twenty million dollars during the period of five years from the first day of April, 1919; which sum shall be allotted and paid as follows: (a) eighty thousand dollars each year to the Government of each province, and (b) the remainder of such sum to the Governments of the respective provinces, in proportion to the populations of the said provinces respectively, as determined by the latest Federal census of each province; and the said payments shall be subject to the following conditions: (a) any highway for which aid is granted shall be constructed or improved, as the case may be, in accordance with the terms of an agreement to be made by the minister with the Government of the province, which agreement shall contain such provisions as to cost, description, specifications or otherwise as the Governor in Council may approve; (b) the aid to be given in any shall be forty per cent of the amount which in the opinion of the minister is the actual, necessary and reasonable cost of the construction or improvement of such highway, as the case may be; and further that regulations may be made for giving effect to the objects and purposes of this proposed legislation, and an annual report thereon shall be laid before Parliament.

Hon. Mr. REID: This is a very important resolution. If it becomes law, it means the expenditure of a very large amount of money on a very important work. I would like to have the resolution passed and the Bill introduced, and when the Bill comes before the committee we shall, of course, have a discussion as to its merits. The resolution is important for this reason: We all know that for many years the Government have been expending large amounts of money on railways and waterways, and we feel it is now necessary to expend money on our highways in order to provide proper transportation facilities for the public. A good deal has already been done towards improving our highways, but much more must be done. A very large amount of money will have to be expended almost immediately in order to bring our highways up to the proper standard. In this connection the Government have taken into consideration the necessity of providing employment for our returned soldiers as well as for other labour throughout the Dominion that is at present calling for employment. If Parliament passes the Bill to be founded on this resolution, the Dominion Government will pay a portion of the cost of the highways, the construction of which we agree to assist. The several provinces have divided their roads into three classes, which they call respectively first class, second class and third class.

The first-class roads are the main highways which carry the greatest amount of traffic. The second-class roads are the ones leading to the market centres, which do not bear so much traffic. The third-class roads are those leading up to the other two. The intention of the Government is to assist only in the building of the first-class roads. The second-class roads are built by the provincial government and the municipalities, and the third-class roads by the municipalities.

Practically all civilized countries have received assistance in the building of roads from their central governments. In the country to the south of us, the different states of the Union started to build roads of their own accord, but afterwards the Government at Washington came to their assistance, and now a large amount is being spent by the federal government in the building and upkeep of the main highways. There are many reasons why we should have good roads. First, I believe that good roads will be of great assistance to our rural population. They will decrease the cost of transportation from the farm to the market. To-day, at certain seasons of the year it is almost impossible for farmers living twenty, or thirty, or forty miles from any large centre, such as Ottawa, Toronto, Hamilton or Montreal, to reach the central markets by road. Good roads will enable them to take advantage of these central markets. Furthermore, the building of these roads will provide employment for a great many of our citizens, and particularly the returned soldiers; for whom employment must be found. Good roads will also facilitate passenger traffic between different parts of the country. In the United States quite a lot of passenger traffic is done on their main highways by means of the automobile. The value of land in the sections through which these roads will run will also be very greatly increased -to a degree, I believe, almost equal to amount of money expended on construction of the roads. we shall have a great many tourists coming to Canada, and they will naturally leave a great deal of money in this country, and many of them will no doubt like Canada so well that they will make their home here. Good roads will also save our rural population a great deal of money by the slower depreciation of their vehicles, and will add greatly to the convenience of country life. Practically the whole rural population of Canada at the present time have the telephone. Now, in case of sudden illness, with good roads and the telephone a physician could be summoned to any part of the country and could get there in quick time. I have travelled over a great many miles of the good roads of the United States, and the people there are unanimous in saying that the roads which