

OTTAWA, August 6, 1963

Dear General McNaughton:

I want to tell you how much I have appreciated the assistance you have provided to me during the three discussions on the Columbia River Treaty which have been held in my office during recent weeks. The development of the Columbia River for hydro-electric power and flood control protection is of course a very technical and detailed subject, and having the benefit of your opinions has greatly assisted me in orienting myself.

On a subject of such complexity and concerning which there are so many divergent interests, it is inevitable that there will be bona fide differences of opinion among those who are genuinely seeking to move forward the best interests of our country. In the result an international agreement will reflect a composite of views rather than all the ideas of any single individual.

Your opinions on the Columbia River Treaty quite rightly carry a great deal of weight, not only with myself but throughout this country. It is for this reason that I am deeply concerned over your criticism of some of the provisions of the Treaty. On the basis of what has been stated at our meetings I would like to summarize very briefly some of your major objections to the Treaty and then set out comments and questions on what actions might possibly be taken in this regard.

The paper which you distributed at our meeting on the 18th of July dwelt on three basic issues. The first of these concerned the problem of what projects should be constructed in the Columbia River basin in Canada. You objected to the Treaty projects of High Arrow and Libby and suggested as an alternative the Bull River-Luxor projects in the Upper Columbia and East Kootenay Valleys. This is a suggestion which has of course received a great deal of attention and which was debated in detail during the Treaty negotiations themselves. The problem associated with such a suggested change of projects, aside altogether from the conclusions of engineering firms which support the High Arrow development, is the problem of jurisdiction. From the records which are available, it would appear that the Province of British Columbia, which under the British North America Act has jurisdiction over the water resources of that Province, considered the alternatives and then selected the present Treaty projects for inclusion in a co-operative plan of development. You yourself have testified that once the responsible government has reached a decision that a certain project cannot be built, it is idle exercise to go on considering it. This would now appear to be the case with the Dorr, Bull River-Luxor reservoirs and, in the absence of any indication from the Province that they are prepared to reconsider their decision, I can see no practical alternative but to accept it. We can of course prevent objectionable developments of the Columbia River through our powers under the International River Improvements Act. However, on the basis of engineering evidence we would have no reasonable basis for doing this in the case of High Arrow. Moreover, while we can prevent certain developments we cannot insist that others should take place. I would certainly like to hear your views as to what action you would take in this problem of project selection. And perhaps you would also wish to consider whether the additional benefits achieved by such alternative projects are not secured at a cost so high that their value is dubious, as compared with the cost of an equivalent amount of power from other sources.

The second point covered by your paper of the 18th of July dealt with control of Canadian storages. In this instance we know that three separate engineering studies by respected engineering firms have concluded