

The Canadian Government wishes to facilitate the present undertaking and is, therefore, not disposed to require that compensating works be constructed to prevent the lowering of water levels. With the expected increase in Great Lakes traffic, however, the Canadian Government may wish at some future date to make improvements to the Canadian lock at Sault Ste. Marie (including access channels). The Canadian Government, in giving approval to the present dredging plans, assumes that the Government of the United States will, for its part, be willing to facilitate in a similar manner the construction by Canada of improvements to the Canadian canal facilities at Sault Ste. Marie if and when Canada considers such work necessary.

Having regard to the forgoing, the Canadian Government is pleased to approve the project as outlined in the Ambassador's Note No. 143, subject to the following conditions:

- (a) That the final plans for the construction of the channels, including plans for spoil disposal areas, shall be approved by the Canadian authorities;
- (b) That drilling, excavations, the deposit of dredged and excavated materials shall not be carried out in Canadian territory by any United States agencies or contractors until such time as the Canadian authorities have made arrangements for the admission of personnel and equipment;
- (c) That the Unemployment Insurance Act of Canada, and regulations thereunder, will apply to any Canadian workmen who may be employed on this project if they are employed on Canadian territory by a contractor (not by the United States Army Corps of Engineers) and cannot be covered under any employment insurance law of the United States; if any Canadian workmen are employed directly by the United States Army Corps of Engineers the arrangement whereby the United States armed forces will insure Canadian employees from July 1, 1956 will apply;
- (d) That the United States authorities will ensure that the necessary arrangements are made with the authorities of the Province of Ontario concerning the Workmen's Compensation Act of that Province;
- (e) That the United States authorities will ensure, in a manner satisfactory to the Canadian authorities, that the contractor or contractors for this work will as a matter of contract responsibility be required to: (1) perform and complete the work in accordance with the plans and specifications as approved by the Canadian authorities; (2) be responsible for all damages to persons or property that occur as a result of their fault or negligence in connection with the prosecution of the work; (3) carry adequate insurance commensurate with that responsibility; (4) satisfy the requirements of the applicable Canadian law;
- (f) That the work to be carried out in Canadian territory shall be without prejudice to the sovereign rights of Canada;
- (g) That during the progress of the work, and subsequent thereto, such soundings, gaugings and meterings shall be carried out by the United States authorities as the Canadian authorities may require, and the Canadian authorities kept informed of the results obtained; authorized Canadian Government representatives shall be free at all times to inspect the work during progress, and shall be permitted to continue to make such check surveys with soundings, meterings and gaugings, in any part of the St. Mary's and St. Clair Rivers as may be considered desirable at any time;