

External Affairs  
Supplementary Paper

October 19, 1960.

No. 60/11 COLUMBIA WATERS AGREEMENT

The Prime Minister, the Right Honourable John G. Diefenbaker, announced today that agreement has been reached with the United States on the basis for a treaty for the co-operative development of the Columbia River Basin.

The recommendations in the joint Progress Report submitted on September 28 by the Columbia River Negotiators will accordingly be taken as the basis for the drafting of the necessary Treaty with the United States. The Chairman of the Canadian negotiating group is the Honourable E. D. Fulton.

Confirmation that the recommendations have been accepted as the basis for the drafting of a Treaty is embodied in an Exchange of Notes dated October 19, 1960, between the United States Secretary of State and the Canadian Ambassador in Washington.

The Prime Minister stated that a term of at least 60 years had been recommended for the Treaty in order to provide for a sufficient period of certainty.

Mr. Diefenbaker explained that the Report recommends the construction of dams at or near Mica Creek on the Columbia River and at the outlet of Arrow Lakes and the outlet of Duncan Lake in the West Kootenay. These dams would create reservoirs in Canada which would provide storage of fifteen and one-half million acre feet of water. The water would be released under an agreed plan of operation designed to regulate the flow of the Columbia River for the purpose of improving hydro-electric production and flood control protection downstream. In its natural state the flow of the Columbia River at the border can vary as much as 40 to 1 because of seasonal fluctuations. Control reservoirs can, as a result, very greatly increase the amount of power that can be produced to meet industrial and domestic needs.

In return for this regulated storage Canada would receive, in kind, one-half of the increase in hydro-electric power downstream in the United States attributable to the operation of the Canadian storages during the period of the Treaty. In addition, the United States would pay to Canada an amount of money equivalent to one-half of the estimated savings from flood damage downstream in the United States attributable to Canadian storage during the same period.

The total of flood control payments to Canada under the recommendations have been tentatively estimated at about 65 million dollars with the annual investment value of these payments being some \$3,800,000.

It is estimated that, when construction of the Canadian storage is completed, about 1970, Canada's share of the downstream power benefits would be approximately one and one-quarter million kilowatts of firm capacity and over six billion kilowatt hours of annual usable hydro-electric energy.