

*Columbia River Treaty*

storage dams. Because this is so there has developed across Canada over a period of years, since the treaty was signed particularly, the impression that this was the whole, and the all, with regard to the Columbia development in Canada; that three storage dams were all that the Canadian people could anticipate from the Columbia; that they would provide for the generation of power in the United States and for flood control protection in the United States, and that would be the end of it.

Of course, Mr. Speaker, if that were so then there would be no justification for this house to waste very much of its time on this treaty. But it is not the case and never has been. I, and I imagine all of those who supported the former administration when the treaty was negotiated, appreciate the fact that the present administration has come around to the viewpoint that this treaty is a good one and does provide the foundation which is sought for the development of the Columbia in Canada. By creating storages on the river, by regulating its flow and by securing a 50 per cent return, as the treaty did, of downstream benefits either for power or flood control, a means was secured by which the construction of immense power development in Canada could be made economic on the most favourable terms—not at just favourable rates but at preferred rates, some of the lowest cost power in the world. We have had these assurances in the committee both from the minister of lands and resources of the province of British Columbia and from the chairman of the British Columbia hydro authority, that they saw the treaty as one which provided this potential and that it was a policy of the hydro authority to proceed with the further developments which make the project so attractive.

The installation of generators at Mica Creek, which Dr. Keenleyside said could take place very shortly after the construction of the dam at that point will lead to most substantial benefits. At one point we were told that 1.8 million kilowatts of power producing capacity would be made available at site at 1.5 mills. In order to appreciate this one has only to recall that in British Columbia now the average cost of power is somewhere in the region of five mills at site. Second, as the Columbia is developed this immense reserve of power incorporated in the B.C. power and hydro system will bring about a great reduction in the cost of

[Mr. Fleming (Okanagan-Revelstoke).]

power throughout the province. We should also realize that the Mica creek development is not the only one possible. Downstream from Mica at Downey creek, Revelstoke canyon, Murphy creek, on the Kootenay river and, possibly, at sites in east Kootenay, to mention only some of the possibilities, further installations can be built until some four million of kilowatts of capacity are generated in Canada at an average cost of two mills on site.

This, of course, was the objective throughout—to create for British Columbia the possibility of the total utilization of the river in Canada resulting in the production of power at low cost in order to make industry more competitive and enable industries which are high consumers of electric power to locate in the area, as well as providing electric power at low cost to agricultural users in those large farming areas where irrigation is the life blood of their existence and where the cost of pumping water is now so high.

There would be over the years throughout every aspect of life in British Columbia a new advantage gained through the availability of immense stores of power averaging in cost in the neighbourhood of two mills.

This was the objective, and this is what the treaty achieves. This is what the present administration is now prepared to recognize. Since the treaty was signed and the disagreement arose between the federal and the provincial governments after the signing, a new element has been added to our consideration of this question. This element has been added as a result of the decision of the government of British Columbia to proceed with the development of the Peace river project, its intention that the Peace river should provide British Columbia with its domestic power requirements for the next ten years and that the downstream power available under the treaty should be sold to the United States rather than returned to British Columbia in the form of power. This party when in government advocated strongly that the benefits be returned to British Columbia as power to serve the needs and industrial growth of the province over the next 10 or 15 years. However, that contention did not prevail.

In September last this question was taken to the people in a provincial election. The present administration in British Columbia