

Columbia River, B.C.; investigation of economic feasibility
of partial diversion of waters to the Fraser River

34. The Minister of Northern Affairs and National Resources considered that arrangements made in the next few years for the control and use of the waters of the Columbia River system would be of the greatest importance to the economy of British Columbia and of Canada generally. The Columbia Basin provided a major source of cheap energy available in perpetuity. The arrangements for its use and control were of equal significance to the United States and particularly the north Pacific states. Some of the issues involved had been outlined in connection with the agreement entered into by the B.C. government and the Kaiser Company for the construction of a regulating dam at the foot of the Arrow Lakes. That dam, however, involved only a fraction of the total water-use problem in the Columbia watershed. There were a number of other possible developments in the Columbia basin which would have important economic consequences. One of these possible projects was the storing of the flood waters on the upper Columbia by the erection of a dam at Mica Creek. It was thought to be possible to divert all or part of these flood waters through the Thompson into the Fraser River. If such a diversion were made, it would be possible to have the hydro-electric potential of the Columbia flood waters fully developed in Canada instead of having that potential partially developed in the United States. Such a diversion would undoubtedly give rise to a rather difficult situation between Canada and the United States, even though from a purely legal point of view there appeared to be no doubt that Canada was entitled to effect such a diversion.

The Chairman of the Canadian Section of the International Joint Commission had recommended that an amount of \$250,000 be included in the estimates of the Engineering and Water Resources Branch of the Department of Northern Affairs and National Resources in order that an investigation of the economic feasibility of the diversion might be undertaken during the coming year. It would be included in the usual vote for engineering studies of the Columbia.

Having regard to the very great importance to Canada in future years of low cost hydro-electric power, it would be imprudent not to investigate a possibility that might have the effect of yielding an enormous benefit to this country. Even if the diversions never were made, the knowledge that it could be done would be of value in negotiations with the U.S. In the circumstances and notwithstanding the certainty that vigorous protests may be expected from interests in the United States, it was recommended that approval be given to the inclusion of \$250,000 in the estimates for the abovementioned purpose.

An explanatory memorandum had been circulated.

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