

Liberal Leader and Conservative Members Strongly Criticize Scheme to Capitalize Motor License Fees — Expenditures Should Be Passed Each Year, They Claim

**“VICIOUS SCHEME,”
SAYS H. H. DEWART**

During practically the whole of yesterday afternoon and most of the evening the Legislature, in committee, struggled with the bill introduced by Hon. F. C. Biggs to amend the Highways Improvements Act, the chief provision of which is for capitalization, over a 20-year period, of \$2,000,000 of each year's motor license fees income. As has been explained on numerous occasions, this new system of good roads finance is to make immediately available a sum of \$25,000,000, with which to carry on the program.

The proposed new system was vigorously attacked from the Conservative quarter by Hon. G. H. Ferguson, Hon. G. S. Henry and Hon. Thomas Crawford, and was not approved by the Liberal Leader, F. Wellington Hay. According to the argument of the Conservative members, not only was the proposed system of financing unsound and inadvisable, but it represented a serious departure from the established precedent of having the Legislature each year pass upon and vote proposed items of expenditure for the ensuing year.

Hurt Province's Credit.

Mr. Hay said he saw no advantage to the Province in the Minister's scheme, and suggested that if highway bonds and debentures were to be strengthened because of capitalization of certain revenues, necessarily other Provincial bonds would be correspondingly weakened.

The clause affecting capitalization passed only after discussion lasting over three hours, and the whole bill, after about five hours' discussion, went through with one or two minor amendments.

H. H. Dewart opened the attack by expressing the opinion that the Minister of Highways had “intro-

duced in a most covert way one of the most vicious pieces of legislation” that had ever come before the House. The effect of the measure, he said, was that the Province was pledging for years in advance its motor license revenues fees so that the Minister could spend \$25,000,000 in one, two or three years, as he saw fit.

“The Minister,” he said, “should come out in the open and say that by this section he desired to raise \$25,000,000 now on debentures by pledging these receipts, which should be devoted to improvement and upkeep.”

Why, he asked, should the Minister of Education not ask for capitalization of succession duties for University purposes, and other Ministers make similar demands? The Minister, he said, proposed to spend now for road construction those moneys which should rightly belong to his successor a couple of years hence for road maintenance.

F. Wellington Hay said he saw no great advantage in the proposed capitalization. “If this measure did not become law,” he said, “I believe the temper of the House would be that they were very ready to vote a very large sum for the construction of good roads, and I think probably the House should have some direct say from year to year as to what money ought to be voted for certain purposes.” He had tremendous confidence in the present Minister of Highways, he said, but he might not have so much in a successor.

Dearly Bought Money.

Hon. G. H. Ferguson said the Province was actually to pay \$40,000,000 ultimately for the \$25,000,000 which it was proposed to make available by capitalization. He went into anticipated maintenance costs, and calculated that the Province, by annually devoting \$2,000,000 motor license fees to construction, would have insufficient funds for maintenance, and there would be further drain on general revenues. Hon. Mr. Biggs said that he could not understand what it was the Conservative Leader wanted, nor did he think he knew himself, whereupon Mr. Ferguson flung across: “That is getting pretty cheap.”

Premier Drury, in the midst of a speech, suggested that the House might vote the three years' estimates, but Hon. Mr. Ferguson asked: “What do we come here for every year? Is it not to vote moneys for the carrying on of Government?”

Premier Drury—There is no use of my trying to complete my statement. My honorable friend would not understand it, anyway.