

consented to any such diversion; and that it has repeatedly expressed its unalterable opposition to such unilateral diversions which, in its view, are in violation of Canada's rights under many agreements and understandings between the United States of America and Canada. Because of the importance to Canada of the questions under consideration in the cases referred to above, the Government of Canada, while fully reserving its rights, believes that it is timely to re-examine the considerations which it regards as relevant and material to any proposals involving diversions of water out of the Great Lakes watershed.

Furthermore, the Government of Canada, while not submitting in any way or for any purposes to the jurisdiction of the Supreme Court of the United States in these cases, considers that its views should be reiterated at this time so as to avoid any possible misunderstanding as to the nature and extent of Canada's rights and interests in the outcome of the cases referred to above. I have accordingly been instructed to bring the following considerations to your attention.

Every diversion of water out of the Great Lakes watershed at Chicago inevitably decreases the volume of water remaining in the Great Lakes Basin for all purposes. Any lowering of the water levels has measurably adverse effects upon Canadian navigation in the Great Lakes and the St. Lawrence River. Similarly, any decrease in the outflow of Lake Erie and Lake Ontario causes a proportionate reduction of the power potential of the Niagara and St. Lawrence Rivers. Consequently, diversions such as that under consideration in case No. 12 original would impair Canada's legitimate interests. Conversely, any restriction upon presently existing diversions not previously consented to by Canada such as is under consideration in cases No. 2, 3 and 4 would be consistent with Canada's legitimate interest.

The causal relationship between diversions out of the Great Lakes Basin and the resultant adverse effects upon Canadian and United States of America navigation and/or power interest is recognized in the following treaties and agreements:

Treaty between Canada and the United States of America relating to uses of waters of the Niagara River, signed at Washington, February 27, 1950. CTS 1950/3;

Treaty between Great Britain and the United States of America relating to Boundary Waters and Questions arising along the boundary between Canada and the United States, signed at Washington, January 11, 1909. CUS 1927/312;

Exchange of Notes between Canada and the United States of America concerning the construction of the St. Lawrence Seaway, signed at Washington, June 30, 1952 and January 11, 1952, CTS 1952/30;

Exchange of Notes between Canada and the United States of America modifying the Exchange of Notes of June 30, 1952 concerning the construction of the St. Lawrence Seaway, signed at Ottawa, August 17, 1954. CTS 1954/14;

Exchange of Notes between Canada and the United States of America relating to the Great Lakes - St. Lawrence Basin (Niagara Falls - Long Lac Ojoki Works - Albany River Basin), signed at Washington, October 14 and 31 and November 7, 1940. CTS 1940/11.