

*Diversion of Water*

Washington, and from the Canadian Minister to the United States, Washington, to the Secretary of State of the United States, Washington. They are tabled in English and French with the request that they be printed in to-morrow's *Votes and Proceedings*.

Along with them I desire to make the following statement:

1. The house is familiar with the provisions of the St. Lawrence agreement which was signed in March of this year, and with the exchange of notes which took place in October last.

2. Without embarking upon an explanation of the agreement, it may be observed that article VIII enables either country to divert water into the St. Lawrence watershed and to utilize the water so diverted for power purposes, so long as it remains a part of international waters.

Mr. MacNICOL: That is permanent then.

Mr. CRERAR: Article IX provides for the preservation of the scenic beauty of the Niagara falls and river, for the construction of remedial works, and for the efficient utilization and equitable apportionment of the waters of the Niagara to the extent that is consistent with the paramount need to preserve their scenic beauty.

3. Last October, to ensure continued acceleration of the supply of essential war materials, an agreement was made by exchange of notes, copies of which are to be found at pages 34 to 36 in the white paper tabled in the House of Commons on March 21. These notes provided for the bringing into force, in advance of a St. Lawrence agreement, of the provisions enabling Ontario to proceed with the Ogoki and Long Lake diversions and to utilize immediately 5,000 cubic feet per second of additional water at Niagara. This made it possible to develop immediately, using idle equipment, 70,000 horse-power.

4. The demand for power grows from day to day and from month to month. It is not a problem of static industry, it is one of constantly expanding production. Continuous expansion of production can only take place if there is corresponding expansion of hydro-electric power.

5. To meet this situation, a proposal has been made by the government of the United States of America, leading to the immediate further utilization of the water at Niagara. It involves the immediate diversion of 5,000 cubic feet per second on the United States side, which will produce 70,000 horse-power; and the immediate diversion of 3,000 cubic feet per second on the Canadian side, which

will produce 35,000 horse-power, mostly in the form of additional energy.

6. This proposal has been embodied in an exchange of notes which took place on May 20. It might be of service to hon. members if copies, in English and in French, were included in *Votes and Proceedings* of to-day. I am tabling them for that purpose.

7. This exchange is being submitted to the senate of the United States for approval to-day, and it is expected that its provisions will be put into effect to-day or to-morrow.

8. It provides for the immediate diversion of 5,000 cubic feet per second on the United States side and 3,000 cubic feet per second on the Canadian side. There is at present an idle plant on the United States side which can use 12,500 cubic feet per second. The maximum amount of additional water that can be effectively used in Canada, with existing equipment and under existing market conditions, is 3,000 cubic feet per second. That is the reason for the apparent discrepancy in this apportionment.

9. In substance, the exchange accelerates the provisions of the St. Lawrence agreement, whereunder additional power would be made available at Niagara, and it takes advantage of relatively high water conditions in the lakes to give effect to these provisions before the construction of the remedial works.

10. The agreement is subject to certain conditions. In the first place, it cannot extend beyond the duration of the present emergency; in the second place, it is subject to reconsideration by both governments on October 1, 1942; in the third place, it will be subject to the provisions of article IX of the Great Lakes-St. Lawrence basin development.

11. It will also be observed that the agreement enables the engineers of the two countries to proceed at once with the programme for remedial works.

12. When this proposal was first made to the Canadian government, the temporary Canadian Great Lakes-St. Lawrence basin committee was asked to report upon the question as to whether immediate increases in diversions of 5,000 cubic feet per second to the United States and 3,000 cubic feet per second to Canada would be detrimental or harmful to Canadian interests.

This committee, under the chairmanship of Mr. Guy A. Lindsay of the Department of Transport, and including in its membership the chairman and chief engineer of the Hydro-Electric Power Commission of Ontario, the vice-chairman of the Quebec Streams Commission and the legal adviser of the Department of External Affairs, has advised

[Mr. Crerar.]