

## **PROPERLY APPRECIATING ALBERTA**

BY

TIMOTHY GRAYSON

In the shadow of the Buffalo Declaration is a particularly flammable time to constructively criticize my friends and compatriots in Alberta. Suggestions from Eastern Canada land badly any time irrespective of the message, never mind when the media appear to be ganging up. So I come to praise, not bury.

Dear Alberta, so much maligned and undervalued in Confederation. Thank you.

Could any but Alberta suffer under the strain of a per capita GDP 40% higher than the Canadian average? Not Ontario (not any more anyway), which is the average. Certainly not the Maritimes—all about 20-23% below the average—nor Quebec at 16% under par. [All data 2017.] Kudos to Alberta for shouldering that load though a part of the equally applied federal tax on their robust incomes ends up with other Canadians not so burdened.

Good for Alberta to not gloat about the \$1-billion increase in federal healthcare funding transferred under the Harper government. It takes icy reserve to slough off the weight of a \$300-400/head special helping hand. After all, while healthcare costs have a

stranglehold on all provinces, it doubtlessly affects Alberta's younger and wealthier population much harder.

What more can be said about those confederate cousins that suffer yet further without provincial sales tax? Who can imagine the shock at crossing the provincial border to be greeted by an inhospitable and unwelcome 5-8% hit *on every purchase*? Visitors to Banff are not so rudely shaken down! Is that how Canadians treat each other? With higher incomes Albertans likely spend more, so taxes on Albertan out of province spending disproportionately affects them.

Hats off to the discipline of Alberta's leaders in the first half of the 20<sup>th</sup>-century. When Ontario and Quebec were the economic engine of the nation, those leaders used equalization payments to Alberta to develop and exploit the natural resources Albertans invented. We should be fulsome recognizing how those forefathers pulled Alberta up by its own bootstraps with nothing but hard work, fierce individualism, and intergovernmental welfare.

Three cheers for Alberta's oilmen over the years for not being *too* proud and independent to turn away Canadian federal government support. Soliciting and receiving federal government subsidies and concessions is one thing, but what kind of fortitude did it take to have Ottawa invest as a mostly silent partner? It couldn't have been easy to take that money: not in the Southwest, not in Leduc, not around Fort MacMurray. They repeatedly humbled themselves so Alberta could exploit the natural resources the province created.

Exploitation begat riches, and here we ought to praise the foresight of Peter Lougheed and the seat-warmers that came after him. Lougheed, of course, created the Alberta Heritage Trust Fund to sop up excess royalties so it didn't look unseemly when the Alberta treasury started amassing extreme profits and treasures. Lougheed's dream is

today worth about \$18-billion, which is great if one ignores assessments that it could be worth \$150-billion.

Cleverly though—to keep fellow Canadians from being too envious and to retain the right to moan about federalism, premiers after Lougheed generally squandered the fat cushion by reducing or foregoing altogether payments into the Trust. Really, they had to: it's easy to get into the habit of high-cost, high-quality program spending higher up the economic ladder.

We can't forget the achievements of Ralph Klein. After all, he did manage to eliminate the provincial debt... along with considerable social benefits, flatten income taxes, *and* still give all Albertans Prosperity Bonus cheques. The 1980s resurgent oil and gas industry would forever boom. With the rainy days gone, who needs a rainy day fund? *Laissez les bons temps rouler* as Quebec's coddled whiners say.

But most of all, let's marvel at the stoicism of Alberta provincial governments and supporting Conservative Albertans for so admirably handling the unimaginable downturn of the oil and gas industry. Who could have predicted cycles and downturns to this industry after 1990? Nobody could foresee that high-cost oil coming out of the Athabasca tar sands would be viable only if world oil prices remained at inflated "peak oil" levels.

Even more, who could ever have imagined a land-locked province without access to the deep water ports needed to get its product to global markets would have to deal with not only other provincial and the federal government, but also several autonomous First Nations that control the sovereign land needed for pipelines? Could they be so dull as to not appreciate Alberta's obvious wisdom?

Bravo to Alberta for persevering to ignore the drums of climate change beating steadily and ever louder for over three decades. Despite peerless efforts from the industry

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and others (including Alberta itself), the societal and economic change it brings cannot be contained or constrained. Shocking.

Ultimately, we are remiss not to give three cheers to Alberta for obstinately sticking to its guns and stubbornly refusing to diversify its economy over the decades. Despite having the time, money, and world's encouragement to do so, Alberta rallied tremendous inner strength to ignore counsel and common sense to laser focus on petroleum. Most other Canadians just don't have that kind of courage.

It's absolutely true: the Laurentian Consensus and Eastern media simply do not appreciate Alberta enough. I, however, tip my hat to my friends at the end of the Prairies.

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