

**LEGISLATIVE ASSEMBLY OF SASKATCHEWAN**  
**Third Session — Twelfth Legislature**  
**15th Day**

**Wednesday, March 2, 1955**

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

On the Orders of the Day:

**BUDGET ADDRESS**

**Hon. Mr. C.M. Fines (Provincial Treasurer):** — Mr. Speaker, today is an historic occasion. This is the Fiftieth time since the founding of the Province of Saskatchewan that a Provincial Treasurer has risen in the Legislative Assembly to deliver a Budget Address and to move the traditional motion that Mr. Speaker do now leave the chair. In the circumstances, the Assembly will perhaps bear with me if, departing somewhat from the usual tenor of my preliminary remarks, I take advantage of this Jubilee birthday to glance back upon the Province's early fiscal history, and particularly upon certain trends and highlights which are so clearly reflected in the budget records.

Fifty years is but a short period of historic time; but to Saskatchewan and its people it marks an epoch. We have reached what might be called the end of the beginning. For in these fifty years, the dreams and toil of its builders have carried the Province from pioneer infancy to the threshold of lusty manhood; have brought it successfully through growing pains, through the rigours of two world wars, and through the disaster of prolonged economic depression, to a position where its citizens, remembering the past and quickening to a renewed vision of its destiny, confront the future with high hopes and a great faith.

This, too, it is clear, was the vision and the challenge that confronted Saskatchewan's first Legislature. Premier Walter Scott's government took office on September 1, 1905. It called the 24 members to their first session in March of 1906. At that time the Province had no legislative or administration building worthy of the name. It had only one court house — the one that still stands in this City. It had no mental hospital; no teacher's colleges; no university. It had no publicly-owned telephones or established highway system. It had to provide for a re-organization of the municipal structure, and for creation of elementary and secondary school systems. It had also to establish a judicial organization. All projects and tasks demanded immediate attention. From the start, the Saskatchewan Government faced tremendous responsibilities, and had to take calculated risks on future expectations. Because those risks were boldly taken, those early years have been well termed Saskatchewan's first "Heroic Age."

In 1905, economic conditions appeared to justify an optimistic approach to the problems confronting the new government. Settlement of the land was in full swing, and when the City of Regina held a civic banquet to welcome the first Legislature, already the golden green banners proudly proclaimed, "Ours is the Greatest Wheat Bin in the Empire's Granary". In that year, the population of the Province had already reached 258,000 people, an increase of 300 per cent from the turn of the century. In the same period,

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the number of farms had risen from 13,445 to 55,971. The first crop bulletin issued by the new provincial Department of Agriculture noted a rapid increase in production from 3.4 million bushels in 1900 to 26 million in 1905.

Such was the temper of the times when, on May 17, 1906, Hon. J.A. Calder, the first Provincial Treasurer, presented the province's initial budget speech. The Conservative newspaper of the day, "The West", described the occasion in this way:

"Precisely at three o'clock, Mr. Speaker took the chair and the minister of education and provincial treasurer rose to move that the House to immediately go into committee of supply. In presenting the motion, he said, . . . he felt keenly the responsibility which rested upon himself and explaining the splendid financial position in which the province finds itself at the inception of its career. Briefly, there was a full treasury. The Government would have at its disposal during the present fiscal period a sufficient sum to meet all present needs . . ."

In the happy days of the Province's first fiscal period, Mr. Speaker, that "sufficient sum" of revenue was estimated by Mr. Calder at the grand total of \$2,040,000. Sixty per cent of this amount came from the Dominion by way of grants and subsidies.

As to expenditures, Mr. Calder's estimates provided for a total spending program for fourteen months of \$1,686,000. Let me cite one or two items from these first estimates. Far from being simply a compilation of dull figures, they mirror vividly and surely the huge tasks of that pioneer era and the economics and social thinking of all the men and women who grappled with those tasks. So it was that "public improvements" bulked large in the first budget — \$645,000 on bridges large and small, roads, surveys, ferries, ditches, boring and testing for water. The vote for road improvements was \$100,000 — about six per cent of the total compared to 20 per cent today. Education was already established as a major responsibility, with \$250,000 devoted to grants to local schools.

But the great and overriding contrast with our own era lies in the significant item headed, "Public Health, Charity and Social Welfare". Less than two per cent of the budget, or \$25,500 was deemed sufficient for the needs of 1906. Today, as everyone knows, these same responsibilities absorb some 39 per cent of the revenue budget; and judging from recent conventions and speeches, I am happy to note the conversion of the Liberal Party, under its new leader, from the frontier approach of 1906 to full-hearted support of the new developments in health and welfare achieved by the present Government.

One further note from the Province's first estimates, Mr. Speaker, will certainly intrigue Honourable Members. The Government had introduced a motion proposing to establish sessional indemnities for members at \$1,000, a substantial boost from the \$500 which had applied in the days of the Territorial Government. Mr. Haultain, solidly supported by his opposition colleagues, had moved an amendment reducing the sum to \$700, and

the question had gone to the Committee of the whole House, where it was debated at long length and with great heat. Premier Scott indicated that there should be an open vote to decide the issue, and here is how the Regina Morning Leader, as biased then as its successor is today, reported it on May 7, 1906:

“The House was tense with excitement when the amendment was put. The ayes and nays appear to be even, and the chairman of the Committee, Mr. W.C. Sutherland, called for a division. For the amendment there voted (the whole opposition) with the Hon. Messrs. Calder and Lamont and Mr. Stewart of the Government side of the House. Against the vote was (the balance of the Government) . . . the voting was thus even, 11-11, Mr. Ens being absent, and the whole matter rested on the casting vote of the Chairman.

“Mr. Sutherland’s decision was listened to in breathless silence. Three hundred dollars a year for every Member depended on him, and without keeping the House in suspense he quickly announced himself in favour of the proposal for an indemnity at \$1,000 . . .

“The Members burst into laughter as Mr. Sutherland announced his decision, and Opposition Members shook hands with cordiality and congratulated one another on the narrow escape of their \$300 apiece.”

I have noted, Mr. Speaker, the optimistic prospect of the new Province in 1905. This was a prospect rapidly borne out in the subsequent decade. Such was the pace of land settlement, railway-building, and sod-busting, than in the first five years both population and occupied farms doubled in number. Regina itself exceeded the most optimistic predictions of the real estate operators by jumping from 6,169 to over 30,000 people. After 1911 the first flush of the boom eased a little; nevertheless, by 1916, the mid-war census counted 104,000 occupied farms and a total provincial population of 648,000.

The yearly budgets of the period reflect the steady rolling back of the prairie frontier, the development of new institutions and technology, and the emergence of changing social approaches. Revenue and capital account expenditures increased rapidly, reaching more than \$10 million by 1914. Public improvements maintained their commanding positions throughout the decade. The Throne Speech of 1908-09 recorded the initial issue of bonds by the Province, in the amount of \$2 million, to provide for construction of permanent public works. The contract had been let for this Legislative Building. Later in 1909, the House was informed of the successful negotiations for acquisition of the Bell Telephone Company and the Saskatchewan Telephone Company. \$126,000 was spent that year, and by 1914 over \$5,000,000 had been invested in the provincial telephone utility. During that session the Assembly also discussed the matter of a publicly-owned elevator system. As early as the first session, in fact, Premier Scott’s Liberal government, supported by Mr. Haultain’s Conservatives, had taken unto itself power to expropriate railways, and unhesitatingly hoisted a banner of socialist public enterprise in Saskatchewan. In those days, they did not raise their hands in holy horror at mention of Crown corporations.

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The heavy capital expenditure and the first bond issues were quickly reflected in a new and growing item in the annual budget — the service on the public debt. Along with it came a steady rise in expenditure on education, and a new development in provincial taxation. The rapid influx of land-hungry settlers and their families required a mushrooming of country schools and in the first ten years, a new school was constructed every day of every year. In 1907 a school grants system was introduced and the Government enacted the Supplementary Revenues Tax — a land tax of one cent per acre — earmarked for education. A provincial tax on farm lands continued in one form or another, as Honourable Members know, until it was finally abolished by the present Government three years ago.

Although a large share of the growing budgets was financed by borrowing on capital account, nevertheless the infant Province soon found itself engaged in the now familiar pursuit of seeking new sources of revenue. In addition to the supplementary revenues tax already noted, succession duties, corporation taxes, railway taxes, law stamps and motor vehicle licences were quickly introduced. This last yielded its first revenue in 1907 — \$540 in all. But from the start of its autonomous career, the Province had argued that federal aid, through grants and subsidies, was inadequate to its needs, and it quickly turned again to Ottawa. The Throne Speech of 1907 reported a general Dominion-Provincial Conference on financial relations, which led to an increase in the original subsidy provisions of the B.N.A. Act. Within six years a further conference was held, and the major resolution from this gathering declared in its preamble:

“Existing financial arrangements between the Government of the Dominion of Canada and the various Provinces thereof are inadequate to provide a sufficiency of revenue to provide for their expenditure . . .”

I recall this particular bit of early history, Mr. Speaker, because the problems of ways and means have never ceased to haunt successive governments of Saskatchewan. The incidence of these early years delineated the pattern still running through our financial history: the growth of social service and development costs; the resulting pressure upon the limited resources of a provincial treasury; and the necessary recourse to federal authorities to relax or overcome the limits prescribed by the Constitution. That pattern is as familiar today as it was before the first World War.

Returning now to our story, it will be noted that the disruption caused by the Great War of 1914-18 was not long in being reflected in the trend and composition of the provincial budgets. The steady growth was halted, and as the war years lengthened, the strain of wartime conditions was made evident. With the close of the war and the arrival of the ‘twenties’, however, a second period of rapid agricultural development, railway building, and urban growth was ushered in.

In the decade 1921 to 1931, population grew from 756,000 to 922,000 and a rapid broadening of government responsibility took place. In the early ‘twenties’, the increase in expenditures was such as to produce deficits on revenue account, and the Opposition critics of the day mounted a strong attack, charging “waste and extravagance!” — “spending spree!” — and other words very familiar to our ears. They used one term, however, we have not heard: they called it “a drunken bat”, Mr. Speaker. What a thing to call Liberal spending!

Fortunately, revenues from the traditional sources soon increased substantially, and were bolstered by two important additions — liquor profits in 1925 and the gasoline tax in 1928. Improved revenue made possible further increases in school grants and such major extension of government service as mothers' allowances and old age pensions. This was accompanied by a sharp jump in capital spending including investment in new public buildings, the highway system, telephone expansion, the new Farm Loan Board, and finally, in 1928, the publicly-owned Power Commission. In the aggregate, the budget grew from about \$14 million in 1919 to some \$27 million by 1929. Most of the capital expansion, however, was financed by very heavy bond issues floated in almost every year or the entire decade; and it is noteworthy that a large part of the heavy debt thus originally incurred has been paid off only within the last ten years.

In these remarks, Mr. Speaker, I have been attempting to scan very briefly some of the notable highlights and trends of the first 25 years in the history of Saskatchewan's budgets. The second half of that history begins, as nearly all of us in this House can well remember, with the shock and disaster of the early 'thirties'. I do not intend to dwell today upon that critical testing period. Let us hope simply that we learned some useful lessons about ourselves and our province, and above all be proud that if the people of Saskatchewan were scourged by drought and depression, they were never broken in final defeat. Because of their enduring fortitude, the process of recovering rapidly gained momentum with the turn of the forties; and the development of the past decade has been such that today I feel I can well re-echo the restrained words of the first provincial treasurer fifty years ago:

“. . . we are all proud of the very great progress and development that has taken place at the present time, and are nonetheless proud of the conditions for the future of the most hopeful nature.”

Let me summarize briefly the achievements and the approach that we have sought in this past decade. As Honourable Members know, expenditures on revenue account have increased progressively each year, rising from \$39 million in 1945-46 to what the Opposition critics called the “astronomical figure” of \$73 million in our last completed fiscal year. Yet we have spent well within our means, Mr. Speaker, though substantial increases were shown in every branch and activity of government. This is particularly true of the social and community service; in health including hospitalization, education, social welfare; in highways, in agriculture, in resource development and in the field of co-operative endeavour. New departments have been established; existing ones expanded and modernized. Every aspect of the public service benefited from the buoyant revenue position which reflected the healthy state of the provincial economy. In addition, we vacated the municipal taxation field by abolishing the Public Revenue Tax. True, we added a Hospital Tax to help finance the expanding program of free hospitalization, the proceeds being specifically earmarked for that purpose, but two-thirds of the total costs are still borne by the general revenues of the province.

Pursuing an aggressive developmental program in conformity with modern concepts of what Democratic and humanitarian government should do for its people — and the terms should be synonymous for Democracy to have meaning — we have broadened the base of the provincial economic structure. In pursuing that program we have found other avenues to compensate for those which we yielded, and they have enabled us to report substantial surpluses

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in each succeeding year of our administration. We tackled the legacy of debt, particularly the 'deadweight' debt, ineffective reductions of unprecedented magnitude, and in the process lifted a heavy load off the Municipalities. We restored Saskatchewan's credit rating on the financial markets, placing the Province amongst the most favoured and respected of Canadian provinces. We have every reason to be proud of this record, Mr. Speaker.

The last decade of our half-century seems to me to bear more than a passing resemblance to the first decade, which, as I noted, has been described as "Saskatchewan's Heroic Age". Evidence to support the claim and title can readily be adduced. A certain dynamism in Government characterized both: the courage to take risks in breaking new ground. As they built, we have attempted to build. In creating new, and extending old, services, we, too, took 'calculated risks' — with more assurance perhaps, for we had great expectations from our natural resources, which they did not have. We had seen the vulnerability of an economy based wholly on one industry, and to help in its stabilization and improvement we increased expenditure on agriculture seven-fold. To speed the diversification so essential to our welfare as a Province, we embarked upon programs of resource development and exploration, established an integrated electric power system and an associated rural electrification plan, and took the risk of initiating further commercial enterprises to demonstrate the industrial potentialities of the Province. We have made mistakes, to be sure, but never the mistake of cowardice, lethargy and despair. In short, Mr. Speaker, we have sought to broaden the foundations of the past so that we may build, during the second half-century, a better Saskatchewan.

Let me conclude this rapid review of fifty Saskatchewan budgets, Mr. Speaker, on a personal reference. In its fifty years as a province, Saskatchewan has had eight Provincial Treasurers, and on this, the occasion of our Golden Jubilee, I wish to pay a sincere tribute to my seven predecessors who, each in his own time, each in his own way, according to his lights and the means at hand, served this Province faithfully and well. By happy chance, Mr. Speaker, six of the seven still survive, so it is no posthumous tribute I pay them. They had their problems and their difficulties; but each contributed a part of the foundations on which we, their heirs and successors, have built the Province of today and can build a greater province of tomorrow.

The first Provincial Treasurer, the Hon. J.A. Calder is still serving his province as a Conservative member of the Canadian Senate. He was followed by the Hon. George A. Bell now deceased. He presented four budgets between 1913 and 1916. He, in turn, was succeeded by the Hon. Charles A. Dunning whose record was ten consecutive budgets between 1917 in 1926. Mr. Dunning having transferred his talents to Ottawa, where he became Minister of Finance, was succeeded as Premier and Provincial Treasurer by the Hon. James G. Gardiner, the present Federal Minister of Agriculture. He delivered the Budget Address of 1927, and that of 1935, following the return of the Liberal Government in 1934. The Hon. W.J. Patterson, now Lieutenant Governor of Saskatchewan, began in 1928 his series of eleven budgets, which, however, was broken during the period of the Co-operative Government of the late Dr. J.T.M. Anderson. During that regime, the Hon. Howard McConnell presented two budgets and the Hon. M.A. MacPherson three. Mr. Patterson's string of eleven ended in 1944. Thus, Mr. Speaker, with this Address today I shall have presented the greatest number of consecutive budgets. For this, of course, I owe my thanks to the good people of Regina, to the confidence reposed in me by my leader, the Premier, over these past years, and to the continued good will of my friends in and outside the House.

I cannot let the occasion pass without reference to the great contributions made by the Deputy Provincial Treasurers throughout the fifty years of provincial administration. Saskatchewan has had five Deputy Provincial Treasurers since 1905, and it is noteworthy that for forty-five of its fifty years, the province was served by only three. The first Deputy was John Alexander Reid, who served from September 1, 1905, until February, 1913, and thus held office during the transitional stage and in the formative period of provincial administration. His successor, A. Perring Taylor, who had joined to the service also in September, 1905, continued in office until his retirement on May 1, 1938 — a service extending over twenty-four years which included the period of the First Great War, the decade of adjustment and expansion which followed, and the worst years of the disastrous 'thirties'. Mr. Perring Taylor was succeeded by another veteran in the service, Mr. Thomas Lax, who took over in 1938 and remained with us until his retirement on April 14, 1950. He was followed by Thomas H. McLeod, who resigned in 1952, to become Dean of the College of Commerce at the University of Saskatchewan. The present Deputy is Albert W. Johnson. These gentlemen, Mr. Speaker, call them "back-room boys" if you will, are the unsung heroes of provincial finance. I am glad to testify to their efficiency, to their loyal and devoted service to the province and to their respective Ministries, I freely acknowledge my debt to Mr. Lax, Mr. McLeod and Mr. Johnson, and through them to the loyal and able men and women who staff the Treasury Department

### **ECONOMIC TRENDS IN 1954**

I turn now, Mr. Speaker, from the story of the past to the fiscal problems of today and tomorrow. As usual, I should like first to give a short review of the economic background to the budget proposals for 1955-56. Members will be familiar with the broad economic changes which took place during the past year. For the first time since the end of the war the expansion of the Canadian economy suffered a significant reversal. Despite encouraging gains in certain basic industries, a severe reduction in manufacturing industry caused an overall decline in industrial output. This was accompanied by an extreme setback in agriculture, caused chiefly by the disastrous failure of the prairie grain crop. The total national production in 1954 is now tentatively estimated at \$23.9 billion, about two per cent below the previous year. But with the continued rise in population, per capita output fell by 8.5 per cent. The total of external trade was sharply reduced, largely because of the fall in wheat exports, and throughout 1954 the level of unemployment was considerably higher than that experienced during 1953.

In general, the downturn in Canada, which was first marked in the fall of 1953, followed closely upon a similar contraction in the United States, where total output fell about three per cent below the previous year and gave rise to considerable apprehension as to the possibility of a severe depression. I think it worth noting, however that unlike the experience of the 1948-49 downturn when the effects of the recession were immediately felt in the trading position of the United Kingdom and Western Europe, this time the economies of the overseas countries have continued in high gear and substantial increases in employment and industrial production were achieved during 1954.

Here at home, Mr. Speaker, there will be little need for me to remind the members of the detailed picture of our own agricultural economy. Suffice it to say that our farmers were dealt a particularly heartbreaking year.

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Over the greater part of the Province, the combination and rust infestations resulted in a major crop failure. The final outturn of wheat was reduced to 146 million bushels, only 40 per cent of the 1953 harvest and the lowest on record since 1943, while the coarse grains crop suffered a decline of 30 per cent. In value terms based on initial prices only, the gross value of principal field crops for 1954 has been estimated at only \$267 million. On the other hand, in large measure the production and marketing of livestock proved more stable and encouraging than the grain picture. An increase of 12 per cent in cattle marketings was recorded with no appreciable change in average prices. Hog marketings were slightly higher, and despite a sharp break during the last half of the year, the yearly average price reflected a slight gain.

The most immediate impact upon the farmer's current financial position stemmed from the reduced volume of grain marketings. Substantial inventories were held on the farms throughout the year but congestion at country elevators reduced deliveries to the level of 264 million bushels during 1954, and cash income from grains was consequently reduced by 40 per cent. In the aggregate, total cash income tumbled from the record-breaking figure of \$743 million received in 1953 to only \$466 million. This is the lowest total since 1950 when a disastrous mid-August frost ruined the quality of a very large crop.

In terms of net income, the farm industry experienced a still more difficult squeeze. The costs of goods and services used by farmers in their operations, as well as depreciation charges on fixed assets, remained at previous high levels. These rigid costs, the lower cash receipts and the depletion of farm inventories, resulted in the slashing of accrued net income to the very low level of \$124 million only slightly more than a quarter of the 1953 figure.

In the face of a setback as severe as this, one might well have expected critical repercussions throughout the whole of the provincial economy. Fortunately the immediate impact has been well resisted, and the provincial economy has actually demonstrated the kind of strength and resilience than can only be described as amazing. So far as we are able to estimate at this time, it would seem that the income of the greater part of the non-farm sector of the economy has been substantially well maintained. Despite the very sharp drop in net farm earnings, aggregate personal income for the province in 1954 is tentatively estimated at about \$780 million or more than 70 per cent of the very high in 1953 total.

The fact that the aggregate figure has been maintained at the surprisingly high level may be ascribed, I suggest, to two principal factors. The first is that, in spite of many familiar trials and difficulties, the total assets and net position of the agricultural industry had been greatly strengthened in the decade preceding 1954. Thanks to this, to a very large extent, the ability of most farmers to weather even a very severe storm of short duration has been immeasurably improved. The second factor, of course, is the steady progress achieved in the expansion and diversification of the non-agricultural industries of the province. Much of this latter development is familiar to Honourable Members, and in fact, has already been related in some detail to the House during the course of the preceding debate. I think it necessary, in a budget address, however, very briefly to review again some of the highlights and to bring these together in a total picture.



We tend, sometimes, to overlook the fact that the second largest industrial sector of the provincial economy is manufacturing. Here the latest available measure of output is the 1953 value of factory shipments. As reported by the Dominion Bureau of Statistics, these increased by four per cent over the previous year, rising to \$265 million. The preliminary indications suggest that despite the setback to agriculture, total output and employment in manufacturing were well maintained during 1954. Thus the index of manufacturing employment actually rose above the average of 1953 levels, and showed particular strength during the third quarter of the past year. Several new plants and additions to existing plants were brought into operation, and the capital investment in manufacturing facilities and equipment was forecast at a total of \$23.5 million, an increase of four per cent over the previous year. Similarly, in the construction industry, expansion continued throughout the year at a rate substantially greater than for the country as a whole. Construction intentions reached the new record peak of \$246 million in value of work performed, a gain of more than 10 per cent over 1953.

The most spectacular gains were recorded, as everyone knows, in the mineral industries. Total value of production jumped some 19 per cent — from \$48 million in 1953 to \$57 million in 1954, and again I note that these figures exclude the increasing value of production of radio-active substances. In petroleum, both value and volume of output were doubled, while that of natural gas was tripled. The exploration and development picture gained still further momentum, and while the focus of activity was centered in the south-east, scarcely any part of the sedimentary area of the province was left untouched. All told the investment in exploration, drilling, and pipelines and refineries in 1954 is estimated at about \$86.4 million, and the Department of Mineral Resources officially designated as new discoveries during the year a total of nineteen new oil fields. Sharing the spot light with oil in 1954 was the rapid development of the Athabaska uranium fields. At the same time the value of base metal production forged ahead, and further important steps were taken to bring new mines into production in the Region west of Flin Flon. In regard to the potash, not only was actual development work pushed ahead by two companies, but at least two other internationally-known firms entered the province to take up exploration and development rights. The common salt, sodium sulphate, clay products and coal industries also enjoyed good years, while the output of sand and gravel increased in step with the heavy demands of the construction industry.

In other sectors of the economy a more varied pattern developed. Other resource-using industries, forestry, fishing and trapping, substantially held their own. Retail trade, services and transportation, all of which are more clearly dependent upon the agricultural situation, turned downward, although in no case were the declines as severe as might well have been expected. Electric power, on the other hand, maintained its steady upward climb, with total kilowatt power output and consumption again registering an overall increase for the province of 16 per cent.

I have already referred to the estimates of capital investment in manufacturing, oil production, and construction. The aggregate total of investment intentions reported early in 1954 was placed at a new record peak of \$474 million, a six per cent advance over the actual figure for 1953. This forecast, it would appear, has been substantially borne out, so that in the past seven years the total investment in expansion and improvement of the capital structure of the provincial economy now exceeds two and one-half billion dollars.

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Employment and population growth in the province have also proved surprisingly resistant to the depressive effects of the 1954 crop failure. For Canada as a whole, the average monthly index of industrial employment turned downward in 1954, falling by 3.4 points. In Saskatchewan, on the other hand, the index continued to climb, advancing by 2 points over 1953. In its January, 1955, monthly review, the Bank of Nova Scotia has published an interesting series of charts in which it is shown that Saskatchewan stands alone among the ten provinces in enjoying a steady uninterrupted climb in industrial employment. Since the beginning of 1951, it is unfortunately true, however, that in company with all the other provinces, the increase of employment opportunities has not kept pace with the growth of population and net additions to the labour force. As a result, the number of unemployed has been running consistently higher than one year ago. While unemployment is much less severe in this province than in most other regions of the country, it is nevertheless high enough to be the cause of very real concern to us all. This is especially true since the Federal Government to date has given so little evidence of a serious regard for the situation.

In spite of this, Mr. Speaker, there are some encouraging signs for the year ahead. Not the least of these is simply that the downturn of the United States and Canadian economies seems to have been substantially checked in the last half of 1954. Moreover, the forecast of capital investment in Canada in 1955 just announced in Ottawa, is for a 6 per cent gain over the actual figures for last year. On the other hand, no strong recovery is as yet clearly indicated, and it is noteworthy that all responsible forecasts for 1955 are dominated by a strong note of caution. There are obvious economic factors of both strength and weakness, and the majority opinion seems to lean toward the view that, barring a major change in the international climate, the year ahead is likely to be little changed from that just experienced. How long we can continue in the state of precarious equilibrium — neither going up as we should, nor going down, as we must not, is anybody's guess. But everyone will agree that we cannot afford to be content in Canada with an economy that does nothing but stagnate, and fails to achieve the dynamic growth so essential to provide jobs for all and a steady rise in the standard of living for the nation as a whole.

With respect to the economy within the province, there is at least some reason to hope for a reasonable upturn in our fortunes. True, a year ago I looked forward to a "sustained high level of agricultural output" and was utterly confounded by rust and weather. Nevertheless this is still a "next year country". I am encouraged to know in a recent bulletin from the University that our university scientists are agreed that the 1954 rust infestation was (and I quote) "Due to a combination of unusual conditions which caused a sort of freak, and that the likelihood of such a same thing happening again in 1955 is remote". I therefore cross my fingers and, in a more chastened mood, once again suggest that we have a right to expect at least an average crop in 1955.

Moreover, a careful survey of overseas markets leads to the suggested possibility that Canadian wheat exports during the current crop year ending July 31st next might well record a significant increase over 1953-54. It is on this basis that the officials of the Wheat Board, of the Wheat Pool, and the Federal Minister of Trade and Commerce have indicated their strong belief that practically all of the grain now held on Saskatchewan farms should be accommodated in the country elevators during the first half of the year. If this prospect materializes, if no repetition of the 1954 crop

failure occurs, and if our present expectations as to livestock output and marketing for 1955 are confirmed, we can fully expect that farm income should recover in large measure from the severe drubbing of the past year. Admittedly there are still very large "ifs", but the most careful appraisal we are able to make suggests that they are not unreasonable. Assuming also that the further growth of the non-agricultural industries is not checked by adverse external factors, I believe we can look forward to some improvement in the economic picture for our Jubilee Year. While not discounting for a moment the need for caution and financial prudence, this seems to me to be the only common-sense basis upon which the budget proposals for 1955-56 should be built.

#### **Fiscal Year 1953-54**

I should like to proceed now, Mr. Speaker, to a consideration of the various financial accounts of the Province. As Honourable Members will know from their study of the Public Accounts, the record crops of 1952 in 1953, together with the rapid growth of the economy were quickly reflected in provincial revenues in 1953-54. Income reached the peak of \$93,854,000 including \$82,743,000 on revenue account and \$11,111,000 from liquor control. All sources of revenue showed gains, exceeding those of the previous year by \$13,172,000.

With respect to expenditure, Government policy was aimed at our continuing objectives: first, to maintain and extend the high level of health, education and welfare services now firmly established in the province; and second, to stimulate and assist the further rapid growth of our economic foundations. To these ends, revenue account expenditures reached \$72,958,000, while highways, buildings, agricultural development and other capital account items totalled \$16,700,000. In addition, \$23,000,000 was advanced by the Treasury from the proceeds of loans for investment for the self-sustaining programs of electric power, natural gas and telephones expansion.

With such a record year it was also possible to follow the sound and prudent policy of easing the debt burden upon the Province. This was accomplished to the extent of a reduction in the net debt of more than \$7,000,000 in 1953-54.

#### **Current Fiscal Year, 1954-55**

It was therefore possible to start the current 1954-55 fiscal year with a much improved financial position — a lower net debt and sizeable cash reserves. Honourable Members will recall, Mr. Speaker, that one year ago I brought down a Revenue Account budget of \$78,125,000 which was to be financed from current revenues. The Capital Account budget of \$21,000,000 was to be financed from liquor control earnings and from the cash surpluses with which we started the year. There was also provision for again advancing about \$23,000,000 to the Power Corporation and Government Telephones.

As the summer wore on, it became increasingly evident that we were to face a severe setback in the agricultural economy. Many expected, with traditional Saskatchewan caution, that there would be a major downturn in revenue, and by the early fall revenue totals were down sharply from those of the previous year. But early in the winter, the picture began to strengthen and I can now report that revenues for 1954-55 will not be as severely reduced as might have been expected. Liquor profits, the most sensitive form of income the Government has, will probably drop by about \$1,000,000 to around \$10,000,000. Education and Hospitalization Tax collections

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will decline by 5 per cent to about \$17,000,000. Gasoline tax collections and motor vehicle registrations are holding their own. On the other hand, the Tax Rental Agreement payments, reflecting the buoyant conditions of 1953, are up by over \$1,000,000 and mineral resources revenues will exceed \$6,000,000.

These facts seem to bear out my earlier suggestions that on the whole Provincial economy has demonstrated a most amazing strength and resilience. And as a consequence, it has not been found necessary during the current year to cut back at all on useful and desirable public services, nor to reduce import and capital projects the low-level plant one year ago.

#### **THE PUBLIC DEBT IN 1954**

The calendar year 1954 saw a reduction in the Provincial net debt of over \$10 3/4 million as indicated in the following table:

#### **Debt Reduction, 1944-1954 (in thousands of dollars)**

	April 30, 1944	Dec. 31, 1953	Dec. 31, 1954
Cross funded debt	\$ 125,245	\$ 164,293	\$ 168,818
Treasury Bills	92,111	32,702	30,841
Contingent Liabilities	<u>20,016</u>	<u>1,719</u>	<u>3,542</u>
Gross Debt	\$ 238,172	\$ 198,714	\$203,201
Less: Sinking Funds	<u>23,919</u>	<u>19,208</u>	<u>23,381</u>
Direct & Indirect Debt after deducting Sinking Funds	\$ 214,253	\$ 179,506	\$179,820
Less: Net Loans and advances to revenue producing enterprises	<u>36,930</u>	<u>88,874</u>	<u>99,954</u>
Net Debt	\$ 177,323	\$ 90, 632	\$ 79,866

This table indicates a reduction in our net debt during 1954 amounting to over \$11 for every man, woman and child in our Province and will relieve us of over \$600,000 annually for interest and sinking fund payments. The major part of the reduction was effected during the first six months of last year and, as I pointed out in my budget speech of last year, may be largely attributed to the fact that funds borrowed by the Treasury in 1953 were not actually advanced to the power and telephone utilities until the beginning of 1954.

Important further savings were made as a result of the average rate of interest on provincial debentures being reduced from 3.912 per cent to 3.774 per cent. Two transactions during early 1954 are of special importance. A 4 per cent debenture issued due in 1958 for \$1 1/2 million was called for prior redemption and redeemed largely from Consolidated Fund surpluses. This will save the taxpayers \$105,000 in debt charges every year.

The largest single transaction in the Province's history was the redemption in June of \$20,000,000 of 4 per cent debentures payable in U.S. funds and due in 1972. From its sinking fund we paid off \$1,200,000. Of the balance, \$6,000,000 was borrowed in Canadian funds and \$12,800,000 in US funds, both at the much lower interest rate of 3 1/4 per cent. Thus, we were able to reduce considerably our obligations in American currency and also to save \$225,000 annually in debt charges.

During the year two new \$10,000,000 issues were sold, one maturing April 15, 1972, and one on January 3, 1975, at the very low rates of 3.45 per cent and 3.50 per cent. For the benefit of members who may wish to examine the details, Mr. Speaker, I would like to include a schedule of debt paid off and new debt incurred in the fiscal year:

**DEBENTURES AND TREASURY BILLS REDEEMED**  
**April 1, 1954 to March 31, 1955**

Date of Issue	Date of Maturity	Amount	Face Interest Rate
June 1, 1924	June 1, 1954	\$ 982,900	5
Oct. 1, 1949	Oct. 1, 1954	200,000	3
Nov. 1, 1924	Nov. 1, 1954	189,800	4½
Nov. 1, 1953	Nov. 1, 1954	1,000,000	3½
Feb. 1, 1945	Feb. 1, 1955	1,300,000	3
Sept. 1, 1945	Sept. 1, 1954	150,000	3½
May 15, 1935	May 15, 1958 (called May 15, 1954)	1,500,000	4
Aug. 1, 1933	Aug. 1, 1958 (redeemed Dec. 1, 1954)	1,250,000	5
Jan. 3, 1949	Jan 3, 1955	180,000	3¼
Apr. 1, 1952	Apr. 1, 1972 (redeemed June 1, 1954)	20,000,000	4
Treasury Bills paid to Ottawa		1,860,000	
		\$ 28,612,700	

**CAPITAL BORROWING 1954-1955**

Date of Loan	Maturity	Coupon	Payable	Amount
Apr. 15, 1954	Apr. 15, 1972	3¼%	Canada	\$ 10,000,000
June 1, 1954	June 1, 1961	3¼%	Canada	6,000,000(1)
June 1, 1954	June 1, 1974	3¼%	U.S.	12,800,000(1)
Nov. 1, 1954	Nov. 1, 1958	3½%	Canada	1,000,000(1)
Jan. 3, 1955	Jan. 3, 1975	3½%	Canada	10,000,000(1)
				\$ 39,800,000

(1) Refunding issues.

**CROWN CORPORATIONS IN 1954**

Turning to another aspect of Government operations, I am able to report that while the operating results of some of the Crown Corporations were adversely affected by the economic downturn in 1954, on the whole the year has been a most encouraging one. The total volume of business handled by the companies reached \$46 million, and employment throughout the year was maintained at close to an average payroll of 4,000 people. Net earnings of the two large utilities, Power and Telephones, amounting to \$3,386,000 after interest, kept pace with the very large amounts of new capital being invested. These earnings are again being retained in whole by these two corporations to supplement the new advances required for further expansion of capital facilities.

All other crown corporations together earned a net profit of \$763,000, after allowing for total deficits of \$194,000 suffered by three

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operations. The Wood Enterprises Division incurred the worst loss owing to the sharp reduction in the market for railway grain doors, consequent upon the reduced volume of grain loadings; while weather conditions throughout the past year were largely responsible for increased operating costs encountered by the Transportation Company. Very satisfactory earnings were achieved in the Insurance, Sodium Sulphate, Printing and Timber Board Operations. The rate of return for the entire group of smaller companies, was maintained at 7.81 per cent, and \$600,000 was again paid into the general revenues of the Province by the Government Finance Office. Calculated upon a similar pre-interest basis, the rate of return for the Power and Telephone corporations 7.62 per cent.

I am including a statement of these operating results for 1954, Mr. Speaker, as a part of this Budget Address.

**STATEMENT OF SURPLUSES AND DEFICITS OF CROWN CORPORATIONS FOR THEIR FINANCIAL YEARS ENDING IN 1954 (BEFORE INTEREST)**

	Surplus or Deficit for Year Ended in 1954	Amount of Advances at Year End
Saskatchewan Government Airways	\$ 31,868 (D)	\$ 716,000
Saskatchewan Forest Products:		
Timber Board	200,163	3,324,000
Wood Enterprises	151,712 (D)	700,000
Saskatchewan Government Insurance Office	367,693	
Saskatchewan Guarantee and Fidelity Co. Ltd.	110,104	365,688
Saskatchewan Marketing Services:		
Fish Marketing	2,335	97,000
Fur Marketing	5,322	188,000
Government Trading	10,416	333,000
Saskatchewan Minerals:		
Clay Products	36,675	901,000
Sodium Sulphate	142,515	1,085,000
Saskatchewan Power Corporation	3,251,046	58,947,000
Saskatchewan Government Printing	81,661	303,000
Saskatchewan Transportation Co.	10,543 (D)	1,750,000
Saskatchewan Government Telephones	3,323,116	28,231,951

**REVENUE AND CAPITAL BUDGETS, 1955-56**

The estimates for next year, 1955-56, provide for appropriations on Revenue and Capital Account slightly higher than the total for the current year:

On Revenue Account:

Estimated Revenues	\$ 79,992,920
Estimated Expenditures	<u>\$ 79,971,810</u>
	<u>\$ 21,110</u>

On Capital Account

Estimated Expenditures	<u>\$ 19,813,000</u>
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The revenue account budget proposed for the next fiscal year, Mr. Speaker, is one that passes on to the people of the province the sustained benefits of a broadened Saskatchewan economy. It makes available through expanded health, welfare and education services, all the economies we have been able to effect through steady debt reduction and through the most careful scrutiny of departmental estimates. It is a budget which will benefit still further those groups in our community in greatest need. At the same time, it is proposed to maintain a very high level of capital expenditures, including the funds appropriated on capital account and those advanced for expansion of the crown corporations. We do not share the illusion, apparently popular in some quarters, that a province such as ours can, single-handed, combat an economic recession. But we are certainly prepared to utilize our fiscal resources to the full, and invest in needed development projects that will also contribute substantially to the great need for maintaining employment and income within our province.

### **PUBLIC HEALTH**

The first major increase in revenue account expenditure for 1955-56, Mr. Speaker, is in the field of public health. The total of estimates for this Department show an increase from \$20,180,600 to \$22,174,250, up by more than \$2,000,000. A major factor here is the long awaited opening of the University Teaching Hospital. As the House will know, a number of patients have already been admitted, and the new institution will be in full swing by the end of the year. The Medical College and the Hospital will provide facilities for health care, teaching and research, unsurpassed on this continent — something, I am sure, that the pioneers of 1905 could scarcely have dreamed of. The costs of the hospital will be met, of course, through the Hospital Services Plan. The Plan as a whole will require an increase of \$1,140,000 in 1955-56. An additional sum of \$230,000 is needed to provide working capital to the University Hospital in its first year of operation.

The second major boost in the Public Health estimates is for psychiatric services and the treatment and care of the mentally ill. These estimates are up from \$5,860,000 to \$6,530,000 — an increase of nearly 11 1/2 per cent. A major portion of this sum is required for the operation of the new and expanded Training School in Moose Jaw, which will also come into operation during 1955. The increasingly crowded conditions at the Weyburn Hospital will be relieved in part by the completion in 1955 of a new tuberculosis ward and by the movement of some 230 patients to the new Moose Jaw school. Further, an additional amount of nearly \$150,000 is being provided to improve the quality of care at the North Battleford institution and some \$80,000 for the operation of a new mental health clinic at the University Hospital.

### **SOCIAL WELFARE**

It is also proposed in 1955-56 to provide an increase of almost \$1,000,000 in the Social Welfare budget, thus bringing the estimated expenditures of that Department up to the net figure of \$9,092,230. This, I think it will be acknowledged, is a very substantial total. But the groups in need are at once so large and diverse that I must stress that the level of assistance or individual recipients can only be increased to a modest degree.

The first provision, Mr. Speaker, is an increase or on a graduated basis in the scale of supplemental allowances for old age security

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pensioners. The increase varies up to a maximum of \$17.50, so that the new supplemental allowances will range from \$2.50 to \$20.00 per month. It is intended that the limited funds at our disposal should go to those in greatest need, particularly to those whose only source of income is the \$40 monthly pension. The new allowance will be paid on application to the Department, and will go into effect on September 1, after the applications have been properly checked.

This matter will be discussed in the House in greater detail at the proper time. I might summarize briefly by pointing out that the intent of the new benefits is to raise the floor on the income of a single pensioner from the present \$510 yearly to \$600. For married couples, where both partners are over seventy, the income floor will be raised from \$1,020 to \$1,080; and for a married pensioner, whose spouse is not in receipt of any public assistance, the income floor will be raised from \$510 to \$720.

The second provision, Mr. Speaker, is for blind pensioners. It is proposed that adjustments in the scale of supplemental allowances similar to those I have just outlined will be provided. As before, the Government will continue to provide full hospital and medical services for the whole group of pensioners, qualifying for the supplemental allowance.

A third improvement in welfare benefits is designed to give assistance to children. This is in two parts: an increase of \$5.00 per month in the scale of Mother's Allowances; and an increase of 10 per cent in the boarding rates paid to foster mothers who have taken on the job of caring for homeless children. In addition, of course, the Province will continue to pay 50 per cent of additional social aid granted to any mother by her municipality.

Finally the estimates provide for \$181,000 as the Province's initial share in the annual cost of the new program of pensions for the totally-disabled. I should also draw to your attention a substantial jump in the provision for social assistance. For 1955-56 the estimate has been raised by more than 20 per cent, up to a total of about \$1,200,000.

## **EDUCATION**

I come next, Mr. Speaker, to the question of education and particularly the problem of local school finances. Honourable Members will recall that the estimates for 1954-55 provided an increase in grants to local schools of exactly \$1,000,000, raising these grants to \$9,903,600. For 1955-56, it is proposed to add a further increase, raising the total to \$10,435,300. Departmental officials have advised that with some re-arrangement of the various grant formulas to make the most effective use of the added funds, it is expected that the school districts and units in greatest need will receive a particular measure of assistance.

Other smaller, but nonetheless important increases for education generally, including the University, will raise the total of the Departmental vote from \$14,463,000 to \$15,092,000. In relation to the whole revenue account budget this represents a further gain over last year, bringing the proportion very close to 19 per cent, a substantial improvement over the 15 per cent that obtained ten years ago.

Note should be taken, furthermore, all the continued provision in the 1955-56 estimates for capital loans to local schools. The sum of



\$300,000 is again provided for provincial advances to school district and unit boards for capital expenditure on buildings and equipment. The Legislature is also being asked to vote a supplementary amount of \$225,000 this year for this purpose.

### **AGRICULTURE**

Apart from the increase in the three departments just noted, Mr. Speaker, the general intent of the revenue account budget is pretty well to hold the line at the 1954-55 levels. Small increases have been provided for certain programs where heavier workloads have been clearly demonstrated. On the whole these have been offset by retrenchment in other areas where the need for public service has partially diminished.

I should draw your attention, however, to the particular case of the estimates of the Department of Agriculture. The revenue account budget shows a drop from \$3,400,000 to \$2,900,000. In actual fact, however, this is being brought about because of the emergency steps taken by the Government during the current year to pay out in cash the full credits earned by settlers in north-eastern Saskatchewan, and thus to help relieve the very serious situation which exists in that area. This is an expenditure which had actually been contemplated for 1955-56, that was brought forward as an emergency relief measure during the current year. The amount of \$572,000 is required for this purpose and has been provided for in the supplementary estimates tabled in the house. This provision, therefore, obviates the need for the vote in 1955-56.

On the other hand the capital account vote for agriculture is being increased from \$1,700,000 to \$2,000,000, again with the major increase going to finance clearing and breaking improvements on crown lands leased to farmers. The additional funds provided will, in general, make it possible for settlers to receive payments in cash as rapidly as they are able to progress with the work. This will be of particular benefit to the north-eastern area, and given a break from the weather, we hope that the new system of payments will aid greatly in stabilizing this modern-day settlement program on the agricultural frontier of 1955.

### **RECORD CAPITAL PROGRAM**

As I have indicated, Mr. Speaker, the total of the Government's capital expenditure program come to \$19,813,000, a moderate decline from the \$21,000,000 voted for the current year. This decrease will be offset by a wide margin, however, if presently planned programs for further expansion and electrical power, telephones and natural gas are fully accomplished.

I have already noted an increase in the capital vote for agricultural development. A much larger boost is proposed for expanded road and highway construction. The vote request for the Department of Highways on revenue account remains at \$8,600,000; on capital account it is raised from \$10,000,000 to \$11,000,000. To this may be added \$105,000 under Natural Resources capital for northern access roads, and re-imbusement of \$2,750,000 in federal funds for the Trans-Canada highway, making an aggregate program of road construction of \$22,455,000 in this province in 1955-56.

The total amount which will be spent on local roads, bridges

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and ferries not included within the established provincial highway system is \$1,951,000. Here the major change, proposed as an interim measure pending approval and negotiation of a province-wide system of integrated municipal market roads, is an increase in outright road grants to rural municipalities. These will be raised from the current level of \$450,000 to \$650,000 in the next fiscal year.

As for capital buildings, 1954 witnessed an all-time peak in construction, and the very large program is now expected to taper off somewhat. Nevertheless, with work proceeding on such major projects as the new hospital and the University library in Saskatoon, the Training School at Moose Jaw, the Administration Building and Nursing Home in Regina, major renovations at the Weyburn Hospital, and a variety of capital improvements and many other centres, the total program is expected to require \$6,000,000. In this connection, it may be noted that in the period from July, 1944, to March 31, 1954, the government has provided for capital building construction more than \$30,741,000, and in addition has made grants for schools, hospitals and other institutions totalling over \$10,495,000.

### **POWER, GAS AND TELEPHONES**

Not included in the appropriations on Capital Account, Mr. Speaker, is the amount to be advanced to Saskatchewan Power Corporation and Saskatchewan Government Telephones. For 1955, the gross capital program contemplated for electric power, including generating plant expansion, transmission lines and distribution systems, the new peak target of 7,500 electrified farms, totals about \$18,000,000. In natural gas, the picture is still uncertain because of the indefinite status of the Trans-Canada pipeline project; but present plans call for a further investment of \$1,000,000 in the Coleville-Saskatoon system, and indicate a possible requirement of about \$5,000,000 for the initial stage of building laterals and distribution systems along the Trans-Canada route. In telephones, capital expenditures by the System, covering new subscribers, central exchange plant, long-distance facilities and buildings, are expected to exceed \$12,000,000. Fortunately a large part of this tremendous program can be financed through the corporations themselves, including farmers' contributions for rural electrification, retained profits, accumulated reserves and balances of previous advances. Because of these factors, it should not be necessary to borrow more than the current year's estimate of \$23,000,000 for advances to these corporations.

### **BUDGET APPRAISAL, 1955-56**

Needless to say, Mr. Speaker, the formulation of the budget proposals I have outlined this afternoon has been a particularly difficult and complex task for the Government. The repercussions of last year's crop failure and the downturn in the national economy are widespread. While their impact on provincial finances to date has not been critically serious, nevertheless it is clear that we must be careful about delayed effects in assessing revenue prospects for the year ahead. At the same time there has been no let-up in the growth of our multitudinous responsibilities; on the contrary, the experience of the past year serves to intensify all the more sharply the need and demand for public services.

In this situation we have undertaken a particularly careful analysis of both the income and expenditure sides of the budget. In estimating revenues and our capacity to borrow, we have attempted to find a nice balance between the caution dictated by recent adverse experience and the

optimism engendered by the undoubted growth of the provincial economy. In allocating the available receipts among all the tremendous variety of worthy and competing claims, we have sought to find a similar balance, particularly between the immediate needs of public welfare and the longer-run requirements of continued economic progress.

The budget I have presented today, I suggest, achieves just this result. It is tied to a sound financial framework, well within the capacity of the Province to support. In this regard for agriculture, industry, and overall economic development, we re-dedicate ourselves to the bold vision that first uplifted the pioneer builders of fifty years ago. In its concern for public health, education and social welfare, we seek to express the co-operative philosophy so vital in the closely-knit community of our own times. For these reasons, I feel that this budget will commend itself both to the Members of the House and to the people of Saskatchewan.

Mr. Speaker I move that you do now leave the Chair.

PROVINCE OF Saskatchewan

COMPARATIVE STATEMENT OF NET DEBT

1905 – 1954  
(000 Omitted)

Date	Debentures and Stock	Treasury Bills	Contingent Liabilities	Accounts Payable and Accrued Interest	Gross Debt	Sinking Funds	Gross Debt Less Sinking Funds	Revenue Producing Loans and Advances	Net Debt
December 31, 1905 (4 months)	\$ . . . . .	\$ . . . . .	\$ . . . . .	\$ . . . . .	\$ . . . . .	\$ . . . . .	\$ . . . . .	\$ . . . . .	\$ . . . . .
February 28, 1910	2,343	958	...	66 *	3,367	40	3,327	963	2,364
April 30, 1915	19,592	3,095 +	...	320 *	23,007	457	22,550	7,359	15,191
April 30, 1920	37,111	1,500	32,955	710 *	72,276	2,326	69,950	16,986	52,964
April 30, 1925	50,493	7,392	30,215	1,100 *	89,200	3,469	85,731	22,834	61,347
April 30, 1930	73,697	1,093	31,065	1,686	107,509	4,252	103,257	27,661	75,596
April 30, 1935	121,110	53,605	32,845	2,044	209,604	8,450	201,154	50,873	150,281
April 30, 1940	123,677	88,077	31,799	3,325	246,878	15,689	231,189	44,957	186,232
April 30, 1945	127,456	106,272	1,824	1,444	236,996	31,000	205,996	32,088	173,908
March 31, 1950	130,822	40,238	1,315	1,965	174,340	24,804	149,536	45,002	104,534
March 31, 1952	135,332	36,168	1,737	2,422	175,659	13,451	162,208	58,644	103,564
March 31, 1954	164,293	32,527	3,579	3,693	204,092	20,668	183,424	89,402	94,022

\* Estimated.

+ Includes loan from Union Bank of Canada \$2,000,000.

## PROVINCE OF SASKATCHEWAN

## COMPARATIVE STATEMENT OF REVENUE ON REVENUE ACCOUNT (Gross Basis)

1905 – 1954  
(000 Omitted)

Revenue Source	1905 (4 mos.)	1909-10	1914-15	1919-20	1924-25	1929-30	1934-35	1939-40	1944-45	1949-50	1951-52	1953-54
Dominion-Provincial Agreement	\$ . . . . .	\$ . . . . .	\$ . . . . .	\$ . . . . .	\$ . . . . .	\$ . . . . .	\$ . . . . .	\$ . . . . .	\$ 5,235	\$15,105	\$18,344	\$24,866
Dominion Subsidies	562	1,355	1,711	1,753	1,945	2,063	2,145	3,632	2,154	2,072	2,041	2,041
Education and Hospitalization Tax	...	...	...	...	...	...	...	...	...	...	12,932	17,941
Education Tax	...	...	...	...	...	...	...	2,716	4,895	7,597	...	...
Gasoline Tax	...	...	...	...	...	982	1,499	3,000	3,385	7,881	9,388	14,088
Mineral and Natural Resources	...	...	...	...	...	...	600	817	1,724	2,937	4,293	8,440
Motor Vehicle Licences	...	1	66	693	1,297	2,018	1,384	2,142	2,369	3,521	4,599	5,394
Interest	6	33	435	649	1,263	1,216	1,975	2,156	2,301	2,163	2,396	3,715
School Lands Fund *	...	76	279	902	1,029	1,206	1,053	1,132	1,909	1,307	1,288	1,681
Old Age and Blind Pensions	...	...	...	...	...	485	1,481	1,994	2,224	5,582	4,893	1,211
Land Titles Fees	...	260	586	743	536	529	165	177	582	662	757	779
Liquor Licenses	5	102	251	...	...	...	...	...	...	...	...	...
Liquor Profits	...	...	...	...	...	3,589	1,028	1,455	271	4,000	...	...
Succession Duties	...	28	64	271	238	469	227	378	501	35	43	44
Corporation Tax	...	40	204	422	515	582	588	735	...	127	...	...
Sale of Law Stamps	...	89	240	120	87	78	28	37	41	56	69	84
Railway Tax	...	145	143	156	207	404	...	404	...	...	...	...
Supplementary Revenue Tax	...	340	461	565	34	10	...	...	...	...	...	...
Public Revenue Tax	...	...	...	1,729	2,359	1,727	1,562	2,155	3,091	1,736	1,860	290
Wild Lands Tax	...	...	...	1,033	708	232	43	5	10	3	3	...
Income Tax	...	...	...	...	...	...	297	728	4	...	...	...
All Other	92	345	709	1,594	2,565	1,458	1,094	1,301	3,652	5,227	6,656	7,704
	\$665	\$2,816+	\$5,149	\$10,629+	\$12,830+	\$17,046+	\$15,168+	\$24,961+	\$34,350+	\$60,011	\$69,562	\$88,278

\* Includes interest on investments.

+ Adjusted to allow for rounding of figures.

PROVINCE OF SASKATCHEWAN

COMPARATIVE STATEMENT OF EXPENDITURES ON REVENUE ACCOUNT (Gross Basis)

1905 – 1954  
(000 Omitted)

	1905 (4 mos.)	1909-10	1914-15	1919-20	1924-25	1929-30	1934-35	1939-40	1944-45	1949-50	1951-52	1953-54
Debt Charges	\$ ...	\$ 150	\$ 910	\$1,599	\$2,994	\$3,268	\$6,354	\$7,300	\$6,571	\$6,525	\$6,000	\$6,486
Sinking Fund and Debt Retirement	...	...	86	188	125	28	188	673	1,017	2,799	3,9781	7,012
Legislation	5	77	122	191	189	457	375	180	419	271	315	453
Administration and General Government	27	204	407	724	1,048	1,255	1,117	1,803	2,470	3,643	4,350	5,019
Education	19	655	1,852	2,164	3,085	4,053	2,683	3,977	4,782	7,937	9,470	12,978
Protection of Persons and Property	9	344	946	1,272	1,250	1,307	858	848	934	1,235	1,497	1,946
Transportation and Communications	39	357	561	769	1,133	2,488	837	1,351	3,307	7,059	7,171	8,974
Health	11	131	335	967	1,088	1,778	1,743	2,449	3,140	11,539	18,227	19,330
Welfare	2	64	334	368	627	2,301	2,911	4,370	7,012	12,394	12,986	8,875
Agriculture and Natural Resources	7	284	324	547	407	802	650	1,807	1,349	4,957	4,933	6,171
Other	...	16	34	218	53	97	161	248	1,134	858	714	1,249
	\$119	\$2,282	\$5,911	\$8,907	\$11,999	\$17,546	\$17,877	\$25,006	\$32,135	\$59,757	\$69,444	\$78,493