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| ***Province*** | ***Législature*** | ***Session*** | ***Type de discours*** | ***Date du discours*** | ***Locuteur*** | ***Fonction du locuteur*** | ***Parti politique*** |
| Alberta | 16e | 4e | Discours du budget | 26 février 1971 | M. Anders Olav Aalborg | Trésorier provincial | Crédit social (SC) |

**Mr. Aalborg:** This is the seventh occasion on which I rise to propose the time honored motion that you do now leave the Chair and that this this Assembly resolve itself into a Committee of Supply for the consideration of sums to be granted to her Majesty.

This is the third Budget presented by the Social Credit Government of Premier Harry Strom. It is a Budget designed to encourage increased economic productivity and to continue the pursuit of excellence in programs of education, health and social development. It is a Budget which proposes reorganization of certain departments and programs to ensure that they will be better able to offer efficient and contemporary services to meet the many and growing needs of Albertans.

For the next fiscal year, 1971-72, total expenditures are estimated at $1,207,222,940. The sum of $1,009,185,700 has been allocated to expenditures on income account, and the sum of $198,037,240 to expenditures on capital account and for statutory payments. In total this Budget is $61,210,755 or about 5% greater than the total Budget of $1,146,012,185 for the current fiscal year.

During the next fiscal year revenue on income account is estimated at $1,009,501,500 for an excess of $315,800 over expenditures on income account. This excess will be used to meet in part estimated expenditures of $198,037,240 on capital account and for statutory payments, and the balance will be met by estimated revenues of $31,454,650 on capital account and by borrowings and withdrawals from reserves in the amount of $166,266,790.

No new Provincial taxes or increases in the current rates of Provincial taxes are proposed, and Alberta will remain the only Province which does not levy a general retail sales tax.

In view of the continuing downward trend in interest rates which began late last year it is deemed advisable to finance a substantial portion of our capital expenditures by direct borrowing rather than further tax measures.

Mr. Speaker, may I now turn the attention of the Honourable Members to a summary of economic conditions and activities in Alberta during 1970.

**ECONOMIC CONDITIONS AND ACTIVITIES DURING 1970**

*General*

Nineteen seventy was a year of mild recession with some initial recovery for Alberta. Although unemployment at the close of the year was unusually high and some sectors were still in difficult straits there are indications that the economy can look forward to improved conditions in 1971. Within the latter months of 1970 conditions were somewhat improved for the agricultural, manufacturing and construction industries although the latter industry did not attain the level of performance realized in 1969.

Significant contradictions in the growth behaviour of some sectors of the Alberta economy were evident during the year. Most notable was the lag in agricultural income and the decline in construction activity, while on the other hand petroleum and natural gas sales rose sharply. Although the unemployment rate was higher than normal for Alberta, wages and salaries rose by 10.4%. Inflation appears to be slowing with the Edmonton- Calgary consumer price index for December being 2.2 % higher than a year earlier.

*Agriculture*

Crop conditions in 1970 were generally good. Excellent growing conditions and good harvest weather resulted in record yields for oats, barley, rapeseed and flaxseed. Yields for wheat and most other crops grown in the province were also good although the federal government's program to alleviate the surplus of wheat, resulted in wheat acreage being cut in half. Meanwhile livestock, dairy and poultry products recorded consistently good gains as farmers continued to diversify their operations into areas other than grain growing.

Prospects for international sales of grain improved somewhat and estimates of farm cash incomes showed modest increases. However, repayments in 1970 of cash advances made on 1969 farm stored grain were a major cost item for Alberta grain farmers and total cash receipts are expected to be below the 1969 level.

*Natural Resources*

Alberta's petroleum and natural gas industry again proved to be the strongest element in the production sector of the economy with the value of production considerably exceeding last year's performance. The following table illustrates the productivity of this industry: (Tableau disponible dans la version PDF)

Exports of oil and gas to the United States increased substantially during 1970 with every indication of still greater increases in 1971 and subsequent years. Crude oil exports were 34.8 million barrels higher to a total of 203.0 million barrels, and exports of natural gas rose to 631.7 billion cubic feet from 530.8 billion cubic feet.

Footage drilled in 1970 was lower than in 1969 – 7.6 million feet. Wells drilled in the Province totalled a decrease of 172 from the 1969 total. At the end of 1970 there were 14,020 oil wells, 2,990 producing gas wells, and 1,675 capped gas wells. Reserves at December 31, 1969 were 9.89 billion barrels of crude oil and gas liquids, 45.2 trillion cubic feet of natural gas and 165.3 million long tons of sulphur.

Twenty-one new gas processing plants went into production in 1970, bringing the total number in the Province to 136. Gathering pipe line facilities for oil and gas in Alberta were again increased during the year.

Production of coal during 1970 increased by 49.5% to a total of 6.6 million tons. Contracts with Japan, expected to run over the next 15 years, provided the large increase. Value of coal sales increased 93.3% to a total of $26.7 million.

The value of forest production for the last fiscal year totalled $44.6 million dollars, a level expected to be equalled this year.

*Industrial Development*

The following table illustrates the level of activity in selected industries in the Province in 1970 and compares this year's results with the previous year. (Tableau disponible dans la version PDF)

The value of manufacturing shipments again showed an increase over 1969 performance. Food and beverage industry recorded substantial dollar gains and accounted for most of the expected $86 million increase in value of shipments.

Engineering construction, the biggest component of the value of construction work performed was expected to exceed 1969 performance by $100 million. Building construction on the other hand did not achieve a level equal to 1969.

To date the value of building permits shows a decline of $35 million for the province from a year ago. The main reason for the slowdown was the reduction in the availability of mortgage funds. Improvement in the availability and cost of funds in recent months may be expected to result in an improvement in this sector. When availability of funds is no longer a concern the construction industry may well find itself operating at capacity. Lack of construction activity was a major contributor to labor unemployment in Alberta in 1970.

Mineral production, bolstered by increased petroleum and natural gas sales and by export sales of coal, contributed largely to the higher industrial production level achieved in 1970.

*Outlook*

It appears that the agricultural and construction industries may be expected to bear the brunt of slow economic conditions well into the new year.

The outlook for retail trade seems promising and consumers are expected to renew spending in the coming year. The impact of this should soon improve wholesale trade and have a buoyant effect on the general economy.

Prospects for petroleum and natural gas industries in 1971 are excellent. A combination of increased well-head prices and higher export quotas to the U.S. should provide gains in this industry equal to or better than those achieved in 1970.

1971 will bring a gradual recovery of the provincial economy to a period of sustained growth and near full employment.

*Alberta Resources Railway*

The Alberta Resources Railway commenced operations in early 1970, and approximately three-quarters of a million tons of coking coal were shipped over the line during the year. It is fully expected that this amount will soon be increased to an annual rate of 2,000,000 tons to meet the present contract between McIntyre Porcupine Mines and their Japanese customers.

In addition construction of a very substantial pulp mill will soon be commenced in the Grande Prairie area.

With these industries in operation there can be little doubt that important secondary industries will follow and our western region will become a very important sector of our provincial economy.

*Treasury Branches*

During 1970, the Treasury Branches further strengthened their position and continued to play an expanding role in providing a wide range of financial services to farmers, businessmen, industry, and a very large number of individual depositors and borrowers throughout Alberta. Deposits increased by 39 million dollars to a total of 243 million dollars, with the number of depositors growing from 137 thousand to 144 thousand. The number of borrowers increased by 3% to a total of 13.3 thousand with 115.9 million dollars on loan at the end of the year.

There are 72 Branches and 78 Agencies in operation in the Province, with additional areas being continually studied for possible new economic outlets for service. In 1970, Treasury Branches opened three offices and one office was closed.

The following statement shows in summary the results of the financial operations of the Treasury Branches for the last two fiscal years: (tableau disponible dans la version PDF)

**DEPARTMENTAL REORGANIZATION**

After much study the Government has developed a plan for the reorganization of public services, and legislation will be introduced to enable the creation of a new Department of the Environment; the amalgamation of the Departments of Health and Social Development; and the transfer of the functions of the Provincial Secretary's Department to other departments which can appropriately assimilate such services into their establishment. In addition authority will be requested to establish a number of commissions and authorities to perform certain very desirable activities.

The new Department of the Environment will assume responsibilities relating to pollution and water control. It will take over the functions of the present Water Resources Branch and the Division of Environmental Health Services, and will initiate research to determine the best methods of environmental control.

It is proposed to amalgamate the Departments of Health and Social Development into a new Department of Health and Social Services. Since both departments provide health and social services, it is considered feasible and desirable to combine the two into one portfolio. Since actual implementation of the amalgamation will take place later in the new fiscal year, this budget has retained Estimates for the present two Departments.

With respect to the Provincial Secretary’s Department the functions have been transferred to other departments and are so indicated in the Provincial Secretary’s Department in the Estimates. The most important feature of this change is the transfer of recreational and cultural activities to the Department of Youth, which will be re-named the Department of Culture, Youth and Recreation.

Legislation will be introduced to establish the Alberta Hospitals Commission which will assume the duties of supervising hospitals and similar institutions, and distributing Provincial grants to the governing boards. This function is presently performed by the Hospitals Services Division in the Department of Health. Also there will be a Task Force to study Urbanization for the Future, and an Environmental Conservation Authority. Active consideration is being given to the creation of a body to administer the affairs of the Northern regions of our Province in a comprehensive manner.

**SCOPE AND FUNCTIONS OF THE BUDGET**

Last year I mentioned the Honourable Members that, while for administrative convenience, the Budget is presented by Departments and appropriations, the underlying principles of Government philosophy cross Departmental lines and can be stated in four general terms; namely development of human resources, development of physical resources, general administration and financial administration.

These principles have been further developed and will become more apparent as legislation is introduced to implement the reorganized structure of Government administration in order to provide services in the manner which we consider most efficient for the benefit of our people.

**1- DEVELOPMENT OF HUMAN RESOURCES**

There is no question that Human Resources are our most valuable asset. The Government will vigorously pursue its policy of improving and enhancing the quality of life for our people, and practically all Departments perform at least some service towards this objective. The Departmental functions relating to the development of Human Resources are discussed in the following sections.

*Education*

The total amount provided in the Budget for Education is $426,533,600 which has been allocated as follows: (Tableau disponible dans la version PDF)

This total Education expenditure represents more than 35 % of our budget on operating and capital accounts combined.

In addition it is expected that capital loans of approximately $50,000,000 for construction of public schools will be made to school boards during the coming year from the Alberta Municipal Financing Corporation.

The Province's contribution to the operation of public schools will be increased $19,209,000 to a total of $217,509,000, and a further amount of $9,771,630 has been provided for operation of community colleges.

Full-time student enrolment at our three universities is now nearly 29,000, and is expected to increase to more than 30,300 next year. The Estimates include an appropriation of $89,500,000 in operating grants for the universities and $31,249,000 in capital grants.

Operation of the Northern and Southern Institutes of Technology will require $16,763,060 and an additional $400,000 has been provided to assist students in obtaining employment.

Revenues totalling $66,167,500 are expected from the Federal Government pursuant to our agreements with respect to the costs of post-secondary and vocational training.

*Health*

The Alberta Health Care Insurance Plan has now been in force for nearly two years and its operations are running quite smoothly and are proving to be of benefit to the residents of the Province. The Government's subsidization of rates for low income residents is expected to cost $6,300,000 which has been provided for in the Budget.

Legislation will be introduced at this Session to establish the Alberta Hospitals Services Commission which will supervise the affairs of health care institutions in Alberta and distribute Government payments to the governing boards. In this Budget we have provided $194,998,000 for the Commission to make payments to active treatment hospitals, auxiliary hospitals and nursing homes.

A wide scope of health services is available to the people of the Province. For care and treatment of mentally ill and handicapped patients we have provided a total sum of $27,501,100 compared to $25,950,000 last year. In addition the Public Works Department proposes to spend $3,128,500 on various types of construction at the hospitals caring for these patients.

Planning for the amalgamation of the Departments of Health and Social Development will continue, and during the year the appropriate allocation for the responsibilities of these services will be made.

*Department of The Environment*

Legislation will be introduced to create a new Department of The Environment. The new department will concern itself with the very important problem of pollution in all its aspects, and the beneficial control of our water resources. It will assume the duties and personnel presently attached to the Water Resources Branch of the Department of Agriculture, the pollution branch of the Department of Health, and institute research into all matters relating to pollution incidence and its contro1.

*Department of Social Development*

As a result of the present unemployment situation, the Department expects that demands for social allowances will increase substantially. There are presently nearly 30,000 cases receiving assistance involving a total of 80,000 persons. The appropriation for Public Assistance has been increased to $49,852,000 from $46,028,000 voted last year. Cases involving municipal responsibility have also increased, and provincial assistance in the area has been estimated to be $5,465,000 compared to $3,300,000 for the current year.

The cost of child welfare is expected to increase from $8,859,533 to $10,342,943. With the acquisition of girls' institutions from the Attorney General's Department, a total amount of $2,937,709 has been provided to administer our welfare homes and institutions.

*Provincial Secretary's Department*

It has been mentioned elsewhere in this Speech that the Government's extensive reorganization plan will result in the transfer of the responsibilities of this department to other appropriate departments. In the Estimates you will note the various transfers of responsibilities which have been made.

A modest amount remains in the Department to provide for necessary administration costs in winding up its affairs.

*Executive Council*

Attached to the Executive Council are a number of Authorities whose responsibilities are to study and promote projects for human betterment in the Province. The Human Resources Research Council is taking a leading role in this research, and $700,000 has been provided to permit the Council to continue its work.

The Human Resources Development Authority is working with Federal officials to develop programs in special depressed areas. A total amount of $8,709,560 has been included in the Estimates to assist native people to adjust to development in their areas, and to provide assistance and development in Lesser Slave Lake and other depressed regions. Agreements have not been finalized with the Federal Government in all aspects of these programs, but it is expected that much of this cost will be shareable.

The Division of Alcoholism has been transferred from the Department of Health and will now operate under the direction of the Executive Council with an appropriation of $1,200,000.

Two new authorities -- Environment Conservation Authority and Task Force on Urbanization and the Future will conduct their respective research and studies, and make reports to the Executive Council.

*Department of Lands and Forests*

Many Provincial Parks are being maintained for enjoyment and recreation for the people of the Province. Attesting to the popularity of these Parks, nearly 5,200,000 visitors made use of them in 1970. Further development will be undertaken and $1,671,000 has been included in the Departments Capital estimates and in the Public Works Capital Estimates' for this purpose. In addition the sum of $2,888,930 has been provided' in the Department to operate the present Parks.

*Department of Municipal Affairs*

The availability of adequate housing for the people of the Province continues to hold a high priority in the Government's policies. The Alberta Housing Corporation has been established to implement this policy, and with capital funds apparently somewhat more readily available at some reduction in interest charges, the Corporation has made plans for an extensive program of providing housing to people throughout the Province, with emphasis on land assembly, public housing, northern housing and accommodation for senior citizens. A feature which is being closely examined is a program of making loans to individuals for the purpose of acquiring housing.

The Corporation estimates that it may require $21,000,000 in loans to carry out its capital programs. These funds will be obtained from Central Mortgage and Housing Corporation and advances from the Provincial Treasurer.

In addition to its capital programs, an appropriation of $7,162,119 has been included in the Department to provide grants and subsidies with respect to public housing, interest on debt, and general administration.

*Department of Culture, Youth and Recreation*

Legislation will be introduced at this Session to change the name of the Department of Youth to be the Department of Culture, Youth and Recreation. Additional responsibilities will be transferred from the Provincial Secretary's Department and will include administration of Cultural Development, Jubilee Auditoriums in Edmonton and Calgary, Provincial Museum and Archives and the Glenbow Alberta Institute.

These transferred duties will nearly double the Department's vote from $2,819,260 this year to a total of $5,394,310 for next year.

**2 - DEVELOPMENT OF PHYSICAL RESOURCES**

In order to develop our human resources we must have the tools acquired through development of our physical resources. The Government recognizes its responsibility in this area and has encouraged the orderly development of our natural resources and expansion of industry through policies carried out by the Departments of Mines and Minerals, Lands and Forests, Agriculture and Industry and Tourism.

To keep pace with industrial growth; highways, bridges and public buildings are essential and the Departments of Highways and Transport, and Public Works are responsible for such construction.

The following sections elaborate somewhat on these responsibilities and indicate the funds allotted for these essential services.

*Department of Agriculture*

Some of the responsibilities of the Department have been transferred to other departments. Those functions relating to our water resources have been taken over by the new Department of The Environment, and ARDA and similar programs have been transferred to the Human Resources Development Authority in the Executive Council.

The remaining programs on both income and capital accounts will total $15,662,530 and will provide increased funds for the Department's programs to assist the agricultural industry.

In addition to the appropriations of the Department of Agriculture farm families also derive substantial benefits from grants paid by the Department of Highways and Transport to rural municipalities and counties for roads and bridges, and by the Department of Education for school bus transportation. A number of other appropriations in various Departments also provide direct benefits to the farming population of the Province.

*Department of Lands and Forests*

Management and conservation of our forests will require appropriations totalling $12,173,000 for next year, and a further amount of $2,222,500 has been included for administration of our Fish and Wildlife Division.

Forest fires again proved a threat to our natural resources and nearly five million dollars were spent last year to combat this menace which destroyed 143,000 acres of forested land. Arrangements are being made with municipalities with the purpose of instituting joint effort in locating fires at an early stage.

Grazing leases on public lands continue to increase and satisfactory financial arrangements are being made with municipalities regarding leases and taxes.

*Department of Industry and Tourism*

The estimates for the Department of Industry and Tourism will show an increase of $253,480 to a total of $3,551,670. More comprehensive efforts will be made to assist industry in the Province through publicity and research.

Legislation will be introduced to establish a program of capital .assistance to small industrial firms throughout the Province, with some preference given to those firms outside the large urban areas. In our statutory payments we have provided $3,000,000 to initiate this program.

*Department of Public Works*

The Department will undertake a construction program amounting to $49,255,200 designed to continue or complete those buildings under construction and to commence or complete those buildings considered to be essential to provide facilities for government services. Included is a lump sum of $6,200,000 being Alberta's share of the Federal-Provincial Special Development Loan Program. This amount will be borrowed and used for a number of projects presently being compiled and designed to relieve unemployment in the Province.

The following table shows the program of construction planned by the Department for next year: (Tableau disponible dans la version PDF)

The Income Section of the Department's expenditures provides fun for the maintenance of all government buildings, and includes $3,500,000 for payments to municipalities as grants in lieu of property taxes.

*Department of Mines and Minerals*

The Department which supervises the development of our petroleum natural gas and mining activities will again require a modest increase of $119,250 to a total vote of $2,342,980.

Having regard to the greatly reduced interest presently indicated in our sales of leases and reservations for petroleum and natural gas, the estimated revenue from this source has been reduced from $75,000,000 to $41,400,000. However, firm indications for substantially increased sales of these products, particularly to the United States will greatly increase our royalties which have been estimated at $170,000,000 compared to $120,000,000 last year. Rentals and fees show a modest increase to $58,000,000.

*Executive Council*

Two agencies which play a leading role in connection with the development of our natural resources are the Oil and Gas Conservation Board and the Research Council of Alberta. The appropriation for the former has been increased by $383,000 to $1,800,000, and $3,510,947 has been allotted to the latter to continue its research and studies into matters relating to improvements in the use of our physical assets.

*Department of Highways and Transport*

In the capital section the usual appropriations have been included to assure the continuance of our network of modern highways. A significant appropriation has been added which will provide $8,000,000 for the commencement of a program of construction of secondary roads which will be of great value and convenience to our municipalities.

In the income section funds have been appropriated to maintain our highways and bridges, to provide a major portion of road costs to rural municipalities, and to make grants available to cities for construction of certain transportation facilities.

Motor vehicle licences and fees are expected to yield revenue of $27,368,000.

**3 - GENERAL ADMINISTRATION**

A substantial number of items in the Budget are not clearly associated with the development of human resources or the development of physical resources, but nevertheless are essential for law enforcement, public safety inspection and regulations. These functions may be grouped under the heading of general administration, and are the responsibility of the Attorney General's Department, the Department of Labor, and certain sections in Legislation and Executive Council.

*Attorney General's Department*

The Attorney General's Department will take over the functions of the Companies Branch, Insurance Branch and Alberta Racing Commission from the Provincial Secretary's Department. The cost of these branches together with increased amounts provided for its present services will bring the Department's estimates to a total of $27,620,445, an increase of $1,715,715 over the estimate for the current year.

After allowing for the cost of administering the Girls Institution being transferred to the Department of Social Development, the cost of correctional care has been estimated at $8,958,070, a comparative increase of $489,740. The cost of R.C.M.P. protection will increase by $465,950 to a total of $6,333,000, and the provision of public defence will require an additional $97,400 to $705,100.

*Department of Labour*

The Department of Labour will continue its many services to promote safety and ensure a high standard of qualifications for tradesmen. The apprenticeship training program is a notable feature of the practical educational services supervised by the Department.

In the Government reorganization several branches have been transferred to the Department of Labour. It will take over the administration of The Credit and Loan Agreements Act from the Treasury Department; The Fire Prevention Act and The Amusements Act from the Provincial Secretary's Department; and the plumbing inspection branch from the Department of Health.

*Other*

Certain general functions of the Government are included in the votes for Executive Council and Legislation. Payments under the Public Service and Local Authorities Pension Boards, will require $10,430,000. Under legislation we have provided $1,014,466 for the operation of the Provincial Auditor's office and $2,383,125 for the Data Processing Centre which is placing an ever increasing number of Government programs on the computer.

Receipts from employers and employees under the Public Service and Local Authorities Pension Boards are estimated to total $19,700,000 for next year.

**4 - FINANCIAL ADMINISTRATION**

Financial Administration is mainly the responsibility of the Treasury Department. In dealing with this subject I propose to discuss Federal-Provincial Fiscal Arrangements, the Public Debt of the Province, the Public Accounts for the fiscal year ended March 31, 1970 and some details of the estimates of the Treasury Department.

Following these sections are tables dealing with departmental estimates in total figures.

*Federal-Provincial Fiscal Arrangements*

Last year the Minister of Finance for Canada and the Provincial Ministers of Finance and Treasurers agreed to meet on a quarterly basis to discuss matters of concern to all governments; namely fiscal arrangements and finance. Discussions have taken place on equalization of revenues and cost-sharing programs, and the Honourable Members will recall that in my Budget Speech last year I appended a copy of the Government's position dealing chiefly with shared-cost programs and tax-sharing. Undoubtedly the most important matter now under discussion is the Federal White Paper on Tax Reform having regard to its impact on the Canadian economy, and the division of tax collections between the Federal Government and the Provinces.

The Government has released five statements outlining its position on the White Paper. These statements are summarized as follows:

1 - February, 1970- General statement indicating that Alberta intended to file a brief expressing its concern on some of the proposals in the White Paper.

2 - June, 1970- Main brief commenting on the proposals in the White Paper.

3 - September, 1970- Supplementary statement commenting on suggestions by the Minister of Finance for revisions in the proposals with respect to the mining industry.

4 - December, 1970- The Government's reactions to the reports by the Commons and Senate Committees on the proposals.

5 - February, 1971- Tabulation statement showing the main proposals of the White Paper and the reactions of the Commons Committee, the Senate Committee and Alberta to each proposal.

We are having printed a consolidation of the above five statements into a single volume which I fully expect will be available in time to be tabled at this Session and also to be made available to the public.

*Public Debt*

A major portion of our estimated capital expenditures will have to be financed by borrowing, and the cost of this borrowing, including provision for sinking funds, has increased our debt charges by $6,705,000 to $12,650,000. An additional sum of $1,902,000 will be required to redeem debt which will mature next year.

The following table shows our net direct and guaranteed debt at March 31, 1970 with a comparison to similar debt at March 31, 1969. (tableau disponible dans la version PDF)

*Public Accounts 1969-70*

The Public Accounts of the Province for the fiscal year ended March 31, 1970 have been tabled and are available to the public. They provide detailed information on the financial operations of the Government and its agencies for the year under review.

The Public Accounts show a surplus of $95,188,752 on income account. This amount, together with capital receipts of $24,265,557 was applied towards total capital expenditures of $148,353,241. The remaining deficit of $28,898,932 was financed from our reserves and partly from borrowing.

This deficit of $28,898,932 compares favorably to my estimated budget deficit of $34,112,815 for the year.

*Treasury Department*

Despite serious unemployment conditions, personal income tax continues to show growth, although corporate profits are down. Taking these two factors into consideration, and allowing for some prospective economic growth in 1971, receipts from The Alberta Income Tax Act are estimated to increase by nearly $20,000,000 to a total of $242,000,000.

We have estimated a yield of $23,899,500 in interest from our reserves, and profits from the Alberta Liquor Control Board are expected to increase by $4,325,000 to a total of $61,000,000, while tobacco taxes should increase from $11,000,000 to $12,000,000.

With the transfer of taxation offices from the Provincial Secretary's Department to the Treasury, revenue of $80,500,000 is estimated under The Fuel Oil Tax Act and an additional $7,300,000 in Pari-Mutuel taxes and taxes under The Insurance Corporations Tax Act. Administration of these taxation offices will also become the responsibility of the Treasury Department.

Income tax rebates to utility companies for the benefit of their consumers will require an appropriation of $9,750,000, and a further amount of $8,000,000 has been provided to refund Alberta's share of Federal estate taxes to estates of deceased Alberta residents.

Legislation will be introduced with respect to placing a ceiling on grants to municipalities under The Municipal Assistance Act, and $38,000,000 has been included in the Estimates of the Department to reflect this legislation.

Homeowners tax discounts are expected to cost an additional $2,495,000 to a total of $16,324,000.

In addition to the estimates to be voted by The Appropriation Act, certain funds will be spent under their authorizing statutes. These are expected to total $24,500,000 including $10,000,000 in advances under The Alberta Housing Act; $10,000,000 in loans to municipalities for the acquisition of land for road development as provided in The Municipal Land Loans Act; and $3,000,000 to initiate a program of industrial incentives.

In accordance with the intentions set out in the amending legislation to The Treasury Branches Act last year, the administration of the Treasury Branches is now the responsibility of the Superintendent and his staff, and the receipts and payments are not now required to be in our Budget. The operations are still subject to an annual audit by the Provincial Auditor, and statements of accounts will appear in the Public Accounts.

*Estimates - Fiscal Year Ending March 31, 1972*

Copies of the Estimates of Revenue and Expenditure for the fiscal Year ending March 31, 1972 have been tabled and distributed to the Honourable Members.

The Estimates are summarized as follows: (Tableau disponible dans la version PDF)

The following tables show our estimated revenue and expenditure y Departments with a comparison to the amounts estimated last year.

**ESTIMATED REVENUE - INCOME ACCOUNT**

(Tableau disponible dans la version PDF)

In addition to the foregoing statement of departmental revenue, I think it would be of interest to show the main sources from which the revenue is obtained and to compare those revenues with last year's figures.

(Tableaux et graphiques disponibles dans la version PDF)

**FISCAL ASSISTANCE TO MUNICIPALITIES**

As in past years I have appended to this Budget a statement showing the main categories of financial assistance to our local authorities The statement shows the amount of such assistance for the twenty-two years ending March 31, 1972, with the total of this assistance being, $3,532,483,358. I think it is noteworthy to also show that the total of our over-all budgets for the same period of years is $10,079,194,155.

It may also be noted that the statement attempts to show only those services in which the Government is involved fairly directly with the financial affairs of our local governments. It is a matter of record that year after year our total budget is prepared and appropriated for the' benefit of all residents of our Province.

**CONCLUSION**

Throughout the relatively brief span of our history the people of Alberta have always shown remarkable energy, initiative and ability to cope successfully with many and often sweeping social and economic changes.

The people of Alberta have always welcomed new and constructive ideas and have never been afraid to meet the challenge and the condition; of the times through which the Province has passed.

In 1905 the new Province of Alberta was a remote little-known region of Canada inhabited by scattered settlements of pioneers that were struggling against considerable odds to develop a viable economy and a free and; secure way of life.

Today Alberta is well known far beyond our borders for the rapid progress and the many achievements which have marked our development in many fields of endeavor. Our system of local government, our schools and hospitals, our program for the development of natural resources, our transportation and communication facilities and other features are often regarded by other jurisdictions both in and out of Canada as models for study and guidance. Albertans can claim many proud records of leadership and accomplishment.

As always the people of Alberta look to the future with confidence and optimism knowing that the Province is still in the early stages of growth and expansion. The decade ahead and indeed the rest of this century hold bright and exciting opportunities and prospects for Alberta which our people are willing and eager to pursue.

In harmony with the vision and objectives of the people of Alberta the Government which they have elected is committed to programs and policies which will continue and advance the development of our great human potential.

The budget which I am presenting today not only makes provision for maintaining the standards and the levels of performance already achieved, but also includes provision for new programs to encourage and foster further growth and productivity and to deal more adequately with specific current problems such as pollution and unemployment.

It is a Budget which will enable Alberta to experience further: satisfactory growth and development during the year ahead.

Mr. Speaker I move that you do now leave the chair.