

Construction of Works for the Generation of Electrical Power in the International Rapids Section of the St. Lawrence River.

He said. Honourable senators, the purpose of this bill is to approve the agreement made between the Government of Canada and the Government of Ontario respecting power development in the International Rapids Section of the St. Lawrence River. This agreement was tabled in the house on December 12 last, and is a schedule to the bill which is before us.

The agreement with Ontario has been concluded in the expectation that the United States will not participate in the seaway project, and it has been drawn up on the understanding that the navigation works will be undertaken by the federal government and will be entirely within Canada. It contemplates that Ontario will undertake the power development concurrently with an appropriate agency in the United States. In such circumstances it is desirable that a firm agreement exist between Canada and Ontario in order that Canadian treaty obligations shall be fulfilled, and other interests in Canada safeguarded.

The undertakings on behalf of Ontario are, broadly, to develop the power resources of the international rapids section of the St. Lawrence river concurrently with an appropriate authority in the United States. This is the same plan as was advanced and made part of the Great Lakes-St. Lawrence basin agreement of 1941 between Canada and the United States. However, the agreement provides that this plan may be modified as may be agreed upon between Canada and Ontario.

The Canadian Government, for its part, undertakes to do all in its power to obtain the approval of the International Joint Commission to an application, to be made by Ontario in an acceptable form, for authority from that body to construct the necessary works. Under the Boundary Waters Treaty of 1909, this approval would be necessary since the international rapids section of the St. Lawrence river is a boundary water. Canada's undertaking in this respect is qualified, however, to the extent that its action must be consistent with its obligations under the Boundary Waters Treaty, and that regard must be had for all Canadian interests in the St. Lawrence river.

I will briefly enumerate some of the other more important provisions. First, Canada will transfer to Ontario the administration of such lands belonging to Canada as are required for the project, and Ontario will pay compensation for these, except for lands or property forming part of the existing canal system; second, Ontario will transfer to Canada the administration of such lands

belonging to Ontario as are specified by Canada as being required for works to carry a deep waterway in the international rapids section; third, Ontario will establish a commission to safeguard and enhance scenic beauty and historic associations in the section to whatever extent may be appropriate.

It is recognized that before all the arrangements are consummated, as contemplated in this agreement, the Great Lakes-St. Lawrence Basin Agreement of 1941, between Canada and the United States may be approved by congress and by parliament. In that event it would be the intention of the government to reconsider with the Government of Ontario the terms of the agreement signed on December 3 and to modify them in recognition of the arrangements that would then exist between Canada and the United States with respect to the seaway project.

Hon. Mr. Roebuck: No transfer of the canals and properties of Canada is involved in this bill, so apparently the Authority being constituted in the previous Act is without a transfer of the present canals.

Hon. Mr. Robertson: It is stated that Canada will transfer to Ontario the administration of such lands belonging to Canada as are required for the project.

Hon. Mr. Roebuck: But that refers to the electrification project. My question was with regard to the transfer of the present canal system to the Authority constituted in the previous Act; and your answer was that it was taken care of.

Hon. Mr. Robertson: I misunderstood my honourable friend. He refers to that portion of the present canal system which is between Montreal and Lake Erie?

Hon. Mr. Roebuck: Well, Lake Ontario.

Hon. Mr. Haig: They call it the International Section.

Hon. Mr. Robertson: My information is that this relates to the deep waterway between the port of Montreal and Lake Erie. I have no information as to what disposition will be made of the existing canal system as far as this particular Authority is concerned, so I cannot answer my honourable friend's question.

Hon. Mr. Hugessen: If I may interject, I think probably the answer is in clause 14 of the bill, which gives the Governor in Council the power to entrust to the Authority the management of any works upon such terms as he may approve. I suppose that under that provision the Governor in Council could give authority to administer some of the present canals.