

year period, it is completely dissipated. It is gone. It is my opinion — Mr. Smallwood has his — that this should not go into current revenue, but into accumulated surplus, not surplus that we may get as a province, but surplus that we will be left with if we become a province.

In reference to roads, I know that the \$1 million allowed in Mr. Smallwood's budget was for maintenance. I have looked at all these figures. That was my contention, that there was only \$1 million for roads, and that has to be for maintenance. It is going to cost us \$1 million under the provincial set-up for roads, but what I was saying was that there was nothing for new roads that will bring in taxes on cars and gasoline and drivers' licenses.

Now, sir, on that reconstruction, Mr. Smallwood gives me credit for now believing in Commission of Government policy. If Mr. Smallwood has followed me closely, I brought out the fact that that deficit of approximately \$5.8 million would be brought about by reconstruction at the rate of \$2.5 million, and the educational cut, and the public health cut, if we maintain the present standards that we are doing today in reconstruction; and I presume it would be the purpose of any government in the next few years to carry on as we have been doing to finish the buildings we have started, and complete these services. That was my point, if we continue. But if you want to wipe out the \$2.5 million, and take the estimate I originally made of \$2 million for public health, and \$1 million for education, it still brings it up to \$18 million, and that's without any reconstruction deficit. You have the same thing, and that will bring it up to a \$4 million deficit. You have got to add that to the \$1 million already provided for in Mr. Smallwood's estimate. That brings it to \$5 million that you have got to get from the people in some form in addition to the taxation they have to pay to the federal government. I think that clears up what Mr. Smallwood and I have to say.

Mr. Butt Before we go any further there is one item I would like to see cleared up, that figure under Public Works for road maintenance. Now under heading 1 of sub-heading E, page 61...¹

Mr. Chairman Pardon me, Mr. Butt, there is altogether too much noise, I can't hear members when they are addressing the Chair. Will you

kindly refrain from noise in the galleries?

Mr. Butt All the headings with the exception of E-4, in my opinion are all maintenance, in spite of the fact that improvements and reconstruction of roads and bridges were under that heading. I will explain the difference. The maintenance of roads, that is the first item of \$1 million, will be the pay for any maintenance men who are filling, cutting, spreading gravel, etc.; under E-3, the improvement and reconstruction of roads and bridges, there is a slight separation. It could very easily go into maintenance of roads and bridges, because that would include such things as the replacement of ordinary bridges by, say, concrete bridges, and the replacement of ordinary wooden bridges by new wooden bridges. It would also take in side cuts where you have sharp curves. You would take these off and you would also fill in, for instance, where you have very soft ground, so that if we are going to improve our roads at all — and there is an important point to remember, by improving and not putting it under ordinary maintenance, you are thereby saving a lot of money in the future by upkeep of roads. On this sub-heading alone, apart from the \$1 million and a very small section which would be used in the construction of new roads, roughly \$2 million is today being spent on what I consider poor maintenance, and I think \$1,270,000 is quite wrong. I would go a little further, and if my memory serves me wrong I would like to be corrected, but I believe that when we were discussing the Transportation Report, it was said by one gentleman that Sir Wilfred Woods gave it as his opinion that \$2 million would be needed to maintain the roads that we have at present.

Mr. Smallwood No.

Mr. Butt That is exactly what he said.

Mr. Smallwood No, when the present existing road program is completed.

Mr. Butt Well, it is complete.

Mr. Smallwood It is not.

Mr. Butt Certainly it is. I hope I have drawn a clear picture as to what these two votes are for. Ordinary maintenance, such as driving the grader over and throwing down a bit of gravel, as against cutting off curves, side cuts, filling in soft spots, and concrete bridges, etc., which are all part and parcel of maintenance of roads, and are not for new construction at all. So I think it is out at least

¹Of the government estimates.