

*Trans-Canada Highway*

year period, and we introduced an act to allow any province which had not taken full advantage of the amount to which it was entitled, still to have that advantage provided it came in under the provisions of the act within, I think it was, the next five years. Care was taken to give the provinces plenty of time to readjust their finances. We remained firm in the position we had taken, in order to save the federal treasury too great a burden.

The Prime Minister (Mr. Bennett) yesterday made what I consider an unfair reference in his speech on the budget when he sought to leave the impression that the large obligation which the country is being faced with at the present time was in part at least a legacy from the previous administration. The previous administration sought to economize on these very matters of which I am speaking, and did economize. In the one thing we are now discussing we put an end to grants in aid to the provinces in addition to subsidies, and by taking that course we have been able to save hon. gentlemen opposite many obligations which they otherwise would have now to meet. It was a difficult stand to take. I think hon. gentlemen in the ministry opposite know enough already of what political pressure can be brought to bear, and what it means to resist demands to spend money out of the public treasury for one particular purpose or another. During the time the Liberal government was in office we steadily resisted that pressure in regard to these matters. The votes which we gave in parliament were not votes against technical education or votes against highways, they were votes in accordance with the principle which I have endeavoured to explain, namely that grants in aid to the provinces in addition to subsidies were not in accordance with the spirit or the intention of the constitution, that they were not a sound way of financing, that they were not justified in the financial crisis with which this country was faced but were only putting an additional load upon the federal government at a time when its load was so heavy that it was impossible to reduce taxation. We stood for this principle throughout our term of office and may I say that when it came to a general election there was every cause, had the first consideration been political rather than national and patriotic, why we might have yielded and said: We will be prepared to renew these grants. We stood firm and I have not the slightest doubt that we are in opposition to-day very largely because of the stand we took. The price to be paid for power is too great, if it means so far as government is concerned, that power has to be purchased by the adoption of principles which

[Mr. Mackenzie King.]

are unsound in matters of finance. I would much rather be on this side of the house to-day because of having taken the consistent attitude which we did while in office and throughout the general campaign, an attitude which we intend to continue to take throughout this parliament in the interests of the people of this country, an attitude which will help in the reduction of the public debt and in the reduction of taxation, than be on the other side and faced with having to meet a lot of promises which it is impossible to fulfil.

May I repeat to my hon. friend the Minister of Railways and Canals that there is no inconsistency between the attitude taken by the hon. members whose names he has mentioned with respect to the votes which they gave while the late government was in office, and their assertions to-day. In the course of the recent elections the Prime Minister and his supporters—I believe my hon. friend was one of the most vigorous of his associates—pledged to the people of this country that if they were returned to power they would construct a national transcontinental highway. That was a matter of policy of the hon. gentlemen opposite; it appeared in the Conservative platform and was mentioned in innumerable speeches made by those who are to-day in the ministry. We understood at the time that pledge was made, and I think the country also understood, that what was contemplated was a federal highway which would be administered by the federal administration and not another grant in aid to the provinces; it was to be a federal highway which would be constructed and maintained by the federal administration. If the federal government is to go into the highway business, I submit that that is the only basis upon which it should act. A national highway should be looked upon in the same light as a national railway, a link between the different provinces of the country, another form of transportation in addition to railways, air service and the like, a national service carried out by the federal government in a national way, so that the moneys that are spent on that national highway will have to be raised by the government that is administering the highway and receiving credit for so doing. Any other method is simply to increase further these grants in aid in addition to the subsidies that are being given to the provinces. What hon. gentlemen inquired about this afternoon, what the country still wishes to know and what it has not yet been told by my hon. friend or any other hon. gentleman opposite, is whether the gov-