

**Not so opulent**

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*(Abridged version of "Recycled Misinformation"; shortened to meet CH letters length requirement)*

**Christopher J. Nicol**

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Dear Editor,

Re: "A pox on the PST", *Calgary Herald* Editorial page A9, September 28, 2013. You reiterate the tired statistic that operating grants to the Alberta post-secondary system have increased by 45.9% over the past ten years. This figure you also quoted in Editorial of June 1, 2013, and is one which the Government often trots out, as well.

At the time of your earlier article, I pointed out to you that Statistics Canada data show growth of 46.7% in student numbers in the Alberta post-secondary system over the same period, accompanied by an increase in the CPI of 21.4% over a similar period. One can start to see why the 45.9% increase is not so opulent.

Your article also makes much of how it is a spending problem which exists in Alberta, not a revenue one. However, dependence on volatile natural resource royalties is a major source of the Government's revenue problem. Earlier this year, Premier Redford acknowledged this when the issue of a Provincial sales tax was mooted by a number of policy advisors, including Professor Mintz, when meeting with politicians, contrary to Doug Griffiths' claim that "there has not been one discussion of a sales tax".

There is a lot of demand for public services. This is exacerbated through population growth: 4M now resident in Alberta. Canada's population, at over 35M, increase by 32.4% over the past thirty years, whereas the population of Alberta grew by 50.8% over the same period. With prices having risen by 110% over the same period, one starts to see why spending on services might rise over time

*Dr. Christopher J. Nicol, Professor of Economics,  
University of Lethbridge,  
September 30, 2013.*