

*Trans-Canada Highway*

will have to ask. And on top of that, according to the minister's statement, this government expects them to contribute to the building of the trans-Canada highway to the extent of 50 per cent. What chance have they to do that?

There is another aspect of this matter to be considered. Alberta has built nearly 700 miles of asphalt surfaced roads during the past 12 or 13 years. I should think that the cost per mile today of such roads would be over \$25,000 per mile. That represents in itself an expenditure of more than \$18 million, all of which has been paid in cash as they went along. But over and above all this the people of Alberta have had to pay the interest on \$40 million of bonds which were issued by governments prior to 1935 to pay for roads that were built up to that time. By 1935 those roads had largely disappeared, but the debt had not. We have had to pay the interest on the \$40 million every year in spite of the fact that the roads were not there any longer. That is the kind of financing that went on from 1905 when Alberta became a province.

**Mr. Blackmore:** Under Liberals.

**Mr. Low:** I should like to point out that in the last provincial election the only suggestion the leader of the Liberal party in Alberta had to make was that if his party was elected they would immediately go out and borrow \$100 million to be spent for roads.

**Mr. Blackmore:** Which would all blow away.

**Mr. Low:** All this indicates why it would be most unfair and unwise to saddle the provinces with further financial burdens in connection with the trans-Canada highway.

There is a third reason why the federal government should bear the full cost of the trans-Canada highway. I would refer now to the announcements the government has made at different times since 1946 as a means of reassuring the people of this country that they do not expect that a business recession of any serious proportions will hit Canada. They have assured the people that in the foreseeable future there will be no such thing as a depression. They have assured them that they have up their sleeves or somewhere a shelf of projects with which they are going to cushion Canada's economy against a depression.

If the trans-Canada highway is to be built as one unit of that shelf of post-war projects that we have heard so much about and that are to prevent a recession or unemployment in Canada, then quite clearly it is a federal responsibility. I do not think anyone can

[Mr. Low.]

argue successfully that it is not the responsibility of the federal government to order and administer the financial policy of this country to the end that effective demand is kept at a high enough level to make possible the equitable distribution of our total production. That is a federal responsibility. There is no other way to prevent unemployment and business recession or, what is worse, a depression, than for the government to so order its financial affairs and to so conduct its financial policy that effective demand is kept at a level where the people of the country can buy, if they so desire, the total of our production.

The provinces have no voice in the national financial policy and therefore it becomes the responsibility of the federal government to bring out its shelf of projects and put them into effect. One of the most important of these should be the building of the trans-Canada highway. When the government and the Minister of Reconstruction and Supply (Mr. Winters) are considering ways of financing this vast project they should give serious consideration to the use of nationally created credits rather than taxation and borrowing. It would be quite possible to plan the undertaking to be carried out over a period of years in such a way as to make the necessary expenditures coincide with the periodical need for expansion in the Canadian monetary supply. In my judgment the building of the trans-Canada highway offers an ideal project to be financed by national money since it will be not only a national asset but in many respects a self-liquidating national asset which would lend itself to the kind of financing I have suggested. I should like to stress also that the people of Canada should not have to pay for this road two or three times over during this and succeeding generations simply because the government insists upon saddling them with more debt that never will be paid, but carrying interest which must be paid out of taxation.

There is another consideration to be dealt with when considering this question of whether the dominion government should finance the proposed highway rather than add to the burdens of the provinces which are already very heavy. I refer now to the effect which the building of the Alaska highway has had upon provincial economy since its transfer from the United States to the Canadian government. As hon. members know, the southern terminal of the Alaska highway is at Dawson Creek, British Columbia. There is no connection between that point and the highways of the United States except over Alberta roads. From Dawson Creek to the nearest United States port of