

Hon. Mr. REID: I want to say just a few words in answer to the honourable gentleman. Our action is important not only because of the Treaty itself, but because of other treaties that may be entered into. Will the honourable leader of the Government say that if we make a treaty with the United States in connection with the water-powers on the St. Lawrence, as we are likely to do, he would be satisfied with that particular clause so far as it specifies those who are to decide what quantity of power is to be allotted to this country? Would he be satisfied to put in the Joint Waterways Commission?

We have had an experience that should cause us to act carefully in this matter. There was a dispute in regard to a Treaty we had with the United States, and that country's interpretation of it was absolutely opposed to the interpretation of the Prime Minister and the Parliament of Canada. The honourable gentleman states that the Treaty under discussion is to be in effect for only seven years. Well, the arrangement in connection with the South Sault Dam was to have expired at the end of five years. Does the honourable gentleman think that in that respect we were treated fairly? Should not the United States Government have removed the obstruction which turned water the other way, right down the Massena Canal, and diverted a great deal more power? That arrangement, which was to have been effective for only five years, is still in operation, although it was made probably twelve or fifteen years ago.

Will the honourable leader of the Government in this House say that we have been treated fairly with regard to the Niagara River? A Treaty was made between Canada and the United States by which we were to have 36,000 cubic feet of water per second, and they 20,000 cubic feet. Will the honourable gentleman tell this Chamber to-day that we are getting the power from 36,000 cubic feet? Of course we are not. Why? Because we allowed some of it to go over temporarily until our full quantity could be developed, and the United States Government has made it clear that if we insist on cutting off that power and using it in the Province of Ontario it will be regarded as an unfriendly act. The Treaty that was made in connection with the water power on the Niagara River at this particular point has been violated in an outrageous way, in that the United States Government would not agree to our cutting off the power that we merely leased from year to year. And when we were considering the placing of a tax on export power it was stated that that too would be regarded as an unfriendly act. Though the

Hon. Mr. DANDURAND.

Treaty provides that Canada should get 36,000 cubic feet per second and the United States 20,000 cubic feet, in actual practice the quantities have been reversed and we are getting now the 20,000 cubic feet. Furthermore, Ontario is losing \$5 per horse-power on 60,000 or 70,000 horse-power.

For the reasons I have mentioned I say we should be very careful in dealing with a clause of this kind, if there is any possibility of the water being diverted and our being unable to get the 10,000 feet. If the United States desire to have the Treaty interpreted in their favour, they will simply get a majority of the members of the Board on their side. The honourable leader of the Government says that this country is protected, because we have two members on the Board and the United States have only two. We had three Canadians on the International Joint Waterways Commission and there were three Americans; but the United States members were able to convince one of the Canadians that he should vote with them. The Commission's interpretation of that Treaty stands, and we should have to go to war if we desired to maintain any other interpretation. Within the last few days I read in an American newspaper a statement to the effect that they could go ahead and dam the St. Lawrence river if a majority of the Joint Commission would give them permission to do so. If permission were given, how could we prevent their taking that action? We could only prevent it by going to war.

Right Hon. Mr. GRAHAM: I think I can give a brief explanation of the reason why Canada is not directly getting the benefit of all the power it was entitled to under the Treaty. The Hydro-Electric Power Commission of Ontario bought out several companies, one of which had a contract to export power for a term of years.

Hon. Mr. REID: One year. It had a license for only one year at a time.

Hon. Mr. GRAHAM: Excuse me, but the company had a contract which was to be good for several years and still has a number of years to run. The Dominion license is necessary for each year, of course, but that license has been renewed and will be renewed, no doubt, as long as the contract exists, at the request of the Ontario Hydro-Electric Commission. When the Hydro-Electric Power Commission took over this company, it was also bound to take over its assets and its liabilities. If you subtract the quantity of