

**LEGISLATIVE ASSEMBLY OF SASKATCHEWAN**  
**First Session — Twelfth Legislature**  
**20th Day**

**Wednesday, March 11, 1953**

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

**BUDGET DEBATE**

The House resumed from Tuesday, March 10, 1953, the adjourned debate on the proposed Motion of the Hon. Mr. Fines (Provincial Treasurer): That, Mr. Speaker, do now leave the chair. (The Assembly to go into Committee of Supply).

**Mr. J.W. Horsman** (Wilkie): — Mr. Speaker, when I adjourned this debate yesterday afternoon I had just mentioned that we had come through what has been perhaps the most prosperous year in the history of this province. I referred to the wonderful crop we had and the state of general prosperity that the country is in, and I wondered since I have been in this House this session in view of these things and the state of general prosperity that we are enjoying, that so many members of the House seem to take such a dismal attitude to things especially in the near future. There is always something to find fault about in any country, but in a period like this it seems to me that people should be pretty well satisfied.

Speaker after speaker mentioned the fact that farm prices were low – ruinous, in fact – and things of that nature, and farm implement prices were so high, which is true. Farm implement prices are high, but I think, in spite of all these things, that we are enjoying a period of prosperity unparalleled in our history. Now, when the Provincial Treasurer brought his budget down a few days ago, he painted an entirely different picture. According to his budget speech, the outlook is very bright: farmers' income was at an all-time high; everybody was working, and there was no unemployment and everything was rose. So it was a very contradictory statement to what some of the members on that side of the House said. Of course, they go on and criticize the Federal Government – everybody takes a crack at the Federal Government, which in this country is our privilege. It is our privilege to criticize any government. That is one of the privileges we have always enjoyed, and we want to continue to enjoy that privilege. We can get up in this House here, and we can criticize the members on the other side of the House, even though the Premier sits right there in front of us and the Speaker in his chair, and we can say anything within reason, any ordinary criticism against the Government. That is the great privilege of living in a democratic country. We have the privilege and distinction – in some people's idea the doubtful distinction, probably – of having the only Socialist government on the North American continent in this country. However, they are still there, and we cannot put up any argument about that.

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I was listening, the other day, to a speech from the other side of the House by the hon. member for Elrose (Mr. Willis). He was speaking of course about the 1930's. That is an awful old theme now; it is ancient history. There is no parallel, of course, between those times and the present time; but he referred to the very low salaries that were paid to schoolteachers in those days. I served on a school board all through those years and they were the hardest years we have ever seen. We hope and trust that we will never see anything like that again in this country, no matter what government is in power. But I remember well, when we paid teachers as low as \$350 a year that it was much harder to pay that small amount then than it is to pay the amount we have to pay today, because the people who paid the teachers were just 'broke' in those days; that is all there was to it.

I remember when the C.C.F. Party first started up in this country, when they were being organized, the time when the 'Regina Manifesto' was written. They intended to go out for all-round Socialism. That was my understanding of it. One of the things that they were going to socialize – one of the most important things that they did the most talking about – was the oil industry. We believed then, even away back in those days, that sometime a great oil business would be developed in this country, that we would strike oil some place; lots of it. We still believe that, and we are striking some oil now. I remember, too, at a convention in Saskatoon it was reported that the gentleman who was the Minister of Natural Resources at that time; they were discussing the oil business at the convention, and the fact arose that it should be socialized. A lot of those fellows thought that the oil business should be socialized. And the Minister said, "We'll move in when the proper time comes." That is what he told them at the convention.

When the oilmen began to move into this country during the last few years, after the great development in Alberta, and started to try to discover oil here on these prairies, the attitude of the Government changed considerably towards these men. It changed altogether. They tell the investors now, "come into Saskatchewan, invest your money and we will protect you. You don't have a thing to worry about. We'll look after your interests." The development that has gone on thus far, I don't think is because the people who are investing the money have any great credit in the Government or any great faith in them either. With a government pledged to Socialism (and oil is one of the greater things that could be socialized) I do not see why people would feel too safe, in view of the fact also that natural gas is another product that we are striking in Saskatchewan in quantity (and I think it is a very important resource and a valuable one) and the Government has declared their intentions, some time ago that when natural gas was discovered, as it is being discovered now in quantity, that they would take over the distribution and sale of natural gas, which they are doing, as evidenced by the fact that they are already building pipelines.

Now, suppose a large oil field was opened up, as we expect and hope there will be, what would stop the Government from taking over the distribution of oil and the sale of it too, any more than the sale and distribution of natural gas? It is another natural product. And I think that people with money to invest must think of these things.

The first discovery of importance of oil or natural gas in this province was made in the Unity area by Bata Petroleums. The Unity

Gas field is, I believe, the largest producer of natural gas in this province to date, and the town of Unity was the first town in Saskatchewan to be heated by natural gas that was produced in the province of Saskatchewan. Bata Petroleum up there discovered the salt beds in that area, and they also discovered the potash beds. The salt beds, as everyone should know, are being developed now and the potash deposits in that area are in the process of development. The salt plant at Unity is producing from 10 to 12 carloads of salt a day now, and that is a lot of salt. The natural gas field at Unity not only supplies fuel for the town, but it also supplies fuel for the salt plant and the power plant owned and operated by the Saskatchewan Power Corporation. I think that, if we just think over the possibilities of natural gas and what can be done with it, we realize just how important a venture this is.

Cass-Beggs in his report of the Saskatchewan River Dam some years ago, or last year, made the statement that electrical power could be produced just as cheap from natural gas as it could from water power. Now that gives us some idea of the great importance of natural gas. The power from that plant at Unity is transmitted all over the west central part of the province – North Battleford, Wilkie, Kerrobert and all the towns and villages in that area. In addition to this there has been some start made in farm electrification – not as much as we would like to see and we think that the price is a little too high; but even at that the people are glad to have the power and we would like to see it extended. What profit the Power Corporation makes out of that plant at Unity I am not in a position to say, but if I was to make a guess, I would say it would be somewhere between \$¼ million and \$ million. I may be out either way – I don't know, but it must make a big profit. I see the Minister smiling – I guess it was a million.

The development in that area, Mr. Speaker, is something that we do not have to look forward to and guess that we might get sometime. It is something that we have now. Now the potash development there is the only development of its kind in Canada, and one of the few on the North American continent, I think. The supply is unlimited up there, and the market for the product when it is developed will also be unlimited. When we consider that that plant will be situated right in the centre of one of the greatest grain-growing areas in the world and that potash is used principally for fertilizer, you can imagine just how important a thing to an agricultural country that will be. When we add up these things that I just mentioned – I might be out on the profit from the power plant; that was a guess and you know anybody can make a guess. When we add to that that this area is one of the best grain-growing areas in the province and a good stock growing area too, we have a number of good towns, good business men, the farms are well equipped and they are a bunch of good farmers, and when we add all these things together I think that people would agree with me when I say that Wilkie should not be the 'forgotten' constituency of this province, yet that is what it is.

Now, we pay taxes in that constituency, the ordinary taxes that every other constituency pays – gasoline taxes and so on, education tax; we pay for motor licences, car insurance and everything else, yet we never get a dollar spent on highways up in that country, never have for the last number of years. The only thing we ever had was a few dollars spent on maintenance. I don't think it is fair. I think that constituency

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is just as important as any other constituency in Saskatchewan and should have the same kind of treatment. In addition to the ordinary taxes that we pay and it comes into the public treasury, there are some royalties that come from that country from natural gas and salt, and since those developments have started up there the Government of Saskatchewan has received about \$25,000 in royalties in that area, which adds up a little to the revenue which comes down here to the Government treasury. When the potash is developed there, as it will be in another year, I am quite sure that there will be a lot more revenue than that coming to the Government.

My constituency, as you know, is hemmed in on all sides by constituencies represented by C.C.F. members. I have told you that in this House before. I don't need to tell you something you know, but I am going to refresh your memories on this. On the north, the Minister of Agriculture is my neighbour up there; on the east the Hon. Minister of Education, at Biggar; on the south, Mr. Wellbelove, from Kerrobert-Kindersley. If you look over the reports of the money that has been spent on highways in recent years in these three constituencies, and compare them to what has been spent in my constituency, you would see that there could not be any other reason for, I would say, discrimination. It is a word that I do not like to use, but I am forced to that conclusion, Mr. Speaker.

I am going to read you a few of the items here that we got through questions in the House, to show you the difference in the money that has been spent in those constituencies and what has been spent in mine. I have pointed out to you, I think clearly enough, that our constituency there is on a particular with the others; I don't say any better, but it is at least as good. In 1948 and 1949 there was spent in Cutknife constituency, in round figures, \$197,000 on construction; in 1949-50, \$289,000; in 1950-51, \$156,000. In Biggar, in 1948-49 there was spent \$178,000 on construction; in 1949-50, \$49,000; 1950-51, there was very little spent on construction but there was \$117,000 spent on maintenance. In those same years in Wilkie constituency, surrounded by these other three: in 1948-49 there was nothing spent on construction, but there was \$32,000 spent on maintenance; the next year, 1949-50, \$45,000 on maintenance, nothing on construction; 1950-51 nothing on construction, \$61,000 on maintenance. Now, I think any fair-minded man – and I think there must be some fair-minded men on that side of the House; I cannot imagine a group of 42 men elected by the people of Saskatchewan that could sit there in one group and there would not be one or two over there at least that would be fair enough minded to say that this is a dirty deal.

I said something about the farm electrification up there. I said we had it started, and we are very glad to have it. But I want to point out, Mr. Speaker, that there would never have been any farm electrification in that country if it had not been for the power plant that was built in Unity. There never would have been a power plant at Unity if natural gas had not been discovered in that area, and the Government of this province or any other government had nothing to do with the discovery of that natural gas. I know the history of the development there ever since it started long ago – the first well that was ever drilled in that country. Just a group of small ordinary businessmen pooled their money and tried to see what they could find there. The first well was drilled near Vera Lake. They struck a sign of oil, an oil sand and some natural gas. It was not a producing well, and that was

the end of it for a number of years. Then we ran into the hard times in the 'thirties, when you could not do anything anyway. But there were a few men there around that town and that country who never lost faith in the possibilities of that area for gas and oil. They figured they would hit it there sometime, and they kept a spark of interest alive in that thing all those years until finally this Bata Petroleum Company was formed, mostly just small investors, farmers and small businessmen around the country, and they are responsibility for that development. I say they had no help from go or anybody else; they did it on their own. I do not think this Government ever helped or encouraged Bata at any time, not as far as I know, but still they discovered that gas field; they discovered the salt beds, and they discovered the potash, all of which is being developed now, and there would not have been the power plant there if it had not been for that, and if it had not been for that power plant there, as I said a minute ago, we would not have had any farm electrification. If it had not been for the natural gas we would not have had the power plant. So if you want to go back into this thing, you will find that, in spite of what we have there, it was private enterprise that was responsibility for the while thing, indirectly at least. I often think of that company there, the hard times they had, the hard years they went through, the hard times they had to finance and everything else, but they carried on and made these discoveries.

I heard someone speaking in this House some time ago – I forget who it was now – make a quotation from Dr. Samuel Johnson. Dr. Samuel Johnson was a great man. He was poor in his young days, had a hard struggle to get going; then he became very famous. After he became famous he was invited by the people of his hometown, who had never paid any attention to him when he was down and out, they asked him to come there, they were going to give him a sort of celebration of some kind. In the course of his remarks, speaking to this group of people that night he was not thanking them for anything, but he said this:

“During all these years I have carried on my work through difficulties without one act of assistance, one word of encouragement or one smile of favour.”

I have lived in that constituency, Mr. Speaker, most of my adult life. I came in there when it was just a raw prairie country. I saw the country developed, and I have been as closely associated with the development there, I think, as any other person. There are others in this House who were here in those early days. I think they had an experience and a privilege that no other generation will have again, because there is no more 'Great West' like this to settle. This country was settled under a system of land tenure much different from what our Government of today has. Under the old homestead laws, you could get a homestead and when you did certain duties and lived on it a certain length of time you could get your title. That is the reason people flocked into this country from all over the world. They knew they could get this land here, and they knew that after they did certain rights, the land would belong to them and they would have the title. Everyone knows that one of the proudest things that any farmer has is the title for his land. That is what he wants to get; he wants to know that he owns that land. He does not want to hold it under a lease from some other

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land owner or a Government. I have often wondered how far the development and settlement of this country would have gone or how long it would have taken if the old system of land tenure had been the same as it is now in Saskatchewan. If people who came out here knew that all they could get was a lease, that they would never own their land, I wonder how many of them would have come.

This development in this country is second to none that you have ever seen in any part of the world. There is no question about that. I am very proud to represent the people of that constituency, Mr. Speaker, and I have the distinction of being the only man who was ever elected twice in that constituency since the province was formed. I am willing to admit that I did not get a very big majority this time, but that is a common thing in politics. The main thing is to get in.

I am going to say a word or two about the election. I am not even going to mention my opponent. I think, as far as I know, he fought a good clean fight and I never heard anything against him. He is a good gentleman as far as I know. But when the official count was made there after the election was over, the count was very close, and a man was sent up from Regina to help to supervise that count. I do not know why he was sent there. We had a good returning officer there and other officials. I think they were quite capable of counting that vote themselves. However, this man was sent there to see, I suppose, if everything was on the up and up. Now when we counted the sworn ballots some days later, that is the absentee vote and that, we had the very great honour of having the Chief Electoral Officer up there (Mr. Telford). He came up to Unity to supervise the count of those sworn ballots. He did not do anything wrong, but he was in there all the time to supervise things.

I have quite a bit of criticism to offer about that sworn vote. I do not mind people being able to vote away from home – that is fine; but who apparently did not know how to make out the affidavits on the envelopes, it transpired at that vote, when we counted that vote, that we threw out about 180 ballots without ever counting them, without ever opening the envelopes at all. Now, I was willing to count every ballot. I realized, as anyone should, that the mistakes that were made there were not the mistakes of the voters. They were the mistakes of the deputy returning officers appointed by the Government. There were 180 votes, if I remember right, that were thrown away though there was nothing wrong with the ballots, I don't think. Those people voted in good faith and the mistake, as I say, was not their fault, but they were disfranchised just the same. I was willing to count every ballot; that is the attitude I took. I could see this, and I knew those people had a right to vote. I did not know what kind of a ballot was in those envelopes any more than anyone else there did; but my opponent would not agree to that. Every envelope that had anything wrong with it as he thought – not so much my opponent as the gentleman he had with him to help him, a lawyer from Saskatoon – they went over these very carefully, and, of course, people who are used to a group of people know pretty well how they vote, and they thought they could discard everything that they thought there was a Liberal vote in, and save the rest. Well, it did not take me very long to see what was going on, and I said, "No, if you are going to do it that way, we will throw out every one of these envelopes that has anything wrong at all with it." They were dated wrong; some of them were not signed by the deputy returning officer; many of them did not have the number of the poll or where

the voter lived on the envelope – all little mistakes like that. So, the result was that we threw all these ballots out. But I did not do too badly after all; I was satisfied with the way the vote went, although I was willing to count them all. I gained 105 votes on the sworn ballot. Our returning officer up there was a man whom everyone knows and has the greatest confidence in. He is a man whose word has always been his bond, and he has lived and been born and brought up in that country, and he could have handled this thing fine alone. But when the Chief Electoral Officer was sent up there to supervise the count of that vote, it looked to me as though they did not trust that gentleman. I hate to think that that was the case, but I could not see any other reason.

I mentioned, a moment ago, something about the speeches we have been listening to from the other side of the House, similar in many ways to what we have listened for the last four or five years. You hear these great prophecies of disaster, how everything is going to the bow-wows, and all that kind of thing. The only good thing about the speeches over there, this year, was when the budget was presented. It sort of knocked the wind out of all this other stuff. If we take the budget seriously, as I think everyone does, it looks like we will still in the land of the living. I thought after the election, the way everything went so good for the C.C.F., that everybody would feel so good they would not have much criticism whatever. But that is not the case.

Of course, if we were simple-minded enough to believe everything they say over there, we might be forced to the conclusion that we were about on the verge of bankruptcy – at least the farming population. I am fair enough to admit that many of our farm products are selling too low, but on the average, the farmers are doing well in this country. Grain prices are fair; cattle prices are fair; hog prices and poultry are too cheap. But on the average, they are doing very well. As I say, machine prices are too high, but still, with modern machinery, you can get over an awful lot of land in a day to what we could with the old stuff, and I think we farm an acre of land in some ways almost as cheap, or perhaps cheaper, than we ever did. Now that statement was made in the House here previously. One gentleman said you could put a bushel of wheat in the granary cheaper than we ever could. I will say that you can harvest a bushel of wheat and put it in the granary much cheaper than you ever could, and I am not making any brief for the machine companies either; but you can do that. You can hire a combine to cut a 30-bushel crop of wheat for \$3 an acre, which is 10 cents a bushel. You could not thresh it for that in the old days. So that is what this gentleman meant when he made the statement.

According to the criticism that we hear levelled at the Federal Government, you would think that they had never done anything right, that they were always wrong. I don't know if you agree with me or not, but I think it is only fair to just take a little look at some of the things the Federal Government has done. This is a provincial legislature, but when everyone on the other side of the House talks Federal politics we must at least mention it over here, or we would not be in style. The Government of Canada, is, I think, one of the very few governments, if not the only government, in the world that is financing today on a balanced budget. The Canadian dollar is the highest currency in the world today. Our standard of living in Canada is the highest of any country in the world with the possible exception of the United States. We are a small people here; we have a vast area of land, but we have only about 15 million people. Yet in spite of the

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fact that we are only such a small group, we are the third largest trading nation in the world, and we have done these things under a Liberal Government. The Government must have done some good things, surely. Our per capita wealth is the greatest of any country in the world – we might except the United States there; and the per capita wealth in this province is the highest, according to the budget, of any province in the Dominion of Canada.

I do not think we appreciate the fact, living here in this country, of what a hard country Canada is to govern, when we consider the things that we want here and they do not want them in the Maritime Provinces or in British Columbia perhaps. Another set of rules has to go for Ontario and Quebec, the central provinces, which are highly industrialized. And there are some awful hard problems to face. The development of our natural resources all over Canada is going ahead rapidly. We have seen a great development in the provinces of Alberta, British Columbia, Quebec, Ontario, even going away up into Labrador after iron ore; millions and millions of dollars being spent in Canada under this Government that we hear so much criticism of here, and I say everyone has a right to criticize the Government. That is one right that we do have. But, after all this Government at Ottawa did reduce taxation some. It has been contended by members speaking on the other side of the House, that the reduction does not amount to anything. Well, maybe it doesn't; but it is still a reduction.

The Government here found it necessary to raise taxation some: Gasoline tax one cent a gallon, and a raise in automobile insurance and motor licences, or driver's licences. Now, that is a raise; maybe not very important, and it won't amount to a great deal to the individual, but still instead of a reduction such as the Federal Government made there have found it necessary here to raise taxation. Now, for me or anyone else to stand up here and say that this C.C.F. Government has never done anything good since they came into office would be a most ridiculous statement. I am fair enough to admit that. But no more ridiculous, Mr. Speaker, than the statements that we hear from the either side of the House many times a day, that there never was anything good done in Saskatchewan before 1944. Now, that is a most ridiculous thing to say, but we hear it all the time; we never hear anything else. If we look back over the history of this province we will find that this province was settled and developed under Liberal Governments, and if we are honest enough to believe it, almost every good thing we have here was started by former governments. Our school system was started by Liberal Government; our hospitals – the Union Hospital Plan was developed by the Liberal Government; our road system was laid out by Liberal Government and so on. These services have been improved and extended since 1944, naturally, because these years are the most prosperous that the country ever enjoyed. And this Government – I say they are a socialist government, that is what they say they are anyway – once again, this year, they reaffirmed their faith in the 'Regina Manifesto', the old policy that they had adopted and written many years ago. As far as I know there has never been a change made in it. It must have been a very perfect document in the first place that never had to be changed in about 30 years; no change in it at all.

The Premier made the statement in this House that under the Regina Manifesto there was room for private enterprise, co-operative enterprises and government enterprise. I have looked through the Regina Manifesto many times, and I have never seen anything in it to indicate that any particular encouragement would ever be given to private enterprise under the terms of the Regina Manifesto. Almost the first clause in the Manifesto tells you

plainly what they are going to do with capitalism; that the evils of capitalism can only be removed in a planned and socialized economy. It does not say that half of the economy would be socialized or part of the economy, but it would indicate a completely socialized economy. And it goes on and tells us that our natural resources and the means of production should be all controlled and operated by the people. That would not indicate to me that there would be very much left for private enterprise. Anyway, they still believe it. And I think that if the time comes when they think it good, they will put that policy into action, because I believe these men are sincere, Mr. Speaker. I think they mean what they say in regard to the Manifesto. I think they always have, and I think they always will, and I do not think when you come to the economy of a national handled by a government that any small group of men, I don't care how brilliant they are, just cannot do those things. They cannot organize, plan and carry on the economy of a whole nation. It cannot be done; I do not think it can be done.

Suppose we had a 'Socialist Government' in power in Ottawa and they adopted the terms, of course, of the Regina Manifesto. They think that everything should be handled by government boards, import and export boards. We hear criticism in this House of tariffs. Now, I believe in low tariffs, always did, and I suppose I always shall. I think that any farmer who does not believe in low tariffs must have something wrong with his head, because we sell our products in competition with the world and the world's market; but to consider free trade in a world of free trade is one thing, but free trade in a world of protection is something else altogether. Free trade for Canada would ruin the country. Your country would be flooded with cheap manufactured articles from other areas. What would happen to a socialist Government if they were in power – and this is a big "if", something that I do not think will ever happen? But we will just suppose they were in power in Ottawa and they threw off all the trade barriers, and the country would be flooded with cheap articles from Asia, products of the cheap labour of Asia. We know well enough that many labour organizations have adopted the C.C.F. as their political arm. What would they think? They might just as well ship in the cheap labour from Asia as to ship in the product of that cheap labour and put it on the market. It would have the very same effect to our labour men.

I do not think the outlook is too bright for Socialism. When you look over the world you will find Europe and other countries strewn with the corpses of socialist governments, and I do not think they are making a great deal of headway.

Now, Mr. Speaker, I do not think I will talk very much longer. I am supposed to split my time with my good friend from Moosomin (Mr. McDonald); but I am glad to have had this opportunity to say these few words in this House. I would like to address you further at some other time if I have the opportunity, but you may gather from my few halting remarks today, that I will not support the motion.

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**Mr. A.H. McDonald** (Moosomin): — Mr. Speaker, first of all, perhaps I should have asked the Provincial Treasurer for permission to speak today, after some of his remarks cast at me earlier in the Session. However, I have not asked his permission, and I am going to speak whether he likes it or whether he does not – it is immaterial to me.

I was home a couple of weeks ago, and some of the boys were mentioning a few things to me, and I am going to bring a few of the highlights of the remarks I had with them to this Legislature. Some had to do with the remarks the Provincial Treasurer made with regard to myself, and some of my colleagues said, “You should really take the hide off that boy.” Well, I thought there would not be much use in that, because just as sure as you took the hide off him, the Premier would give it to some farmer to sell, and you probably would not get more than 9 cents for it and, consequently, I would not want to be burdened with that responsibility for 9 cents.

Another thing that was mentioned to me when I was home was the fact that the Opposition in this Legislature are seldom heard on the air. The people in the country do not seem to realize that through an agreement in this Legislature, the Government are given 2/1/2-hours air time to every hour the Opposition are given. Some people might think that this is a fair distribution of the time; I do not think so. I have always maintained that if you are going to broadcast any portion of the proceedings in this Legislature, then you should broadcast it all – or nothing. I believe the purpose of the broadcasting of the proceedings in this House is to take to the people of the province of Saskatchewan, the true story of what goes on in this Legislature. I do not believe that the broadcasting, as it is being done at the present time, is doing that. I believe that it is accomplishing absolutely nothing other than a sheer political propaganda campaign; that, in one day, the C.C.F. get up and give their story and another day we get up and give them ours. The unfortunate part is that they have got 2 ½ hours to put over their ‘boloney’ for every hour we have got. I say that on an hourly basis it is not fair – when you take it on capability it probably is fair. I think we can give the people as much in an hour as they can tell them in 2½ hours anyway.

It is quite obvious, Mr. Speaker, when you are getting under the hide of somebody, — they are squirming around and jumping like a little fox terrier, “yip, yip, yip” – and that is what goes on over there most of the time. We have sat through this Session, and I do not think we have ever interrupted a speaker so far, but it is obvious from the reception I am getting that things are going to be a little different.

However, I am sorry now that the junior member for the city of Regina is not in her seat. I know that it is not her fault, because she is attending a meeting at this time; but I did want to refer to some things that she said during the course of her remarks, speaking earlier in the Legislature.

First of all, I want to touch on the housing problem that we have in the province of Saskatchewan today. Some of the things that I am going to say today, some of the things that I am going to read, have been

said and read before in this Legislature, but apparently they have not taken hold, so I think that they should be brought again to your attention and to the attention of the people of this Chamber.

Back in the days before the C.C.F. came into power, they seemed to have a solution to the housing problem, but when they got into power, they forgot about that solution and did as they have done on practically every other occasion – run to Ottawa with the problem. Now what is the past record of the C.C.F. Party with regard to housing? They had all kinds of plans away back in 1943. Some of the speeches that were made at that time were fantastic when we look at them now. I believe that in another ten years from now, some of the speeches that the C.C.F. are making today are going to be just as fantastic. I want to quote from a broadcast which was made in May of 1943 and reported in the “Commonwealth” of June, 1943. It is in regard to housing and the speaker says:

“It may sound fantastic to you when I say that last year’s strawstacks could become this year’s houses, barns and chicken-coops and all sorts of things.”

This was how they were going to rectify the housing problem, just ten years ago. And the speaker went on to say that there were going to be co-operative industries set up in this province that were going to build houses out of straw, and if you did not like the shape of them why you took them back to the factory and got them remodelled. There was no problem, Mr. Speaker, ten years ago, according to the C.C.F. Party. That was in a radio speech of May 25, 1943, and reported in the “Commonwealth” June 23, 1943. Then there is another quotation I want to read. It is taken from the C.C.F. Programme for Saskatchewan. It says “Know what you are voting for,” and it is taken from the “commonwealth” of May 24, 1943. It says:

“Adequate housing for the thousands of families that are now living in slum areas and in crowded tenements in our cities, and that this programme shall also include the rehousing of our citizens in the rural areas, and that our natural resources to be developed to the fullest extent to bring this about.”

They were not only going to rectify the housing problem in the cities and towns, they were going to go out to the rural areas and do it. Now there are a few farmers down in my district that would like a new house but they could not even get their old house painted by the Corporation that was set up by this Government – one of the ones that lost the people of this province a goodly sum of money, and consequently has been ‘thrown out the window’ not by the Liberal Party but by the C.C.F. party.

There is one other article I want to read with regard to this housing problem. It says, “Better homes in Saskatchewan” – this is from the “Commonwealth” also of May, 1943, and here they say, and I am quoting:

A congenial government in Ottawa would simplify our problem, but what can a Co-operative Saskatchewan do within a monopoly-controlled Canada.”

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And it goes on to say that if they had a C.C.F. Government in Ottawa, this problem would be more simple, but even with a monopoly-controlled government in Ottawa that this House – there is nothing to it: just put us into power and we will build you all a house.

That is what the C.C.F. had to say about housing before they got into office. They have been in office for ten years and what have they done about it? These people are great individuals to stand in this House and tell you that the C.C.F. are the party that keeps their promises. Mr. Speaker, there is a whole book of promises (and I have the book) that these people made ten years ago; none of these promises have been kept. I am not going to bore the Legislature by reading them all to you, but I am sure if anyone goes back and reads the “Commonwealth” of ten years ago, or reads the programme put out by the C.C.F. Party ten or twelve years ago, they will see them for themselves. I did want to deal with this one subject because it was brought into this Legislature in this Session by the junior member for Regina.

It has been a pleasure for me, and I think for everyone on this side of the House, to have the gracious lady representing one of the seats from Regina. It is a great change for us on this side of the House to be able to look over there and see the charming lady, especially after looking at the group of old women that are sitting there with her. We had a couple of additions stuck on to the Cabinet here, since the June election. The people of Saskatchewan were not told about this until after the election. I do not know – we seem to have more Cabinet ministers here than they have in other provinces, almost as many as it takes to run the Dominion of Canada. I think it is even more than it takes to run the Government in Great Britain. Well now, sometimes I just wonder if these people were not put there to extend some of the duties that have been carried on by the Cabinet Ministers in the past, and that has been chiefly of a political nature – to make speeches and to travel the province at the people’s expense in an effort to garner more votes. I am convinced that that is one of the main reasons we have two people added to the Cabinet in this province. I do not think for one moment that the work of the Government of this province needs the number of Cabinet Ministers that we have today. I believe that it was better calibre and not more quantity that we wanted.

Considerable has been said, Mr. Speaker, in this debate and in the debate which preceded this one, with regard to marketing of agricultural produce chiefly. We all know that this is a Federal matter, but being as we are a predominantly agricultural programme, perhaps we are right when we discuss it in this Chamber. There is considerable disagreement in regard to this marketing problem not only between the two sides of the House, but there is considerable disagreement between members on the Government side of this House. On the one half you have the Provincial Treasurer and a few of his colleagues; on the other side of the fence you have the Premier, the Minister of Agriculture, the Minister of Highways and a considerable number of backbenchers and what one outfit says, the other one disagrees with. The Premier, and the Minister of Agriculture and the Minister of Highways, tell us that our agricultural policy is in a terrific mess. The Premier says that we are in the midst of an agricultural depression while we are in an industrial boom. But what does the Provincial Treasurer say? It is very different – and I would suggest to the Whip on the Government side of the

House that he collect some of these people together and have a caucus so that they can come out of this caucus all with the same view.

What does the Provincial Treasurer say? I believe that the remarks of his budget are condensed in a column in the 'Leader-Post' as well as I, or anyone else, could condense them. Therefore, I want to read to you what the Provincial Treasurer had to say in his budget with regard to agriculture in the province of Saskatchewan, and agriculture as a whole:

“With buoyant domestic consumption and record export demand continuing, the immediate outlook for markets is highly encouraging.”

That is not what the Premier and the Minister of Agriculture and the Minister of Highways told us, but quite contrary to what they have told us. The Provincial Treasurer goes on to say:

“Despite these danger points and the setbacks I have mentioned, it still remains true that 1952 has been the most prosperous farm year in our history.”

— Some depression!

**Hon. Mr. Fines:** — Might I suggest that the hon. gentleman read the sentence in between those two.

**Mr. McDonald:** — If you will just let me...

**Hon. Mr. Fines:** — Well yes, read it all or none.

**Mr. McDonald:** — Well, I am going to read my part. You have had your speech and you can have another one – and you can read your half. I am reading the parts out of your budget speech that deal with agriculture, and what you have to say in regard to the better half of agriculture in this province. I knew when I started that you would not like it, but this is it, and you are going to listen to it whether you like it or whether you do not.

**Hon. Mr. Fines:** — Mr. Speaker, on a point of privilege.

**Mr. McDonald:** — The fact is, Mr. Speaker...

**Hon. Mr. Fines:** — I was not going to interrupt the hon. gentleman, but I am going to rise now to a point of privilege. The hon. gentleman has no right to misrepresent my position. He read a sentence out of the budget address – and I was courteous enough to give him a copy, the very day I delivered it, so there would be no mistake. After the first sentence he read, I added this...

“Nevertheless, the carryover is building up to substantial levels and we must continue to give the marketing picture the closest attention.”

He left that out deliberately!

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**Mr. McDonald:** — Mr. Speaker, I do not know how the Provincial Treasurer gets a point of privilege out of that. I have not finished my remarks. When I am finished, if the Provincial Treasurer has any quarrel with them, he will have a chance to rebut what I have said, and no doubt he will attempt to do so. However, I am going to go on and read what was published in the 'Leader-Post' and what is in the speech made by the Minister. There is nothing in the 'Leader-Post' that was not taken out of his address, and I want to go on:

“The fact is, Mr. Speaker, that the past several years have witnessed a notable strengthening in our agricultural industry.”

We are improving, in other words. And he goes on and he says, as I noted before:

“The estimate just published in Ottawa places first an income for Canada as a whole, in 1952, at \$1,188 per capita. A preliminary estimate for Saskatchewan is \$1,435 per capita, 70 per cent higher than the previous ten-year average, and one-fifth better than the national average.”

And he goes on to say more as reported in the 'Leader-Post' and in his budget speech; but all I wanted to point out, Mr. Speaker, was the contradiction between members of the Cabinet on the Government side of the House with regard to our agricultural marketing problems.

We, in this Legislature in the Liberal Party, know that there is a problem in marketing agricultural produce in Canada. That problem has existed ever since the last war, and I would like to go on record, at this time, in saying that I believe the Federal Government – and they happen to be made up of a Liberal Government at this time, but it matters little to me what political stripe that Government has been; but I want to say that I believe they have done a good job of handling the marketing of the agricultural produce in Canada. I want to say that I believe they have done an excellent job in the marketing of our wheat. This has been a terrific problem and continues to be a terrific problem. The Wheat Board have marketed two very poor crops – that is, they were large in bushels but they were poor in quality. They marketed, first of all, the frozen crop then a crop that was damp and tough. That was a terrific problem, but I think it was a problem that was met by our Government at Ottawa, and I think that they deserve congratulations for their efforts in that regard. They marketed a wheat crop, on two occasions, which was little better than a feed crop of wheat. They did that, Mr. Speaker; they put that grain on the market without depressing the market for coarse grains. I think that that was a good effort. They also put that wheat on the market at a price where I am sure we, as farmers, ought to be very proud of them. When we got the price for frozen, damp and tough wheat that we did, then I think we are very fortunate people.

We have a problem today, in the marketing of the terrific crop which was raised in the province of Saskatchewan and in western Canada and Canada as a whole over the last crop year. I believe, Mr. Speaker, that the Wheat Board will dispose of this crop, and I believe that they can do it

at a good price. It has already been announced that we are going to get 20 cents a bushel more for the wheat that we have already marketed, and for the wheat that we have to put on the market yet; and I think that is an indication that things are going along not too badly, and I think it is an indication that the Government and the Wheat Board figure that they can dispose of this crop at a good price.

Considerable has been said about other agricultural products, chiefly the price of beef and pork; some speakers have gone on to say that packinghouses made a tremendous profit at the expense of the farmers. Well now, I do not want to defend packinghouses, and I do not think the packinghouses would want me to defend them. I think, if they were looking for a defence they would get probably a good capable lawyer not a farmer like I am. But when we talk about the price of pork and beef – I know the Minister of Agriculture is not going to agree with me now; he says that the law of supply and demand is nothing but a myth. I cannot agree with him, Mr. Speaker. I believe that where we have too much of any item in Canada or in any other country, and it goes into our packing houses at a price where the public cannot afford to eat it, then you get a surplus and your prices go down. That is what happened in regard to beef and pork in Canada. The farmer was receiving a good price for that product. I am a farmer and I sold beef and I sold pork, and I was glad to get a good price for it, but I realized at that time that the working class of people could not afford to pay those prices to eat beef and pork. That is what filled our packinghouses, more than foot-and-mouth disease or any other disease. Then, when our packinghouses became full of beef and pork, — it was bought by the packinghouses at a good price – it had to be put on to the market after the price to the producer had fallen, at a price where the packinghouses could get back their money. They were not selling the meat that they were buying at a cheap price at a high price; what they were doing was selling the meat they had already bought, some of it many months in advance. Therefore, when some of the people on the other side of the House would say that our packinghouses made a fortune out of this, I could not see it. I believe they were trying to dispose of the products which they had paid a good price for, and I, as a farmer, would like to say, and I believe that most of the farmers are in agreement with me, that what the farmer wants is a good average price the year around for this product – year in and year out; that he is not so much concerned with high prices as he is with a good average price over the years. The Federal Government stepped into the picture when the price of pork and beef started to fall and put on a floor price and gave the farmer that protection. I believe that is the protection the farmer wants.

Now we have our borders open to export meat to the United States, and I do not know just what effect that is going to have. It is too close to the opening date to see the long-term effect it is going to have. I sincerely hope that our agricultural products will level off at a good price where the consumer can afford to eat our product, and where we can raise it and put in on the market at a profit to ourselves.

There has also been a lot said in this Legislature in regard to the cost of farm machinery. The speaker who just spoke ahead of me, my good friend from Wilkie, touched on this subject, but I want to say a little more in that regard. We know that farm machinery today costs a lot of money. I think probably it is out of line. There was a Committee of this Legislature set up last Session, which endeavoured to deal with this problem, but

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we all know what happened to the report that we were able to bring out of that committee. We found that we did not have the power in this Legislature to deal with the situation. On the other hand, Mr. Speaker, in spite of this machinery being a very high price, the machinery today that is being sold to the farmers in western Canada has a very high productive capacity. Big tractors, big discers, self-propelled combines and what-have-you, such as we have today, have a capacity where one man can farm a terrific number of acres, and when we take into account the productive capacity that the machinery has, sometimes I wonder how much it is out of line. I think one of the big mistakes today, in agriculture, is that many farmers – and I am probably as guilty as any of the rest of them – are not taking the full productive capacity out of the machinery that they own. Again, I do not want to be accused, as I probably will be, of standing up for the machinery companies. I do not intend to stand up for the machinery companies. All I want to do is to try and place before you and before the people, the picture as I see it.

I am glad that my hon. friend from Wilkie mentioned the fact that the member for Cannington had said that today a bushel of wheat could be put into the granary – that is could be harvested and put into the granary – probably cheaper than it ever could in the past. I too believe that. I believe that with the modern combine, where you go out and combine a crop that will return 30 to 40 bushel to the acre, and you do thirty or forty acres a day, sometimes more, that you are putting grain in the granary very cheaply; I think much cheaper than we did a few years ago with the threshing machine and all the other machinery that was involved.

There has also been considerable said, during this debate, with regard to income tax, and the people on the government side seem to take great delight in comparing the amount of income tax paid by Saskatchewan farmers with other provinces, and especially Quebec. I would like to know how many people on the other side of the House, who have made this criticism, have visited farms in the province of Quebec. Again, I am not standing up for the Quebec people – they can stand up for themselves; but let us have a fair comparison. I have visited the province of Quebec, I have visited many farms in the province of Quebec. Farming in Quebec is not the same business that it is here on the prairies, and I think that, before anyone criticizes or even passes an opinion, they should do as I have done, visit Quebec. There is one other reason that we have a lot of inspectors in Saskatchewan as compared to probably any other province – when I say inspectors, I mean inspectors that are working for the Department of Income Tax.

**Government Member:** — Politics.

**Mr. McDonald:** — Yes, it is politics. The reason is these people over here and their friends, they have squawked on more individuals with regard to income tax, probably than all the rest of Canada. They are the people who are responsible. There is hardly a man in the province of Saskatchewan who can stand up and say he is a Conservative or a Liberal but what these people are squawking on him: “Slap a ‘net worth’ statement on him; we will change his politics.” That is what is going on, Mr. Speaker, right here in the province of Saskatchewan. That is why we have more inspectors here.

There has been considerable said, during this debate and the debate preceding it, with regard to different constituencies. Each member, naturally, is asking for things for his constituency. Not only is that done by members on this side of the House but it is also done by some members of the Government side. Well, I am not going to be any exception. We have some problems in Moosomin that we would like the Government to do something about. Some of our problems they have aggravated. One of those was the closing of our gaol in Moosomin. One of the speakers, I think it was the Minister of Education, referred to the Moosomin Gaol as dungeon-like. I do not think that is a true statement, Mr. Speaker.

**Hon. W.S. Lloyd:** — Pardon me – I said it was dungeon-like by comparison to what boys of that type needed. That is entirely different.

**Mr. McDonald:** — I think, Mr. Speaker, what the Minister has just said is true, that it was dungeon-like by comparison. I will admit that the Moosomin gaol was an old building. These people spent, I think it was some \$30,000 on it the year they closed it. I do not know why; they have not spent anything on it since. I do not know whether it is insured under the Saskatchewan Government or not, but if it is they ought to go down and clean up the weeds that are around it, or else it is going to burn down on them. But when that gaol was opened, Mr. Speaker, I do not think it was dungeon-like compared to anything. That was a good institution, doing a good job for the people of this province. I know the gaol and I know its record, and I believe that the vast majority of the young men who went through that gaol, came out farm better citizens than they went in. They were in a healthy atmosphere; they were not stuck out in the backyard of the Parliament Buildings. They were out on a farm in the province of Saskatchewan with a healthy surrounding. I believe the gaol was staffed by competent men, and I am convinced that they were doing a good job, and I am convinced that that gaol still has a proper place in the society of the province of Saskatchewan. But they closed it! I have asked the Government, on several occasions, if the buildings could not be utilized for some other purpose. Apparently not.

I think we will all agree that when a Government institution is built in an area, that that area benefits by it, and through having the gaol in Moosomin in the past, the town of Moosomin has benefited by it. There were people who came to Moosomin, probably, and set themselves up in business, partly because of it being served by a Government institution, and it gave a certain amount of permanent revenue to that area. Well then, when they closed this institution, why didn't they give that town and community another institution? There have been several projects carried on since it was closed. Just a few days ago, in Committee, there was some discussion with regard to the building of a new mental institution in the city of Moose Jaw. The Minister of Public Works, at that time, was asked why Moose Jaw was chosen. He said he did not know and I do not suppose he did know. But he said there had been several people ask that it be built in their constituency and there were several people at that Committee meeting that confirmed that. I think we had asked for it to be built in Moosomin. Mr. Speaker, I believe in all fairness that, if you are going to close our gaol, and you say you have no place for it in the penal programme you are

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carrying on, we should be given another institution to replace the one that you closed. I also believe that that building could be utilized and provide some service to the province of Saskatchewan.

There are other things I want to mention about my own constituency, and maybe I should do it now before the radio time is up. I want to mention a little about roads. I noticed one of the speakers on this side of the House – I think it was the hon. member for Nipawin – said the people in his area thought we had hardtop and gravel all over the south part of the province. What a surprise they would get if they came down here. I was up in Nipawin, last winter, and I find that the road problem in that area is exactly the same as it is down here – maybe not right in the City of Regina, but in the rural areas. I have made the statement in this House, I think every year since I have been here, that the highways in the Moosomin seat were in better shape twenty years ago than they are today. I am going to make that statement again today. The Minister of Highways says nobody agrees with me. Well, I do not know; I seem to be able to get elected down there, and I think the condition of our highways has more to do with it than anything else. The people on the Government side of the House say that they were elected because of the road-building programme in their constituencies. I am going to say that one of the great aids that assisted me was the lack of a road-building programme in the constituency of Moosomin.

I want to be fair and thank the Minister for what they have done for us in regard to the Trans-Canada Highway. We appreciate it. That is going to run practically through the centre of my seat, and I am glad of it; the people of the Moosomin seat are glad of it. I noticed in his speech, the other day, that he intends to complete the highway, his summer, from Regina to the Manitoba boundary, and it will be blacktopped. We appreciate that. But apart from that No. 1 Highway, what have we had in Moosomin? There is No. 8 Highway – it is on the map as a highway; there is No. 9, No. 47, and No. 16 just south of us – it is not actually in my seat, but a goodly number of my people use that highway. The Minister says they are 'Liberal' roads. You between they were Liberal roads, and they were good roads twenty years ago; but you have done nothing about them. This Government has neglected those roads. They have not rebuilt any portion of them other than what they have put on with a dinky little caterpillar with a shovel on the front of it, and they moved some dirt out of the ditch and drew it down the road about four miles in a truck and put it on the road – the most expensive way that any government could repair a road. They have done some of that, but there have been no major repairs; there has been little or no gravel put on there of any consequence, and these roads have been allowed to deteriorate until, today, they are a disgrace. That is the road situation in the Moosomin constituency.

**Hon. J. T. Douglas:** — Is he suggesting that we go back to the Liberal system of putting dirt on the road with shovels?

**Mr. McDonald:** — I am telling you how you put the dirt on the road down there, not how the Liberals put it on.

**Hon. J. T. Douglas:** — I would like to know that.

**Mr. McDonald:** — If you want to go down there today, I can tell you how to build the road. You know yourself. Take your “Cat and your scraper down and a few men, and get at it; but do not fool around with some trucks with some Government ‘heeler’ driving them and drawing a few yards of dirt up and down the road around election time, trying to get a few votes, because it will not work.

We have heard a lot about the Saskatchewan landing Bridge. I am just as sorry as any member of this Legislature or anybody in the province of Saskatchewan that the bridge had to wash out, last spring, but we were told at that time, that the bridge was going to be rebuilt in three months and it was only going to cost a few thousand dollars – I forget the number. We find now...

**Hon. J. T. Douglas:** — Mr. Chairman, on a point of privilege. At no time did any member of this Government ever state that that bridge would be built in three months, because we knew that the steel would not be available in three months.

**Mr. McDonald:** — The press reports, I think, will bear out what I said a moment ago...

**Hon. J. T. Douglas:** — Sure they will...

**Mr. McDonald:** — ...press reports that appeared in the ‘Leader-Post’ and other papers in this province, about one year ago. As I said, I was as sorry as any citizen in the province of Saskatchewan to see this bridge go, but I believe that when the bridge went out, the people should have been told the story that they have been told now. It was a terrific loss, and it takes a long time to replace it, and I am pleased to see that the Minister has seen fit to put the bridge back there; and I am pleased that he has raised it ten feet. I believe, that if he had put it up another ten feet, it would have been better still. I sincerely hope that the ten feet will give the clearance which is necessary and that the bridge will stay this time for all time to come.

We have set up a Committee this year, to deal with highway safety, and I am a member of that Committee. But there is one thing that I want to bring to the attention of the Minister of Highways that has to do with this problem of highway safety, and that is that when a highway is under construction in this province, there are not adequate signs placed along the highway, warning the people that they are approaching construction, or they are approaching new gravel, or they are approaching a detour. I do not think that we are doing a good enough job of warning the people, today. I have driven down highways that were under construction in this province, and first of all you come to an ordinary highway sign which has ‘Danger’ on it; a little further on you come to one that has ‘Slow’ on it, and a little further on you come to one of the old crooked arrows that says ‘Detour’. Mr. Speaker, that is not good enough. I have also seen, myself, two cars upset on approaching a detour such as I have just described. I believe that we should have large signs similar to the ones used in the province of Manitoba, sandwich-board signs I think they call them, that are set out on the road and marked with lights – markers at night. I think that this is very, very important because in this age where we have a speed limit in the province

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of 50 miles per hour, it is not easy to stop a car at night when one has no more warning than what they are getting today under this circumstances.

There is another local condition that I want to mention with regard to Moosomin seat, and that is a home which is situated south of Whitewood, for the aged people. It is run by a religious institution. I believe it is doing a good job. I believe that any institution which is carrying on a job such as the one I refer to, is entitled to some assistance from the Provincial Government.

Now it is a rather strange thing that this home received their first grant last year; it was election year. The C.C.F. candidate, my opponent, did not live very far from there, and it got a grant – the first one they ever had. I have asked this Government, I think on every occasion that I have made a speech in this House, for a grant for this home. They got one this year! There is no election next year, but I sincerely hope you will give them the grant. I hope you will give them twice as much as you gave them last year, because you did not give them very much; but they are very appreciative of it, and I think they are worthy of it, and I think that every institution in the province that is fulfilling the same need as this institution is, should have a grant.

A good deal has been said in regard to rural electrification. There was a good deal said during the election campaign in regard to rural electrification, and that is another problem which we have in the Moosomin area. I understand that one reason we have not had more rural electrification in that area is that the power available has been utilized to its limit. I think that is true. I understand now that there is to be a main power line brought into that constituency from the Estevan power plant, this year. I hope that that is true, and I sincerely hope that the Minister and the Government will see fit to give us some rural electrification just as soon as possible. We, on this side of the House, think that your charges are a bit high, but I believe that the people of the Moosomin constituency will pay those prices for electricity. There is no alternative. We either have to pay that price or we cannot have it. Well, I think we will pay it – give us the rural electrification. I believe that when this power line is built in there, and I understand that it is to be built this summer, that you will have no difficulty in electrifying a big area in that part of the province.

I would like to say a few words with regard to the moneys that are received and spent by the Provincial Treasurer and his Government. There has been some comparison between our budget in the province of Saskatchewan and the budget that was brought down in Ottawa. Our colleagues across the House are very critical of the Ottawa budget. Well, there is one thing about the Ottawa budget, it at least did reduce taxation. There is one thing about the C.C.F. budget in Saskatchewan – it did increase taxes. That is the difference; one gives you a decrease in taxation and the other one ‘ups’ it. Therefore, as far as I am concerned, the Ottawa Government has given us the better budget.

When the member for Maple Creek delivered his remarks of criticism to the budget, he said that the gasoline tax had been increased by 10 per cent – not the price of gasoline, but the tax. Well now, I want to go on a little further and break down that price of gasoline. Today, the price of gasoline when it is bought in many places in this province is 44 cents

a gallon; 11 cents of that 44 cents is tax, Provincial Government tax. Therefore, 25 per cent of the total cost of gasoline is paid to this Government in tax. This tax, in 1944, when the C.C.F. came into power, was 7 cents per gallon. Therefore this Government have increased the tax on gasoline alone 40 per cent since they came into power.

I was rather amazed, I think it was yesterday, when the member for Yorkton said that municipal taxes in the province of Manitoba were 100 per cent higher than they are in Saskatchewan. Now, Mr. Speaker, I live within two miles of the Manitoba boundary. I know what municipal taxes are in Manitoba, and I know what I pay in Saskatchewan, and I can assure you and the people opposite that taxes are not 100 per cent higher in Manitoba than they are in Saskatchewan. They are a little higher, yes, right across the border from where we live. I think one reason for that is that across the border from where I happen to live they are in a consolidated school area in Manitoba, where taxes are higher. We are not in the larger area as far as the school system is concerned. One other reason is that in Manitoba, in the municipality which I am referring to now which is the Rural Municipality of Wallace, there is hardly a farmer in that municipality who has not got a gravelled road to this door. I live in the rural Municipality of Maryfield in the province of Saskatchewan, and I can count on my fingers the number of farmers that have a gravelled road. I do not think farmers mind paying taxes if they are getting something for them. I maintain that the people of the rural Municipality of Wallace in Manitoba – I will admit they are paying a little more per quarter section than we are – are getting the services which warrant that taxation. Practically every farm in that municipality has rural electrification; we have practically none.

Now I believe that one of our main problems in the province of Saskatchewan is a problem that has existed since this province was surveyed. I believe that the survey of the land not only in Saskatchewan but in western Canada, was one of the roots of our problems today. As you know, when the province of Saskatchewan was surveyed, it was surveyed into sections. The part of the province that I happen to live in has a road allowance around every section; but I believe that our governments, both provincial and municipal, have been on the wrong track, not only this Government but the governments that preceded it, and I believe that one of the roots of that trouble, as I said before, is in the survey. I believe that if we could set upon a plan to build roads, good roads, every so many miles (I am not prepared to say how many miles it would be, but I sincerely hope that the Commission on Agriculture will have something to say about this, and that they will have some idea as to the number of miles these roads would have to be apart), that would not only help to solve our road problem but it would also help to solve our telephone problem, our rural electrification problem, our school problem, our problem in regard to public health, because it would mean that people would, in the future, build close to the main market road and by building one telephone line down that road and one power line down that road, and schools along that road, you could serve practically all the people from the one line. I know that we are probably fifty years late in suggesting this, because most of our farmsteads have been built up in a haphazard and scattered manner with regard to the survey of the land; but because we made a mistake in the past, Mr. Speaker, I for one do not think we should continue to make the same mistake today. I know it would render some

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hardship on some people who have built a prominent farmstead away from where the main market road or highway might be built, but, as I said before, if we have made these mistakes in the past, why should we continue to do it. I sincerely hope that when the Commission on Rural Life and Agriculture brings down its report it will contain some recommendations along that line.

In conclusion, Mr. Speaker, I want to read from a report in this morning's 'Leader-Post' with regard to a speech made by the Premier to the Rural Municipal Association, last night, and I am quoting. He said that:

“of \$112 million allotted in the budget, more than \$18 million was being spent for construction of highways; \$10 million was for electric power programme on farms. The Government also expected to spend \$70 million in the drilling of oil wells in this province, this year”.

I repeat that –

“The Government also expects to spend \$70 million in the drilling of oil wells, this year.”

Now I do not think the Premier said that, and I would like to know whether he did or did not.

**Premier Douglas:** — On a point of privilege: I am glad my hon. friend drew my attention to that. I had not seen the press report, but, needless to say, of course I made no such statement. I did make a statement, last night, outlining the amount that had been spent in each of the previous years by oil companies in exploration and development work, and said that this year, it was anticipated that it would be somewhere from \$50 million to \$70 million. Also with reference to the statement as to the expenditure for power, it is true I said the expenditure would be \$10 million, but not entirely on rural electrification. I said that \$10 million would make possible a large rural electrification programme. I thank my hon. friend for drawing this to my attention.

**Mr. McDonald:** — I am glad to know that that is what the Premier said last night, and not as reported in the paper, because I was afraid they were going back to their Socialist policies and were going to start digging some oil wells, as they told us they were going to prior to 1944. I was beginning to wonder. I knew they put one cent on the gasoline and upped the insurance on the automobiles, but I did not think it was going to give them \$70 million.

Mr. Speaker, in conclusion, I just want to say that I think my friend from Wilkie did a good job, this afternoon. I do not think it was one of the most brilliant speeches we have heard in the Legislature, but I do believe it was one of the most sensible, and I, like my friend from Wilkie, will not support the budget.

**Hon. A.L.S. Brown** (Bengough): — Mr. Speaker, this afternoon apparently it has dropped back into the old days of 1952, and we heard speeches coming from the Opposition which reminded us of the Session held here one year ago. It is possible that we heard here, this afternoon, the opening guns for the campaign of the leadership of the Liberal Party. If I might be presumptuous enough to give my young friend some advice, if the criterion for the leadership of the Liberal Party is to see who can make the most ridiculous statements my hon. friend, while he made a fairly good job this afternoon, should remember that no matter how ridiculous a statement you make someone can always make one more ridiculous. If that is the means by which he hope to attain the leadership of the Liberal Party, I am afraid the gentleman is beat before he starts.

Both the speakers, this afternoon, have raised the matter of the agricultural problems here in Saskatchewan and in western Canada. They have raised them relatively particularly to the problems as they affect the marketing of those agricultural products. I am indeed pleased that they are prepared to raise that question, because whether we are discussing the budget, or whether we are discussing resolutions, the question of the marketing of our agricultural products is important for, in the final analysis, the returns we get for our agricultural products do determine the financial size of our budget, and may decide to a large degree the amount of services which we are able to provide through the medium of a budget.

“With buoyant domestic consumption and record export demand continuing, the immediate outlook for markets is highly encouraging.”

In other words, if we have a continuation of high domestic consumption and a continuation of this record demand for export, the immediate outlook for markets is encouraging. That is a statement with which all of us will agree for, at the moment, we have a high domestic consumption, and we do, right at the moment, have a fairly good demand on the export markets for wheat. I think that, in all fairness, the hon. member should not have taken it out of context, but rather related it back to what the Provincial Treasurer had said in two or three previous paragraphs dealing with the question of farm problems and the question of agricultural markets.

He refers in his speech to the decline which has occurred in the agricultural prices of our hogs, our cattle, our poultry products and our dairy products and then he goes on to say;

“These disappointing results reflect one of the most serious problems in our provincial economy. Shrinking export markets for a wide range of our farm products, other than wheat and grain, combined with the complete lack of an effective Federal price support programme, pose great obstacles against provincial efforts to build a more balanced, diversified agriculture in Saskatchewan. The lack of action by the Federal Government on the south Saskatchewan irrigation project is no less damaging a blow to such efforts.”

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and further:

“A second problem which must always be watched is the relationship between prices for farm products and the costs of farm operation. The overall price-cost ratio took a further turn for the worse in 1952. The index of prices as of August, 1952, showed a decline of 11 per cent from the previous year, with both indexes based on initial prices for grain. On the other hand, over the same period, the cost of commodities and services used by farmers in their operations rose by three per cent. The increase in grain production and resulting higher gross returns has people-partly softened the effects of the price-cost squeeze upon the net income position of the farmers. But it continues to be a matter deserving of real concern.”

That removes all question of doubt that the Provincial Treasurer in presenting his budget to the House realized, as all of us should realize, that this question of the marketing of our agricultural products and the cost-price relationship of those agricultural products continues to be a matter deserving of real concern. I suggest that the agricultural industry is at the moment a ‘depressed industry within an industrial boom’, to which my hon. friends refer. I think we all must realize that the large production income to which the Provincial Treasurer refers, is due to the fact that, in 1952, we had a record production of grain crops in this province. It was not due to the fact that we had a high return for those products which we produced, but rather that we had a record production, a record that cannot continue. And if we are to be realistic about the matter, as the Provincial Treasurer was realistic in his budget, we must look forward to years in which we will not have their record production. If we are going to be realistic about it we must look forward that we will have years of large crop failures possibly, certainly crop failures in isolated areas.

My hon. friends referred to the good job that the Canadian Wheat Board did in marketing crops of low quality that we had grown in this province – crops of low quality but of high price. I, along with every other member on this side of the House I think, give credit to the Canadian Wheat Board for the methods which it used in marketing that crop. It has done an excellent job in disposing of that. The fact that the farmers did not get that just return for that crop which was marketed was not the fault of the Canadian Wheat Board, but rather it was the fault of the fiscal policy of the Federal Government. But I think the interesting point about the marketing of our grain and the excellent job which they did of marketing our grain through that means is that they were able to introduce a socialized enterprise, for the Canadian Wheat Board is socialized enterprise when it is under the control of the people of Canada. They did a job in marketing that crop which free private enterprise, as personified by the Winnipeg Grain Exchange, would have been unable to do, and I think that all the farmers of western Canada appreciate that.

It has been suggested that the floor price under our agricultural products has been a good thing, and I agree that floor prices if properly administered and properly related to the cost of production, can render a service to our agricultural industry. I would point out that floor prices in the last few years have degenerated to the state where we were warned by the Federal Government that they would degenerate to; that they would simply be a means of unemployment insurance, and could be comparable to our unemployment insurance in labour circles, rather than an endeavour on the part of the federal Government to maintain agricultural prices at a parity relationship with our agricultural products.

The question has been raised by the member for Wilkie as well, that the agricultural industry is not in too bad a position, and I think he indicated that the farmers on the average were doing very well. I suggest to him that he should study statistics as put out by the Dominion Bureau of Statistics relative to the cost of production and relative to the returns which the farmer gets for those things which he has to sell. I have already stated in this House, but I think it bears repeating, that based upon the 1935-39 level, assuming that to be 100, our cost of production from that time has increased by some 243.6 per cent, and in that same period the average return received for these commodities has increased by only 243.5 per cent. In other words, from 1935-39 our costs of production have increased greater than have the returns which we get for our agricultural products. In other words, based upon the statistics supplied by the Dominion Bureau of Statistics, agriculture today on a cost-price relationship is worse off than it was in the period from 1935-39, and I do not think anyone in this House has the courage to suggest that the agricultural industry in the period 1935-39 was in a prosperous and a buoyant condition.

They suggest that the implement prices are high, but we are getting more efficiency out of our machines today than we did previously. I am not going to argue that some of the machines today being used are not more efficient than they were 10 or 12 years ago. I certainly agree that in respect to our combines that statement is true, but on the other hand the statement is certainly not true in respect to tractors. Tractors which were brought out in 1941 – the diesel tractor – is just as efficient as is the diesel tractor being operated and purchased in 1953. They suggest that while machinery prices are high, many of our other commodities are high as well. But I would like to point, Mr. Speaker, and refer to the report which was submitted by the Select Special Committee on Farm Implements which met last year. I intend to say, at a later date, a little bit more about this report; but for the purpose which I propose to use it today, I just wish to refer to the increase which has occurred in farm machinery, not from the 'thirties but from 1945 up until the time of the report which was issued in 1952, and the only figures which we had available at that time was bringing it up to 1951.

Assuming 1945 to be 100, evidence submitted to that Committee indicates that machinery has increased by 163 to 163.1 or an increase of 163 per cent in that 6-year period, while at the same time the index of agricultural products prices increased from 100 to 123. If we consider wheat alone in that range, it did not increase, but rather decreased from

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100 to 92.7.

If we take the year 1952, which is not incorporated in this report, but using the source of the Dominion Bureau of Statistics, we find that the index figure for farm machinery has increased from last year's 163 to 174.6 as of 1952. The returns for agricultural products have decreased from an index figure, last year, of 123.4 to an index figure of 120, which once again has widened the spread between the cost of machinery and the price which we get for farm products when we sell them. I suggest, Mr. Speaker, that machinery prices are not only too high as relative figures as I have indicated, but they are too high in an absolute manner as well. But as I have suggested I will have further reference to make to the question of implement prices at a later date.

They have suggested that, in this budget, we have undertaken to raise taxes. I suggested a few moments ago that if he was going to attempt to become leader of the Liberal Party, he should not make too ridiculous statements. And I suggest that the suggestion that in this budget we are raising taxes is about as ridiculous a statement as he can possibly make. So while it is true gasoline tax is going up one cent, or by an increase of 10 per cent, at the same time the Public Revenue Tax is being removed from the real property of the province of Saskatchewan and the net result will be that the Provincial Government will be collecting from the people of Saskatchewan through the medium of taxes less than they did in 1952. This is particularly true when related back to the taxes which we can expect a farmer to pay. We can take a small farmer, the half-section farmer, with each quarter assessed say at \$3,000, giving a total assessment of \$6,000. Two mills on the \$6,000 assessment is \$12. That \$12 of tax is being cancelled. If he wishes to use that same \$12 on the increased tax on gasoline, he would have to buy 1,200 gallons of taxable fuel. Basing it on an assumed 15 miles per gallon, that farmer would have to travel 18,000 miles to contribute the same amount to the Provincial Treasury as received previously on the 2 mills Public Revenue Tax.

I am not arguing, Mr. Speaker, as to the relative merits of the Public Revenue Tax and the increased tax on the gasoline, but the farmers in a relative position are making less of a contribution to the Provincial Treasury in the budget of 1953 than they were in 1952. In spite of the fact, as my friend from Notukeu-Willow Bunch (Mr. Buchanan) pointed out, that this is a post-election budget, there is no increased tax as far as the average person is concerned in what they will have to pay. The question then arises in our minds that if we are not going to pay more taxes, then how is it possible that we have got such a great increase in our budget over 1952? I think that is a logical question which must enter the people's minds, and I think the reasons are very honest. First of all, prices of goods which we have to buy have gone up, not due to our fault but due to the lack of some system of control over our economy by the Federal Government. That naturally is going to bring in more money through the medium of Hospital and Education Tax, for our tax is based upon the retail sales of commodities. That is one means by which the income is going to be increased, and it is pointed out in the estimates which are tabled here that there is an increase in the subsidies paid to the Provincial Government by the Federal Government. But there is another increase of revenue which I think should be drawn to the attention of the members of this Legislature, and that is the increased

revenues which are coming into this province from the mineral development which is taking place in this province. That increased revenue is due to two factors. First of all, it is due to the factor that we are getting mineral development here in the province; and, secondly, that through the efforts of this Government we are protecting the interests of the people of this province of Saskatchewan and are assuring that we here as a Government will have funds from the development of those minerals returned to the people in the form of increased services.

The question of the Federal budget was raised by the members opposite, this afternoon, and they suggested that there was one great difference between the Federal Government and the Provincial Government. The Federal Government, they said, lowered the taxes and the Provincial Government was raising the taxes. I think that I have suggested that there was no absolute or relative increase in taxes in the Provincial budget, and I suggest that there is no decrease or tax cut in the Federal budget which will in any way improve the economic condition of the people of the province of Saskatchewan. It is true that it will improve the economic condition of some of the large corporations in Canada, but as far as the individual is concerned there is little or no absolute relief involved. As the member for Notukeu-Willow Bunch referred to it yesterday, it is a 'penny budget' for the common man and a 'million dollar budget' for the corporations. I suggest that if they really wanted to cut the budget, they might have been able to do it by putting some efficiency into the operations of the Federal Government. Possibly if they had removed their horses from the payroll and stopped having to build railways in the army camps due to the fact that one gets stolen or gets lost, they might have been able to create some savings which they might have been able to pass on to the people, particularly the people who are in a position where they require relief from income tax. I refer to those people in the low-income groups.

But after all, what is a budget for? What do we want a government to do through the medium of a budget? I think it can be answered in one or two sentences. I think that any government through its budget should accept the responsibility of attempting to do collectively those things which we cannot do individually, or which are either expensive to do individually or in some cases impossible to do individually. I think that is the basis upon which we must make our comparisons. The Federal Government has certain responsibilities to the people of the Dominion of Canada. It has definite responsibilities to the respective industries within the country and I suggest that I am not critical if their budget increases provided they accept their responsibility of providing increased services either in the form of social services or economic services to the people of the Dominion of Canada. When we compare that with the budget that was brought down here in this House, I think that it is very clearly set out that this Government, within the limitations of its ability, is accepting its responsibility to the people of Saskatchewan in contrast to the failure of the Federal Government to accept its proper share of the responsibility.

Now, Mr. Speaker, I understand that we are to adjourn at 5:30 for the purpose of hearing a report, and I do not wish to weary the House much longer; but the hon. member for Moosomin has raised this question of the highways programme in this province, and I think this is the statement which he made:

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“The highways in the Moosomin constituency are in the worst condition that they have been in for 20 years.”

In the next breath he did concede that the Minister of Highways had built the Trans-Canada Highway clean through the middle of his constituency, a highway which must...

**Mr. McDonald:** — Just to keep the record straight — you quoted me half way correctly and then incorrectly. What I said is that apart from the Trans-Canada Highway or the No. 1 Highway, our roads were in worse condition than they have been for some time and it is a true statement.

**Mr. Brown:** — Yes, I do not think you can take the Trans-Canada Highway out of our highway system in the province of Saskatchewan, because we are paying the shot or at least the major portion of the shot in building that highway, and as such it is part of our highway system. Any improvement on the Trans-Canada Highway is an improvement on the highway in the Moosomin constituency, the particular portion of the Trans-Canada Highway that is built through the Moosomin constituency, and that highway must, by virtue of its position, going as he says clean through the centre of his constituency, serve the people of that constituency very well; certainly serve them better than the trans-continental highway can expect to serve the people, for instance, in the Bengough constituency. They are certainly going to get more benefit out of it than, for instance, as my friend from Cumberland (Mr. Berezowsky) states, the constituency of Cumberland.

I agree with him, Mr. Speaker, that we have not yet reached the point where we can be satisfied with our highway budget. We have brought down in this budget the greatest highway budget that has ever been brought down in this House. As the Provincial Treasurer pointed out in his budget speech, we should invest more money in our highway programme during the next year than was provided in the six years from 1940 to 1946. While I agree that we have not solved the problem entirely, it does indicate very clearly that we are approaching it in a very realistic manner by increasing the amount of money which we are prepared to spend on highways and improving the transportation system of this province.

I would also like to agree with him that this question of creating a market system of roads in this province is of primary importance, and it is not that every one of us should give very serious consideration to, for I do agree that we can build up the best highway system as far as our main highway systems are concerned in this province, but if at the same time we neglect to build into that highway system the feeder roads and build up a market road grid to meet the economic and social needs of the people living on the land, then we will not of necessity accomplish very much.

I would point out to you, Mr. Speaker, that the Department of Highways and “Department of Municipal Affairs are working with the Municipal Advisory Council at this very time for the purpose of drafting a means by which we can build a main market grid and a means by which we as a Provincial Government, in control to some extent of the provincial economy, can make our proper contribution to building up a market road grid which will meet the economic need of the people of this province.

It has been suggested that we over on this side of the House sometimes paint a gloom picture of the future. The member for Wilkie (Mr. Horsman) tried to intimate that oftentimes we looked back rather than forward, that we looked back to the 'thirties; and he suggests that that is ancient history and that we should look forward rather than look back. Up to a point I can agree with him that we should look forward to the future with a view to building a better economy and a better society than we had in the past. But I think the onus is upon us who have accepted the responsibility of giving some guidance to the economy of Saskatchewan, that we do look back into the history that has gone before us and assure to ourselves that we will not make the same mistakes that caused those economic conditions as they existed in the 'thirties. By avoiding the mistakes that brought us into those depressed years of the dirty 'thirties we can build and make a better economy.

In conclusion, Mr. Speaker, I am going to support the budget because I do feel that the budget personifies the little preamble that we had on the election card of 1952. I support it, Mr. Speaker, "because an expanding economy guaranteed by the continuing development of gas, oil and mineral resources, and by steadily improving agricultural production, will enable a C.C.F. Government during its next term of office to provide the following" – and this budget does indicate that at the moment we are at this moment undertaking to fulfil the programme upon which we were elected, a responsibility which we have accepted.

**Hon. C.C. Williams** (Minister of Labour): — Mr. Speaker, may I first follow the usual procedure and congratulate the Provincial Treasurer on a very well delivered budget, which has clearly indicated the financial position of the province and what is expected for the coming fiscal year. Also I would like to include the Deputy Provincial Treasurer who has been appointed since this House last met, and while I am at it I may as well include the Budget bureau, the Treasury Board, the Cabinet, and last but not least, the Party Caucus. They all played an important part in setting up the budget and allotting the required sums to the various "Department s. And perhaps I could add here that I am willing to congratulate the Opposition if they can find very much the matter with it.

After all, one of the most important phases of government is gauging how far the people will go as far as taxation is concerned, stopping there, and then using the moneys provided to the best advantage of the people of the province. The sum referred to, \$70 million, obviously belongs to the people of Saskatchewan, and we are merely acting as their stewards, and it only follows that any government which taxes excessively and spends the money unwisely, will eventually be turned out of office. I do not suggest for a moment that that is going to happen to the present Government.

A few days ago, Mr. Speaker, one of the members on your left made some reference to the fact that half the gold mines in the province of Manitoba had been closed on account of exorbitant wages demanded by labour. I immediately made some inquiries, and while I was not able to get anything too definite – it would have taken an Order for a Return perhaps – I did find out that one gold mine had been closed in that province in the past

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two years; so I have no doubt but that the statement made by the hon. member from Saltcoats was greatly exaggerated. Yes, 50 per cent – that would make two.

Now I had no intention of speaking of the Federal Budget but it has been referred to, two or three times this afternoon, and I am just going to take a moment before I take my seat. It is too bad television is not here. I have a copy of the pamphlet called “Labour Research” printed in Ottawa, February-March – it is right up-to-date – and it refers to the ‘Sunshine Budget.’ There are seven faces and I will start off and describer them. The first is the income of a man who gets \$2,500 a year. He looks very sour; the tax cut per week that he gets is 4 cents. The next is \$3,000 per year; his tax cut is 13½ cents per week, and he looks pretty gloomy. So does the man with even \$5,000; his cut is 58 cents per week. The man with \$10,000 per year – he smiles a little; he gets \$2.20 per week. On \$50,000 a year, the reduction is \$23.80; on \$100,000 a year of an income, the reduction is \$59.85 per week; and the man who has an income of \$400,000 per year has a reduction of \$337.35 a week, and he is laughing right out loud. This refers to married taxpayers with two children. Now, I think it is quite obvious that, with the Federal “Sunshine Budget” it takes quite a little time to get along this row of faces until you find where the sunshine comes in.

I am just going to refer to a quotation from the good book, on the back page here. Many of you will recall the saying, I am sure:

“Every man shall sit under his own vine and fig tree, and eat the fruits thereof.”

The Liberals have a better plan; they will divide them up and eat them for you.

So with those few words, Mr. Speaker, I beg leave to adjourn the debate.

(Adjournment motion agreed to)

The Assembly adjourned at 5:25 p.m.