

LEGISLATIVE ASSEMBLY OF SASKATCHEWAN
Second Session — Twelfth Legislature
19th Day

Tuesday, March 9, 1954.

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

The House resumed from Monday, March 8, 1954, 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. A.G. Kuziak (Minister of Telephones and Minister in charge of Government Finance Office): — Mr. Speaker, this is the sixth time that I have had the pleasure and honour of rising in this House to congratulate the hon. Provincial Treasurer for the able manner in which he has always presented his budget speeches. This is the tenth since this Government came into power, and it is one that the people of Saskatchewan have every reason to be proud of. The budget again portrays a further expanding economy, as well as providing steadily increasing services and benefits to our people; a further implementation of our 10-point programme approved by the people of Saskatchewan in the elections of 1952.

The financial critic of the Opposition, for the tenth time, is offering the same criticism — the budget is too high; but he has not made one suggestion as to where it may be reduced. He makes a complete somersault again and gives us suggestions as to where we should have spent more money. For the tenth year the Opposition, I believe, overlooks the intelligence of the people of Saskatchewan. The people of Saskatchewan all realize that if you want more money for municipalities, for schools, for northern development, then be fair and ask for a greater budget. If you want a budget reduced, tell the Government what services you are prepared to curtail.

I was rather amused, Mr. Speaker, to see the headlines of the 'Leader-Post' on Saturday, March 6, 1954: "Cameron attacks C.C.F. Spending Spree." Just a little lower down there is another headline: "Manning introduces record budget of \$205 million."

In 1944 the Alberta budget was actually lower than Saskatchewan's. Now it is more than twice as high. British Columbia, another province, had a budget, in 1944, equal to Saskatchewan's. Now it is more than twice as high as Saskatchewan's.

Mr. A. Loftson: — Shows the development there.

Hon. Mr. Kuziak: — Manitoba's budget increased more, percentage wise, than that of Saskatchewan, since 1944.

Mr. A. Loftson: — That's putting Saskatchewan in the background, isn't it?

Hon. Mr. Kuziak: — The pre-war budget of the Federal Liberal government has gone up to where, today, it is ten times as high as it used to be and almost four times Saskatchewan's increase. The financial critic in this House talked of a crushing tax structure in Saskatchewan.

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Mr. Speaker, if we have a crushing tax structure, Alberta's is more than twice as crushing. British Columbia's budget, under a Liberal-Conservative administration of a year ago and now under a Social Credit government, is more than twice as crushing as Saskatchewan's. Manitoba's budget is more crushing than Saskatchewan's. The Federal Liberal government's budget is four times as crushing as Saskatchewan's. The Federal Liberal government really takes the honour of having laid on the people of Canada the most crushing tax structure. I believe the hon. member from Maple Creek (Mr. Cameron) would do the Canadian people a great service if he could convince his own colleagues at Ottawa to ease the greatest increase in the crushing tax structure that the people of this country are carrying.

In the 1952 elections every Liberal speaker from the platform and the radio was instructed to point to the increase in municipal taxes and school taxes and blame it on the C.C.F. government. Again I say that the Opposition underestimated the intelligence of the people of Saskatchewan. On this same false propaganda the financial critic used a good portion of his air time on Friday, but he went the Liberals even one better. He stated:

“Municipalities felt they had been burdened with bridge construction which, prior to the present Government, was entirely borne by the province.”

No wonder, as I looked across, Mr. Speaker, the hon. member for Rosthern (Mr. Carr), a municipal secretary-treasurer, grinned; and I don't blame him – it was a joke! If the records are checked, they left over 1,200 broken and dilapidated bridges in 1944 in the lap of this Government and the municipalities of Saskatchewan.

Mr. A. Lopton: — You haven't done anything about it yet.

Hon. Mr. Kuziak: — Let's look at some of the bridge grants. In 1944 (and mind you, Mr. Speaker, this was an election year), they budgeted \$143,000 to aid the municipalities in bridge construction – and he said it was the responsibility of the province! This year, we are budgeting \$700,000 or five times as much, and we admit that we are not carry the whole load. In 1942-43, before an election, they only appropriated some \$107,000 towards bridge construction.

I would like to compare some of the aids given to the municipalities by this Government with those of 1944. In 1944, the Liberal administration contributed to the municipal roads and bridges of the rural municipalities, \$580,000. For these very same items we are today appropriating \$1,900,000. Then let us keep in mind that only last winter, we threw off the Public Revenue Tax which again, indirectly, contributes to the municipalities of this province a sum of \$1,800,000. Today, directly and indirectly, the municipalities of the province are receiving, by the actions of this Government, \$3,700,000 in comparison to the \$580,000 of 1944. Where the Liberals contributed to the municipalities \$1.00, we are today, directly and indirectly, contributing \$7.00.

Now that isn't the whole story. Under the Liberal administration in normal times, direct relief and social aid was a responsibility of the municipalities. Today, 50 per cent of it, and in some cases 100 per cent, is the responsibility of this Government.

Child welfare – the cost of illegitimate children – was the charge of the municipalities prior to 1944. Now they are the charge of this Government. Hospital and medical aid, indigents and hospital and medical aid for pensioners over 70, in their day used to be a total responsibility of the municipalities. Today, we have taken over the pensioners completely, giving them medical and hospital aid, and have given hospitalization to the balance of the people of Saskatchewan. I would say and estimate that where the Liberals were contributing \$1.00 in 1944, to the aid of the municipalities, we are at least contributing \$10.00, or ten to one.

Now anyone would think and say that the municipal tax structure should actually be less today than it was in 1944; but I agree with the Opposition that the taxes of the municipalities have gone up until in some cases, they are even double. Let's check the municipal tax structure of Alberta. Although the Alberta Government has done similarly to what we have – they have also increased aid to the municipalities – but municipal taxes in Alberta are higher than ours.

Let us look at the municipal tax structure of Manitoba. Although Manitoba has also increased its aid to the municipalities, the municipal taxes in Manitoba are higher than they are in Saskatchewan.

Mr. Speaker, if we check all the other provinces of Canada, the story is similar. While the provincial government has increased aid to the municipalities the cost of their administration and services grows even faster, so that greatly increased municipal taxes have become imperative. The hon. member for Maple Creek says our municipal tax structure is unbearable; but I want to point out that the municipal tax structure of Alberta and Manitoba is even more unbearable on their people. The hon. financial critic, as well as the Opposition in this House, realizing this situation, revert to a scapegoat, or to use his own words, 'throw a smokescreen', and scream that the C.C.F. is to blame. Mr. Speaker, is the C.C. F. to blame for the even greater municipal tax structure of the other provinces of Canada? The intelligent people of Saskatchewan answered this fictitious argument in June of 1952, and again in August of 1953.

The hon. Premier was right when he compared the Liberal Opposition to the Bourbons of France; they refuse to learn! Let us look intelligently on this question of municipal tax structures, provincial tax structures; Federal tax structures, and, last but not least, the structure that controls and lords it over all these tax structures, and that is the capitalistic price structure. I know that the champions of free enterprise at times call this free enterprise price structure, private enterprise price structure. I really don't care what you call it; I still call it the law-of-the-jungle price structure. This is the law that, in the end, controls all tax structures. Mr. Speaker, let us lay the blame where the blame belongs. The political parties upholding this price structure are to blame for the increased cost of living, for the increase of all commodities that our economy requires, and it is this increase that has increased most

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of the taxes – municipal taxes, school taxes, hospital taxes, our own budget, and the federal budget.

The intelligent people of Saskatchewan remember the end of the war and the cry of capitalism to lift price controls. The people of Saskatchewan remember the three political parties – the Liberals, the Conservatives (and they should have a Social Creditor on that side) and the Social Credit. . .

Mr. McDonald (Moosomin): — We probably will have!

Hon. Mr. Kuziak: — . . .and they would have the whole family then on that side together. They are not forgetting that it was these three political parties that championed the lifting of price control to give ‘big business’ a free-for-all to get at the wealth and savings of the average Canadian. The three capitalistic parties, with the aid of the press and the radio, sugar-coated the price control removal pill and they called it ‘freedom for the Canadian people’. It was only that gallant and brave group of C.C.F. fighters in the Dominion of Canada that fought against the lifting of price control. The C.C.F. members at that time in the House of Commons warned the Liberal government of that day that the sky-rocketing of costs – costs to the municipalities, costs to the schools, to the hospitals – would sky-rocket taxes and place an unbearable burden of taxation and costs on the people least able to pay. This gallant and brave group of C.C.F. members of Parliament were overwhelmed by the combined forces of the Liberals, the Conservatives and the Social Crediters. Price control was removed and the capitalistic price structure took over. Mr. Speaker, the people of Saskatchewan have not forgotten the smokescreen thrown over Canada by this combined force under the slogan of “freedom for the Canadian people”. They now realize to whom that freedom was given.

Mr. McDonald: — A pretty good reader, isn’t he?

Hon. Mr. Kuziak: — The people of Saskatchewan know who is responsible for the increased costs and increased taxes. I say that no scapegoat or smokescreen of the hon. member of Maple Creek is going to cover this sell-out of the Canadian and Saskatchewan people to the capitalistic price structure.

He was actually calling on this Government, the other day, to subsidize the bungling of the Federal government. I say, if the Opposition is serious about reducing the municipal taxes and the school taxes, then let them join with us, join with our group in the House of Commons and demand that the Federal authorities re-impose price control. Roll prices back to 1945 and your municipal, your school, your hospital, your provincial, your federal taxes will roll back to 1945.

Mr. Lopton: — You will roll back your wages then, too; and your services, such as old-age pensions.

Hon. Mr. Kuziak: — Mr. Speaker, I would like to take this opportunity of covering some of the important accomplishments of the covering some of the important accomplishments of the Crown Corporations directly and indirectly under my supervision. The first and most important is, of course, Saskatchewan Government Telephones. It is interesting to note that, initially, our telephone system was operated

here in Saskatchewan by the Bell Telephone interests, with some 3,400 telephones in the cities. Private enterprise will only operate for profit and, therefore, will only operate in the populated islands or cities. I want to congratulate the Liberal government of that day, back in 1909, for the decision they took when they took over this particular utility. Yes, the Liberals of those days were probably a little more progressive than the boys opposite. They took over this utility and thus were able to extend and integrate telephone services throughout the province. I want to point out, too, that a similar situation existed throughout the whole of western Canada, so that the governments of Alberta and Manitoba socialized the telephone industry and took it over. This Crown utility continued a steady expansion until 1930. During the 'thirties telephones actually dropped off, but started to build up again in the early 'forties. In 1944 when we took over, there were 47,000 telephones in our system, with another 37,000 rural telephones typing in to our system. Since 1944, there has been a pronounced expansion year by year until, at the end of 1953, Saskatchewan Government Telephones has increased to 105,000 telephones – more than doubling the system in the last ten years, or an increase of 123 per cent.

The rural telephone companies in the out-lying areas show a picture not as good. During the 'thirties, telephones in the rural companies dropped off even more rapidly, swung back in the early 'forties and now stand at 49,000 telephones. In the last ten years, their increase has only been 32.5 per cent.

I say, Mr. Speaker, there is a pressing need for rural telephone expansion in this province as well as in the other provinces of the Dominion of Canada. Just the other day, glancing over the annual statement of the Manitoba Telephone System, I noticed Winnipeg had 118,500 telephones. The balance of all the cities, towns and villages in Manitoba had 30,000, and the rural areas of Manitoba, 26,400. The need for rural telephone expansion is even more pressing in Manitoba. The expansion of rural telephone companies has been held back, I believe, by the high cost of telephone equipment, but probably the major difficulty is that the areas cannot raise the money required for capital expansion.

This has been our difficulty not only in Saskatchewan and in Canada, but also in the United States. Some years ago, the Federal government of the United States faced this problem, as well as that of rural electrification, and the Congress of the United States provided large loans at very low interest rates for rural electrification and rural telephones across the line. I notice for example, Mr. Speaker, this year, the Rural Electrification Administration in the United States has been authorized more funds, more millions, to aid rural telephones than they have appropriated for rural electrification. I say a similar plan for Canada is long overdue, and certainly, now would be a wonderful or opportune time for our Federal government of Canada to take similar action. This would stimulate rural telephone and rural electrification expansion in Canada and aid the unemployment problem.

Saskatchewan Government Telephones during 1953 reach an all-time record in all lines of its activities. We installed 10,860 telephones in 1953 as compared with 8,670 in 1952. Although we installed almost 11,000 telephones, the demand for telephone expansion in Saskatchewan has been so great that we only reduced the telephone waiting list in Saskatchewan by 1,012. At the end of this year we still had over 3,000 applicants on our waiting list.

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I want to point out that a record \$6,391,000 was spent on capital costs, in 1953, and revenue reached a record of \$9,600,000 approximately, and a record net profit, after interest, was returned of \$1,846,000. This profit, as a figure, may look high, but if one takes this as a percentage on the capital assets of the company, it is only 4.2 per cent; it is actually lower in percentage than the profit of the year 1949, 1950 or 1951.

With the increased cost of operation, as well as excessively increased costs of capital expansion, it was deemed advisable to consider some increase in telephone rates and so, during 1953, rates for the local exchange service were increased by an average of about 13 per cent, which actually means 5.2 per cent increase on our overall revenue. I am sure the hon. member for Maple Creek did not mean to misinform the House when he stated that the overall increase was 13 per cent – it wasn't. The 13 per cent was only on exchange service or on 40 per cent of the total revenue of Saskatchewan Government Telephones.

His other statement, that rural connecting fees were increased, in 1950, by \$2.00 – I would like to put this matter straight. In 1953, as a temporary depression measure, all rural rates were reduced by \$2.00 per subscriber, with the understanding that they would be restored in normal times. On January 1, 1950, they were restored, and I want to point out that two-thirds of this money goes to the agents of the rural telephone companies of Saskatchewan.

On February 1, 1954, we brought a classified toll system into effect – that is, people will not be able to call person to person as well as station to station, with a minimum of three minutes instead of the old two. This new system of calling, with three minute minimum, is and has been used by all the telephone companies in Canada and the United States for many years. If we copied something, we copied it to a great extent from private enterprise, and I am sure the boys opposite will be very happy.

Mr. Speaker, so many long-distance calls are now going out of the province that it was deemed advisable, for the sake of harmony and uniformity, to change to the prevailing habits of the rest of Canada and the United States. The rate structure was changed to conform with the other companies, the majority of which, I am going to say again, are private companies. I want to assure the House that our rates compare very favourable with the rates of other telephone companies throughout Canada.

One of the other things we took into consideration, in making this change was the fact that long distance messages increased, for example, from 3,200,000 in 1944, to 7,500,000 in 1953 – far more than double; this, in spite of the fact that we expanded long-distance facilities, congested our lines. We believe that if a good percentage of the people of Saskatchewan use the station-to-station calling we are certain this will help to considerably improve toll services. On checking, for example, the speaking habits of our people, over 50 per cent of the long-distance calls in the past were three minutes or more. On checking, for example, the other telephone systems throughout Canada, 50 per cent of the long-distance calls have been station to station.

I want to say this, Mr. Speaker: if you want to compare the old rates to the new rates, here is how they would compare. First, bring the old two-minute rate to the three-minute rate – and of course my hon. friend from Maple Creek forgot about that one point. Here is how they would compare: the new person-to-person three-minute call will be on the average lower. If the people of Saskatchewan use the station to station, the Telephone Company will be able to put through many more calls with the same equipment and give better service to our customers. It is very difficult to foretell what change this may have in our revenues, but we are hoping for some small increase; and I am going to make the guess that it may be close to 13 per cent on the long-distance calls.

Mr. Speaker, I hope we get this thing straight. The hon. critic was completely ‘off the beat’ on Friday. During 1953, as I stated, we increased local exchange service by approximately 13 per cent; local exchange service is only 40 per cent of our total revenue. In February of this year, 1954, toll rate changes may increase toll revenue by 13 per cent. Thus, Mr. Speaker, both increases cover the total revenue, making the first general increase of telephone rates of Saskatchewan Government Telephones of 13 per cent. Please do not include rural telephone rates; they set them themselves.

Now to reply to the criticism of the financial critic of the Opposition, where he stated his call from Maple Creek to Regina is doubled, within 5 cents. He did not tell you that he used a particular case and compared a two-minute call with a three-minute call. He did not tell you, for example, . . .

Mr. Loptson: — He only spoke two minutes.

Hon. Mr. Kuziak: — . . .that he could have put through a three-minute day call under the old set-up from Maple Creek to Regina and it would have cost him \$1.20; but today, under the new set-up, he could put this call through on the station to station and it would cost him \$1.15 – actually 5 cents less. Yes, with the particular example, . . .

Mr. Loptson: — More camouflaging!

Hon. Mr. Kuziak: — . . .he conveyed the message to this House and to the people of Saskatchewan that the toll rates, this year, were more than double. . .

Mr. McDonald: — They are, too.

Hon. Mr. Kuziak: — We’ll see. The hon. critic made another statement, and I quote:

“In 1949, home telephones were raised \$3.00 per year and business telephones \$9.00 per year.”

Of course he did not inform the House that this affected Saskatoon and Regina only. Saskatchewan station group set-up was made in the early days of the system. By the Saskatchewan group set-up I mean an exchange that has 1,000 telephones. The rates are set at a certain level; at 5,000 they automatically increase; certainly a telephone in an exchange where there are 5,000 telephones is worth more than the exchange where there are 100 telephones.

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And so on March 1, 1949, Saskatoon and Regina fell into this higher group and automatically the rates went up. He did not explain to the House that this was the particular case.

I want to say that this is practised by all of the telephone companies of Canada and the United States. Is the hon. member against this practice? Surely a telephone in the city of Regina, where you can dial any one of 25,000 phones, is worth more than in an exchange where there are 50 or 100 telephones. Mr. Speaker, I want to make this statement and make it clear – that there has been no general rate increase in telephones since 1919. . .

Mr. McDonald: — Oh you're nuts!

Hon. Mr. Kuziak: — I know what I am talking about, my friend. A number of exchanges have, however, had to make rate adjustments due to growth and come into a new station group set-up, such as Saskatoon and Regina as I mentioned a minute ago. Conversion to automatics, the change of status to staff exchange, the change to monthly billings, or the change to a fancier instrument if you wanted it – now, Mr. Speaker, if you add carefully all the increases we made, as figured by the hon. critic, our toll rates have been increased by 126 per cent. I say he is only out 113 per cent which is a fine batting average for the hon. member for Maple Creek. He is almost as good on this as he was on Rubbra, on oil leases, on uranium leases.

If his figures are correct, Mr. Speaker, we in Saskatchewan Government Telephones, at the end of this year, 1954, should report a profit, after interest charges, of \$8,600,000.

Mr. Loptson: — More profiteering!

Hon. Mr. Kuziak: — Now, Mr. Speaker, I want to point out to the hon. critic that I am going to remind him, either in Crown Corporations or in this House again next year, if we do not obtain an \$8,600,000 profit, whether his figures are correct.

Now, Mr. Speaker, am I prepared to justify a 13 per cent general increase in rates: I certainly am.

Mr. McDonald: — You just said there wasn't any.

Hon. Mr. Kuziak: — If the costs of all commodities that any person in the province of Saskatchewan buys have gone up by 200 and 300 per cent, I can justify a general 13 per cent increase in the telephone rates. In fact, I say it is exceptionally moderate, because it is efficiently operated by public enterprise.

Last year we rolled in over \$6 million into capital expansion. Our capital assets are up to between \$42 million and \$43 million. This year we will spend another nine to ten million dollars in capital expansion. Through the years, as our capital expansion grew, our percentage in profit had been falling. Certainly there is a time when we must face that and stem that downward trend of the profit.

One other point I want to state and that is, if a profit is made by Saskatchewan Government Telephones it goes right back to the people of

the province of Saskatchewan in bigger and better telephones.

Mr. McDonald: — Bigger telephones!

Hon. Mr. Kuziak: — Mr. Speaker, glancing over the 'Leader-Post' here about a month ago, just about the time when the postal rates of the Federal authorities were increased, they had quite a nice article justifying the increase in postal rates. Now let us look at that percentage. Here, a few years ago, the postal rates of the post offices of Canada were increased from three to four cents — a 33 1/3 per cent increase. This year, they gave her another boost of 33 1/3 per cent, making a total increase of 66 2/3 per cent. Oh, yes, the 'Leader-Post' came right out — a wonderful thing to do; but I suppose a 13 per cent increase in telephones is a terrible thing — it has been done by the C.C.F. My time is up, Mr. Speaker. I will support the motion.

Hon. J.W. Burton (Provincial Secretary): — Mr. Speaker, since the opening of this Session it has apparently become the practice for each member taking part in a debate to start out by complimenting almost everyone who has spoken before him, with a special helping of syrup for the new members. But we ran out of pancakes on Shrove Tuesday.

Another noticeable feature so far has been that the provincial leader of the Progressive-Conservative Party, who for the past several years has been wandering around the corridors and lobbies of this building, is now wired for sound. But in order to accomplish his purpose he had to mate his party with that of the Liberals. The whole affair must have been a humiliating matter for the old-time Grits in the Souris-Estevan constituency.

Mr. Speaker, speaking in support of the motion moved by the Hon. Provincial Treasurer, I also wish to congratulate him on the able manner in which he has handled the financial affairs of this province during the last ten years. When we recall that in 1944, when the people finally got tired of riding on that broken-down merry-go-round of the Liberal party, the Provincial Treasurer, with the able assistance of his colleagues of that time, despite the dire predictions of the Liberal speakers who ridiculed the idea that a group of farmers, teachers and preachers could carry on the functions of government without running the province into bankruptcy, gathered together the fragments of our provincial economy and welded them together in a serviceable vehicle capable of carrying the people on and on, up and up to greater goals than many had thought possible: year after year, bigger and better budgets and always balancing out at surpluses, and yet at the same time providing more and more services for our people.

Ten years of progress with the C.C.F. Government: on behalf of the great majority of the people of the province, through you, Mr. Speaker, I should like to say to the 'Hon. C.M.', thanks for a job well done. We all hope that the Lord will give you the health, the strength and the perseverance in public duty so that you may be around to bring down many more budgets for us.

Congratulations are also in order to the hon. member for Maple Creek (Mr. Cameron), the financial critic of Her Majesty's most loyal Opposition, not for a job well done, but rather for taking on a task that many a man would have shied away from. I cannot help but think that deep down in his heart he must have agreed with nearly everything in the budget, because he spent so little time on it. He had to roam far afield in order to find enough material to take up his time. For example, he spent a lot of time

with the changes in The Automobile Insurance Act which, in my humble opinion, would have been much more appropriately said when the Bill regarding same which was then on the Order Paper came up for discussion, or even in the Crown Corporations Committee. Then he tramped through the mud of the Carrot River Triangle, giving no credit for what has been done, making no allowances for the unprecedented weather conditions in that area for the past several years. This again would be much more in place when we are considering the whole report of the Royal Commission on Agriculture and Rural Life.

Mr. Speaker, one could go on and on showing how the hon. member wandered far afield. He did, however, get a little closer to the subject of the budget when he, as self-appointed executive assistant to the Minister of Municipal Affairs and several other cabinet ministers, proceeded to advise them on how they should have staged a raid on the treasury. But after his spree, during which he spent all the surplus, he in typical Liberal fashion failed to tell the House or the country any of the items he would have eliminated from this budget. His heart appeared to bleed for the municipalities, but he failed to tell you that during the past ten years this Government has given a greater total amount in various sums of assistance to municipalities than the municipalities received in any ten-year period under a Liberal administration. In fact, I would venture to go a bit farther and say that what this C.C.F. Government has given in aid to the municipalities, in various forms and another, will be greater than that given by the Liberals throughout the entire time they have been in office. Permit me to list a few of them:

- (1) Equalization grants. Not only were these grants much larger than any given by the Liberals, but for the first time in the history of the province these grants under the equalization formula were placed on a businesslike basis instead of being used for political 'bait' as had been the practice under the Liberal administration.
- (2) Easing of the burden carried by the municipalities by the Department of Social Welfare relieving them of many former responsibilities.
- (3) Increased grants to schools.
- (4) Grants by the Department of Health.
- (5) Cancellation of certain seed grain and relief indebtedness by the province, absorbing the greater part of that loss.
- (6) The cancellation of the Public Revenue Tax.

Mr. Speaker, that is only part of the various items that could be listed; but do you know that it runs to a staggering sum. If this year's estimates for those purposes are added on, in a ten-year period it will be close to \$225 million given in various forms of aid to the municipalities. I am not going to bother to take the time to go through all the list of even those I tabulated, leaving aside those that I did not have time to search; but \$225 million, Mr. Speaker, in aid to the municipalities, is not hay.

The Government is fully aware that the rural areas of this province are no longer in the horse-and-buggy stages and that increased mechanization, both on the land and on the roads and the other changes that these factors bring on make it absolutely necessary to take a good look at the new picture; to make a thorough analysis of all the province and to prepare both short and

long term plans. Therefore, this Government has appointed the Royal Commission on Agriculture and Rural Life which will be submitting its report some time this summer. In addition, the hon. Minister of Municipal Affairs has a special advisory committee working on the problem of main market roads. I contend, Mr. Speaker, that the wisest course to pursue is to continue to give assistance on the present basis and then, after we have had the opportunity of studying the reports referred to, then we plan any increase in assistance in a systematic manner.

Mr. Speaker, does it not seem strange that the provincial leaders of the Liberal Party, who through their inaction and mismanagement while in office had this province teetering on the brink of ruin, should not display such inordinate jealousies of those who have brought our province back onto its feet? They give no credit for the tremendous successes achieved in many undertakings, but, childishly jubilant, miss no opportunity to blaze any shortcomings or failures all over the sky for all to see.

It is really sad that once great Liberal party has fallen to a new all-time low. I just want to quote to you what appeared in the 'Leader-Post', dated Saturday, March 6, where they gave a very comprehensive report of the critic's address and here is what it said:

"Mr. Cameron said an old-timer from Cypress Hills summed up the position of Saskatchewan in one sentence. 'Most of the good people have left Saskatchewan and the rest are going nuts'. He continued by saying that there was justification for this in a recent newspaper headline that the mental hospital rate was high in Saskatchewan."

Now, Mr. Speaker, can one imagine why the hon. member for Maple Creek did not tell the people that the mental hospitals of this province have in less than 10 years come to be known as the leading institutions of this kind in North America! Did he tell you that the treatment now given returns many to normal health? Did he tell you that the main reason for the number admitted to these institutions being high is because the doctors and relatives now no longer hesitate to commit people needing attention, because now there is hope, while formerly many of these unfortunate people were herded together like cattle whose only relief in sight was death? No, he did not tell you any of those things, but revelled in the thought that he had said something smart.

There are a few unfortunate human beings in these mental institutions who have lost control of themselves to the extent that they need to be cared for like infants; but those people are to be pitied, and prayed for and cared for. One surely should expect more sense from the hon. member for Maple Creek. But the hollow laughter that came from the Opposition benches, last Friday, when he made his smart-alec crack, causes one to wonder.

The hon. member was so hard-pressed for material that he even singled me out for attention – not in criticizing the budget; but in typical Liberal fashion to misconstrue a statement I had made at Esterhazy, last summer. For some reason best known to himself, he turned away from the microphone that is attached to the public address system of this Chamber, with the result that I could not hear all that he read. Therefore, I shall have to depend on what the 'Leader-Post' evidently took from his manuscript and I quote: This again

to on the same date of the 'Leader-Post', the issue of last Saturday:

"In a speech at Esterhazy Mr. Cameron said, the Provincial Treasurer was quoted as saying that Social Credit would only work under complete State Socialism and this was not only unnecessary, but undesirable. He continued (Mr. Cameron), it is rather pathetic that one of the two junior cabinet ministers was appointed to break the news that Socialism is not only unnecessary, but undesirable."

Then he continued by saying:

"I can imagine the reaction of the radical C.C.F.ers from his statements."

Now, Mr. Speaker, permit me to deal with what I said at Esterhazy. In the first place it was several days after the report of this meeting appeared in the 'Leader-Post' that I had an opportunity to see it. But as far as I can recall it was a fairly good and accurate report of the meeting. I realize that in reporting such meetings it is impossible for those papers to print the entire speech. Consequently, they only use a reporter's opinion of the highlights. However, Mr. Speaker, I definitely recall that I said:

"In my opinion Social Credit could be made to work, but only under one condition, that of complete State Socialism. (I continued by saying), we of the C.C.F. considered this not only unnecessary but undesirable."

I recall that so well, Mr. Speaker, because I have made that statement in all parts of the province for years. Repeatedly have I made that statement.

Now, the hon. member for Maple Creek in his comments eliminated two very important words: that is "complete State." That made his comment read as follows:

"It is rather pathetic that one of the two junior cabinet ministers was appointed to break the news that socialism is not only unnecessary, but undesirable."

There is a big difference in what I said and what the hon. member for Maple Creek tried to make out that I said. But apparently two words, more or less, do not make any difference to him.

Mr. Cameron: — Mr. Speaker, on a point of privilege, in reference to this I think if the hon. Minister would check the recording of my speech in the Legislature that it does mention State Socialism. If you checked with the recording. . .

Hon. Mr. Burton: — I am glad that the hon. member drew that to my attention. The 'Leader-Post', I thought, had given such a comprehensive report of this meeting and I would say this. As I mentioned when the hon. member read what the 'Leader-Post' had reported me as saying at Esterhazy,

there he did say 'complete State Socialism'. But the 'Leader-Post' did not so report it in his own comments.

But, Mr. Speaker, where has the hon. member been all these years?

Mr. Cameron: — Right here.

Hon. Mr. Burton: — It is said that the legendary Rip Van Winkle slept for 20 years. In my humble opinion the big difference between Rip Van Winkle and the Saskatchewan Liberal leaders is that old Rip at least woke up. I was not appointed to break the news as the hon. gentleman was trying to make out, because we in the C.C.F. have always contended that the Socialism advocated by our party does not call for complete State ownership of everything, but quite to the contrary. . .

Mr. Loptson: — When did you change it?

Hon. Mr. Burton: — . . .we have always insisted that there are two forms of property; one, private property and two, public property.

Mr. Loptson: — What about capitalism?

Hon. Mr. Burton: — We have always stressed the fact that it is most desirable for more people to own private property. Individual initiative and private ownership of business and property has a very important role to play in our economy, so long. . .

Mr. Loptson: — That's right.

Hon. Mr. Burton: — I hope the hon. members nod their heads for this . . . so long as it does not deprive other individuals of similar opportunities.

Mr. Loptson: — That's liberalism.

Hon. Mr. Burton: — On the other hand, we contend that when an individual or small group of individuals can, by the ownership of property, dominate the community and exploit their fellowmen, such property should be owned by the people themselves.

Mr. McCarthy: — What people? Who?

Hon. Mr. Burton: — This social ownership can be achieved in various ways such as co-operative ownership, municipal ownership, provincial ownership and federal ownership in every respect of the use. I realize, Mr. Speaker, that this is no doubt all over the heads of the hon. members opposite, but some day, with your permission I hope to have the opportunity to give them a simple explanation that even they should understand.

Mr. Dunfield: — That will be dandy!

Mr. Speaker: — Order!

Hon. Mr. Burton: — Mr. Speaker, it was my intention to cover the various branches which come under the Department of Provincial Secretary. I was somewhat at a loss to know which ones I should commence

with. But that problem was solved for me by the hon. member for Meadow Lake (Mr. Dunfield). A few days ago he delivered a radio address on the Provincial Affairs broadcast series entitled "The C.C.F. propaganda." In view of the fact that he and his colleagues have persistently, and very often unfairly, criticized the Bureau of Publications, I decided that I would deal briefly with the hon. member's broadcast and then to the best of my ability try to explain to him the functions of the Bureau of Publications and the services it renders.

Mr. Loptson: — We know now.

Hon. Mr. Burton: — But before doing so, Mr. Speaker, permit me to say that it is astounding to me that the genial, mild-mannered member for Meadow Lake should be the unfortunate one that was drafted to perform such an unworthy task. You know, when the hon. member came to this Assembly last year, he appeared to be a fairly decent chap; his criticisms were fair and he appeared willing to give credit where credit was due. So why all this sudden change? It makes me think of a well-fed tabby, content to purr in front of the fire in a well-managed household, sure, meowing sometimes when it is necessary, but generally just purring and purring.

Government Member: — He wants to be known as a wildcat.

Hon. Mr. Burton: — But, just imagine what happens to Tabby when a boy that should know better deliberately steps on Tabby's tail. The contented Tabby becomes a bundle of fury, scratching in every which direction. I wonder, Mr. Speaker, could that boy's name be Hubert? I have here a copy of a broadcast delivered by the hon. member over C.K.R.M. on March 3rd. I shall read only a few excerpts from it dealing with my Department. He has a lot of other trash in there that is just as bad.

Mr. Loptson: — Read the whole thing. It makes nice reading.

Hon. Mr. Burton: — But, just listen to this, Mr. Speaker.

Mr. McDonald: — Read it all.

Hon. Mr. Burton: — Quoting from that speech:

"I have become very much concerned about the great sums of money that this Government spends on publicity; and why? In 1944, the last year of Liberal administration, they spent \$33,000. It was the total sum spent on government publicity, which (he says) was factual reporting government activities."

Now, Mr. Speaker, in connection with that I would say that in the opinion of many people, instead of \$33,000 — 33 cents would well cover the factual reporting of the Liberal party at that time. And another one:

"Last year our C.C.F. Government spent approximately \$123,000 on the same type of literature — an increase of \$90,000 or nearly four times as much as in 1944, which is far in excess of government needs."

And now, Mr. Speaker, my answer to that is that he made no mention of the fact that the costs of all types of printing and advertising has more than doubled; but, leaving that out of the picture, the fact is that four times something is worthwhile and a great deal more than one times nothing. More and more people are becoming interested in the day-to-day activities of this Government, and the Liberal party appears to be willing to do almost anything to suppress the truth so that the people would not be able to get anything but their stained stories.

Mr. Speaker, the next one is:

“In additional to this, last year this Government spent over \$230,000 for radio broadcasts, according to a return made in the House a few days ago.”

What I said about advertising also applies to this, but I wish to add that the Liberals do not mind the cost when they can use it. You will recall that, last Friday, the hon. Minister of Mineral Resources was making an important announcement and before he could finish, the proceedings of this House went on the air. Before the Minister could finish, the hon. Leader of the Opposition got to his feet and complained that the Minister was encroaching on the time that should be used by the hon. member for Maple Creek; this, in spite of the fact that throughout the Throne Speech debate the Opposition had the benefit of much more than their share of radio time. Furthermore, the less than five minutes used by the Minister gave more information that was of far greater interest to the people of the province than the financial critic had in his whole hour and 10 minutes.

Here is another one:

“There are countless articles that appear in newspapers (mind you, I didn’t think that I had much of an education, but apparently other people have less than I have); there are countless articles that appear in newspapers and magazines written by so-called informational writers employed by the Government on salary and expenses to eulogize every form of government activity and the total amount that is shown on the records becomes fantastic in comparison to its worth, that is its worth to the public as reliable information.”

Mr. Speaker, I challenge that statement on the grounds that it is not true, and is grossly unfair to a group of civil servants who have no opportunity to defend themselves. These employees take a pride in their work. They, so to speak, lean over backwards to keep their releases factual and politically unbiased; but the Liberals are so used to progress being synonymous with the C.C.F. that they rankle with hatred every time another story comes out giving details of further advancement in the development of our province. I hope that I will have time later on to give a more detailed account of the work carried on in the Bureau of Publications. But, before doing so I must give you the ‘piece de resistance’ (as the French say) of the hon. member’s radio talk:

March 9, 1954

“Never before in the history of our province has such a prolonged and vicious campaign of vilification been directed towards one political party by another as has been waged ceaselessly by the C.C.F. against the Liberal party.”

Now, Mr. Speaker, I have found throughout the years that every time the Liberals accuse us in the C.C.F. of tactics of this nature, it is merely a smoke-screen to divert the people's attention from their own unscrupulous activities. No other political party in Saskatchewan but the Liberals has ever carried on a vicious campaign of vilification. This gutter-type of politics played by the Liberal party has resulted in an unprecedented campaign of character assassination.

Mr. Speaker, as I told you before, I am dealing only with those items of that radio talk that concern my department. There are others like it.

Now, Mr. Speaker, with further reference to informational writers referred to by the hon. member for Meadow lake, permit me to say that if I had one to spare I certainly would lend him to the Opposition so they would be able to put their questions and motions for Returns on the Order Paper in such a manner that one would be able to tell what they were wanting.

Mr. Cameron: — Oh, that's the lowest of the low!

Hon. Mr. Burton: — I would say this much, Mr. Speaker, when I look at the Order paper and see the phrasing and the way that those questions and motions for Returns are prepared, they certainly could make use of an informational writer. I want to continue. Our staff of informational writers is recruited from the various ranks engaged in newspaper work. The ordinary requirements of training and experience in their trade is required, but we ask no blood test or any other kind of a test. If my life were to depend on it right now, I would not be able to single out one person in the Bureau of Publications and say that he or she was a member of this or any other political party. It must also be remembered that if these people were engaged in similar work for newspapers or other publishing houses, they would be free to use their own free time when not on duty to do a certain amount of free-lance work. We, in the Bureau of Publications must given them similar privileges; but we keep as close a check as possible to see that it is done after hours or when they are on holidays. Any articles prepared by them while they are on government expense must be cleared by the Bureau of Publications, and for these we assume full responsibility. If any member of the staff does some free-lance work on his own time such person must assume the responsibility.

I would just like to give you a little résumé of what is part of the work that is carried on in the Bureau of Publications. Regarding the releases put out by various departments, the Bureau of Publications arranges to have them written up in a proper manner so that the publishing people will find them acceptable. I am mighty sure that those who have been framing some of these questions and orders that I have referred to would not have much success getting them in the paper. These are then sent to the dailies and, where necessary, by wire service, so that the daily in Saskatoon and Prince Albert and Moose Jaw has an equal opportunity of getting any news release as is available right here in this city. The same applies to the radio

stations. They get those releases. Then again, there is a weekly news service that goes out to all the weekly newspapers in the province.

I would just like to draw to your attention, Mr. Speaker, something that just came onto my desk a short time ago. It is from the editor of the 'Western Oil "Examiner' printed in Calgary, Alberta, and this is under date of March 2, 1954, and is entirely unsolicited. Here is what he had to say:

"In passing, may I express my appreciation for the excellent news service provided by your department with regard to the oil and gas development in your province. I can assure you it is the only such news service provided by the western provinces, with the result that reports similar to the utilization story and land sales and various other stories concerning the industry usually get a good play in our weekly."

Now, Mr. Speaker, I could give you many more instances of where the papers throughout the province are more and more relying on the factual information that is released to them from time to time by the Bureau of Publications. But permit me to say this. None, or very few, if any, public the whole story; nor do the dailies print the whole story. We send it out to them. They cut it as they feel like it. They build up a story around it. But we send them the information and it is up to them whether they want to use it or not; they are under no obligations. But, as I said, more and more of the papers of the province of Saskatchewan are making use of that service.

Before I go on I had better turn to something else here. When we are talking about informational writers, Mr. Speaker, I just want to draw this to your attention. Here I have in my hand a copy of the 'Picture Post'. Now, this paper has in it, under date of September 6, a story of the uranium field at Uranium City. They purposely wired our Bureau of Publications that they wanted to have a story on Saskatchewan's uranium field. Our Bureau of Publications made it possible to get that information and put it in a story, and here that story is printed in that paper.

The Minister of Natural Resources referred to Bill Wolf. Bill Wolf, with the assistance of members of our staff, was able to make those trips into the north, and he had a story in the 'Saturday Evening Post'. He has had several stories in the 'Saturday Evening Post' and I understand there are some more coming along. That has brought the province of Saskatchewan advertising that we simply just could not buy, we could not afford to pay for; yet we have it given to us voluntarily just because we make that information available.

Here is another one: "The Fisherman of Northern Saskatchewan," by Irwin A. Bower. And then again: it is all over the States, and in many provinces of Canada, again a story on northern Saskatchewan. When we get that kind of publicity we have endeavoured to make it possible that that information can go out to these people if they want it.

Now, permit me to go on to the other phase – special projects. That includes preparation of pamphlets and the articles that are in them and

other various types of work that goes in them. And it also has required good hard work. I want to say that the artist we have in that department could go to almost any of the larger cities in the East to big corporations and get more money than we are allowed to pay. Mr. Speaker, we are not, and need not be, ashamed of the type of work that is being done in our department.

I have here “Saskatchewan Invites the Angler”; “Saskatchewan’s Provincial Forest”; “Saskatchewan Invites the Tourist”; “Saskatchewan Tourist Facts”; “Saskatchewan”; “The Legislative and Executive Council, Province of Saskatchewan”; “Progress in 1952.” Now, Mr. Speaker, with all that, I would say that only the jaundiced eye of an extremely politically biased person could call that propaganda. The compliments we receive almost daily tell us that we are putting out valuable information that is attractive to the people.

Here is something from the state of North Dakota just across the line. They put out information of this nature – interesting. Do you call it propaganda? Some people are so biased that anything but their own view is propaganda. Yes, I could tell them about the federal. The Federal Government is spending money. If we had it in our Bureau of Publications, or a proportionate amount, we would do even a better job than we are doing. The Federal Government does not hesitate to issue pamphlets and information.

I would also mention about the ‘Saskatchewan News’ – and you know, Mr. Speaker, when I am talking about the ‘Saskatchewan News’, I have some here on my desk. Here is the Ontario government, which puts out a similar thing, and here is British Columbia, Alberta and all the others. I don’t mind saying that what really riles me at times when the members of the Opposition are so unreasonable, is that they started the Bureau of Publications years ago; but just like with everything else, they are always insanely jealous when anyone else does a better job of it than they did. Mr. Speaker, I even have some of the old back copies of their news sheets that they put out. I used to sit over on that side of the House, Mr. Speaker, and I would compliment the Minister and his commissioners. . .

Mr. Danielson: — Oh, no, no, no!

Hon. Mr. Burton: — I did; but your memory is so short that you would not remember from now to yesterday. I complimented the Minister in charge and his commissioner, and I urged them to send we members that news letter more frequently, because it was information, Mr. Speaker, that we were not getting very much of. But you know the Liberals do not believe in giving you too much information, except just what it accepts.

I want to say that in connection with our Bureau of Publications, we also have the Tourist Bureau which is part of that branch. For a number of years we had a young chap in charge of the tourist branch who did a very good job. He left last September, I believe, to go to England. We advertised the position and another man is in his place; but before leaving that I would want to say that Don Snowden, who was in charge of the Tourist Bureau at that time, was one of the men whom these people to your left, Mr. Speaker, have been trying to get something on, along with a man named Symington. Both of them are no longer in the employ of the Bureau. We did not ‘fire’ them. They left of their own free will; but I would say that Don Snowden, when in charge of the Tourist Bureau, did an excellent job, and I think that he is entitled to the thanks not only of the members of this House but of the people of Saskatchewan for helping to build up the tourist trade as he did.

We have a very able successor to him in a person by the name of Harvey Dryden. As I mentioned to you before, when these people are working on government time, their stories and their releases must be cleared by the Commissioner in charge of the Bureau. Anything that they prepare in their off hours, like in other newspaper work, is their own work, and they must take the responsibility of it. If I am informed correctly, the article that some of them were raising such a fuss about only appeared after this man had left our service.

I want to mention another thing. our Tourist Bureau, among a lot of other things, last summer co-operated with the committee in charge of putting on the National Convention of the Canadian Weekly Newspaper Association held in Saskatoon. And not only did we entertain them there. We also arranged with the Transportation Company for two Saskatchewan Government-owned buses, and we took them up to Waskesiu, and one busload went on up to Lac la Ronge. I want to tell you, Mr. Speaker, that the advertising we got through that one thing alone you just simply could not buy for love nor money. It would have done your heart good if you could have been along with those people. Many of them had never dreamed, certainly had never heard, that we had in this province the potentialities that we have. People from Ontario, Nova Scotia, Quebec, New Brunswick, British Columbia and other provinces were together on that trip. They saw that it was not just a one-crop economy that we have here. They admired our plains, yes; but they were astounded when we could take them up into the northern part of the province and show them a country that was equal to theirs. For weeks after those people went back to their respective homes letters came to our desks daily, thanking us for what we had done, sending us copies of their papers in which they had written-up the trip. That was not done by our informational writers, Mr. Speaker. That was done by those editors themselves; but, you know, that does not make any difference to the Liberal party. Anybody who does not go their line needs to be tramped on.

I want to give you a little more information. In 1953, 21,155 American cars entered Saskatchewan as tourists, entering Saskatchewan at the international boundary. That does not give us an opportunity to count the American cars that crossed over provincial boundaries. It is estimated – and there again, we could only go by an estimate because we have not had enough money (and I suppose the member for Maple Creek would criticize us if we got a little more) to put on actual counting; but it is fairly accurately estimated that, during 1953, over 60,000 cars came from other provinces into Saskatchewan. During 1953, over 235,000 pamphlets and maps were mailed out on request from the Tourist bureau. During February of this year alone, on request the Tourist Bureau has mailed out 12,964 pamphlets; that is, mailed out in one month on request. Acting on the suggestion of the Tourist Advisory Council – and organization which is not political – I had better not give the Opposition the names of the members of that committee, otherwise they will do like they did with the Tabby, step on his tail; but, acting on their advice, we sent a representative of the Bureau to the Sportsman's Show held last year in Des Moines, Iowa, and had him arrange a booth and set up a display. This show attracted over 100,000 people and a large amount of literature was handed out there, with the result that the influx from that part of the States, last year, was considerably pronounced in the increase. This year we intend to send a similar booth and display to Minneapolis, Minnesota, and it is expected that our representatives there will meet even more people than in Des Moines.

Mr. Speaker, why should every attempt be made to discredit the work that is being done for the people of the province of Saskatchewan? If you can

figure it out, I can't. I certainly cannot figure out the mentality of the people who act like that.

Now, Mr. Speaker, I know that you are getting weary; I am not concerned about the members of the Opposition, but I have had very little time to deal with the other branches of my department. Some other time maybe, I might be able to give you all. But I would like to hastily sketch over just a few.

Our Department of the Provincial Secretary runs along very smoothly. We try to get the returns that the hon. members want as fast as we can get them.

Mr. Danielson: — Pretty slow.

Hon. Mr. Burton: — The routine work carried on as Provincial Secretary would be rather monotonous to try and tell you about; but we also have other things to look after. For instance, the Superintendent of Insurance, the registration of joint stock companies and that is interesting, at least to me; I don't know how it will be to some people. I have in my hand here the records for over the years. In 1944 (I suppose my friends opposite know what year that was), there were registered in that office 78 Saskatchewan companies, their total capitalization \$2,894,700; and there were 16 companies registered from beyond the borders of Saskatchewan, and their capitalization was \$6,080,000.

Now, Mr. Speaker, we have heard so much from our hon. friends opposite that the C.C.F. were making it difficult, if not impossible, for people with money to invest in Saskatchewan; but I want to tell you what happened just within one year after we had got rid of that bunch over there — pardon me, I should not say that. But after they got rid of the yoke that had been resting on the people of the province of Saskatchewan, what happened? In 1945, not 78 Saskatchewan companies, but 110 with \$8,633,300. Now, my hon. friend from Meadow lake is so quick in figuring out how many more times that is, it would be an interesting story for him to tell to people how many more times money invested by the people of Saskatchewan in companies had registered than there was under the Liberals. Outside companies they had 29, with a total capitalization of \$52,616,000.

Mr. Danielson: — How many were paid up?

Hon. Mr. Burton: — Now, Mr. Speaker, I could go on and on up the line like that. . .

Mr. McDonald: — May as well.

Hon. Mr. Burton: — In 1953, Saskatchewan companies registered in our office 346, with a capitalization of \$36,962,580; outside companies 223, \$730,475,000. Mr. Speaker, there is a story that shows that hon. members opposite did not know what they were talking about when they were trying to convince the people that the C.C.F. would drive business out of the country.

I have a few other things here under The Securities Act. I shall not deal much with that because it is the intention, as soon as we get the lawyers through with the work that they need to do on it, to bring it in to the House if possible this Session. But in 1953 we had 82 brokers registered,

issuing companies 35, and salesmen 298. And that has been an increase over the previous year.

There is another under Insurance. As you will recall, last year we had the Act before you under which real estate agents and salesmen in the larger places are required to be licensed. I might say that, with one or two exceptions, this has gone along much more smoothly than I had anticipated and we have 243 agents and 136 salesmen registered.

I would like also to say something about our Parks. That would be a story by itself. The parks of the province of Saskatchewan are the playgrounds of the people of Saskatchewan. To my wonder, I just simply cannot understand that, throughout the years, they would let such a large area as the north-western part of the province go without setting up a park, years ago, when they could have had a township of land for almost next to nothing. That was the time when they should have put up a park. I do hope that I will live to see the day when we will have one or two decent provincial parks in there; but it is not going to be easy, because the time when that should have been done has gone by, and to acquire the property will be much more difficult.

Another thing I would like to draw to your attention, Mr. Speaker, is in the operation of the parks we try to accommodate the people to the best of our ability; but there are certain peak rush periods when it is impossible to accommodate everybody. There is another thing. I have often wondered why it was that the powers-that-were at that time when the parks and protected area were set up, established that little park at Katepwa Beach of 16 acres. Mind you, Mr. Speaker, a park comprised of 16 acres! And then all around it there are would I say, the friends of my friends opposite. They got the choice property there and through the development of that beach we are giving the services to the people, but the other fellows are taking in the money. At that time, Mr. Speaker, instead of 16 acres there could have been 1,60 acres set aside thereabouts – 160 acres would have been not too bad; but, Mr. Speaker, 16 acres! All that we can do at every weekend of the summer period when that beach is crowded by thousands and thousands of people, we have got the expense of providing that service and the other fellows get the gravy. And that is the method that our friends opposite want to do with everything else.

In conclusion, Mr. Speaker, permit me to say that for the past twenty years or more I have given freely of my time and all of the limited ability that God gave me to help build up the C.C.F., the Socialist party of Canada. In my humble opinion the Socialist policies advocated by us are the only practical means of applying Christian principles to our social and economic life in Canada. The road was not always been smooth. The forces of reaction, spearheaded by the Liberal party, threw everything at us, including eggs at 5-cents a dozen, but in spite of such tactics the good people in the Humboldt constituency elected me to represent them. For five years I have had the pleasure of serving in the Opposition along with you, your Honour, the hon. Minister of natural Resources and the member for Kelvington, under the able leadership of the late George Williams. Then later on, under the leadership of my present colleague, the hon. Minister of natural Resources. When the Liberals in their arrogant disregard of democratic principles extended their own term of office, my people called on me to resign and to represent them in the House of commons. For six years I had the honour of serving under our national leader, M.J. Coldwell. Now, I am back home and I feel very privileged to have the honour of being a member of this Socialist Government under the brilliant leadership of our Premier. I shall, of course, support the motion.

MARKETING SCHEME

Moved by Mr. Arnold Feusi (Pelly, seconded by Mr. E. Kramer (The Battlefords):

“That this Assembly, recognizing that the merits of the Wheat Board principle of marketing are now firmly established, urges that the Federal Government call a conference with a view to adopting a similar national marketing scheme or schemes for the marketing of livestock, dairy, poultry and other agricultural products, and that this marketing policy be part of a permanent programme to stabilize the agricultural economy of Canada.”

Mr. Arnold Feusi (Pelly): — This resolution was ably piloted through this House, last year, by the hon. member for Turtleford (Mr. Wooff), Mr. Speaker, and it has been re-submitted to call attention of the authorities that be to the necessity of giving guidance and assistance to the livestock industry.

Producers of livestock are greatly perturbed over the insecurity both in prices and in the instability of grading. The livestock industry is a vast industry insofar as this nation is concerned. It amounts to over a billion dollars a year, of which possibly some two-thirds benefits our western economy, from Ontario westward. We have only to go back the last two years to know that the prices on some forms of livestock, mainly cattle, dropped to one-half. The fluctuations that take place have been a source of worry, and are a source of worry because we do not know whether we are going to see further declines.

It was a matter of interest to me to find out the interest taken in the years past when we had similar problems in the marketing of grain. I did go back to the records of this House of 1934, and found a resolution moved in the House at that time, and it is interesting to see just what wording was used and the view taken at that time. This resolution, submitted to the House in 1934, reads:

“Resolved unanimously that having in mind the very unsatisfactory conditions surrounding the marketing of livestock and the vital necessity of remedying those conditions to the fullest extent possible, this Legislature views with satisfaction the inquiry now under way in the Federal House to that end, but considers that it is improbable that all important phases of livestock marketing can be adequately investigated by a parliamentary committee in the time at the disposal.

“Therefore, be it resolved that this Legislature recommend to the Dominion Government that the marketing of livestock be made the subject of a special inquiry and report by a Commission appointed under Federal authority with adequate producer representation to investigate all matters relative to livestock marketing including the costs of transportation and selling to public stockyards; the effect upon prices of selling and shipping livestock as compared with existing methods, and the desirability of substituting for certain classes or all classes of livestock on some or all of the public livestock markets; the present system of auction sales; the practicability of rail grading of market hogs and any or all other matters of importance to the livestock producer in the marketing of his products.”

A very far-ranging resolution, Mr. Speaker; and it shows very much that the matter of orderly marketing of livestock has been on the minds of our producers for many years.

I would like to go back into the history of some of the marketing that has taken place. To go back into the history of the Old Country, we know that the excess farm produce that wasn't used on the farm was taken into the public square and sold or bartered to those who required it. The demands and the product met, and a fair price was bargained for. In this country similar forms of marketing or market squares were adopted in the early years of Canada; but a change took place as we had the transportation system developed across Canada. The excess produce was able to find its way to greater markets, to the city markets; and when we deal with livestock we can follow the trend or the change whereby livestock was handled at the terminals or the yards of the railway companies. Yards were built, known as public yards, and there the buyers, the butchers and the people interested in the livestock trade, gathered to bid on the livestock. It was very interesting that there the production and the demand met and, through bidding, a fair price was arrived at.

Since those days there has been a change, Mr. Speaker, and we now have the commission agent selling livestock. Evidently, in various yards throughout the nation, we have qualified individuals who are licensed and who handle livestock for the producer; and acting with the various buyers, they hold out for various bids that they know the livestock should bring.

Now in the development of the markets and the sale of livestock we have run across problems that necessitated handling and storing of livestock. Livestock itself and many of the products are perishable articles. We know the finishing of our livestock is a delicate bit of work; we know that we cannot contain or hold finished livestock very long off the market. Not only do they lose in feeding, but in the hog angle they go overweight and hence to into a lower price category.

Also we have the problem of livestock glutting the markets in the fall season of the year prior to winter feeding; this has led to the packing and processing industry, something we didn't have very much of in the early days of this nation. But as the years went by we have had various firms and private individuals take an interest in the processing and packing and storing of livestock products, to be able to better serve the public and possibly reach markets that they couldn't have reached otherwise.

Mr. Speaker, this takes me to a little item I would like to read from the 'Market Review' of 1948, and it deals with facts and figures of the inspected kills of 1947. The figures here show that Canada Packers, in 1947, processed 30 per cent of the inspected beef kills, and 27 per cent of the pork. Another great firm, Swift Canadian, in 1947, processed 23 per cent of the beef and 20 per cent of the inspected pork kill. Burns and Company processed 13 per cent of the beef and 14 per cent of the pork; and a smaller firm, Wilsell Limited, processed 2 per cent of the inspected beef kill and 3 per cent of the pork. Totalling, that gives us 67 per cent of inspected beef kill that was processed by four major companies. Of the pork, 64 per cent was processed by four major companies. The remaining 26-odd per cent was process by odd non-inspected plants throughout the nation. A few large companies now process two-thirds of our livestock. That is the latest figures that I had, and it dealt with a situation of half a dozen years ago.

Railway transportation is being gradually supplanted by truck transportation, a trend in the handling of livestock or the getting of livestock to the market these days. Much of this trade has been direct to the abattoirs, not to the public markets. Evidence submitted to the Parliamentary Special Committee on Prices, in 1948, showed the following: 2,653,989 cattle and calves were marketed in either the public stockyard or direct to the packing plant. Of these, 1,343,702, or 30.6 per cent of the cattle and calves, were delivered by truck, in the year 1947. Also in the same year, 4,767,860 hogs were marketed. Of these, 2,641,471, or 55.4 per cent, were trucked to market.

What, Mr. Speaker, has that done to the marketing? We know that the industry is in the hands of three major packing and processing companies. We know that more and more direct shipping is being done because the trade is gravitating into the hands of the truckers, a greater percentage each year. the reason is that it is an advantage to the trucker. If he goes to the packing plant with a load of livestock he gets it handled directly; if he takes it to the public stockyard sometimes that stock is not sold the same day and it means waiting over, and to the trucker time is of the essence because he can haul many loads in a day, and I am speaking of distance loads. There is another advantage; the packer does advance a little better price than the market gives. In the public stockyards there is a commission charge, and there isn't that charge in the abattoir yard. There are handling charges and sometimes feeding charges with the result

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that the packer can give a small advantage that the producers sometimes look at. That small advantage is gained by trucking directly to the abattoirs. What has this done, Mr. Speaker? It has resulted in a fairly substantial percentage (we don't know the exact percentage) of the livestock going direct to the abattoirs. It means that these abattoirs do not have to send their buyers as frequently, nor do the buyers press the bidding as strongly as they would if no livestock came direct to their yards. This has tended to weaken the bidding in our public stockyards; it has weakened the bidding to a considerable extent.

Other factors creep in, Mr. Speaker. I mentioned previously that three of the large packing companies control the major portion of the processing of livestock. We do not know to what extent power has gone into their hands to manipulate bidding. We do not know but we can imagine that it does take place. We do know that those shippers who ship direct to the public stockyards get the price that demand and the market or the amount of livestock present bring about through bidding. But if there is a weakening of that bidding, those people who haul their livestock direct to the abattoirs get a price depending upon that weakened price that is found in the public stockyard. It is a dangerous situation, Mr. Speaker, it can be likened to the situation that the Grain Exchange had us in, in the grain trade, many years ago. It is an undemocratic situation, and it is a situation that needs remedying; a situation that our resolution here wishes to call attention to, and have some thought given to.

I would like to turn back the pages of time again to the mid-'thirties, recalling another resolution that was before this House. It was moved by the Leader of the Opposition when he was a private member of the government of that day. This was during the 1938 session, and the resolution evidently was intended to correct certain faults in the livestock grading system. The resolution reads:

“That in the opinion of this Assembly the Government of Saskatchewan should urge the Federal Government to investigate the feasibility of establishing a grading system for beef, cattle and sheep, somewhat along the line now existing for marketing hogs; and if found feasible and to the advantage of the producer, to establish same at an early date in connection with all public markets in the prairie provinces.”

Now, Mr. Speaker, I believe the resolution was ably presented. I know it did pass the House; and it calls our attention to two facts there. One is that the “Federal Government do investigate the feasibility”; it places definitely the responsibility on Federal authority for the correction and investigation of grading. Also, it calls our attention to the grading and it necessitates an investigation into grading at the present time.

Let us look at the grading, for instance, of hogs. The hog grading is probably a very good grading system as far as the producer is concerned. We know the producer is bonused for 'A' grade bacon hogs to the tune of \$2.00; for grade 'B', \$1.00, and, strange to say, we find that the packers have a set of deductions for inferior grades; but, Mr. Speaker,

the grading is not carried on to the consumer as fully as it should be, and there lies the weakness in the hog grading. As soon as the producer is paid the price, then the hog loses its identity and the grade that it stood for does not carry on into the consumer field. The consumer has very little knowledge as to the quality of the processed pork he buys. Incidentally, the price paid to the producer should have a direct relation to the price paid by the consumer. We have not got it, today. The amount of middlemen, in between, is a factor, Mr. Speaker.

Today, when the price paid to the producer fluctuates, for instance when it goes down, the drop is not reflected in the price to the consumer; the price you pay for it in the restaurant or when you buy across the counter quite often is not similar in fluctuation to that of the price the producer of the livestock obtains.

Now the grading of cattle is the reverse of hog grading. Grading of cattle is very loosely done in four main classes; choice, good, medium and common. And the grading varies according to the whim of the packers, the demand, etc. It is not constant. You could bring one animal in one day and get a certain grade and bring it in another day where there is a different demand, and you would probably find your animal going into a different grade. The cattle grade, though, insofar as the consumer is concerned is a benefit. Where carcass grading is done (and there isn't too much of it done), we have it graded into the 'red' brand, 'blue' brand and 'commercial' brand, and the consumer (for instance a person who has his own small cold storage) can buy a quality quarter of beef, and if it has the various brands on it he knows reasonably well what he is buying, that he is getting the quality the stamp designates.

The grading is only a small part of the picture to be tackled, however. The ideal we must work for is a system like that of grain handling. We require a set of regulations comparable to the Canada Grain Act to enforce orderly marketing and control grades. Elevators are a part of our marketing scheme and are under control. Abattoirs and packing plants should be placed in similar situations and the right to control prices and grades must be denied them. Their purpose should be to process efficiently and store and pack and place upon the market the livestock and livestock products.

We require a board of Livestock Commissioners to protect the interests of the producer and enforce regulations, Mr. Speaker. We have gone through, in the grain field, the battle for orderly marketing. We have the Canadian Wheat Board that has transplanted the open market, or the Grain Exchange. I would like to read to this House the purposes of the Wheat Board:

- “1. It acts as an intermediary between producer and consumer.
- “2. It keeps grain prices from fluctuating wildly by controlling the amount of wheat available for sale at any given time.
- “3. It provides a reasonable degree of price stability by paying an initial floor price that is announced well in advance, hence providing forward pricing.”

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An ideal that we require in the livestock field, Mr. Speaker.

“4. It pays participation payments which gives the farmer as full a return as is possible.”

You will notice that in the grain trade we have eliminated much of the middleman problem.

“5. It brings the weight and prestige of the Canadian Government behind the grain producers in their trade negotiations.”

To those who think a Canadian Livestock Board is impossible, let us remind them we did have a type of meat board, during the war, called the Bacon Board. I would like to read again the purposes of this Meat Board, and they very closely parallel the purposes of the Wheat Board:

“1. To insure regular supplies of bacon.

“2. To arrange price differentials between grades of bacon so as to insure pre-war quality.

“3. To regulate marketings to see that export requirements would be available.

“4. To store bacon in order to supplement supply in seasons when current marketings are inadequate.

“5. To see that hog prices have a fair relationship to the agreed prices for bacon.”

So far I have dealt mainly with the main articles in the livestock market, mainly pork and beef; but there are many other products that present problems. There are the livestock products themselves, the products that come out of the livestock industry. These problems are not insurmountable, in the same way we can say that export problems are not insurmountable. In that is consumed on the domestic market in Canada and the vast bulk of it is exported, approximately 70 per cent. In the livestock market it is the opposite. We have from about 20 to 25 per cent that is exported and the vast bulk of our livestock and livestock products are consumed within our own nation. So the marketing insofar as export is concerned should not be too serious a problem.

I should like to read to this House a few newspaper quotations of recent years. The ‘Star-Phoenix’ of August 14, 1952, has a heading: “National Livestock Plan Required”, and I quote from it:

“The announcement from Ottawa that the embargo on Canadian cattle was not now expected to be lifted by the United States government until the spring of 1953, emphasized the need of a national livestock programme with national marketing machinery, J.L. Phelps, president of the S.F.U., said today.

“Several officials had repeatedly stated the embargo was to be lifted September 1st and the indefinite extension of this date would be a great disappointment to the livestock men across the country, he said.

“Extension of the cattle floor prices month by month and the request that the farmers keep unfinished cattle off the market was no solution to the crisis facing livestock producers.”

It is very interesting to note the differences between orderly marketing of grain of the poor quality that we had a few years back, the frozen grain, the vast quantities that we had and the fine job the Wheat Board did through orderly marketing; and the problem that we had through the foot-and-mouth disease and immediately after, with no organized plan for handling livestock. The floor pricing was hopelessly inadequate.

Another item, headed “Marketing criticized”, from the ‘Leader-Post’ of October 17, 1952, reads:

“The Saskatchewan Farm Union board of directors, Thursday, asked the Federal Government to draft immediately a comprehensive short-term marketing policy to halt the rapid deterioration of the livestock industry.”

And they go on further:

“To call a conference of western livestock producers to assist in drafting an adequate long-range production and marketing policy.”

Here is another item in the paper of that day, Mr. Speaker. This is headed “Cattle will pay more” and it was from the ‘Leader-Post’ of October 24, 1952:

“Federal Agricultural Minister, J.G. Gardiner, said, Thursday night at Estevan before producers, that the prices paid for cattle at stockyards are not those anticipated by the Federal Government price support programme. All finished cattle going on the market are supported by the Government at 23 cents per lb. basis good steers at Toronto, he said. You are not getting that price, and I want you to know that the problem is being worked on.”

These are the words from the Federal Minister of Agriculture. He urged the Canadian farmer to keep cattle on the farm as long as possible and he further stated:

“We think our opinions will prevail and that these cattle will soon pay more, he said.”

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It is interesting to note that the floor price was 23 cents per lb. Cattle on the market today, here in western Canada, are from 10 to 15 cents a lb. A few weeks back, when I was preparing this resolution, I met up with a broker whose firm deals out of Toronto. He was purchasing livestock in one of the small Saskatchewan public yards, and what he stated to me was rather peculiar. I believe that had he known I was going to use it, he probably would not have mentioned some of the things he did; but he did mention that the brokers try to get as great a spread as possible between the price they pay the producer and the price they can get for the livestock at the other end. He also mentioned that 7-cent spread per lb. is a nice figure to work on; they are very fortunate when they arrive at that; he said it means a handy bit of profit for them. The amount of freight, feeding and handling charges that would take place between Saskatchewan and the Toronto market would probably be in the vicinity of 3 cents a lb. and they would have around 4 cents per lb. of profit to work on. On a 30,000 carload of stock (30,000 lbs.), that would mean at 4 cents a lb. profit they would rake in about \$1,200 – a fairly good figure to work at. They don't arrive at that all the time as sometimes they lose, but in aggregate they gain. The opinion I carried away with me at the time was the fact that the buyers try to establish as great a margin as they possibly can between what the producer gets and what the ultimate market or the consumer gets at the other end. I presume the consumer was one of the packing plants in this instance.

Another statement he made, or the opinion he left with me, was the fact that these private buyers, or these individual brokerage firms, did provide a measure of opposition to the main buyers of our livestock. But he stated that there were times that the opposition, or the bidding, was buried on the public market; and there were times when he, personally, got raked over the coals by the buyers of the larger firms. I could not help but carry away with me the idea that there must have been some collusion or talking beforehand – 'price-fixing' you may call it – between some of the major firms. If not, why would they take umbrage at the few loose individual buyers bidding against them? I leave that with the House for what it is worth, Mr. Speaker.

Last but not least we have a Wheat Board, Mr. Speaker, that handles the orderly marketing of our wheat. We cannot have a loose system of marketing of livestock in our economy; we have an imperfect economy at the present time. I like to turn to the human hand, Mr. Speaker; it is a fairly efficient and perfect bit of nature's work. You take item by item: (1) the orderly marketing of grain through the Wheat Board; (2) the orderly marketing of our coarse grains, and there is a close link-up in the two; (3) the orderly marketing of our livestock is closely linked with the price of our coarse grains; (4) there is our soil economy and the efficient handling of our farms, and they are inter-connected, and the efficient handling of our farms, and they are inter-connected, Mr. Speaker. One is a complement to the other and upon the whole of them depends the welfare of this nation, particularly the welfare of western Canada. We cannot separate them.

That is the reason our livestock producers speak very strongly for orderly marketing of livestock, and we call, through this resolution, the attention of the Federal people to take a lead in the calling together of organizations and producers to look into the matter and carry out, we hope, a similar plan of marketing to that which we have in the grain field.

In closing, Mr. Speaker, I would like to state that this resolution is only a resolution asking for leadership. It should have been actual government policy by now, the same as in our grain trade. I would like to see the support of the other side of the House for this resolution. I would like to see unanimous support of this resolution. I can say that orderly marketing is part of the philosophy of this side of the House, and we would co-operate with the Federal people and the producer to that end of obtaining a sound marketing scheme for livestock and livestock products for the people of this nation.

I move this resolution, seconded by the member for The Battlefords.

Mr. E. Kramer (The Battlefords): — Mr. Speaker, in seconding this resolution I have very little left to say. I congratulate the mover on his very ample coverage of the whole matter.

I would like to deal with some of the fundamentals of this question as they affect the producers out on the farms, and not only the producers out on the farm, but also the producers of breeding stock. I also, at this time, want to express the hope that this resolution will receive the unanimous support of this House. I am pleased to note that the hon. Leader of the Opposition (Mr. Loptson) has sponsored a motion parallel to this in the past, and I hope that the progressive ideas he had at that time are still rampant in his veins.

First of all, I think we should just take a quick look at the situation out in the country as it affects John Farmer who is selling his livestock from day to day. Now there is an awful lot of frustration in our marketing system, and it is not good for the industry which is a big industry. As the hon. member for Pelly has said, it is a billion-dollar industry, and the largest part of that industry is out here in western Canada. It is part and parcel of our economy. We speak of diversification, of good soil use and good land use, and that goes hand in hand with good cattle and good breeding practices. So this is important in order that we find a good solid foundation to build this industry on and to keep it and keep the progress we have maintained and taken advantage of throughout the past few years.

We have built up, throughout Saskatchewan and western Canada, good herds of livestock, good herds of registered cattle, and are producing better commercial stock throughout the entire province.

There has been a falling off, I am sorry to say, in recent months and in the last year or so, of the interest which has been maintained by breeders of good livestock. This is mainly due to fluctuating prices. There have been surpluses of good breeding stock left on the ranches and on the farms, where producers have not been able to market them even though there are hundreds of herds back in the country that could use a good herd sire and further improve the breed and improve the economy of Saskatchewan and western agriculture.

That is due to the fact that people have, many times, been discouraged, and everybody here who has anything to do with the livestock

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marketing industry, knows that farmers come into the stockyards on Monday and good steers may be selling for 12 and 13 cents. then there is a little upward trend and the same quality steers will go up as high as 17 or 18 cents, the same week. There goes the profit. Whenever you market a steer for 13 and 14 cents today, I think, unless you are very fortunate, you are marketing it at a loss. The man who markets that steer at 17 or 18 cents can make a pretty good profit, today, if he is running on an economical basis. That is the thing that is discouraging. We haven't any standard. We are completely at the mercy of the bidding in the yard the particular day we take our cattle to market.

Mr. Speaker, I believe a system of grading that can be handled in conjunction with our national livestock marketing board will be of value to the producer on the farm. I hope the idea of setting this up on a provincial basis, without the support and the leadership given on a national basis, will not be brought forth because, in that instance, supposing we did set up a producers marketing board, we would be accepting responsibility without authority, and that is something that will lead us down a garden path and will lead the producers of cattle down a garden path here in Saskatchewan, if anything will. It is all very well to talk about producer boards. The potato growers in the Maritimes have run into serious difficulty with their producer board, and they are just about wearing out a brand new road to Ottawa looking for support because they put the cart before the horse.

I was quite interested in a Forum of which I was a member at the City Hall here, not so long ago, when information was brought forward by the Saskatchewan Farmers' Union that, in a recent delegation to Ottawa, the Minister of Agriculture, the Hon. James G. Gardiner, had offered to support prices at 80 per cent of the average value throughout the last three years. They said he made that offer before a group of ten people that were down with the delegation from the various provinces and from various Unions. I hope it is true and I hope that becomes policy, and I hope the leadership is given on a national basis.

The hon. member for Pelly has mentioned what we are faced with at the years. One of the reasons the situation arises is that there seems to be from day to day an overall governing factor in establishing the prices. We do know that the various buyers for the big concerns – Swifts, Burns, Canada Packers – receive their instructions not only every morning, but two or three times a day, either by phone or by telegram, coded messages telling them what to pay. In view of recent evidence in the rubber industry and in various other industries of combining and price fixing, is it any surprise that we wonder whether such collusion exists in the livestock industry? I hope it is not true, but the Stevens report and the statements be made regarding price-fixing back in 1936 regarding the packing industries, have never been contradicted and they have never been investigated, in spite of the requests from various members of Parliament at Ottawa in recent years.

Now, Mr. Speaker, it is growing late; we do not wish to use up the valuable time of this House on something that I am sure we are all unanimous on. I have put forth the need; the hon. member for Pelly has covered the entire situation. I am hoping that we can continue to grow and produce the best cattle on the North American continent, and that more farms, throughout the years, will continue to produce more and better cattle. In spite of

recent adverse conditions the cattle pop of western Canada has gone up by half a million in the last two or three years. That shows you that farmers and ranchers are not too easily discouraged; but we certainly must do a little to avoid this frustration, this discouragement on the part of people who are trying to develop a little better type of animal, a little better standard of living through diversification of their farming practices and good land use.

There is a great deal more I would like to say on this subject. I had considered adjourning the debate, but I think there is a lot more on the Order paper and I shall not take up any more valuable time. I take pleasure in seconding this motion, and I hope it will meet with the unanimous consent of this House.

Mr. A. Loftson (Leader of the Opposition): — Mr. Speaker, I beg leave to adjourn the debate.

(Debate adjourned)

The Assembly then adjourned at 6:00 o'clock p.m.