

OIL IN ALBERTA—By Miss Strehel Walton

Alberta is the most westerly prairie province in Canada. Up to a few years ago, it was known for its wheat growing. That is changing very quickly, though it will probably always be a great wheat producing province. It is very sparsely settled, like all of Western Canada. One can stand almost anywhere in the province and look upon miles of wheat which stretch further than the eye can follow, with not a building in sight.

This huge province is also very rich in natural resources. Underneath the wheat fields are vast reserves of oil, gas and coal, and it may be many other minerals, for it is not explored to any extent.

At the present time this part of Canada is becoming known for its great exploration and development of oil, and what interests us as Georgists is the way the government is handling the oil.

Away back in 1887 the land laws were made for this part of the country by the federal government, and when there was set up a provincial government it took over these laws. At that time there was almost nobody living in the province and when men began to take up land to farm they were not given anything but the surface rights. The mineral rights were retained by the government, except for some grants to the Canadian Pacific Railway and the Hudson Bay Company. These grants amount to about 10 per cent. of all land, and the government still holds the 90 per cent of all land, consisting of about 147 million acres.

When an oil company wants to explore for oil in Alberta, it goes to the government instead of a private person and gets a grant to explore on a certain amount of land. Each company is allowed a reservation of 100,000 acres to explore for three years for which it pays the government a fee of \$250 for each

20,000 acres explored, and a deposit of \$2,500 for each 20,000 acres to guarantee that the exploration will be carried out. When the company finds the part it wishes to lease for drilling it is allowed only an acreage of blocks of nine sections, and a section is a mile square. The government puts up for auction the rest of the land which has been made very valuable by the exploration. This is to keep any one company from monopolising large tracts of land. The companies pay a rental of \$1.00 per acre per year, and the lease runs for 21 years. When oil is found they pay the government a royalty at about the rate of 12½ per cent of oil produced.

The farmer who owns the surface land above the oil legally has nothing to say whether the oil is drilled or not, but for the use of a few acres of land he receives about \$1,200 the first year and about \$300 to \$400 each year following.

This is a tremendous development for Alberta and Canada. We can't use all the oil that is being produced. Pipe lines are being built to carry the oil and gas thousands of miles to the U.S.A. and to Eastern Canada. This is only the beginning, and though the government got \$125,000,000 in the last three years, amounting to \$135 for every man, woman and child in the province it expects in two or three years the revenue from oil will pay all expenses of Alberta government. As readers may be aware, the natural resources of Canada in other minerals besides oil, such as iron, nickel and coal are tremendous, and just beginning to be explored. If it is possible to meet the expenses of one province from the oil revenue, what could we in Canada not do for ourselves and the whole world if we had the good sense to take all revenue from our natural resources for the people to whom in justice they belong.