

### *Provincial government*

The Alberta government, like the federal government, has inherited the traditions of British parliamentary democracy. The Alberta legislature comprises 79 elected representatives. There is no upper house in the provincial government.

The Cabinet is responsible to the provincial legislature. The premier and his Cabinet ministers are all elected Members of the Legislative Assembly (MLA) and ministers must answer to the legislature for their department's activities. The lieutenant-governor is the Queen's representative in Alberta and is appointed by Canada's governor general.

The Progressive Conservative Party of Alberta has formed the government since 1971. The Conservatives were elected to their present term in office in February 1979, winning a majority of seats (74 of 79). The official opposition is the Social Credit Party with four seats. There is also one New Democratic Party MLA.

The Alberta tax regime is the most moderate in Canada. The government places no tax on retail sales or gasoline and imposes the nation's lowest rate of personal income tax. The corporate income tax rate is also among the lowest in the country. This favourable tax system has been made possible by the large oil and natural gas revenues accruing to the provincial government.

Another result of the energy boom has been the Heritage Savings Trust Fund, established in 1976 by the government of Premier Peter Lougheed. The goals of the Heritage Fund are to improve the quality of life for Albertans and to invest for expansion and diversification of the provincial economy. Each year 30 per cent of Alberta's receipts in royalties from non-renewable resources go into the Trust Fund, which now totals over \$4.5 billion.

### *The economy*

Alberta's gross domestic product for 1978 exceeded \$25.4 billion, compared with \$4.29 billion in 1965. Allowing for inflation, this represents an annual growth rate of 6.4 per cent.

Investment in Alberta continues at a rapid pace. Estimated total private and public investment for 1978 amounted to \$8.4 billion. In *per capita* terms this represents \$4,238, well above the Canadian average.

### *Transportation*

The Alberta economy has always been closely linked with the development of a transportation network because the province is landlocked and distant from major markets. The land area is 661,000 square kilometres and the province's varied geographical features — from rugged mountains to prairie, from forest to muskeg — pose unique transportation