

*Alberta Financial Situation*

discrimination, but I contend that if Alberta had not requested money on this basis and now requires assistance, she should be given assistance. It seems to me that that is logical. The fact remains that she has not received the financial assistance that the other two provinces have had. That in itself, I think, is evidence that the province has been discriminated against. In my opinion this report is based upon political presuppositions and should not be taken into consideration by this house. When the government makes its decision on the matter it should disregard the report and should assist Alberta if Alberta needs its help.

Right Hon. R. B. BENNETT (Leader of the Opposition): Mr. Speaker, in view of the lateness of the hour, the desire to conclude the business of the house, and the intention of the minister to make a statement, I shall be brief. The minister does not regard what has taken place as constituting discrimination against the province of Alberta. I accept his statement that there is no intention to discriminate, but the result is discrimination. That is the point I endeavoured to make last evening, and I still think it is warranted.

I shall not discuss the merits of the report; that has been done by hon. members to the left. I suggest, however, that it makes clear that had Alberta been provided with funds to the same extent as were other provinces, and had it not made the effort to meet the situation that it did make by means of fresh taxation, undoubtedly the position qua the federal government would have been much better than it is now. For whatever else may be said about the report this at least is evident, that it indicates that the present provincial government has not been averse to the imposition of fresh taxation in an endeavour to meet the extraordinary conditions which confronted it. It is also quite apparent that had that government been less anxious to balance its budget, less concerned about making a better showing as between income and outgo, it would have secured assistance from this government.

Mr. DUNNING: Of course the loan privilege has been available right along. That is correct.

Mr. BENNETT: I think that is clear.

Mr. DUNNING: As far as the loan privilege is concerned.

Mr. BENNETT: Instead of doing that the government of Alberta imposed on the people fresh taxation, a two per cent sales tax and other taxes, and reduced expenditures

[Mr. C. E. Johnston.]

to the point indicated. It is a matter of some satisfaction to me to read that report. From 1905 to 1922 constitutes one period. During all that period there was none other than a Liberal government in control in Alberta, and during that time the public addresses I made about the Alberta situation were mainly confined to its financial position. I pointed out that in the early years of the province they exhausted the whole field of taxation, with results which were inevitable, although I had not expected that in my lifetime I would find a report such as this. What followed from 1922 until the advent of the present administration was a government by the United Farmers of Alberta. In the early days of their administration, as will be apparent from looking at the report, the situation was not bad. Latterly they became careless—to use a mild term. The result is that the present government succeeded to an intolerable condition, one which represented obligations on the part of Alberta far beyond those of the other prairie provinces, obligations in connection with telephones, railway guarantees, irrigation guarantees, all the results of what may be termed a reckless expenditure of public moneys on matters for which no government, in the opinion of most of us, should undertake financial responsibility. That being so, I think the present government in Alberta has not received the financial assistance to which it is entitled. I say that not absolutely but in comparison with Manitoba and Saskatchewan.

I am not going to dwell upon this topic. Hon. members to the left have referred to it at some length. This, however, I will say. The minister made a declaration of policy, and it involved the idea that the western provinces were to care for themselves. It became essential, in the judgment of the minister and the government, to adopt another view, but in the meantime the injury to Alberta had been done; I do not think that can be successfully controverted. The minister pointed out on other occasions and indicated last night his dissent from the views I expressed in connection with this matter. But I merely put this to the government: had Saskatchewan and Manitoba received the same treatment as Alberta they would have defaulted.

Mr. PELLETIER: Right.

Mr. BENNETT: That, I submit, is the test. I think it is a fair test. Had they received the treatment accorded to Alberta they would have defaulted.

Mr. PELLETIER: There is no question about it.