

No action in the direction of increasing the subsidies was however taken at that time; but on September 10, 1906, the Prime Minister of Canada, Sir Wilfrid Laurier, at the request of the Provincial Governments, convened an interprovincial conference at Ottawa, which was accordingly held there from October 8 to 13, 1906, all the nine provinces of the Dominion being represented by their respective Ministers. On October 10 this conference resolved that the subject matter of the resolutions adopted by the Quebec conference of 1902 be pressed upon the Government of the Dominion for immediate and favourable action.

On the same date the Hon. Richard McBride, premier of British Columbia, presented a memorandum as to the claims of that province for special consideration in connection with the subsidies payable, which included a request by his Government for the appointment of a commission to inquire into the financial relations between the Dominion and the province.

On October 12 Sir Wilfrid Laurier announced that the Government of Canada could not at that stage accede to the request of the Government of British Columbia for the appointment of a commission; but he suggested that the question should be discussed by the members of the interprovincial conference and that if possible an agreement should be arrived at by them before anything further was done with regard to it by the Government of Canada. This suggestion was acted upon, when the proposal made by the Prime Minister of British Columbia for the appointment of a commission failed to receive support from the representatives of the other provinces, and a resolution was passed that in the opinion of the conference it was inadvisable that the claim in the way of subsidies of any province be referred to arbitration.

Next day, October 13, the interprovincial conference agreed upon a basis for a final and unalterable settlement of the amounts to be yearly paid by the Dominion to the several provinces, and they passed a resolution to the effect that in view of the large area, geographical position and very exceptional physical features of the province of British Columbia it was their opinion that the province should receive an additional allowance of \$100,000 annually for ten years.<sup>1</sup>

These proposals were accepted by the Government of Canada, and on April 26, 1907, were embodied in an Address from the Parliament of Canada to H. M. the King. On August 9 the Imperial Parliament passed the British North America Act, 1907 (7 Edw. VII, ch. 11), which took effect as from July 1, 1907, and gave legal sanction to the changes asked for by Canada. The new annual subsidies, which replace those

<sup>1</sup> The Hon. Richard McBride, premier of British Columbia, declined to assent to the terms of this resolution.