

*Columbia River Treaty*

put forward its argument in favour of a two-river development, and that policy prevailed. The present government won its new mandate and the Peace river power project is going ahead. It will provide power for the domestic requirements of the province over the next ten years or so and, therefore, the benefits downstream on the Columbia become surplus to provincial requirements. Unless a favourable sales agreement could be made in the United States with respect to this downstream power the Columbia development was at an end. This was the only conclusion that could be reached after September 30 of last year when the provincial government decided to proceed with its Peace river development. For this reason a favourable sales agreement had to be achieved, otherwise all the work which had gone into the surveys and planning of the Columbia scheme would probably end up in pigeonholes with only historical interest attached to them.

But a sales agreement has been negotiated. Many questions have been asked by myself and by other members of the external affairs committee seeking assurances that the sales agreement does provide the provincial government with the money necessary for the construction of the three storage dams and also, as contended, leave a surplus sufficient to provide part of the cost of installing machinery at Mica creek. Assurances have been given to the committee to this effect by the Secretary of State for External Affairs (Mr. Martin) reinforced by the testimony of the chairman of the British Columbia power and hydro authority. There are some complex equations in these computations. Interest rates are used which we have to assume will be the correct ones, and so on; but on the face of the testimony given I feel the committee received assurances that the sale agreement will provide the benefits claimed for it in the white paper. This being so we can proceed confidently on the assumption that the development of the river will produce power at the very low costs which are claimed for the project. The assurances which we sought have been given and these assurances have been reinforced by government spokesmen and by statements from the engineering witnesses. So, in my judgment, we are able to support the ratification of this treaty.

I am, of course, fully aware that many of the critics remain critics; they have not changed their position. They have come to their decision honestly and earnestly. In many cases they hold their viewpoints passionately.

They feel something has been done which could have been done otherwise and better. I suppose it would have been possible to have written a better treaty in one set of circumstances. If there had been no boundary settlement in 1846 and if the Oregon territory had not wound up in the United States, and if there had never been a British North America Act separating the jurisdiction of the federal and provincial governments, especially in the field of resource development—in these circumstances we could have written an excellent treaty. Of course, in these circumstances we would not have needed a treaty; we could have developed the river ourselves.

However, those circumstances do not prevail. There has been, throughout, a realization that there would have to be a reconciliation of the rights and interests, not just of Canada and the United States but of the federal government in Canada and the provincial government in British Columbia. There was a realization that inevitably there would have to be compromises made, but always seeking to secure a net advantage for Canada and to make sure that the advantages derived would be far greater than could be achieved by any other means. Mr. Fulton explained very clearly in his testimony several times that it was the purpose of getting the maximum net advantage for Canada that motivated him and the other federal negotiators at that time.

We have heard about many alternative sequences of development. Undoubtedly those who claim that there are better methods of development feel that the government of Canada could have disregarded the wishes, interests and rights of the provincial government and imposed its will on that government in order to secure development along other lines. Surely if there is any validity in the federal system of government, surely if there is any validity in the claims of the provinces with regard to their jurisdiction over their lands and resources, the federal government must take into account the wishes of the province concerned in negotiating an agreement of this kind.

The immense magnitude of the program is most apparent, as are the changes in the face of the land that are bound to take place. It was known from the beginning that, regardless of what sequence of development was chosen the changes would be of such magnitude that the face of the land in the Columbia basin would be altered, that immense areas would have to be flooded, that there would be