



NO. 63

FOR RELEASE
WEDNESDAY, SEPTEMBER 16, 1964.Ratification of the Columbia River Treaty

Ottawa - The Columbia River Treaty, which will make possible the development of vast new supplies of low-cost hydro-electric power and which will also contribute important flood control benefits in British Columbia and the Pacific Northwest area of the United States will be ratified by Canada and the United States today.

The Instruments of Ratification will be exchanged at Ottawa shortly after 10:00 a.m. (E.D.S.T.) between the Honourable Paul Martin, Secretary of State for External Affairs, and the Ambassador of the United States to Canada, W.W. Butterworth. Members of the House of Commons Standing Committee on External Affairs will be present as well as members of the Senate who participated in the debate on the Treaty.

The ratification ceremony in Ottawa will be synchronized with a ceremony in New York City relating to the 30 year sale of Canada's share of the extra power which will be generated on the United States section of the Columbia as a result of the Treaty. In New York a representative of the Minister of Finance will receive from a group of United States utilities, represented by the Columbia Storage Power Exchange, a cheque for \$253,929,534.25 in United States funds in payment for the power which the

C.S.P.E. is purchasing. The two ceremonies will be carried out simultaneously with the representative of the Minister of Finance and a representative of the C.S.P.E. being in communication by telephone with Mr. Martin and Mr. Butterworth. The Canadian equivalent of these funds, approximately \$274,000,000., will be transferred on the same day by Prime Minister Pearson to Premier Bennett.

To mark this important occasion, Prime Minister Pearson and President Johnson will join in a ceremony later today at the International Peace Arch on the international border at Blaine, Wash. and Douglas, B.C. after having made an aerial tour together of sections of the Columbia River basin.

The money to be turned over to the Canadian Government in New York for transfer to British Columbia was recently raised by a bond issue floated by the Columbia Storage Power Exchange. The C.S.P.E. is a non-profit corporation organized to represent the interests of the public and private power companies in the northwestern United States which are participating in the Columbia River scheme. In addition to the payment made today, payments by the United States Government totalling \$64,400,000 in United States funds will be made for flood control benefits when the treaty projects are completed in Canada. It is estimated that the total amount received, together with interest earned on portions not immediately required, will substantially exceed the full cost of the storage dams in Canada.

These dams will be located at Mica Creek, on the northernmost part of the Columbia River; at the outlet of the Lower Arrow Lake, near Castlegar; and on the Duncan River, a northern tributary to Kootenay Lake. The projects will combine to control the great seasonal fluctuations of the Columbia's flow, thereby reducing flood hazards and increasing the power potential in both Canada and the United States.

The construction of these storage projects is only the first step in a series of developments planned for the river basin in Canada. The Mica Creek dam will ultimately produce 1.8 million kilowatts of power, and other projects located downstream from Mica in Canada and on the Kootenay River will bring the total basin potential to more than 4 million kilowatts of power. This additional hydro-electrical capacity represents about one-fifth of today's total for the whole of Canada. The favourable terms of the sale of power to the United States will permit power to be produced in Canada at much lower costs than would have otherwise been possible.

Canada will also benefit through improved flood control on the Columbia and Kootenay rivers, strengthening its foreign exchange position and increasing opportunities for employment both on the projects themselves and in industries in many parts of Canada supplying goods and services.

Preliminary contracts have been let by the British Columbia Hydro and Power Authority, the entity which will be responsible for the development programme in Canada, and major contract awards are expected shortly.