SESSIONAL PAPER No. 230

(c) In order that the South Sault Channel may be restored to its present status, the terms should include a provision to the effect that the submerged weir, if constructed, shall be removed within twelve months after the conclusion of the European War.

(d) There shall not be diverted from the St. Lawrence river by the St. Lawrence River Power Company a greater quantity of water daily than is at present being so diverted. This paragraph is not to be construed as admitting any right on the part of the St. Lawrence River Power Company, or of any other person or corporation, to divert water from the St. Lawrence river.

(e) The Canadian Government, being advised that it would be possible to develop some seven hundred thousand horse power from the waters of the St. Lawrence river in the vicinity of the Long Sault Rapids and recognizing that any such development could only proceed under agreement between the two countries, proposes for consideration that the two governments should take immediate steps jointly to prepare a scheme looking to such power development in the interests of the two countries. In the light of this possibility the Canadian Government is strongly of the opinion that no permanent project by private interests should be permitted at this time that would prevent or interfere with the carrying out of such a joint program by the two countries.

6. In conclusion the Government of Canada earnestly trusts that by means of such a conference between the two governments as is here proposed some mutually satisfactory solution of the matter may be reached; for it would look with the gravest concern upon any casual or hastily considered project that might have serious results upon the navigability of the great highway that constitutes Canada's main artery of communication and commerce. In this connection the Canadian Government would welcome further information concerning the circumstances and authority under which the dredging of Dodge's Shoal in the South Sault Channel, hereinbefore referred to, was undertaken, for even although it should appear, as alleged, that this change in the river bed will have no effect upon the navigability of the St. Lawrence river, yet in the view of this Government it is highly desirable, in the interest of the establishment of sound principles and rules for the development of the common boundary waters, that such projects of private companies should be submitted in advance to the International Joint Commission. The Canadian Government, which is advised that this dredging has already had the serious effect of lowering by at least five inches the water at the head of the Cornwall Canal, reserves for further attention any rights in respect thereof under existing treaties.

A similar reservation is made in respect of the proposed: ice boom—the construction of which is apparently contemplated without any consultation with the Canadian Government or reference to the International Joint Commission.

Ottawa, August 31, 1918.

P.C. 2145.

Certified copy of a Report of the Committee of the Privy Council, approved by His Excellency the Governor General on the 2nd September, 1918.

The Committee of the Privy Council, on the recommendation of the Right Honourable Sir George E. Foster, Acting Prime Minister, advise that the Honourable Arthur Meighen, Minister of the Interior, and the Honourable Arthur L. Sifton, Minister of Customs and Inland Revenue, be appointed to represent the Government of Canada, in the negotiations with the representatives of the United States Government concerning the application of the St. Lawrence River Power Company for approval of a project to construct certain works in the South Sault Channel of the St. Lawrence river.

RODOLPHE BOUDREAU,

Clerk of the Privy Council.