

Federal-Provincial Relations

problem. Had such an attitude been taken I am sure we would now have ample corroborating evidence to counter any argument put forward by the federal government.

I am the first to admit that this natural resources revenue was brought into an equalization formula in 1961 under an administration I supported. That situation does not negate the fact that I objected to it at that time. The province of Alberta at that time was the only province adversely affected. The one argument I and others could not counter had relation to the fact that under the 1957 agreement, which classified Alberta as a have-not province, which was in existence in 1958 and 1959 the provincial administration saw fit to declare dividends to the extent of \$11 million or \$12 million each year. The province of Alberta was receiving payments to the extent of \$17 million or \$18 million from the federal government at that time. This created an inexplicable position.

I remember attempting to support this situation during a discussion with my colleagues, but counter-supporting facts just were not in existence. So long as Alberta was classified as a have-not province and at the same time was declaring a preposterous dividend, there were no grounds for argument. Because of this silly political nonsense on the part of the Social Credit party in the province of Alberta we here in Ottawa, who had real grounds for argument in respect of this division between capital receipts and revenues from natural resources, lost a great deal of ground.

I should like to remind hon. members that Alberta's prosperity resulted from a rather unnatural situation. It resulted from conditions which existed during the Korean war and following the Suez crisis. Let me assure all hon. members of this house, including those from Alberta, that if conditions such as those which existed following the Suez crisis recurred, keeping in mind the fact that Alberta is presently on the eve of developing the tar sands, the revenues of the last decade could appear picayune when compared with the revenues which could accrue to the provincial administration during the forthcoming decade. This is as sure as the sun will rise tomorrow. These are economic facts. Alberta has been fortunate. I do not intend to apologize for the citizens of Alberta, but I should like to remind everyone that God placed the oil and gas under the soil of the plains, foothills and mountains of Alberta, and man found them at the appropriate time.

An hon. Member: We are aware of that fact.

Mr. Lambert: Apparently some of the apologists of the Social Credit party feel that the prosperity resulted from a Social Credit exercise of super wisdom.

Mr. Gordon: Mr. Chairman, may I ask the hon. member a question? I thought the federal parliament had made these resources, particularly oil and gas, available to the province of Alberta.

Mr. Lambert: The minister may well refer to the agreement of 1932, which was the culmination of confederation in 1905. He must remember that he is asking us to implement clause 3 of this bill, which he says is an implementation in part of the spirit of the statute of confederation with Newfoundland in 1949.

Let us not argue about semantics. Ontario, Quebec—these provinces have had their natural resources.

Mr. Gordon: I am not complaining about it.

Mr. Lambert: Let me point out to the minister, whose knowledge of constitutional history, shall we say, may be just a little short of factual, that what happened in 1932 was merely a transfer of administration because there was a moral commitment to Saskatchewan and Alberta of the ownership of the natural resources, once they were able to take care of them. This was the implementation under a Conservative administration, may I say, of something which was due to the people of Alberta and Saskatchewan. I am not going to deny that there may be some things coming to the people of certain provinces, just as I am sure the hon. member for Yukon and the hon. member for Northwest Territories will insist that in due time certain things must come to the people of their territories. This is a part of the evolution and development of our country.

Be that as it may, I would say that in 1961 there was a singling out of the province of Alberta. The minister was not then a member, but notwithstanding what some of my colleagues may say I was aware of a certain sentiment against the so-called plutocratic province of Alberta.

Mr. Gordon: Just envy.

Mr. Lambert: There is no greater envy than economic envy, and what happened was in some part economic retaliation against the Alberta government for its nonsensical divi-