

of these projects can more than offset their total annual costs by 1991. The table is based on a decline in downstream power benefits at that time which may or may not occur to the extent assumed. In no event, however, can the projects after that point be net losers. They will, moreover, have served their purpose in securing great amounts of low-cost power in the early years and in assisting to make the Mica Dam possible and thus ensuring its enormous benefits in later years.

Implementation of the programme under the Treaty will require the designation of responsible operating entities in both Canada and the United States. In the case of Canada it is expected that the operating entity will be the British Columbia Power Commission. There will also be a Permanent Engineering Board, consisting of two members appointed by Canada and two by the United States, to make periodic inspections, to require reports from the operating entities and generally to watch the operation of the plans provided for by the Treaty. The Board will report to the Governments of Canada and the United States whenever there is a substantial deviation from the hydro-electric and flood-control operating plans. The Board will also have additional functions including that of assisting in the reconciliation of any differences on technical or operating matters.

If the entities cannot reconcile any differences that arise between them with the help of the Permanent Engineering Board, or if there are other unresolved differences, the Treaty provides that either party — that is, either Canada or the United States — may refer the matter to the International Joint Commission. If the Commission does not render a decision within stipulated times, either party may submit the difference to an arbitration tribunal. There is also provision for alternative procedures, if they are agreed on, including reference to the International Court of Justice.

The Treaty, if ratified, will remain in force for a minimum of 60 years, terminable on 10 years' notice by either party. There are, however, as I have mentioned, special provisions that extend beyond the minimum 60-year period in relation to flood control and certain diversions of water from the Kootenay River.

I have dealt only with the highlights of this extensive and complex agreement. The Government will, of course, submit the entire Treaty for consideration by the Parliament of Canada and for its approval before ratification takes place. The timing of ratification will depend, so far as Canada is concerned, partly on action by British Columbia. So far as the Government of Canada itself is concerned, we would be prepared to initiate action for Parliamentary approval and subsequent ratification at once. The significance of this Treaty, and the programme contemplated by it, for the economic development of Canada is such that any undue delay would be most unfortunate.

The Government of Canada has made it clear to the government of British Columbia that it is prepared to join on an equal basis in the financing of the construction costs of the storage dams I have referred to. It has been made clear that we are prepared to do this on a basis that will call for repayment, not on a