

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
First Session — Twelfth Legislature
22nd Day

Friday, March 13, 1953

The House met at three o'clock p.m.
Before the Orders of the Day:

Question re Woollen Mill

Mr. J.E. McCormack (Souris Estevan): — Mr. Speaker, before the Orders of the Day are proceeded with I would like to make reference to a news story — a very short one — which appeared in some of the back pages of the 'Leader-Post' yesterday. It deals with reports that the Government-owned woollen mill in Moose Jaw may close, and it goes on to quote the financial situation with respect to the woollen mill. I would like to ask the Government if there is any truth in the report.

Premier Douglas: — Mr. Speaker, I would hardly be responsible for the reports in the 'Leader-Post'. I think they had the sodium-sulphate plant closed at one time, and two or three other Government plants closed at various times, and I think the matter of the operation of the woollen mill or any other Crown Corporation will be made known in due course, and there will be an excellent opportunity for asking questions about it when the Crown Corporations Committee gets to that particular item.

Mr. McCormack: — Do I take it from the Premier's statement that the report is not true?

Premier Douglas: — Any statement with regard to it will be made in due course and in the proper manner.

Correction

Hon. J.H. Sturdy (Minister of Social Welfare): — Mr. Speaker, before the Orders of the Day, I wish to make a correction on a report appearing in the 'Leader-Post' which may give rise to some misunderstanding:

“Municipalities undertaking these projects will be required to pay the capital cost over 40 years . . .”

followed by:

“The project could be assigned to churches or charitable organizations.”

It is not the intention to have the projects assigned to churches or other organizations, except to operate. Churches or other organizations might, at the request of the municipalities concerned, be assigned to operate such projects.

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BUDGET DEBATE

The House resumed from Thursday, March 12, 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).

Hon. J.W. Burton (Provincial Secretary): — Mr. Speaker, on rising to speak in support of the motion, I realize that it is rather late in the Session to offer congratulations; but this being the first time that I have availed myself of an opportunity to take part in any debate, I should like to take advantage of the occasion to congratulate you on once again being elected to fill the high position of Speaker of this Assembly. I am sure that you will continue to bring honour to yourself and our democratic institution of government. I fully realize that with any honour there also go duties and responsibilities, and I sincerely hope that I shall never by word or action be the cause of adding to your burden of responsibility.

While I intend to deal with the work of the Department of Provincial Secretary later, permit me to say that the activities of this Department are being greatly expanded. This will require considerable reorganization; but it is hoped that this can be done without any increase in the number of the over-all staff. I wish to express my appreciation to all members of the staffs in the various branches and bureaux for the co-operation they have given in this task of reorganization, and for carrying on their regular duties during this transition period.

I should like, also, to make a few observations of a general nature. First, I want to thank the good people of Humboldt constituency for giving me this opportunity to again represent them in this Assembly, and I want to assure all of them, regardless of whether they voted for me or not, that I shall endeavour at all times to keep the interests of our constituency, which is one of the best mixed-farming areas in the province, constantly in my mind.

Also, I wish to express my appreciation to the hon. Premier for the opportunity he has given me to be of service to all the people of the province in my present position. Permit me to say that, in all humility, the honour conferred on me by the Premier of the province and the people of Humboldt constituency will be an incentive to me to try to deserve it.

Mr. Speaker, in dealing with the budget, I should like to add my voice to the many, in congratulating the hon. Provincial Treasurer for the able manner in which he presented his ninth annual report on the affairs of the province, and the provisions made to meet the rapidly expanding activities of our people. When he so adeptly quoted from the Speech from the Throne, which was read at the opening of the first Session of the first Legislature, forty-seven years ago, I could not help but recall the harvests referred to, namely, 1904-1905 and that I, as a barefoot boy, had in a small way helped to garner those crops. To the pioneers, the rewards of their labour not only gave them sustenance but also gave them hope for the future. Most of them realized that this was not a land flowing with milk and honey, yet they knew by those returns that the land was good. And indeed it was good, because, during the next thirty-five years, this soil with the industrious labours of

our hard-working fathers produced billions of dollars of new wealth, and it became known as the 'Breadbasket of the World'.

But the greater part of that wealth was being siphoned-off into the coffers of those far removed from the scene of production. The rich promises of the early days at the turn of the century, turned out to be ashes in the form of unbearable burdens of debt on the shoulders of the people, on municipalities and their Provincial Government. I need not remind you, Mr. Speaker, that there was a Liberal Government in office in this province during 30 of those 35 years, and for the greater period of that time, also, a Liberal Government at Ottawa. Ah, but some will say that we had the big drought of the early 'thirties; but permit me to remind them that in those sections of the province where we were able to produce from fair to good crops during those years, we were not able to receive enough in return for those crops to meet the expenses. Others will say — 'but we had a world-wide depression, during the dirty 'thirties'; but they fail to mention that we had 25 years or more before the dirty 'thirties came along. It is my opinion that owing to the policies of the Liberal Party at Ottawa, neither the people nor their Provincial Government could ride out the first storm that came along.

In the state of Kansas where I was born, Mr. Speaker, every farmer had a cyclone cellar in his yard, and whenever one of those black, ominous-looking clouds appeared with their tail dragging, the first one to see it would raise the alarm and every one would make a dash for the cyclone cellar. If it veered or lifted, we all came out again feeling thankful that it had passed on by; but remember, no one dared to call the ones that raised the alarm a 'Calamity Jane' as the financial critic of the Opposition referred to members on this side of the House, representing farmer constituencies, who tried to warn the Government at Ottawa that there were dark clouds appearing on the horizon, and that in many lines of agricultural activities, the tails of those clouds were twisting in a menacing manner.

Some of the Opposition speakers, as well as some of the press, find it difficult to reconcile the sunny atmosphere of the Provincial Treasurer's report on the affairs of the province, and the speeches by members representing rural constituencies; but the fact remains that our agricultural economy is in for a rough time unless something is done about it soon, and the hon. Provincial Treasurer made that amply clear. Yet the Liberals, up to their usual tactics, will take a few words here and a sentence there and patch them together to meet their own ends of trying to discredit something that they want to discredit.

If anyone only stops to realize it, even now the only phase of agriculture that can pay its own way is that of wheat mining. If you stop to think, Mr. Speaker, during the past year we had a bountiful harvest that made it possible for that branch of agriculture to carry some of the burden of the non-paying propositions — but how long can we carry on wheat mining? Nor can anyone foretell that we will have a 'repeat' in the production such as we had last year. Furthermore, it is my opinion that were it not for the millions of dollars that are being poured into this province to carry on exploration and development work fostered and encouraged by this Government, even now the picture would not be as rosy as it appears.

For fifty years or more, the farmers of western Canada have fought step by step, trying to obtain a measure of security and a semblance of

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stability in agricultural prices; yet after all those years, we are still faced with the same old problem in that the farmer is the first that must bear the brunt of a recession in prices, and be the last to benefit from any upswing. For a short period of time, during the latter part of the second World War, we did have stability, and for the first time almost parity prices; and when the Federal Government entered into the International Wheat Agreement, on the basis of the prices as they were at that time, our C.C.F. group at Ottawa made it amply clear that those prices would be fair only so long as the cost of production was kept at the same level. But every one knows what happened. The ink had hardly become dry on that document when the Liberal Government started to remove price ceilings. The farm machinery companies, who were already making a good profit, were allowed to 'jack-up' their prices, and there has been a steady rise in the prices ever since. For example, a combine that was then well paid for at \$3,200 or \$3,300, now costs at least \$2,000 more. The same holds true of almost every implement or tool that a farmer needs, while the implement companies are making still more and bigger profits.

Now speaking of the budget delivered by the hon. Provincial Treasurer and the criticism offered thereto by the official financial critic of the Opposition, did it not seem strange to you, Mr. Speaker, that when the House first met and we had the Throne Speech Debate, the Opposition moved an amendment to the Throne Speech, which was a 'want of confidence' in the Government? I cannot see how they could visualize that the people of the province would take kindly to them, the Opposition, telling them that this Government did not have the people's confidence, in spite of the fact that they just, so recently, had come back with a clear and emphatic and decisive mandate from the people.

They did that; but then along comes the budget, Mr. Speaker, and they criticized the budget. They do not like it, and they let the opportunity go by without moving an amendment to show where we were at fault in raising either too much money, or not enough; where we should spend more money or spend less. They, in their criticism of the budget, did not take the one step that they should have taken, this Session, but they had the audacity to tell the people out in the country that they did not know what they were doing when they returned this Government to office.

When the hon. member for Maple Creek (Mr. Cameron) undertook to criticize the budget a week ago, he spent considerable time trying to show how much better the Liberals in Ottawa were doing. Well now, if he likes to look at other budgets so much, I should like to draw to his attention, one that his own Party presented in this House, the first year, Mr. Speaker, when you, the hon. Minister of Natural Resources, the hon. member for Kelvington and I had the pleasure and honour of being members of this Assembly. I would say, Mr. Speaker, that I have that budget right here in my possession. I have the estimates also, and you will recall that the total sum voted amounted to \$14,030,649. Oh yes! He had an additional \$8,725,214 as Statutory appropriation, making a little more than \$22¾ million. I can just imagine, Mr. Speaker, how many people would be disappointed if our Minister of Highways only had that total vote of \$14 million to spend on highways this year. There would be more members than the hon. member from Wilkie complaining that there was not anything done in his constituency. I wonder how far our Minister of Public Works would be able to get with his power and gas and public building programme, if he could only have the total vote that we had that year, Mr. Speaker.

For agriculture the friends of agriculture to your left, Mr. Speaker, had \$400,000; Highways, \$1,097,110, and so it goes on down the line. And I also found this item, Mr. Speaker, an item for the Bureau of Publications, \$46,000. Did I hear correctly, at a Public Accounts Committee meeting some time ago, where our friends of the Opposition were criticizing it as a 'propaganda agency'? Well, here back in 1939 they voted \$46,000 for it. On the other side of the ledger they estimated a possible total revenue of \$20,783,299, leaving an estimated deficit of almost \$2 million, and their 'propaganda agency', as they are pleased to call it now, brought in the handsome sum of \$450 listed as Casual Revenue. So, in spite of a deficit budget, they spent \$46,000 on what they now call propaganda. Their Minister of Highways — he was a nice chap, but he had so little to do that they made him Minister in charge of Old-Age Pensions and Mothers' Allowance. If you went to him for help for a municipality or to have a bad stretch of road of their so-called highway system fixed up, he acted like a mother on his pension list. But if you pleaded with him on behalf of a widow on mothers' allowance, or that should be on mothers' allowance, you were dealing with a highway man, and just about the only highways work that you could see was that which went on the few miles that they did every time, in the Humboldt constituency, when we had one of our frequent elections there.

No doubt some will raise their old excuses that the Government and the people had gone through a trying time. I agree — but even then, I contend, Mr. Speaker, that they did not use good business management.

But let us look at the 1943 budget, which I also have here, Mr. Speaker. That budget had gone up less than \$4½ million and they barely managed to balance it at that — and you can go up and down the list of details covering that budget and you will find the same meagre provisions made as listed in the 1939 budget. My hon. friends will recall that, at this time, we had had several years of so-called wartime prosperity, and that brings out the two points that I wanted to emphasize: first, as budgeteers, the Liberals were not so hot, and second, it proved what we have always contended — that we were correct when we have said that the farmers were the last to benefit from any upswing of prices, and that experience in the early war days proved it, and as I mentioned before, were the first to get it 'in the neck' on the downward beat. You will recall the special trips to Ottawa by farmer delegations and, even then, the Liberal Government at Ottawa did not come to its senses until after the by-elections in Selkirk and Humboldt.

Mr. Speaker, when the hon. Premier invited me to become a member of the Executive Council, he listed a number of problems that required special attention. One of them was to examine the possibilities of giving a greater measure of protection to farmers who owned the mineral rights on any of their land. Many people took that to mean that I was to prepare a different method of paying compensation for surface rights; in fact quite a number of people wrote to me along those lines. Some did not know whether they owned the mineral rights or not, and others wanted action taken to prevent any form of exploration work going on, on their property. To all of them I had to explain that compensation for the use of surface rights still comes under the regulations of the Department of Natural Resources, or, as it soon will be known, the Department of Mineral Resources. I may also add that the hon. Minister of Natural Resources has had a committee working for some time trying to prepare a better formula for the payment of compensation for the use of surface rights. No doubt the hon. Minister will be making an announcement on that question as soon as he and his committee have worked out a better formula.

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On the other hand, the trading in free-hold mineral rights comes under The Securities Act and, as hon. members know, this is, even now, in the stage of being transferred over from the Department of the Attorney-General to my jurisdiction.

In the meantime, my officials and I have given considerable study to this matter in an endeavour to find ways and means to give the owners of free-hold mineral rights a greater measure of protection from so-called 'slick operators' and yet not unnecessarily interfering with the legitimate activities of the representatives of bona fide oil companies and promoters. I want to say here and now, that there are any number of reliable and responsible oil companies working in the province, and they deplore the methods used by a few slick operators just as much as we do.

The greater part of the mineral rights in Saskatchewan are vested in the Crown, yet, as hon. members will know, free-hold mineral rights covering a considerable acreage are held by certain corporations, granted to them, rightly or wrongly, by the Government at Ottawa, years ago, and also, to a lesser extent, there are many parcels of free-hold being held by private individuals. In the case of these rights, some of them came to private individuals by obtaining title to the homesteads where the mineral rights went along; in other cases, by purchase of land from the aforementioned companies. Regardless how these people have acquired these free-hold rights, either from the Federal Government or from corporations, the fact remains that they have the ownership thereof, and I am sure that the majority of the people in this province would not tolerate this or any other government unnecessarily interfering with the freedom of such owners in disposing of that property as they saw fit.

In other words, if I were the owner of a parcel of land, and the title thereof carried the free-hold rights, who would be justified to tell me that I could not give that away, if I so desired, either to a charitable organization, another individual or a corporation? Or, if I wished to throw my holdings into a pool with others holding similar rights, or to sell them outright either in whole or in part, permit me to repeat — who has a right to stop me from doing so? On the other hand, it must be remembered that no one could force me, or anyone else, to dispose of such rights or property. If I want to dispose of them for a certain price or for other considerations, I have the right to see that everything agreed on between me and the agent is included in the lease or contract before I sign it. If I do not understand that contract, then there is nothing to prevent me from going to any good lawyer — and I think that there still are quite a few of them around — or anyone else that I have confidence in, and have the whole thing explained to me.

My advice to all interested people (and in this I implore the help of all hon. members in helping to pass it around) is that no one should sign a contract or lease unless he is satisfied that all the conditions and the prices are included in the document; also, that any who do not understand such papers should make it a point to have them fully explained by someone they know and can trust. I fail to see how anyone in his right senses can listen to a sales talk from a complete stranger and then sign a contract in blank.

Here is just an example of the different things that come to my desk. Back in 1949, a certain person sold his mineral rights to an oil company

and the agreement carried with it the usual 12½ per cent royalty. Two and one-half years later, an agent called at his place and offered to pay him \$100 for his half-interest in the 12½. Now, over a year later, this farmer claims that he has been gypped, because he signed the papers in blank, and to use his words, and I quote:

“But as I noticed a heading ‘partial lease, etc.’ I thought it was okay, and as Christmas was not far away, I was glad to get the \$100.”

In checking this over, I find that in spite of the farmer’s foolish actions in signing a lease in blank, the agent evidently filled in the proper amount, and there is no doubt that the farmer had a good time with his \$100. But what appears to be the main reason for the complaint is that while there was little or no hope of oil being discovered in that vicinity at the time those two contracts were signed, some years ago, now oil has been discovered much nearer home, and another company has offered to pay \$100 for just 2 per cent of his royalties.

Then another example, Mr. Speaker. Another farmer allowed himself to be persuaded to place his free-hold holdings into a sort of a pool . . .

Mr. A.H. McDonald (Moosomin): — Mr. Speaker, will the Minister permit a question? I was wondering if you were quoting from a letter there, Mr. Minister.

Hon. Mr. Burton: — I just quoted a sentence from a letter dealing with that problem.

Mr. McDonald: — I wonder if you would table the letter.

Hon. Mr. Burton: — I am just quoting a part from the letter . . .

Mr. McDonald: — What I wanted, Mr. Speaker, was to know where the letter was from.

Hon. Mr. Burton: — I can assure the hon. member that the letter is actually in my possession, but I do not believe in passing people’s names around like that. I am just bringing it to your attention and to the attention of this House, that people should not sign that kind of contract.

Mr. McDonald: — I agree with the Minister, but he should have warned us five years ago instead of now.

Hon. Mr. Burton: — Here is this other one that I wanted to give you as an example. Another farmer allowed himself to be persuaded to enter into this pool on a mutual sort of an arrangement, whereby all were supposed to share in the benefits according to the number of acres that they had put into the pool. Now he wrote to me, too, and I can assure my hon. friend that I have that letter in my possession; but I shall just quote him a sentence from it, and when he finished explaining to me what had happened, he said: “Since then, I have been trying to hire someone to kick me around . . .” meaning for having done such a foolish thing.

Now I could give you a brief resume of what is being done to try and help clear up this matter. On April 29, 1952, an Order in Council was

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passed making it clear that trading in mineral rights definitely comes under The Securities Act, and the same Order in Council authorized the setting up of a Board to advise and assist in the better carrying out of the provisions of The Securities Act, and a more efficient administration thereof. The said Board was especially charged and authorized to carry out the following regulations:

- (a) Examine the problems in the administration of The Securities Act arising out of the greatly increased activity in petroleum and mineral exploration and development, and the consequent increased activity in the promotion of companies and organizations offering securities to the public, and in the trading of free-hold mineral rights;
- (b) consult with and make recommendations to the Registrar under the Act on any matter relating to the administration of the Act;
- (c) inquire into any matter which in the opinion of the Board is pertinent to the carrying out of the provisions of The Securities Act;
- (d) to make recommendations to the Minister in respect of any matter mentioned in Clauses (a), (b) and (c).

On the following May 27, 1952, an Order in Council was passed, appointing the Board referred to in the previous Order. Now this Board has studied the matters. They have made various recommendations. Some of the recommendations have been acted on, and they are continuing to keep it under advisement.

Now, Mr. Speaker, I had hoped to be able to cover much more ground. There is the work of the Bureau of Publications, all of which I am sure would be interesting, and I hope, during the time that the estimates are being dealt with, that I shall have the opportunity to go into it more fully with you then.

I wanted to say, in this respect, that our Tourist Branch of the Bureau of Publications is a very important branch and, in view of the fact that in 1955 we will be celebrating the Golden Jubilee Year of this Province, we are going to need to bend every effort to having the Bureau of Publications, the Tourist Bureau and Parks (which is also being transferred to this Department) work together to make it possible for us to accommodate the many people that we expect will be coming into the province on that occasion. Parks would also be a very interesting subject to speak upon.

Then we have the Superintendent of Insurance and we have the Registrar of Joint Stock Companies; but, as I say, Mr. Speaker, I hope that during the estimates I may be able to deal with them a little longer. I have made arrangements with the hon. Minister of Telephones that he was to share part of the time, this afternoon, so I think I had better close and give way to him. But before doing so, I want to say, Mr. Speaker, that I have neither the time nor the inclination to delve into the complex diplomacy of international affairs, but permit me to say that in my humble opinion, our first

duty is to put our own national house in order. In addition to that, I believe that this quotation from the 'Prairie Messenger', which is printed at Muenster, in my constituency, can express my sentiments better than I could find words to do, and here is what it says in that paper on March 5, 1953:

"There is no such a thing as an American bloc. There is no such thing as a Russian bloc. What does exist is either truth or evil. What exists is either the right to live, the right to liberty, the right to bring up one's children in the love and fear of God, or the denial of those rights. These are the things that matter in the world today."

Mr. Speaker, those are also my sentiments.

Hon. A.G. Kuziak (Minister of Telephones): — Mr. Speaker, in rising to take part in this debate and particularly for the first time this Session, I want to extend my appreciation to the good people of Canora for the confidence accorded me for the second time. I want to also express my appreciation and the appreciation of my people for the confidence and the honour accorded me by the Premier. I can only say that I hope that the future may prove me worthy of that confidence.

I am going right on into the Budget Debate, and the next one that I want to congratulate is the Provincial Treasurer. I want to congratulate him on bringing down an expanding budget again, and, may I point out, one that has within it more tax cuts than the Federal Government's budget brought in the other day, and which the press throughout the Dominion and the province of Saskatchewan and even American played up so effectively.

I want to point out that bringing down the budget, that as of January 1, 1953, we wiped out the Public Revenue Tax, and if you multiply the assessments of the properties in the province of Saskatchewan, you will note that this would have brought us in a revenue of \$1,800,000. The Committee on the Provincial-Municipal Relations brought in a recommendation that, if we do away with the Public Revenue Tax, we were to put two cents on a gallon of gasoline. Now in bringing down the budget, the increase on gasoline has only been one cent. That one cent will be bringing in \$1 million to the revenue of the province of Saskatchewan. In other words, we cut our taxes to the people of Saskatchewan by a sum of \$1,800,000 and put on a one-cent gas tax that will bring us in approximately \$1 million. Therefore, Mr. Speaker, a cut in the taxation of Saskatchewan, this year, of \$800,000. Mr. Speaker, on an estimated budget of \$70 million, this \$800,000 cut is 11.4 per cent of the budget.

Now let us look at the Federal cut in the budget, one that has been played very efficiently in the 'dailies' of this province and Canada; and as I have always warned — I gave that warning in this House and to my people in the province of Saskatchewan — anything the 'dailies' play up in this province or anywhere else — look out! Do the opposite, and you will be right. And so when this terrific play went on, I noticed that the 'Leader-Post', I believe, even went up and down the streets of Regina and snapped pictures or photos of people, and I supposed that they mentioned to them 3-cent reduction in the cigarette tax and, of course, they threw a smile and, immediately — a flash! And so everybody was happy; but I did not see that

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play in the daily press of Saskatchewan when our taxes were actually cut by \$800,000, or greater in proportion than the cut by the Federal budget.

Now, the total reduction in Federal taxes, as announced, amounts to approximately \$350 million on a budget of \$4,751,000,000, or a cut of 7.3 per cent. Our cut in the province of Saskatchewan is 4.1 per cent greater than that of the Federal Government, and yet the 'hullabaloo' over the air and in the press of Saskatchewan and of America — and in this House is right.

Mr. Kramer: — . . . for re-election.

Hon. Mr. Kuziak: — Yes, that is one thing we have to keep in mind. In the one case it is a pre-election cut in the budget — bait to the voters of Canada; in the second place, our cut is a post-election cut, one that is an honest cut and one that was not looking to buy votes from the people of Saskatchewan.

Now let us see who benefitted from these taxation cuts. In the first place, in the province of Saskatchewan the 2-mill Public Revenue cut affected, I believe, practically every citizen in the province of Saskatchewan. Who benefitted from the tax cut of the Federal Government? Well, I am going to tell you that if you looked at the press immediately after that cut — the play that they made in the headlines of the paper then, as I stated a while ago, look cut! There will only be certain boys that will get the benefit of the cut, and the crumbs may fall to the common people of the Dominion of Canada. Checking over this reduction in the budget, I find that, for example, a company that is making \$20,000 a year — their cut is going to be \$3,400 annually, \$266 monthly, or \$9 per day. That is the bigger boys and now, mind you, that is not really the 'big shots' — it is the mediocre corporations. But let us take the Canadian 'Joe boy' — the average Canadian. The average Canadian who draws a salary of \$3,000 and has two children, his cut in that budget was \$4 a year, 33 cents a month, one cent per day. Mr. Speaker, a very juicy dish for the big boys — crumbs and leftovers to the Canadian 'Joe boy'. No wonder that the press of Saskatchewan, the press of Canada, and then, as my hon. friend from Maple Creek pointed out, even the big daily press of America applauded the reduction of that budget.

I want to point out that, for example, International Nickel, one of the bigger boys, is going to get a tax cut amounting to \$3 million, or \$10,000 a day. Now why? The only reason that I can see is that they are paying more attention to the big boys who will cough up the campaign funds in the next election than they pay attention to the average voter of Canada.

Going back again to the total budget cut amounting to \$350 million by the Federal Government, 70 per cent of this cut, or \$248,500,000, will go to companies and corporations — a few of the bigger boys in Canada; 30 per cent of that cut, or \$118, 500, 000, will go to the balance of the millions of Canadians.

The Opposition in this House have always claimed that they are "a friend" of the farmer, and I am going to check now into the farm income tax collections of the Dominion Government. I would like to point out that Saskatchewan farmers paid \$3½ million in income taxes; Ontario farmers paid \$2 million; all the farmers of Quebec paid \$50,000. The Dominion Bureau of Statistics, in 1950, shows that the average farmer's income in Saskatchewan was \$2,367; the average income tax paid by the farmer in Saskatchewan

is \$31. We go down to the Ontario farmer, whose average income is \$3,065, or \$700 more than the Saskatchewan farmer, and he only paid an income tax of \$12.60, or considerably less than 50 per cent of what the Saskatchewan farmer paid, although the Saskatchewan farmer received, on the average, \$700 less than did the farmer of Ontario. Now let us go down to the Quebec farmer. The average income of the Quebec farmer is \$1,900, some \$467 less than the Saskatchewan farmer, and the average income tax collected off the Quebec farmer was 37 cents. Going to British Columbia, the average income of the farmer there is \$1,600, or \$300 less than the Quebec farmer, and almost only one-half of the average income of the Ontario farmer, yet the British Columbia farmer, on average, paid \$27. The Quebec farmer who had an income — I want to repeat that again — \$300 more, instead of paying more, he paid 37 cents. In other words, the British Columbia farmer with \$300 net income less than the Quebec farmer, paid 70 times the amount the Quebec farmer paid.

Now, Mr. Speaker, representing a rural area, I want to use everything at my command to protest against such diabolical discrimination against certain sections of Canada. I am again wondering, Mr. Speaker. In 1949 we had a Federal election in this province. I remember that the hon. Leader of the Opposition and ‘Jimmie’ Gardiner, throughout the province were continuously asking people to send them more Liberal champions to fight the cause of the western farmer and the farmer of Saskatchewan. I would like to find out where the 13 champions that we sent from Saskatchewan were: why have they not protested this unreasonable discrimination in Ottawa? Some of the boys representing Saskatchewan did, and I understand that the answer came back. Dr. McCann, Minister of National Revenue, in the House of Commons, made a statement that “it is easier to collect from the western people. Due to the Canadian Wheat Board, and the different boards in western Canada, it is very easy to collect the income tax.”

Mr. Tucker: — May I ask a question, Mr. Speaker. I have heard the statement made, and I wonder if the Minister could give us the reference from Hansard?

Hon. Mr. Kuziak: — You know the references yourself. I have got the air and . . .

Mr. Tucker: — I heard the statement made. When the Minister of the Crown makes a statement, he should be able to tell us where it could be found.

Hon. Mr. Kuziak: — I made the statement that “I understand”; you can check. But let us check. If it is easier to collect off the farmers of Saskatchewan, then they probably only have a few inspectors collecting the taxes; but while in Quebec and Ontario they have that tremendous difficulty, they must have quite a mob of inspectors to do it more efficiently. But, Mr. Speaker, if you check you see that the opposite is the truth. In the province of Saskatchewan, where it is so easy to collect the income tax from the farmer, they have 60 inspectors making those collections. In Quebec, where it is more difficult, they have 22 inspectors. The 22 inspectors collected \$50,000. If I am right at all at figuring, they did not even earn their salt. But, Mr. Speaker, I am going to make the statement that you can tell the state of the Liberal Party from the amount of income tax that they collect from the farmers throughout Canada. If we look at Alberta, where the Liberal Party is non-existent, income tax inspectors are just as efficient

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as they are in Saskatchewan and Manitoba. In British Columbia, where they have suffered a similar fate, the story is the same. When you go over to Ontario, where they hold some 75 per cent of the Federal seats, the collections are mediocre. When you go over to Quebec, and see that practically all the constituencies are Liberal, 37 cents is collected from the farmer.

Mr. McCormack: — You do not believe that, yourself.

Hon. Mr. Kuziak: — Looking over the budget as a whole, taking into consideration . . .

Mr. McCormack: — Mr. Speaker, may I ask a question?

Mr. Speaker: — May the hon. member ask a question?

Hon. Mr. Kuziak: — No, Mr. Speaker. Taking the Federal budget as a whole, taking into consideration the collection of income tax, according to my opinion this is the attitude of the Federal authorities: we, in Ottawa, intend to give the cream of the budget to eastern Canada' we intend to give it to the rich man. If, for example, you, Mr. Speaker, receive up to \$10,000 in corporation dividends, we of Ottawa are prepared to wipe it out entirely. But if you live in the west, and particularly a farmer, we will charge you the highest tax possible and we will see to it that you pay every cent of it. I believe it is my duty to expose it, representing a rural area. I believe that this kind of discrimination brings disunity to our country. I have not anything against the collection of income tax, but we believe that it should be collected fairly.

Leaving that, I want to say a few words on Crown Corporations. I am going to go through the 14 smaller Crown Corporations that we are operating at the present time, starting with the Saskatchewan Government Airways. I want to point out again that, at the commencement of the Saskatchewan Government Airways, the Opposition was very bitter and very critical. I want to point out that this is one Crown Corporation that has done more than anything else to bring the industrial boom to our northern area of the province of Saskatchewan. This was organized mainly to open up the north, to be able to take in the prospectors, the fish operators and so on, to bring out the natural resources of the produce from the north to the markets of the south, and to take people and equipment to the north. This is one Crown Corporation that we commenced definitely as a service. The Opposition had always, in the past, criticized it. I want to point out that it was particularly criticized when it made a certain loss, and I want to bring to the attention of the House that, in the last number of years, this Saskatchewan Government Airways has not only given good service to the people of the north, but it has produced a profit, year by year. I want to point out that, this year, this same Corporation produced a profit of \$19,978.

Going down to the next Corporation or group of Corporations, Saskatchewan Forest Products, which takes in the Timber Board, the Box Factory and the Big River Mill. The Timber Board, the Box Factory, the Big River Mill, I want to point out, have brought efficiency and conservation of our forest products. The Timber Board, this last year, made a profit of \$609,453, plus spending some \$60,000 out of profits on roads that were required in the north. The Box Factory: I want to point out that we built a new Box Factory in Prince Albert, completely modern, and due to the change that was made, there was a loss, this year. The loss was \$22,134, and I may say that in

1951 there was a profit of approximately \$30,000. The Big River Mill is one of the new Crown Corporations and, as experience has shown not only in the province but in the Crown Corporations that are operated by the Dominion Government, it is usual that in the first two or three years, there are certain difficulties, and so this year the Big River Mill is showing a loss of \$64,793.

Taking the three together, the Saskatchewan Forest Products showed an over-all profit, deducting the losses, of over one-half million dollars.

Going on to the next Crown Corporation — Saskatchewan Government Insurance, Mr. Speaker, this is the 'bonanza'; it is a gold mine. I am going to delve a little bit into figures of the Saskatchewan Government Insurance Office. Many of us do not appreciate the benefits that this Office has given to the people of the province of Saskatchewan. I am not going to point only to the profits, but the over-all benefits given to the people of the province of Saskatchewan since this Crown Corporation commenced business in 1945. I used to be, for a number of years, a Government insurance agent. I remember that back prior to the organization of the Saskatchewan Government Insurance Office, for example, the farm rates used to be \$2.50 per 100 for three years; now the rate is 85 cents per 100 for three years, or a reduction of from \$1 to approximately 33 cents. In percentage we have been able, by commencing the Saskatchewan Government Insurance Office, through our competition to bring down the farm rates by 70 per cent of what they used to be prior to 1945, and I am going to make the statement that had not that Crown Corporation started, the rates would have been higher today than they were in 1945.

As an agent, I remember that schools were written up from a minimum of \$1 per 100 for three years, to a maximum of \$2.50 per 100 for three years. The school rate now, not only by the Saskatchewan Government Insurance Office, but I believe even by the line companies, has gone down to 70 cents. In other words, an average reduction of 50 per cent from what they used to be back in 1945. And I want to drive this point home that, had we not commenced the Saskatchewan Government Insurance Office, those rates would have gone up, as the price of any commodity or any service you buy today is considerably higher than it used to be, prior to 1945.

I am going to go to the dwellings, and I will take for example, the dwellings in the town of Canora. I remember that, prior to 1945, we used to write the dwellings in the town of Canora at \$1.40 per 100 for three years; now in the town of Canora, the rates have been reduced to 70 cents per 100 for three years. In other words, on the dwellings and the business insurance within the towns, the reduction in premiums is 50 per cent.

I want to go to automobile insurance. Automobile insurance, I remember even myself having a \$50 deductible automobile insurance policy, a five-point policy, back in 1940. On an automobile valued at \$1, 048, I paid \$59.95 automobile insurance. Our comparison to that policy in 1951 — the Saskatchewan Government Insurance Office was actually charging, including the compulsory portion, some \$19.50 on an automobile worth from two and one-half to three times as much. So I am safe in saying that the automobile rates in the province of Saskatchewan have been reduced by at least two times; but I am going to leave it at the figure of 50 per cent down.

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Taking those different percentages, and again taking the average of those percentages, the people of Saskatchewan, today, due to the competition of the Saskatchewan Government Insurance Office, their premiums, the amount they spend on the purchase of fire, marine and the general insurance line that the Saskatchewan Government Insurance operates, has gone down from \$1 to 50 cents. Calculating all the 50 per cents this past year, the people of Saskatchewan paid to the Insurance companies, including our own insurance company, premiums of \$10 million. I say, Mr. Speaker, that had we not commenced Saskatchewan Government Insurance Office, our rates would have been at least the same as they were in 1945, or in other words, today the people of Saskatchewan would have been paying for this service \$20 million instead of \$10 million.

I want to go on to the compulsory portion, the one that has been criticized to a considerable extent here in the House and outside of the House, and I want to point out that on the compulsory portion — the \$4.50 to the \$10 compulsory insurance that you paid in the province of Saskatchewan — we took in, last year, in premium money, \$2,719,493. That \$10 bought more insurance for the car owner than \$42.50 would buy in Alberta, in Manitoba or British Columbia. Somebody will say, “Oh yes, but you have a compulsory feature in it.” Mr. Speaker, I want to point out that they have a compulsory insurance in Manitoba, in Alberta and in British Columbia. I noticed a report from the Superintendent of Insurance in Manitoba making a statement that 98 per cent of the people of Manitoba bought insurance; or in other words, were forced to buy automobile insurance. And so I say that if you multiply the insurance premium that we received in 1951 by four times, that would be the amount that the people of Saskatchewan, today, would be paying if we had private enterprise — if we had a ‘Liberal’ insurance scheme in this province such as they have in Manitoba, Alberta or British Columbia. And so I say that, within this compulsory portion, the benefits going to the people of Saskatchewan, by the fact that we are in the business, amount to another \$7 million. In other words, the Saskatchewan Government Insurance Office have in the past year, and every year, given benefits, unseen benefits, to the people amounting to from \$15 million to \$17 million a year. That is one of the reasons that, particularly, this Crown Corporation was criticized very effectively at its commencement.

Now I want to go down to the profits. This Corporation, this year, turned in a profit of \$353,377; last year, the profit turned in was approximately \$305,000. Since the commencement of this Crown Corporation, it has turned in somewhere over \$1¼ million to the general revenue of the province.

I go on to the next one — Saskatchewan Guarantee and Fidelity Company, another branch of the Saskatchewan Government Insurance Office. There again we have, this year, chalked up \$67,883 in profits, and I would like to point out that this profit is greater than the profit of that company when it was operated under free enterprise for over a period of some twenty or thirty years.

Going on to the next group of Crown Corporations — Saskatchewan Marketing Services. These corporations give a service to the north. The Fish Marketing Board gave a service to our people of the north; gave the fishermen the protection of co-operative marketing, and shows a profit of \$881. The Fur Marketing, considerably more important than any of these services, turned in a profit, last year, of \$19,906; Government Trading, \$2,431.

Going on — we go to Saskatchewan Minerals, which consists of Clay Products or the Brick Plant at Estevan, and the Sodium Plant at Chaplin. Taking the Sodium Plant, Mr. Speaker, I really should have saved the story written about the Sodium Plant at Chaplin, by the 'Free Press'. This is one time that I want to congratulate them, in that they wrote up a fine and true story about this industry in Chaplin, and I want to point out that at Chaplin, sodium-sulphate again produced a profit of \$50,881. There has been some difficulty in the operation of this particular plant due to excessive moisture, but it certainly has realized a fine profit again for this year.

Clay Products: the plant itself has been rebuilt. This is one of the Crown Corporations with which we have had a certain amount of difficulty; but I want to point out that it is climbing out of the 'red', Mr. Speaker, a lot faster than the Power Corporation climbed out of the red, over a fifteen-year period under the Opposition. And so this group, Saskatchewan Minerals, taking in clay products and sodium-sulphate, showed an over-all profit of close to \$30,000. Going on to Saskatchewan Government Printing — a Crown Corporation that is doing the printing business for the Government of Saskatchewan. I want to point out that the rates charged or paid by the Saskatchewan Government to these printers are the same rates that used to be paid back in the 'hungry 'thirties', yet this Crown Corporation has, year by year, shown a profit and this year we are glad to report again that they made a profit of \$33,891.

Leaving that one, and going on to Saskatchewan Transportation Company — our bus lines throughout the province of Saskatchewan. This is one that we have particularly watched for service. This is a Crown Corporation that has given transportation service to the people of Saskatchewan and at the same time it has shown a good return on the investment made.

I go down to the last one — Saskatchewan Wool Products: another one, an industry that is marginal . . .

Mr. McCormack: — You are off the air.

Hon. Mr. Kuziak: — Well, I was hoping that I would be on the air.

Mr. McCormack: — You are off.

Hon. Mr. Kuziak: — I know they are happy, Mr. Speaker. I want to point out that the Opposition would love to smile and see that every one of these Corporations made a loss, and I want to say again that I do not intend to apologize for any Crown Corporation that we commenced in the province of Saskatchewan. Certainly, any reasonable individuals or the people of Saskatchewan whom we know are reasonable, know, for example, that of the 14 small Crown Corporations that we have started, 10 of them have shown a profit this year, and 4 made a loss. I would like to inform the Opposition, Mr. Speaker, that I would like to, myself, be in the position of commencing fourteen businesses in Saskatchewan and make a success of ten of them. I want to point out — and I am not going to bring in Power and Telephones; they have always been afraid and have always criticized us in bringing these into the profits of the Crown Corporations. But I want to point out that out of those 14 Crown Corporations, taking the profits this year and deducting the losses that we have had in wool, in clay products, in the Big River Mill, and in the Box Factory, we still have made an over-all net profit of \$1, 003,000, or in other words, are turning in a net percentage of 10.1 per cent on the capital investment within these Crown Corporations. Mr. Speaker, I want to

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say that I am proud to make this report, and I do not intend to apologize for anything. They are wonderful, and they are conveying to the people, as a whole, a wonderful investment.

I want to go on to Telephones, and probably say a word or two about Telephones. I hope that the Opposition noticed that we did not bring the other two Crown Corporations into the picture at all; in fact, Mr. Speaker, if we did, the profits would drop. The story of Saskatchewan Government Telephones, I want to point out, is a story similar to any Department of the Government under this administration. It is a story of steady progress and expansion since 1944. I want to say that in the Department of Telephones, 1952 has been the greatest year of progress. It is a record year. For example, we have installed more new telephones this last year than any other particular year in the history of Saskatchewan Government Telephones. This year we installed some 8,670 new telephones. I want to mention here too, in connection with the rural lines, that the rural lines, too, have expanded, not to the extent that the Saskatchewan Government Telephones has, but they have gone on ahead too.

I want to point out some of the difficulties. In spite of what the Opposition told the people of Saskatchewan, especially prior to the election, of stagnation and everything going rotten, I want to say that we had in Saskatchewan Government Telephones, as in every other thing, the greatest year in history. Yet, we have had terrific demands for service too. In 1951, we had some 4,500 people waiting to obtain telephones, and although we installed close to 9,000 new telephones in the province of Saskatchewan, last year, and had one of the greatest records in the history, we still, on December 31, 1952, had some 4,187 people waiting. In other words, we decreased the waiting list by only some 239 telephones, the demand for service was so terrific, showing the tremendous expansion in industry and everything else within the province of Saskatchewan. We are planning for the year 1953 to bring down another record greater than that of 1952. In all branches of the expansion of telephone service in the province of Saskatchewan, we expect that it will be surpassed in 1953.

I am going to give a few more figures. From 1910, for example, to 1944, over a period of 34 years in which the free enterprise parties administered the province of Saskatchewan, the Saskatchewan Government service had installed some 46,900 telephones. In the next eight years, 1944 to 1952, this jumped to 94,125 telephones, or more than double the 34-year record of the previous administration.

The rural telephone companies, last year, added some 1,352 new telephones to their over-all service. The total of all rural and provincial telephones jumped from 131,000 to 141,516 in 1952, or an over-all increase in the number of telephones (that is both provincial and rural) of 10,000. During 1952, we added almost 9,000 circuit miles to our long distance service, and may I point out again, in that particular line, another record year. Over 700,000 more long distance calls were put through in 1952 than in 1951. The total operating revenue of Saskatchewan Government Telephones jumped from \$7,373,000 (and I am quoting here only round figures) to \$8,349,000 in 1952, an increase in total revenue of approximately \$1 million. But I want to point out that the costs of materials, during the year, went up even faster than the increase in revenues, and so by the end of the year we ended up with a profit of some \$70,000 less in 1952 than we did in 1951.

In conclusion, I want to extend my appreciation, and the appreciation of the Board of Saskatchewan Government Telephones, to the management, to the staff and the workers of Saskatchewan Government Telephones, in bringing 1952 as the greatest year in the history of Saskatchewan Government Telephones.

Mr. Speaker, I fully intend to support this budget.

Hon. W. S. Lloyd (Minister of Education): — Mr. Speaker, to begin with, I think it is now evident that if any justification was needed for the appointment of our two recent additions to the Cabinet, that justification has been amply supplied in the address we have just heard, this afternoon. I am sure it is a matter of encouragement to all of the members on this side of the House, encouragement to all of the people throughout the province who have listened to them, to know of the calibre and ability of those men who now join us in the Cabinet.

This, Mr. Speaker, I think, is the ninth time that it has been my privilege and pleasure to rise in this Legislature and to compliment the Provincial Treasurer on his budget speech, and I do so each year with a greater enthusiasm for his outlook, and a greater confidence in his ability; and again I am sure that that is an enthusiasm and confidence that is shared by the people in Saskatchewan as a whole.

There is not much that needs to be said in reply to the addresses which we have had from the members of the Opposition with regard to the budget. In general, the comments which they have made have been quite effectively answered. I am sure there is one thing that pleased all of us with regard to the address of the hon. member from Maple Creek (Mr. Cameron). You know, Mr. Speaker, we had been convinced on this side of the House that the hon. member had only one speech, and he had made that three or four times. He did, at least, indicate that he had at least one somewhat different from the one he had been making for the past three or four years here in the House. However, it seems to me he made the same general sort of criticism which the financial critics of the Opposition have made of our budgets in previous years. He regretted there had not been a reduction in the debt, plus at the same time increased reserves, plus at the same time some better provision of services for the people of the province. That I say, has been the same general note of criticism which has been put forward over the years.

I noticed that, on one or two occasions, the hon. member asked himself questions which he then did not answer. I should have been interested in hearing his answers, but he did not supply us with them. He said, I believe, on one occasion: "The Government will ask me what services I would discontinue or reduce"; but he did not answer that particular question. He did, at one stage of his address, proceed to quarrel, or disagree, with the Provincial Treasurer's interpretation of the term "net debt" or condition of the net debt in the province. He went on to point out that this was prepared for the people outside the province. It seems to me that he really thought that, then he should not be too much concerned about it, as undoubtedly the people outside of the province who read this from a financial point of view, because they are interested, or will become interested in Saskatchewan, they will rely on the ability and integrity of the Provincial Treasurer, but they will also study the books of the province, and probably have a reasonably good idea as to what our position actually is.

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But in that regard, Mr. Speaker, and just to emphasize the improvement in the position of the Province of Saskatchewan and the correctness of the interpretation of the Provincial Treasurer in regard to that position, I should like to read some excerpts made from surveys made by the companies who appraise the financial standing of the province, and who, as previously reported in the Legislature, this year, have seen fit to give the province an improved rating. My first quotation that I would like to make is from 'Moodies's Bond Survey', dated November 14, 1949. In 1949 they had this to say, among other things (they had been talking about investment possibilities in Saskatchewan):

"On the other hand they who are looking for new investment opportunities would do well, in our opinion, to preserve a cautious attitude towards Saskatchewan issues at this juncture, despite their appreciably higher yields than those obtainable on other Canadian provincial issues."

That, I say, was on November 14, 1949. The same company produced another statement on December 29, 1952, about two or three years later, which was entitled: "Saskatchewan's Bond Raised to an A." In that, they went on to point out that Saskatchewan once had a heavy debt load, and pointed out a variety of ways in which that debt load had been whittled down. They had reference to the story with regard to sinking funds which the Provincial Treasurer has already told. They went on to say this:

"The gross funded debt has been rising almost steadily over the past twenty-five years, but this is far from the whole story."

They went on to comment on the great reduction on this debt, and then they made this extremely significant statement:

"The self-supporting debts incurred for development of provincially-owned electric and telephone utilities gradually became an increasing portion of the whole debt structure. When these are deducted, the present net tax-supported debt is \$123 per capita."

That seems to me to be the exact interpretation which the Provincial Treasurer placed on that portion of our debt. They went on to comment:

"In view of the prospects of Saskatchewan, its improved debt and fiscal position, their rating has been raised to an 'A'."

That is something, of course, which is gratifying to all of us.

The second report of a similar nature to that which I just read is one taken from an excerpt from 'Standard & Poore's Report'. They reported in 1951 this statement — they had reference to the gross debt of the province declining to the point where it was in 1950. They reported an even greater increase in the net debt than there was in the gross debt, and they went on to say that the per capita debt at that time was 'moderate', and they quoted

their rating. Then, for the sake of comparison I read also what they said on January 3, 1953:

“Per capita debt is among the lowest of the provinces, and further improvement is indicated.”

They mention this, Mr. Speaker:

“Since 1948, more than \$1,600,000,000 have been spent in the province.” (that is, with regard to capital expenditure).

“Public and private investments totalled \$241,000,000 in 1948, and by 1950 the annual outlay had risen from \$241,000,000 to \$346,000,000. In 1951 to \$362,000,000, and in 1952 to \$380,000,000.”

Now, I just wanted to read those few excerpts, as I said, to reinforce the statements which have been made as to the position of the provinces of Saskatchewan at the present time.

I also wish to comment on some of the remarks which the hon. member from Maple Creek made about the teacher situation, and some of the statistics which he gave in his address, the other day. He quoted, for example, in part, an answer to a question on the reports of the Assembly given just a week or two before, with regard to the average salary of rural teachers. He pointed out that that average salary in 1952 was \$1814. What he omitted to quote, Mr. Speaker, was that that was the figure for 1951-52; in other words, for the first part of 1952 only, consequently, a salary level that was arrived at by negotiations about two years ago now. I had subsequently given the information to the Assembly which he might have used, that between the spring of 1952 and the fall of 1952, the salaries of rural teachers in the province did increase by some \$283 per year.

I am not going, at this time, to repeat the information which I gave in a previous debate with regard to salary levels, or comparative salary levels. I have, I may say for the information of the House, seen some of the new schedules which have been recently negotiated, which will come into effect in the fall of 1953, and I note that in each case, they indicate a fairly substantial increase in the salaries for teachers.

Now will I repeat at this time, except to mention it, the analysis which I attempted at that time with regard to the teacher shortage situation in the province, and some of the means which, in my opinion we had to invoke in order to meet that shortage. I do, however, wish to substantiate what I did say at that time, by reading to the House the opinions of some other provinces. This paper, Mr. Speaker, is a paper called ‘The Forum’, which is printed by the New Brunswick Department of Education, and it, in the February issue, contains an article by the Minister of Education and Municipal Affairs in that province. Just again to emphasize the situation, may I read a few extracts from it. He starts out by saying: “In the whole of Canada, education today is facing a crisis.” He comments, from New Brunswick, on the problem of obtaining trained teaching personnel. There is more to the article, but I shall not read more of it at this time.

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Then, to read again from a report of a committee which was set up in the province of Alberta. Actually, I think it was a special committee set up by what they call there, their Board of Teacher Education and Certification, which is made up of representatives of the University and Department of Education, the teachers and the trustees. This report was summarized in a recent issue of an Alberta School Trustee magazine, and they state there a number of reasons that they think there is a teacher shortage in Alberta and other parts of Canada. The shortage of teachers, they say, is not peculiar to the province of Alberta; it is common throughout Canada and the United States. It is due to a number of causes, among which the following can be included:

“(a) Prosperous state of the economy.

“(b) Teachers’ Salaries. (I gather they mean the not so prosperous state of teachers’ salaries).

“(c) An increase in the number, variety and attractiveness of occupations available to young people.

“(d) The changing attitude of young people towards living conditions.

“(e) The nature of teaching that requires thorough preparation, and its demands are exacting.

“(f) The profession’s lack of prestige and status.

“(g) The fact that the majority who enter teaching are women who later will leave to be married.”

I read those to indicate the similarity of the problem which exists throughout Canada.

Now then, the member from Maple Creek also had some criticisms to make with regard to the use of the Education Fund in the province of Saskatchewan. I said a few minutes ago, Mr. Speaker, that he had a new speech; but when I got to considering this point I wasn’t so certain whether it was a new speech or not. I went back to the address which I made in this House a year ago on the budget debate at that time, in which I was addressing some remarks to the hon. member from Arm River (Mr. Danielson), who was at that time the financial critic on behalf of the Opposition, and I notice that I at that time, said this:

“I notice again that the financial critic of the Opposition dragged out a somewhat hoary argument that the Education Tax should not be spent on University Buildings.”

So perhaps the member for Maple Creek did not have such a new speech in whole after all.

Since the criticism is the same, I suppose that I may be entitled to use something of the same arguments that I used in commenting on that comment in other years. The Education Tax, as members of the Legislature will know, was inaugurated in this province in the year 1937-38. From that time until April 30, 1944, which was a most significant date in the life of the history of this province, the Education Tax fund accumulated a surplus of over \$3 million. The point I want to make is, Mr. Speaker, that the other day the member for Maple Creek criticized us for not spending adequately or properly the Education Tax fund. The point I now make is that during the period of the last Liberal Government in Saskatchewan the Education Fund accumulated a surplus at a time when teachers' average salaries ran like this: in 1938, \$663; in 1939, \$693; in 1940, \$806; 1941, \$847; 1942, \$941; 1943, \$1035; 1944, \$1167.

Now, while that was happening there was not use being made of all the money in the Education Fund, but they were following, I suppose, the line of thinking which he presented in his criticism, 'accumulating a surplus'. During that whole period, Mr. Speaker, they increased school grants twice, and shall we please note the dates of those increases. One came into effect in the fall of 1938. That is, the legislation was passed in the spring Session of 1938, and if my memory serves me correctly, there was an election in 1938. Well, there was a long time between elections in those years, and so there was a long time between the increase in school grants, because the next increase in school grants went into effect in the year 1944, this time in the spring of the year, and that was the sum and total of what happened during that time. I am going, at a later point in my address, Mr. Speaker, to contrast the use of the Education Fund money then and the use that has been made of it, since.

Reference was made, I say again, to the old criticism of using this money for university buildings. I want to comment on that. I am not going to apologize for it. I think again it is entirely logical that if you are going to use the education funds to pay the salaries of professors at the university, to pay for the cost of research at the university, it is just as logical to use it to pay for the cost of buildings at the university, rather than borrowing money, or using money from other source. I fail to see the distinction between the two usages.

Now since 1944-45, the Education Fund has been used to support the cost of these buildings at the University. The Medical Building — it is a part of the university which will contribute to the facilities for teaching at the university; it is a part of the university which, together with the hospital up there, is going to provide this province with a medical service, in addition to its teaching facilities, which is going to be of extreme benefit to the people of this province. The Engineering Building — which extension provided for the greater amount, increased classrooms. The Soils and Dairy Laboratory — the hon. member from Maple Creek seemed to think it exceedingly funny that money should be spent out of the Education Fund for a soils and dairy lab. Well, if he had thought a little bit, he might have come to the conclusion that in the teaching of certain procedures at the university, you need a soils lab and you need a dairy lab. He might have come to the conclusion that the people who are trained in those labs go out and make an extremely important contribution to the development of this province, and other provinces of Canada as well. He might have come to the conclusion that the work done in those makes an extremely important contribution outside of teaching work to the economic

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base of this province of Saskatchewan. The School for Agriculture, which accommodates young men who are not going through, likely, for a university degree, who come there for a short course during the winter months — a project for which after a very considerable amount of argument (we finally had to appeal to the Prime Minister of Canada) we did get some assistance from the Federal Government under the Dominion-Provincial Vocational Education Plan. Well then, there are power houses and items of that kind, tunnels and so on, which admittedly are not directly a part of the teaching institution but which are essential if you are going to have the facilities for teaching there. I could go on and mention the gymnasium, the Betatron building, the plans for the library — I shall not continue with details. The total amount spent on those University buildings, from 1944-45 to the end of the present fiscal year, will be \$4,473,471, and I think we have no apology to make for the use of the money to build up, here in Saskatchewan, one of the finest universities to be found any place in the Dominion of Canada. I need not mention again, the reference to the Boys' School. That was entirely and adequately dealt with by my colleague, the Minister of Social Welfare, yesterday — some \$397,211 there. Some money was spent on the School for the Deaf in Saskatoon — also charged to that Fund.

Then I want to make some comment on the other uses to which the moneys collected and accumulated in the Education Fund have been put. For the purpose of assisting school districts in the building of composite schools and technical classrooms, and equipping those rooms, we have, over the same period of time, spent \$1,341,000. For the purpose of assisting school districts and school units, in the construction of schools other than the ones I have just mentioned, we have expended over the period, some \$3,275,000. For Student Aid, we have established as the hon. members will remember, a revolving fund with capital at \$1 million. Into that fund has gone \$1,115,000. That money is of course still intact; that is the capital sum — it is there as a revolving fund. We provided, in loans to school districts, over \$3 million; that money is, of course, also returnable. So that, all in all, for those purposes, we spent some \$8,867,314.78 between the years 1946-47 and 1952-53 inclusive.

Then I turn to the increase in ordinary grants which were paid out of this Education Fund also. May I, just as a basis of comparison, point out again, that the total amount spent for school grants in the province of Saskatchewan, in 1943-44, were \$2,765,693 or \$2-¾ million roughly, and I am not going back to talk about that, at any great length. There will be members on the other side of the House who will suggest, perhaps, that we should not go back that far and talk about it. I want to relate one incident which happened to me, just a little bit before the year 1943-44. The incident was an occasion on which, together with two other teachers (one from Ontario and one from Alberta) I was sent to Ottawa by the Canadian Teachers' Federation to discuss there the matter of Federal aid for education. We met several of the Ministers and finally we had a talk with the late Dr. Clark who was Deputy Finance Minister in Ottawa at that time. I recall his statement to me, so very well. He said: "There is not any use in you people coming down here and talking to the Federal Government financial federal aid for education, so long as our provincial governments back home are piling up very large and substantial subsidies. Go back and talk to them."

Well, we went back and talked to them, Mr. Speaker, but as you will realize from the figures I have just given, without too much success.

We were not a poverty-stricken province in 1943-44, but our grant support of education was \$2-¾ millions. May I say that we had, at that time, about 179,000 students; in other words, the grant was approximately \$15.42 per student per year. To again illustrate how we have used the Education Tax Fund money, that grant was increased in 1945 (not the year before the election); it was increased again in 1947; it was increase in 1950; and it was increased in 1952.

In addition to those increases under formula, there were increases for capital purposes which I have already discussed, in 1947-48 and in 1948-49. Those increases, today, are at the position indicated in the estimates: for ordinary grants, \$8,903,600; for building grants under the Dominion-Provincial Vocational Assistance Agreement, our contribution, \$125,000; for northern education, \$173,590 — all of which are grants except for the salary of one person and the stenographer. That makes, in total, for school grants this year, over \$9 million — some \$9,202,190. May I say that for the last year for which we have figures, there were 172, 785 students in our schools. If that is the number in 1953-54, the grant will now be \$53.45 per student, per year, as opposed to \$15.42 per student, per year in 1943-44.

In addition to that, in 1943-44 there was no money available to loan to school districts; there is provided in this year's estimates, \$600,000. In 1943-44, there was no money available for free texts; there is this year provided \$155,280. I want, even after mentioning that rather considerable increase in grants, Mr. Speaker, to restate my position as I stated it during the Throne Speech Debate, that I am not satisfied with that, that I am convinced the Government is not satisfied; but I am convinced that the people of Saskatchewan will look at that record and realize the direction in which we are going.

The member from Maple Creek also had some comments to make about the rate of school taxation, and he used, as one would expect him to use, naturally and properly, the example of a school unit in his own area — the Maple Creek school unit. So may I have some time to comment on those comments, as well. The rural rate in that school unit, in its first year of operation 1945, was 12 mills. The rural rate of taxation in 1952, in that unit, was 20 mills, and the hon. member stated that he had word that it was increased another 3 mills, this year. That is, from 1945 to 1953 it increased from 12 mills to 23 mills, or it increased 11 mills during that time.

Now the question which I want to raise very sincerely and seriously with members of the Legislature, is this — is that mill rate too high? Is the increase too much? Is it out of relationship when you compare it with the increase in the cost of other goods and services? When my hon. friend, the Minister of Telephones and the Minister in charge of Crown Corporations was speaking, he gave to the Assembly some very meaningful figures with regard to the savings which the people of Saskatchewan had been able to effect as a result of the operation of the Saskatchewan Government Insurance Company. He calculated some \$15 million to \$17 million savings there because of the operation of that one government organization. I do not think the members of the Opposition are going to argue very strongly — certainly not successfully — against those statements. May I say that the fact that this Government has gone into that one type of activity has saved the people in that unit enough to take care of that total increase in their

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school taxes during that period. A few days ago, the Minister of Health spoke and pointed out some of the benefits of the hospitalization plan in this Province, and I would say again, that there will be many families in that school unit who, by virtue of the fact that we have a Saskatchewan Hospital Services Plan, will have saved enough to meet that increase in school taxes.

Let us consider it, too, from another point of view. Let us consider it from the position of a farmer, who has a farm assessed at some \$5000. Now on that farm, 1 mill will be \$5 and 11 mills increase (which is the increase in the area we are talking about) will be to \$55. One suit of clothes purchased in 1953, as compared to the cost of that suit in 1945, will probably take up that entire cost. Remember, I said I was going to talk about some comparisons as between other things in 1953 and in 1945. The clothing index, according to the Dominion Bureau of Statistics, for the city of Saskatoon, in 1953, was 215; in 1945, it stood at 119.4. Now, applying a little simple arithmetic, \$100 worth of clothing in 1953 could have been purchased for \$55 in 1945 — an increase of \$45 there. So that \$100 worth of clothing — there has been sufficient increase in the cost of that since 1945, to make up most of that \$55.

Let us remember, too, that in 1945, the average salary of a teacher in that area was approximately \$1000 per year, and that the average salary in 1952, in that area was over \$2000, and in 1953 will be more than that. The increase in the taxes (using the example again of the Maple Creek unit) from 1945 to 1952, amounted to approximately \$92,000. If you take the taxes levied in 1945 and you take the taxes levied in 1952, and find the differences, it comes to about \$92,000.

May I say, again talking of these relative increases in costs, that if the farmers in the Maple Creek unit purchase this year, about 20 self-propelled combines, the increase in the cost of those combines as compared to the cost in 1945, would equal the increase which all of the taxpayers in that unit are going to have to bear on behalf of some 1,180 children in that area.

I know the hon. member from Cannington is smiling a bit — I should not be talking about this, Mr. Speaker, because the last time I talked about farm prices, one of the gentlemen of the press by inference stated that a mere school teacher did not have any right or any knowledge of farm costs or farm economics. I had always thought that school teachers could probably read and study a few statistics, and find out a few things about those too. Let us look at some of this machinery cost, and I bear in mind that some of the members of the Opposition have recently said they are not too sure about whether the costs of farm machinery are too high or not. But, going back to the Report of the Special Committee of this Legislature last year, and bring that Committee up-to-date in terms of 1953 selling prices of farm machinery, F.O.B. Regina, take three types of 12-foot self-propelled combines. The increase in those combines (this is 1953 compared to 1946, not 1945) range from \$1871 to \$2394. I have taken three types, and the least increase was \$1871, the greatest \$2394.

Let us take that in terms of mill rate, Mr. Speaker, and see something about the comparative increases in cost. Take the least one, the

\$1871 increase. Take again our farmer with an assessment of \$5000; 1 mill increase is going to cost \$5 — 11 mills, \$55. But, to meet the increase in the cost of one of these machines, if he buys it, will take \$1871, or 374 mills. That is the taxation which the increase in the cost of one kind of machinery, from 1946 to 1953, puts on his farm with an assessment of \$5000. Spread it over ten years if you like, even though during the period of ten years you have to meet the increased cost of repairs along with it, it is still 37 mills a year. Or consider the farm with an assessment of \$10,000, Mr. Speaker, and the increase in the cost of that one piece of equipment is still 187 mills, and I say again, it is not reasonable to expect that education costs will remain where they are when other costs go up. The thing that I want to emphasize is that we need to compare education costs and we need to ask ourselves, very clearly, what it is that is imposing the burden on the farmers of Saskatchewan, The answer, Mr. Speaker, will come out to be that there are many items in excess, in addition to the cost of education.

I want to take one other type of farm equipment — a tractor; and again I have here two types of tractors. The figures show that the retail price, F.O.B. Regina, increased from 1946 to 1953. \$1916 in one case, \$1467 in another case. I say, again, that on the \$5000 assessment, the one which increased the least, the increase in cost would tax the land 383 mills in order to purchase it. Or on a \$10,000 assessment, it would take 146 mills in order to pay for the increase in cost. And those are facts, Mr. Speaker, which cannot be laughed off. Those are facts which I should like to see the hon. member from Cannington get up on his feet and talk about in this House and out in the country.

Let me take one other set of figures, Mr. Speaker. The retail value of farm machinery sold in Saskatchewan in 1951. The retail value of that machinery was \$75 million. The price index of farm machinery in 1951 stood at 187.4; the price index in 1945 stood at 112.4. Now, if 1951 farm machinery could have been bought at 1945 prices, the savings to the farmers of Saskatchewan would have been \$31 million — and I again say we need to carefully consider what it is that is taking the purchasing power out of the pockets of Saskatchewan farmers. I am not suggesting that any one would be so optimistic as to hope, or to have reason to hope, that 1945 prices should have remained; but surely, Mr. Speaker, we need to look at all the increases in the costs. The 1951 farm machinery purchased in Saskatchewan, if bought at 1945 prices, would have brought savings of \$31 million to the farmers of Saskatchewan, and it was up some 8.8 per cent in 1952, and it is up again in 1953. The school taxes in that same year, 1951, Mr. Speaker, in all of the school units in the province, plus all of the rural districts not organized as school units, amounted to \$11,100,000. The increase in the cost of farm machinery purchased in Saskatchewan from 1945 to 1951, was sufficient to pay all of the rural taxes three times. The total school taxes in 1951 in units, non-units, cities, towns and villages, amounted to \$17,750,000, and as my hon. friend, the Minister of Telephones pointed out, the savings effected for the people of Saskatchewan by the Saskatchewan Government Insurance Company amounted to approximately that much. Total school taxes collected in 1951 amounted to some \$17,750,000, and I say again, that the increase in the cost of machinery from 1945 to 1951 would have, in 1951, paid all the school taxes for everybody in Saskatchewan and left \$14 million open. Now that does not include the cost of repairs. The increase there would be another six or seven million dollars.

I want to say a word, too, about those people who tend to give constantly the impression that the increase in the cost of our farm machinery and so on, may be entirely attributed to increased labour costs. I quote for that purpose, from the report of the Farm Implements Committee of this Legislature, last year. Some of the figures which are given in Table II on page 40, are worth studying. Those figures indicate that the salaries and wages of the employees (and that includes the executives' salaries as well) in our farm implement industry in Canada, in 1945, amounted to 42.4 per cent of the gross selling value, at works. In 1950, the salaries and wages amounted to only 28.9 per cent of the gross selling value, at works. In other words, the relative labour costs had decreased by some 14.5 per cent over that period of years. During the same period, labour productivity, as shown by the same table, increased. The net value of production per worker, in 1945, was \$2,223; the net value of production per worker, in 1950, was \$4,218, which represents an increase of 89.6 per cent. Now that increased production is, of course, due to many things. It is due to better workers, it is due to better machines, to a greater investment of money, capital and, undoubtedly, in many cases, due to better management. But regardless of that it stands as a fact that 13,554 employees in our farm machinery industry in Canada, in 1945, produced \$57¼ million worth of gross selling, at the works. In 1950, 16,223 employees produced \$149½ million measured in the same way. In other words, less than 3,000 additional employees produced more than \$92 million more than 13,500 did, in 1945.

And of course we must not forget, Mr. Speaker, that the people who invested capital in those industries did not do too badly. I want to refer the members to Table 12, which has to do with the information supplied by the Cockshutt Farm Equipment Company. It shows that, in 1945, the return, before taxes, on invested capital, was 8.1 per cent; in 1951, the return on invested capital, before taxes, was 22 per cent. The return, after taxes, in 1945 was 3 per cent; in 1951 11.8 per cent. The same table shows that stockholders' investment, before taxes, was at 8.1 per cent in 1945; and 13.6 per cent in 1951. So we do not need to shed too many tears about the people at that end of the line.

I think it is worth while reading, too, the comment of that same Selection Special Committee, and they said: "The manufacturing companies made very high profits. Present high prices of farm implements are probably a direct outcome of this condition." This statement, of course, agrees with that of the Ottawa inquiry of 1936-37 which said: "Over the period of 1891-1936 the retail prices of farm implements have been maintained at too high a level as shown by the financial returns of the companies engaged in industry."

Now I want to give one more example, Mr. Speaker, of the disadvantage of Saskatchewan, I suggest, in financing a service like education as compared to some of the other provinces. Members will know, of course, of the quite considerable income which this province receives as a result of our agreement with the Federal Government. Members will also know that that income in no sense is a gift to the people of Saskatchewan, that it comes to us as a result of the rental of some of our taxation sources, and it comes to us as a result of partial recognition, and partial only, of the fact that many companies make large amounts of money in Saskatchewan which cannot be taxed here. But I want to take the money which we and other provinces receive in terms of statutory subsidies and payments under the tax rental agreements, and relate those amounts to education costs as those costs are indicated by the number of teachers which we employ. In other words, I want to take the total

amounts which the provinces receive from those sources, and divide it by the number of teachers employed in each province, and see what kind of an indication that presents.

It is estimated that, in 1952-53, the amounts to be received will be, in Saskatchewan, some \$25.6 million; in Manitoba, some \$24.8 million; in Alberta, some \$29.4 million; in British Columbia, some \$41.6 million. In Saskatchewan that works out to \$3,500 per teacher, in Alberta it works out to \$4,200 per teacher — approximately one-fifth better; in Manitoba it works out to \$4,800 per teacher — approximately 50 per cent better than ours; and in British Columbia, it works out to \$6,700 per teacher, which is not quite double the amount per teacher, when you count ours in that way. Now that, it seems to me, Mr. Speaker, is a rough indication, but a reasonably accurate one too, of the relative loads and ability to pay in this province, as compared to the others, as measured by that one source of revenue. And I want to add that it is, I think, an indication of the need for the application of the principles of the Rowell-Sirois report when it comes to Provincial-Federal relationships, principles which I gather from Mr. Abbott's budget speech, have now gone 'out the window', entirely. It indicates also, Mr. Speaker, the case for Federal aid for education, or of recognition of educational needs in determining Federal grants.

Each year when I have spoken in this debate, I have tried to outline one or two things that have happened in the field of education which, to me at least, are particularly interesting. I want to give to the House, this year, the story of what is happening in one of our units in co-operation with another unit, in trying to extend educational opportunities to more youngsters and particularly to enrich educational opportunities to youngsters in smaller schools. I speak of a project which has been undertaken by the Milestone school unit and, in part, in co-operation with the Radville school unit. They operate a programme of vocational education (if you like) an itinerant shop and home economics programme in a number of the centres in those two units. In one arrangement, they have some four towns: Wilcox, Milestone, Lang and Avonlea, and then in another part of the unit, in co-operation with the Radville unit, they have the towns of Radville, Ceylon, Pangman and Ogema taking part. This makes it possible to bring shop work and home economics to the youngsters in these smaller schools who would not otherwise have this opportunity. Some 199 students, altogether take the course in one of those schemes and 207 in the other, or a total of something over 400 youngsters get these advantages in that way. They assist the senior students from the neighbouring rural schools to come in, during the days when the itinerant shop teacher or the itinerant home economics teacher is there. They pay for it. They tell me of one girl, for example, who comes 15 miles in order to take advantage of this work in home economics. The course consists chiefly of woodwork for the boys. This year their project has been the construction of granaries which, when completed, have been sold by tender, and funds go back into their shop facilities. The girls, each year, put on a fashion show and demonstrate that, and prepare graduation banquets. It is a programme which is being copied in other parts of the province, Mr. Speaker.

I have talked on other occasions of the composite high school programme. It is not possible to have composite high schools in every unit, but it is possible in many of them where you cannot have them, to bring some of these facilities to the doors of many of the youngsters in our smaller schools.

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May I report on one or two others aspects of the Department of Education. The Student Aid Fund: according to a report tabled a few weeks ago, this fund assisted in 1951-52, some 202 university students, 197 normal school students, 29 nurses and two students taking a course in library, expending in total \$116,830. I may say that up to date this year, commitments have been made to spend more than that amount already. This is a plan which has been mentioned many times before, and which again it seems that many students do not know of, in spite of the fact that they are notified when they get a Grade 12 certificate, and the notices are posted up. I would ask members of the Assembly to have students who need money to attend normal school or university or a school of nursing, contact the Department with regard to this financial aid plan

We mentioned in the Speech from the Throne, Mr. Speaker, that this year we were going to put on at least some of our short courses in northern Saskatchewan. This is under the Dominion-Provincial Youth Training Programme, and the short courses will be those important to the people in the kind of occupation that they have in those communities.

I am not going to again go into the details of the programme, which is taking place in the province, of consolidation or centralization of our school population. I do want again to urge members of the Assembly to give every reasonable support to reasonable projects of that kind. It is one way in which we can save teachers, or use teachers more effectively. It is one way in which we can provide better facilities for hundreds of youngsters. It is one way in which we can hold more youngsters in our schools to get more educational training, and it is one thing that will make a contribution to keeping farmers on the land.

It has been mentioned already that we had five votes in larger unit areas, during the year 1952. Each of those votes, I am pleased to report again, was successful. It is proposed that, on request, we will hold some votes at least, in some of the remaining six unorganized areas during 1953. The most important thing that is done in education is, of course, in the field of determination, not of the kind of school building that we have, but in the field of determining what it is that goes on inside the school — the content, the procedure of study. We have been trying, with gratifying success, to get more and more people interested in studying what goes on in schools, and assisting in development of a curriculum for those schools. A number of organizations in the province are intensely interested in promoting study and discussion among their own members. I cannot emphasize again too much, and there is nothing which is more worthy to appeal to members of the Assembly on — that they encourage more people to study just what does go on, and to express themselves as to what they think ought to go on in the schools.

There are many questions being asked about education, today. Many of the questions that are being asked are critical questions, and that, I hasten to say, Mr. Speaker, is good. We need it. If the criticism is followed up with an intelligent interest and an active effort to do something about those criticisms. Education must never allow itself to run away from the criticism or to discourage criticism in any way. This is always true — that the community is going to get, in large measure, the kind of school which the people in that community really want to have. The answer to 'what' and 'how' do not lie entirely or even majorally with experts. The answer to those questions will come out of the people, and the more that they come from the people, the better the kind of an educational system we will have. And so I

say that we must welcome criticism, encourage it and take advantage from it to stimulate more thinking, more discussion about the problems of education. There is not anything more important that any of us can do.

Mr. Speaker, that concludes what I want to say at this time about the budget. I will, of course, support it.

Mr. J.E. McCormack (Souris-Estevan): — Mr. Speaker, this is Friday the thirteenth, and it is rather late, but with your permission, I will just make a few comments. I know the members have been very busy the last few days, and it is getting toward the end of the week and when we have a night off, I know they do not want to be sitting around here too long.

Mr. Wahl: — Hear, hear!

Mr. McCormack: — If the gentleman opposite wishes to leave, I do not think I will regret his leaving at all, Mr. Speaker — the gentleman that interrupted just at that time. I would like to say that I welcome to this Chamber the junior member for Regina. It is certainly a pleasure to look forward in that direction and not have to look into the sour ‘down-with-capitalism’ faces that we see on some of the other members opposite.

I have had a hard job to try and figure out, Mr. Speaker, just who is a Socialist and who is not. According to the Provincial Treasurer’s Budget Speech, I think the average income in the province of Saskatchewan was somewhere around \$1,450. Now if you listen to some of those gentlemen opposite, I think they would want to totally confiscate everything that anybody had over \$1,450. Well, I can probably sympathize with my friend that is in the legal profession — we would probably get along a lot better if they were socialized and had a little bit of distribution of income. I hope he puts some of those problems before some of his fellow members and possibly he can advise some of the members on that side as to the run of the financial position of the legal profession. I think he has probably had a change of heart himself to what he thought and prattled about five or six years ago.

Now, Mr. Speaker, we hear a lot about this ‘soaking the rich’, and there was a speech made by a Mr. Ross Thatcher — I think he is a C.C.F. member for the city of Moose Jaw. According to Hansard, page 2534, March 2, he had this to say:

“I think Canadians should realize that such a sum is not and cannot be raised simply by ‘soaking the rich’ because there are not enough rich people in Canada. As a matter of fact, official statistics show that, in the year 1950, the total income of all taxpayers making \$10,000 a year or more was only \$807 million. If the Minister of Finance should confiscate that total sum, he would only have about 17 per cent of his Federal budget.”

Mr. R.A. Walker: — Don’t you agree with that?

Mr. McCormack: — And yet we had a speech which I referred to in the House, last year . . .

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Mr. Danielson: — Mr. Speaker, may I ask the gentleman a question? Who was it made the statement you quoted?

Mr. McCormack: — Oh, I am quoting from Mr. Ross Thatcher, C.C.F. member of Parliament for Moose Jaw.

Mr. Danielson: — C.C.F.?

Mr. McCormack: — Yes, I also quoted, last year . . .

Mr. R.A. Walker: — Some straight man you are.

Mr. McCormack: — . . . from a speech by Hugh Gaitskill. He was Labour Chancellor of the Exchequer in the Old Country, and he said practically the same thing. He said: "It would have meant a reduction, if they took all the income of everybody who was getting more than £2,000 a year in England; if they took all of it, it would have meant a reduction of fourpence a year to the whole population."

Now I was rather surprised at the new Provincial Secretary. He was chastising the Opposition for having the audacity to move a vote of no confidence. Imagine! Now I think if he had been here — I think he was — our amendment to the Address in Reply to the Speech from the Throne was that 'we regretted that Her Majesty's advisers had, as their ultimate objective, the socialization of our economy, as set forth in the Regina Manifesto'. I still regret that they have it in their platform, and I think there are some members on the other side that regret that they ever did dig up the Regina Manifesto.

Mr. R.A. Walker: — Such as?

Mr. McCormack: — With all the silly questions and answers that go in that handbook, signed by the Hon. C. M. Fines . . .

Mr. Speaker: — Order, order!

Mr. McCormack: — If it was any audacity for us to move that amendment, with 11 against 42, I wonder how much more so it would have been for the C.C.F. down in Ottawa, with their 13 against 262; and yet they have been moving these motions of 'no confidence' ever since they got down there. Even when there were only 5 of them down there, they used to do the same thing. However, if some of those C.C.F. members who were down there, when they had to vote on \$65 million that was going to be added to the Wheat Board payment, had stayed in their seats instead of wanting to get back to Saskatchewan, there might have been more assurance of that thing going through.

Mr. Speaker: — Order, order!

Mr. McCormack: — Now I thought that the new Provincial Secretary would have had more sense than to chastise the Opposition for moving a vote of 'no confidence' in the Government. Of course he was on the air at the time, Mr. Speaker, and I suppose it sounded pretty good out in the Humboldt constituency.

Mr. R.A. Walker: — It was good! He made a good speech!

Mr. McCormack: — I would recommend to him that some time he should read over the air, this:

“Moved by Mr. Johnston, seconded by Mr. Brockelbank” (this was on February 9, 1939):

“That this Assembly recommends to the Government that The Public Service Act be so amended as to provide no one in the employ of the Government, or any of its departments, Boards or Commissions, who resigns from Government services at any time within three months previous to an election shall, if should to be engaged in partisan political activities subsequent to his resignation and prior to the date of said election, be taken back into the employment of the Government for a period of two years following said election.”

It all depends where you sit, what you accomplish in a lot of these things.

And then he brought out the mineral regulations, which were passed in July of last year. Well, isn't it a wonderful protection to the farmer that, in July 1952, the Government eventually gets around to passing some regulations for the protection of the farmer against these people who have been running around 'gypping' farmers out of their mineral rights? In 1952 — imagine! They certainly did a wonderful piece of work for the farmer! If they had done it in about 1945, it would have been a little better — or 1946 or 1947.

Hon. Mr. Brockelbank: — Mr. Speaker, might I ask the hon. member a question? I am serious about this. I have heard a good deal about it, but I would like to know just what the hon. member might suggest as to regulations to prevent people dealing with their property as they want to.

Mr. McCormack: — Certainly! I could tell the Minister of Natural Resources, and I have suggested this now for about four years in this Legislature, that there be some protection. You have protection for the farmers under The Farm Implement Act, and if you go through the statutes you will see, for years, the farmers have been protected against certain things — at times, without interfering.

Hon. Mr. Brockelbank: — Tell us what you would . . .

Mr. McCormack: — You are the Minister of Natural Resources, and if you had the interests of the farmers of this province at heart, you would have done something about it before 1952, because you were certainly told about it enough. You have to investigate some of these people who were going around picking up leases — Freeholders' Company and all that bunch of gentlemen that were picking up a lot of this stuff.

Mr. R.A. Walker: — Is that the one Harry Mang is in? Is that one of them?

Mr. McCormack: — He was in one of them; and you let Mr. Riddell come in here, and he certainly took the farmers of this province for a cool million dollars. He was in — what was the name of that thing they tried to get . . .

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Mr. R.A. Walker: — What authority have you got for saying that?

Mr. McCormack: — . . . the Farmers' Mutual.

Mr. R.A. Walker: — What is your authority? You just dreamed that.

Mr. McCormack: — I could tell my hon. friend that Riddell got 2½ per cent of everything that went in, and if you add up the number of acres that went in there you will see. I will also bring a Judgment in here, some day, and tell you about this other company. It is a Judgment that shows the amount of money that was made out of it by a couple of gentlemen who were parading around on the floor here today, earlier, and who got over a million dollars; it went into their holding company, and Mr. Havard sued this company for his commissions.

However, Mr. Speaker, we heard the hon. Minister of Telephones, this afternoon, and I must apologize if I got a bit of a 'kick' out of his remarks — I always do. After all, it was very similar — I could just see him 'storming the Bastille'. He was really taking off to save the common people.

Government Members: — Hear, hear!

Mr. McCormack: — He was talking about averages here and there. Well, there used to be a story about the fellow who said, 'the average amount of money that the people on our street have is \$1 million. There was one millionaire and five other people who did not have anything and if he had \$6 million and you averaged it out, they each had a million'. But the type of nonsense that the Minister of Telephones was putting across today is something like the member from Qu'Appelle-Wolseley was talking about the other day. He was discussing the income tax regulations too, and when I tried to point out to him that I did not think he was trying to mislead the House but that he should check up on it a little more, he said that I should look up the law and make sure what I was talking about. Well, 'Clarence Darrow' over there knows all the law, and has enviously eyed that front seat next to where the Premier sits ever since I came into this House. I tested out some of the seats over there, but I have not been jumping into that front seat the way you have, all the time. And if there was ever one gentleman that stood up in this House and knew everything, and had everything to say about it, it is the member from Hanley. One of these days he will get something to back it up, but I would refer the hon. gentleman — I do not think he is deliberately trying to mislead anybody, but he has heard this from some C.C.F.er and he will prattle it all over the country, whether it is true or false; but I would refer him to Section 59 (2c) of the Income Tax Act, or he can go down to the Income Tax office and find out before he stands up in this House and makes statements about things like that. I would seriously suggest that to him.

Now, Mr. Speaker, we have had three Cabinet Ministers today — three of the fourteen; and I thought that possibly there was so little (according to the gentlemen opposite) in the budget criticism of the hon. member from Maple Creek, that these gentlemen would not have to answer it. But they certainly put up a 'slew' of Cabinet Ministers today in trying to discredit it, and at this week they have had — of course with fourteen it is pretty hard to work them all in, and let some of these backbenchers get in occasionally, as well. However, Mr. Speaker . . .

Mr. R.A. Walker: — Oh, don't stop now — we are just enjoying it!

Mr. McCormack: — Are you? Well that is very fine, I will have to speak more often. But, with the permission of the House, Mr. Speaker, I ask leave to adjourn the debate.

(Agreed)

CORRECTIONS

Hon. Mr. Kuziak: — Mr. Speaker, I want to admit that I made an error in my calculation. I made a statement this afternoon and I used the figure of, I believe, 11.4 per cent — it should have been 1.14.

The Assembly then adjourned at 6.00 o'clock p.m.