of reducing these services for the sole purpose of saving a one per cent tax on the sale of goods (which after all are not purchased in large quantities by the common people) then I suggest that I have no question in my mind which choice I will make. I have no hesitation and no qualms of conscience at all in supporting the motion before the House.

**Mr. M.L. Buchanan (Notukeu-Willowbunch):** — Mr. Speaker, I don't intend to say very much about this additional increase in the sales tax, but I do want to spend about a minute and a half in discussing it, and with the throwing out of a challenge. I now have a standing challenge in my constituency to any Opposition speaker to debate the larger administrative unit. I would like to add to that challenge the imposition of this additional increase in the one per cent sales tax. If, at any time, any member of the Opposition, or my friends from Swift Current or Last Mountain want to challenge my stand on the imposition of this tax, which I am going to support, in my constituency, I will only be too happy to oblige you.

**Mr. J.W. Erb (Milestone):** — Mr. Speaker, I will be shorter even than the member from Notukeu-Willowbunch. We heard the hon. Leader of the Opposition, today, state the budget they had in 1944 as compared to the budget we had in 1949. I believe he said their budget in 1944 was some \$33,000,000 compared to ours in 1949 of some \$55,000,000. All things, of course, Mr. Speaker, are relative, and I am going to speak on a relative basis. When we look at the cost of living index in 1944, we find that the cost of living index then was 119.4. As we go down the line we see a steady increase as the result of the removal of controls until in 1949 we have the cost of living index standing at 162.5, a very considerable increase. Now, reducing that to a mathematical equation I find that, actually, the buying-power of the dollar in 1949, was just about exactly what it was in 1944 and, as a consequence — or I should say not as a consequence but rather, of what we did in 1949 compared to what was done in 1944, I think it is all too obvious. We have made expenditures in Health, on roads, and providing the necessary services that people of this province require, and I think that the fact that we only had actually the buying-power with the \$55,000,000 that the Opposition had in 1944 with \$33,000,000, the fact that we were able to do this has been because of the economy measures that we have in the Government, the good administration, and we were able thereby to stretch this \$33,000,000 to the extent that we have given the people these services. I just wanted to draw that little mathematical comparison to the Legislature, this evening.

**Hon. C.M. Fines (Provincial Treasurer)** — (closing debate): Mr. Speaker, I presume I should apologize to the Leader of the Opposition for not taking longer in introducing the Bill the other day; but really there was very little need to debate it because it has been debated in every platform of this province and in this Legislature at every session. My views on the question have been well stated. I made reference to it, I believe, every year in my Budget Addresses, as the Leader of the Opposition has indicated, tonight, and so, as we had been listening to some very heavy speeches that day, very profound speeches you will recall, Mr. Speaker, I thought it would be well just to finish up on a light note for the evening, feeling, of course,

that my friends would support this measure because — well, after all, they say that this is leading us straight to our graves, and I would think that they would be glad to help us to get there.

Well now, Mr. Speaker, I am greatly (shall we say) amused — that is the kindest word I can use — with regard to my friend the hon. Leader of the Opposition, tonight, when he gave us the history of what the Liberal Party had done with this tax. I would like just to remind this House that in the seven years that this tax was in effect during the period the Liberals were in office, the only exemptions which they added to the original Bill was that in 1939, when they added Bibles, Testaments, prayer books, missals and hymn books. They needed it. They needed those things exempt; they needed to get those things out into the country. Well now, that is all they have done to try to remove the regressive features.

The Leader of the Opposition quoted from what I said in 1945, but he didn't go on. What I said at that time — and remember, this was just shortly after the election — was:

“We recognize the tax as a regressive one and a nuisance, but consistently have declared it could be removed only when new source of revenue could replace it. We hope to remove the more obviously regressive features of the tax through its progressive removal from all commodities that are recognized as necessities. At the same time we hope to convert the tax into what would be in effect a selective excise tax on luxuries, semi-luxuries and non-essentials.”

Now that was away back in 1945. I want to say, Mr. Speaker, that we have gone a long way toward removing it from the essentials of life. And I want to say that the tax, as it remains today, certainly is far different than the tax we found in 1944. Certainly, many of the more regressive features have been removed from it. I would just like to remind the House of some of those exemptions that have been added to the list to which the hon. Leader of the Opposition referred: First of all, foodstuffs. Now he says that foodstuffs were exempt under the old original Act. Yes, what foodstuffs? — milk and eggs and butter and bread. But man does not live by bread and eggs and fresh meat — yes, but if you get baloney you had to pay the tax on the baloney.

I have been challenged by the Leader of the Opposition to prove the statement I have made that we were removing 40 per cent of the tax. I am going to do so tonight. These figures have never been given in this House before. This document was prepared by Dr. Britnell and Dean Cronkite, who have been economic advisors to the Government for the last fifteen or twenty years now, I believe, and I think their word is to be relied upon. They head this: “Present Exemption Possibilities”: —

“The Committee has secured from the Taxation Branch, based on the Education Tax files and the Saskatchewan Retail Sales in 1941 as compiled by the Dominion Bureau of Statistics, estimates for the Education Tax collected on certain broad groups and sub-groups of commodities in the calendar year 1943, as follows:”

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And here they list the various commodities —

1. Food and kindred products. The total tax out of \$4,068,000 for foods was \$1,021,000 or 25.11 per cent.

Now there is a breakdown of that —

Fruits and Vegetables — 4.97 per cent;  
Meats, poultry and fish (fresh or canned) — 1.67 per cent;  
Bakery products — .42 per cent;  
Candy and confectionery — 2.28 per cent;  
All other food products — 15.77 per cent;  
making in all 25.11 per cent on foodstuffs alone.

**Mr. Tucker:** — What was the date of that report:

**Hon. Mr. Fines:** — February 26, 1945. These figures go back to 1943.

Then we come to drugs and drug sundries. Mr. Speaker, these are the ones on which the tax was payable in 1945. This does not include anything that was exempt originally. There was still a tax — my hon. friend probably doesn't know; but there was still a tax on meat, poultry and fish, other than fresh or canned ones. There was still a tax on fresh fruits and vegetables. There was no exemption on those things and they have given a breakdown for those food products as indicated by the Education Tax files for the year 1943, and I am sure my hon. friend, the member for Gravelbourg, will agree that those were good files in 1943, because he was looking after them.

2. Drugs and drug sundries — 1.98; or 2 per cent of all the tax collected in the province in that year was for drugs and drug sundries. We removed it.

3. Meals and Lunches — 4.41 per cent.

4. Second-hand goods — 4 per cent of all the tax collected being for second-hand automobiles, second-hand furniture and all kinds of other things, making a total of 36 per cent.

Now, where do I get the figure 40 per cent?

**Mr. Tucker:** — The hon. Minister has quoted now from a document, and I ask that it be tabled.

**Hon. Mr. Fines:** — I am not laying this document on the table. This is a document from the economic advisors to the Cabinet, and it will remain as a privileged document. I have no intention of laying it on the table.

**Mr. Tucker:** — The hon. Minister has quoted part of that document and he has quoted from it definitely and surely now, if he undertakes to quote part of it, we should have the whole document, because otherwise there may be qualifying remarks in this thing. He has brought this forward to prove a point and he has quoted directly from part of it.



**Hon. Mr. Fines:** — This is a privileged document. I am informing the hon. gentleman.

**Mr. Tucker:** — Once it is quoted in this House it ceases to be a privileged document. I submit that he should table it now.

**Mr. Speaker:** — The hon. member has quoted from a document and states that it is a privileged document on his own responsibility.

**Mr. Culliton:** — On a point of order . . .

**Hon. Mr. Fines:** — When the Speaker's ruling is given your point of order is too late.

**Mr. Culliton:** — Inter-office memos are privileged documents, but they are not privileged when you use them in the Legislature and quote from them. He is not quoting these on his own responsibility; he is quoting these as the findings of Economic Advisors to the Government and states that, on the basis of those findings, 40 per cent of the Education Tax was removed. Now surely, when the hon. Provincial Treasurer quotes from a document in this Legislature and asks us to accept those figures, Beauchesne will tell you that when a document is referred to and quoted from, then that document must be tabled. I would ask you to reconsider your ruling. There is no point of privilege document here, and there is no responsibility on the Minister.

**Mr. Speaker:** — If the Hon. Minister says a document should not be tabled in the public interest, then it is not tabled.

**Mr. Culliton:** — He did not say it was not in the public interest. He said it was a privileged document because he got it from the Economic Advisory and Planning Board, and that is all he said. I say that, when he has quoted from it, it is no longer a privileged document. He quoted the figures and said he took the responsibility for them, but when he quotes directly from a document it is no longer a privileged document.

**Mr. Tucker:** — Mr. Speaker, I would point out here to Your Honour . . .

**Mr. Speaker:** — It has been the custom on both sides of the House to quote from documents and give the authority and not table them.

**Mr. Tucker:** — I think we should follow the rules that are laid down and I submit to Your Honour that the Minister very definitely brought these figures forward, not to prove he was right — he said definitely: "I am bringing forward the opinion of outstanding people as given in a document, a report that they gave". He was not giving them on his responsibility. He was bringing these figures forward to prove what he said was right — he was calling these people to witness this. Now, he quoted from this document, and I could read to Your Honour Beauchesne on that: "It is a parliamentary rule that when a Minister of the Crown quotes a public document in the House (he said it was a report of these Economic Advisors) and founds upon it an assertion, that document, if called for, ought to be produced". Now then, it is lawful to keep from the House information which is contained in a private communication, or when such private papers are quoted in the House there is no rule requiring them to be laid on the table; but this is a public document — the Minister said: "This is a document which has never before been produced". Well, we

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want it produced, Mr. Speaker. We want to see the whole document — not just the part which he chooses to read, Mr. Speaker. We are entitled to that if he is bringing these people forward as witnesses; we are entitled to it all.

**Mr. Speaker:** — In the course of his address the hon. Minister stated that this document was submitted by a certain group and was not a public document.

**Hon. Mr. Fines:** — I don't know why these people are spoiling my speech like this. I was going to give them some more information.

**Mr. Tucker:** — Mr. Speaker, I appeal against your ruling.

**Mr. Speaker:** — The hon. Leader of the Opposition has appealed against the ruling with regard to tabling the document the Provincial Treasurer was quoting from. The vote about to be taken is upon my ruling.

(On division Mr. Speaker's ruling was sustained)

**Hon. Mr. Fines:** — Mr. Speaker, I would be very glad to oblige the member from Gravelbourg, but naturally there are things more or less of a secret nature in the report, and I am sure that neither Dr. Britnell nor Dean Cronkite would care to do much more work for the Government of a confidential nature if they were not sure their confidence would be respected. I can assure my friends that I would be glad to show them this document, and this table particularly, with these figures.

Now I was just setting out to prove, Mr. Speaker, we got 36 per cent of the tax, based on the calendar year 1943, which was removed in 1946. Now then, at that time there had been a very great change in the wholesale price indices. The wholesale price index for food, the wholesale price index for drugs, had gone away ahead of the wholesale price index for building materials, hardware, automotive supplies, furnishings, and other various items, so the Advisors told us at that time, after working out the difference between the increased wholesale price based upon these articles which we exempted, and other articles, that we could add 10 per cent to that which would bring it to 40 per cent of the tax, and they warned us that by removing the tax on these items we would lose 40 per cent of our revenues.

Now, Mr. Speaker, the Leader of the Opposition says that we did not lose 40 per cent because we got more revenue the next year; but what he forgot was that the conditions in 1947, 1948, 1949, were different from the conditions under which people were living in the early 'forties. During those first few years of the 'forties, this province was only beginning to recover from the depression; in fact we really never got over the depression in Saskatchewan until about 1944. Consequently, the purchasing power of the people had been very low up until that time.

Then there is another reason, too. It was about this time that certain goods became plentiful again, certain goods that were in short supply during the early years of the war — automobiles, for example. One could not buy an automobile during 1943, 1944, 1945. They were practically impossible to get; there were none manufactured since 1942. Building materials were in very short supply; very little building was going on — the same with industry developing. Why one firm alone here will be giving us a cheque for \$300,000

in the next few weeks on this Education Tax at the old rate of two per cent — one firm alone. My hon. friends say that it bears most heavily on the poor people, and here we are getting out of one company in this province \$300,000 this spring. Oh yes, my friend is so concerned about the poor people.

Those are the reasons, Mr. Speaker, why, notwithstanding the fact that we reduced that tax by 40 per cent, we still were able to get more. Had that tax been left as it was during the Liberal regime in this province, the year we got six million dollars we would have had ten million dollars. We reduced it, my friends, and there is no amount of talk can make it otherwise; and I am going to tell you something else. We removed it from those places where it was the greatest hardship. First of all, we removed it on foodstuffs. My hon. friend is so greatly concerned about the people with the small income — yes, so am I concerned about them. I like to think, for example, of the old age pensioners who are trying to get along on \$42.50 a month. Believe me, Mr. Speaker, they have not very much to spend in Education Tax. By the time they pay say \$18 or \$20 for their food (and they don't live too well on that) and the same for a room, they have a couple of dollars which they may be able to spend on clothes. The additional tax on that would be 2 cents a month, so it does not affect those people. The same is true of the farmers. This year, we have made exemptions for the farmer on fertilizer. The average farmer, if he applies fertilizer on his land — on a section — the expert from Arm River will tell us that it will cost \$400; grasshopper bait, 70 cents an acres. My friends 'holler' because it is so expensive, because the poor farmer has to spend 70 cents an acre. All right — \$280 there; \$400 for his fertilizer; a little for his crop seed, let us say \$40 worth. There you have \$720. We are going to exempt him on that, this year, that he has been paying a tax for, and did under the Liberals. That means a saving to him of two per cent of \$720, or \$14.40. Well, Mr. Speaker, he will have to buy \$1,440 worth of taxable goods at the one per cent increase before he will have to pay as much as he is going to save through the exemptions we have taken off this year. There is a typical farmer who is actually going to have to pay less, next year, for his Education Tax than he is this year.

My friends say that the people are very much against it. I announced this in my Budget Address, two weeks ago on Wednesday. You know, a short time ago I announced certain changes in "C" licences. A lot of people thought we were going to raise the licences. Of course we weren't; they just thought we were going to, and when they found out about it they were quite happy. I had over three hundred letters protesting against that 'C' licence — quite a few from Estevan, too. In connection with this, Mr. Speaker, I have had three letters, mildly protesting the sales tax; just three, so my friend need not worry too much. I would remind him, too, and the hon. member for Kinistino, that the Municipal Association asked us, last year, to put this tax into effect. Don't let us forget that. The Municipal Association, which is controlled — at least the president was a Liberal member in Ottawa and the vice-president another Liberal member somewhere, and yet at the convention year after year they pass these resolutions — last year, not only asking us to continue the Education tax but to extend it. Now when we carry out the wishes of this great parliament, the Municipal Association, my friends get up and object to doing the thing which they have asked for.

**Mr. Lopton (Saltcoats):** — Was the tax to be taken into general revenue that they asked you to impose?

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**Hon. Mr. Fines:** — It does not go into general revenue. That is the thing we must get straight. This extra one per cent is not to be put into any special pot. The one per cent goes into the consolidated revenue. It is being used for the purpose of meeting the deficit on the hospitalization money which would otherwise come out of those general revenues. So, in reality, it does not make any difference which account you put it in.

Well now, Mr. Speaker, I had not intended to talk so long, because, really, the Leader of the Opposition did not say anything except what he has been saying for some time, and I think the people gave him the best answer they could in 1948. After four years that this Government had been in office, and after we had made it very clear that it did not look as though we were going to be able to remove this tax, this Government was re-elected with a very substantial majority. The people have already spoken on it, and for that reason I think we have nothing to worry about.

I am going to say, very frankly, that I wish it were possible for us to be rid of all taxes — my job as Provincial Treasurer would be very nice. But I think there is altogether too much loose talk going on around here and out on the platform. I challenged my friends, a year ago, in the budget debate. I gave them the promises which they had made in that year, promises which would result in a net deficit for this Government of thirty-five million dollars. Not to this day has there been one single denial of that statement, Mr. Speaker. Yet they have the nerve to stand up in this Chamber, tonight, and suggest that we should get rid of this tax. After all the promises they made of all the things they were going to do, one after another they rise in their place and want more money spent on this, more money spent on that, and yet, on the other hand, they want us to wipe out this one source of tax. Mr. Speaker, I would say that it is political dishonesty to the greatest degree that it is possible to go, when any group of people will go throughout this province and in this Chamber, and stand up in their place and tell us where they are going to cut these expenses. Oh, yes, cut out the Bureau of Publications and two or three other little things that cost about \$300,000; but when it comes to the real money there has never been one single suggestion for saving anything — oh, except my hon. friend from Melfort who would fire a thousand civil servants. Well, I would like to ask him if he would like us to start on his brother, his father-in-law, or who he wants us to start on. We have them all in the family and in the Government service — ask them what they think about it, if we should do that sort of thing. Well, I don't think they will agree at all, Mr. Speaker.

**Mr. Loptson:** — You said something about taking the Education Tax off the fertilizer. How about the people that have bought it to date and have paid for it?

**Hon. Mr. Fines:** — I am afraid it is too bad for them, but next year they will be all right.

The Motion for Second Reading of Bill No. 39 was then agreed to, on division of 24 votes against 21.

The Assembly adjourned at 11 o'clock p.m. without question put.