

- (a) the new draft provides that the works in the International Rapids Section are to be constructed in accordance with plans to be prepared by a broadly empowered international commission and approved by the two Governments, instead of in accordance with the plans prepared by the Joint Board of Engineers which were accepted by the two Governments as the basis of the Treaty of 1932.
- (b) the new draft provides that each Government shall itself construct those portions of the works in the International Rapids Section allocated to it by the Commission and that the Commission shall approve all contracts entered into on behalf of either Government in this section, whereas the present Treaty provides that the corresponding Commission be itself empowered to construct the works in the International Rapids Section.

With regard to the proposed preparation of new plans for the International Rapids Section, the undersigned is of the opinion that in the negotiations which would necessarily precede agreement upon a final and mutually acceptable draft, Canada could, if it so desired, insist upon the continued recognition of the plans of the Joint Board of Engineers as the basis of operation.

With regard to the Niagara section of the new draft, it provides for construction of remedial works for the preservation of the scenic values, for tests of these remedial works, and for reports and recommendations respecting additional diversion of water for power purposes consistent with the full