

EXTERNAL AFFAIRS IN PARLIAMENT

Statements of Government Policy

St. Lawrence Seaway and Power Project

Federal-Ontario Power Agreement

On December 3, the Prime Minister, Mr. St. Laurent, tabled copies of an agreement signed with the Government of Ontario "respecting the development of hydro power in the International Rapids Section of the St. Lawrence River", which was to be submitted for approval to Parliament and to the Legislature of Ontario. He spoke as follows:

The agreement with Ontario has been concluded in the expectation that the United States will not participate in the Seaway Project, and it has been drawn up on the understanding that the navigation works will be undertaken by the Federal Government and will be entirely within Canada. It contemplates that Ontario will undertake the power development concurrently with an appropriate agency in the United States.

In such circumstances it is desirable that a firm agreement exist between Canada and Ontario in order that Canadian treaty obligations be fulfilled and that other interests in Canada should be safeguarded.

The undertakings on behalf of Ontario are broadly to develop the power resources of the International Rapids Section of the St. Lawrence River concurrently with an appropriate authority in the United States in accordance with the plan known as the "Controlled Single Stage Project (238-242)". This is the same plan as was advanced and made part of the Great Lakes-St. Lawrence Basin Agreement of 1941 between Canada and the United States. However, the Agreement provides that this plan may be modified as may be agreed upon between Canada and Ontario.

The Canadian Government, for its part, undertakes to do all in its power to obtain the approval of the International Joint Commission to an application to be made by Ontario in an acceptable form for authority from that international body to construct the necessary works. Under the Boundary Waters Treaty of 1909 this approval would be necessary since the International Rapids Section of the St. Lawrence River is a boundary water. Canada's undertaking in this respect is qualified, however, to the extent that its action must be consistent with its obligations under the Boundary Waters Treaty and that regard must be had for all Canadian interests in the St. Lawrence River.

Some of the other more important provisions may be enumerated briefly.

1. Canada will transfer to Ontario the administration of such lands belonging to Canada as are required for the Project, and Ontario will pay compensation for these except for lands or property forming part of the existing canal system.
2. Ontario will transfer to Canada the administration of such lands belonging to Ontario as are specified by Canada as being required for works to carry a deep waterway in the International Rapids Section.
3. Ontario will establish a commission to safeguard and enhance scenic beauty and historic associations in the Section to whatever extent may be appropriate.

It is recognized that, before all the agreements are consummated, as contemplated in this agreement, the Great Lakes-St. Lawrence Basin Agreement of 1941 between Canada and United States may be approved by Congress and by Parliament. In that event, it would be the intention of the Government to reconsider with the Government of Ontario the terms of the agreement signed today and to modify them