

Natural Resources**WESTERN PROVINCES' RESOURCES.**

Representatives of the three prairie provinces have arranged to confer with members of the Dominion Government in Ottawa on November 13th upon the old and vexed question of natural resources. When this question first arose, a good many years ago, it was a comparatively simple one, the provinces asking that they be given the right to administer their own natural resources. The Dominion, having always controlled these resources, notably the lands of the provinces, was for a long time reluctant to relinquish that control, largely because the provinces lacked the means and the organization necessary to the business of administration, including immigration, and because the passing of this control meant, from the standpoint of practical politics, a concession of no small moment. A promise was, however, made, and was incorporated as a plank in the Conservative platform ten years ago, and that promise would have been fulfilled had not the question assumed a different and more complicated form. When the matter came to be discussed among representatives of the Dominion and Provincial Governments, the western delegates asked, not only for the transfer of the remaining lands, but also for compensation for all the resources alienated during the long period of Federal administration. The cost of this administration had been borne, not by the provinces directly concerned, which were in process of development, but, chiefly, at all events, by the older provinces, and these older provinces promptly put in a claim for consideration. The situation thus created was one which called for some reflection, involving, as it did, a new proposition and a formidable claim upon the treasury.

The present Government made an early effort to re-open negotiations with the western provinces, and, in the case of Manitoba, a tentative basis of settlement was reached. Manitoba asks for the transfer of such resources as remain vested in the Crown and for compensation for all lands, etc., alienated by the Dominion, allowances being made for the cost of administration and for the annual subsidies granted by the Dominion in lieu of lands. The claims of Alberta and Saskatchewan are substantially similar and do not appear to be affected materially by the fact that these provinces were not established until 1905. No basis of settlement in regard to these two provinces has been reached, though it is understood in the West that the principle of compensation has been admitted by the King Government. It is to be noted in this regard that the resources referred to as having been alienated are just as much and just as truly a part of the provincial wealth as if they had been disposed of by the provinces. They have not been taken away, and their development has contributed directly and in large measure to the prosperity of the provinces. The claim for compensation appears to be founded upon the assumption that the proceeds from the alienation of natural resources, including lands, have been devoted to the general purposes of the Dominion.

If the principle of compensation is admitted, the settlement becomes one of bookkeeping, the tabulation of contra accounts and the discovery of a balance upon one side or the other. The provinces assume that such balance will be largely in their favor and they may be right, but if full allowance is to be made for the cost of administration, a cost which will cover practically the whole of the activities of the Department of the Interior, including immigration, and if allowance is to be made also for the cash subsidies paid annually by the Dominion, the balance to be handed over to the provinces is likely to be disappointingly small. Then there is the claim put forward by the older provinces and which they are not likely to waive.