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PREMIER'S OFFICE
SASKATCHEWAN

Regina, January 17, 1950

The Honourable W. L. Mackenzie King,
Prime Minister of Canada,
Ottawa, Ontario.

Dear Sir:

I beg to acknowledge receipt of your letter of December 31st containing your reply to the memorial of the Province of Saskatchewan dated the tenth day of December and outlining the terms on which the Federal Government is prepared to restore to Saskatchewan its territorial rights, and the method by which the compensation payable to it for the alienation of its lands and resources in the past may be adjusted. I am pleased to note that by these negotiations we have made a distinct step forward and that in addition to the return of our natural resources and the continuation of our annual subsidy in perpetuity as offered in your previous letter of October 4th, 1929, you now offer Saskatchewan for the first time a Commission to consider the question whether any, and, if any, what consideration in addition to the said annual subsidies should be paid to the Province in order that it may be placed in a position of equality with the other Provinces of Confederation with respect to the administration and control of its natural resources as from its entrance into Confederation in 1905.

We also note and appreciate your offer now made for the first time to co-operate with us in obtaining a legal decision on the claims of the Province of Saskatchewan for compensation for all alienations between 1870 and 1905 by referring appropriate questions to the Supreme Court of Canada and from there if deemed advisable to the Judicial Committee of the Privy Council.

I fully appreciate and as fully reciprocate the desire expressed by you for a quick adjustment of this long-outstanding question. I would prefer that such adjustment should be made amicably and by a Commission rather than by a decision of the Privy Council if the two Governments can agree upon the fundamentals necessary to such an amicable agreement. The Government of Saskatchewan feels that such adjustments and agreements should be made as will place the Province of Saskatchewan in the position in which it would have been had it come into Confederation in 1870, vested with the ownership and control of its natural resources to the same extent and with the same rights and limitations as have always prevailed in the case of Ontario, Quebec, Nova Scotia and New Brunswick when they entered into the Union in 1867. We believe that it was one of the fundamental principles of Confederation that each province should enjoy, as a source of revenue, the administration and control of the Crown lands, mines and minerals within its territory and of all royalties incident thereto.

**POOR
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W.L. Mackenzie King Papers
Memoranda & Notes

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