

"Finance" of Good Roads

(S. L. SQUIRE.)

The subject of Finance is perhaps the one of more basic importance than any other, in reference to "Good Roads," for while engineers may conceive and plan and labor be prepared to execute, unless the necessary money is provided, all else would be in vain.

It has been stated, and perhaps was truly said, that the need of better roads requires no further discussion; that all are agreed to their necessity. This may or may not be true, but if it is I wish to point out this fact as a parallel truth, that with the present knowledge possessed by most of the people in rural sections, they consider the roads they have preferable to improved roads promised, if the cost to the individual is very great.

I submit that while the rural resident of Canada possesses as great an ability to think, as does the resident of the larger centre, still information is more slowly disseminated and impressions are less deeply made in the Country than in the City.

My contention, then, is that the Country everywhere is ready for improved highways, providing there is no personal cost. Do you think it a Canadian characteristic to want "Something for Nothing?" Are we not willing to accept the things which we consider an advantage to us, at the hand of a Divine Providence, a generous government or a liberal friend, without so much as a "Thank You"? And do we not hesitate to entertain a proposition, if there is a cost to us attached? This is not peculiar to the rural resident, the man in the City wishes to take short cuts, with the desire to get rich quick that the man in the Country knows nothing about.

This is found in real estate, mining stock and margin market gambling and is fed by a desire to get "Something" for which we have not paid an "Equivalent," to get "Something for Nothing" and presents only in another form, the characteristic shown by the farmer, who is willing to accept the advantages of the improved highways, when the Government or someone else pays for it. If this is true, how can these impressions be overcome? The roads cannot be built without money, and a large amount of money.

First of all, can we afford it? I will deal with Ontario, believing that what is true in Ontario, is true to a greater or lesser extent of all the Provinces.

The Commission appointed by the Ontario Government in connection with "Road Improvement," in their report proposed the expenditure of \$30,000,000, this amount to be used in 15 years and to be expended as the Organization and demand might warrant reaching as a maximum, annual payment \$2,500,000. This would mean an expenditure of \$1.00 per capita, per annum, for the Province of Ontario or with approximately 15,000,000 acres of land in Ontario, under crop cultivation, would call for an expenditure of 16c per acre, providing that the entire expenditure, recommended by the Commission was to be levied upon the land. If we carry the cost question to a conclusion and follow the recommending of the Commission, apportioning the payments, as recommended by them, asking the Government to contribute 40 per cent, the City 20 per cent, and the Counties 40 per cent of such cost the assessment per acre of land, under crop cultivation, would be less than 5c per acre, or if the average 100 acre farm, throughout Ontario has 60 acres cleared and in shape for crop, the average levy would be about \$3.00 per annum. Truly this is a stupendous amount, less than 1-10 of a mill on the capital invested in agriculture in Ontario. My purpose in dealing with this, in this manner, is to brush away, if possible, any illusions and make clear the proper cost of improved Highways, as such cost may affect the average farmer.

Now we know that the financial side of a question is affected by economic conditions. We are reminded by many that the war and its effects make the present a very inopportune time to consider extraordinary expenditure upon highways. The war, like the bad boy in the community, is blamed very often for that which it is not guilty.

We all regret this awful war, but is there a Canadian who, in his heart of hearts, has any doubt about its ultimate outcome. And even if its effects were of a disastrous financial nature, would it not be incumbent upon us at home to develop the heroic in us, as much as it is upon the poor fellow who is our "Substitute" in the bat-

tle front. But what is our true financial position in regard to the war? The war has created in Canada an industrial activity in many lines, that would have been impossible without it. It has caused a demand for agricultural products, which has made a "Greater Production Campaign" apparently necessary. In order that those upon the soil, might be encouraged to produce a greater acreage of food products, it has made a market for our horses, which promised to be a drug; it has given us prices for our food stuffs, which without the war, would have been impossible.

The increased prices on all lines, due to war, has created added wealth to the farmer of Ontario, in the past six months to more than pay his portion of the entire amount of his 15 year contribution, based on the estimate suggested by the Highway Commission, and I believe that if the farmer is properly interested you will find him a willing investor and ready to do his full share of the paying.

I do not intend to tell the Government, how they may raise their 40 per cent of this large amount. I believe, however, that in one item only, which has proven productive of a large amount for the first time, within the last ten years, that of the license of automobiles. If the Government would capitalize the monies obtained from this quarter alone, they would be able to provide their proportion of the cost, and create a sinking fund to discharge any bonds, made necessary when due, and if the monies obtained from the users of the motor were expended upon highways, the Government would find the owner of the auto, a willing contributor.

In connection with the country, I would not advocate any but short term bonds, say for a period of 15 years, this would do away with excessive interest charges. It would occur to me that if the average cost of the roads in rural sections were, \$5,000 per mile, of which amount the county was expected to raise 40 per cent, or \$2,000, it would be fair to ask the county to contribute 50 per cent of this amount, or \$1,000. The statute labor of those whose farms faced the improved roads capitalized would provide 25 per cent, and assessing for benefit, those who derive as direct benefit, and whose property have an increased value, because of the advantages of such roads be 25 per cent that this would make a fair distribution of cost. To illustrate, in connection with the capitalizing of statute labor, the average assessment of the 100 acre farm, in a township in which I am very well acquainted, is \$4,000 per 100 acres. This assessment is subject to seven days' road work, which can be commuted as fixed by By-Law of the Township at \$1.50 per day. This would allow the raising of nearly \$60.00 per mile per annum, which, if capitalized on 15 year bonds, bearing 5 per cent interest, would raise nearly \$650.00 per mile, which might be used for permanent or improved roads. Thus the only controversial question would be the 25 per cent, which I have mentioned as being a fair amount to be levied against land as an assessment for benefit.

It appears to me that the present problem is rather in our being able to create a willingness to pay than in our ability to pay, and I believe that if the people of this country were satisfied, there would be a fair distribution of the cost, and that no man would be asked to pay for the benefit that another man would likely receive, we would be able to develop a spirit of co-operation, which would in itself, provide funds beyond the dream of the most ardent good roads advocate. If then we adopt the slogan courage, and evidence our faith in the Dominion and its resources, by taking a forward step in the construction of good roads, we would not only demonstrate to the world our belief in the future, but would thereby strengthen our own convictions.

Australia has been able to do what she has because, as the corner-stone of her democratic edifice, she has a system of compulsory military training. A free nation can remain so only if its citizens help to keep it free. In a democracy every man must be educated in the primary duty of citizenship — ability to defend his country, his home and himself.—Premier Hughes.