

SCHEDULE

AGREEMENT BETWEEN CANADA, ONTARIO AND MANITOBA

OTTAWA, November 15, 1922.

MEMORANDUM: of agreement arrived at regarding the control of the upper waters of the Winnipeg River.

PRESENT:

Representing the Dominion Government

Right Honourable Mackenzie King, Prime Minister; Honourable Charles Stewart, Minister of the Interior; Mr. W. W. Cory, Deputy Minister of the Interior.

In attendance

Mr. W. J. Stewart and Mr. J. B. Challies, Consulting Engineers to the Department of External Affairs; Mr. S. S. Scovil, Engineer of Lake of the Woods Control Board.

Representing the Province of Ontario

Honourable E. C. Drury, Premier.

In attendance

Mr. H. G. Acres and Mr. L. V. Rorke.

Representing the Province of Manitoba

Honourable John Bracken, Premier; Honourable R. W. Craig, Attorney-General; Honourable T. H. Johnson, K.C., Counsel.

This agreement, as a working basis for the regulation of the English and Winnipeg rivers, is entered into on the understanding that all parties are agreeable to the repeal of the Lake of the Woods Regulation Act 1920, but Ontario does not bind itself to the terms of this agreement in the event of that Act not being repealed.

The Government representatives agreed that the general advantage legislation could be rescinded on the following basis (Mr. Bracken undertaking to urge the acceptance thereof by the Manitoba power interests):

1. *Control of Lake of the Woods*

The recommendation of the Lake of the Woods Control Board that the Norman Dam be expropriated was agreed to in principle.

It was further understood that the Board should immediately investigate and report to the three governments concerned, whether,

(1) There is some alternative method of securing control by construction of a new structure above the present dam or otherwise;

(2) Failing such an alternative being found, under what procedure and whether under Federal or Provincial auspices, should the dam be expropriated.

The cost of securing the results contemplated under either (1) or (2) above should be borne on the following basis,—

One-third of the total cost to be attributable to navigation and borne by the Federal Government;

The remaining two-thirds to be considered chargeable to power, to be borne in the first instance by the expropriating Government, but

(a) Ontario to be responsible for the share chargeable to the undeveloped power site at White Dog Falls;

(b) The Federal Government (as proprietors of the water powers on the Winnipeg river in Manitoba) to be responsible in the first instance for the amount chargeable to the remaining fall of the Winnipeg river in the Province of Manitoba; the Department of the Interior to recover cost of same from the present power developments on the river and from prospective power developments on such basis as that Department may consider advisable.

So far as the amount chargeable to power is concerned, the basis of settlement between the Dominion Government and the Province of Ontario should be that of the ratio of potential head in Ontario and Manitoba.

2. *Regulation under Concurrent Legislation*

It was agreed that the Lake of the Woods Control Board should be instructed to immediately canvass the necessities of the situation and make appropriate recommendations to the Governments of Canada and Ontario with a view to having approved and authorized whatever operating regulations are considered necessary to make practically effective the existing concurrent legislation.

3. *Lac Seul*

With regard to storage on Lac Seul, it is agreed that if the power interests in Manitoba or their administrative agency desire storage on Lac Seul, they shall immediately notify the Government of Ontario to this effect. In the event of such notification the Government of Ontario shall undertake not to permit the construction of any development which would later be destroyed, wholly or in part, by the creation of this storage, and shall agree to grant flooding rights, on Crown Lands affected, under the customary conditions, including recompense for timber destroyed, and the usual rental for water powers which may be wholly or partially destroyed incidental to the construction of the said works. Further, the power interests benefited shall be prepared, when required by the Government of Ontario, to pay the said Government an amount to be ascertained by the Control Board, sufficient to pay the difference between the cost of power feasible of development at Pelican Falls and the cost of a similar amount of power to be developed at some other possible site designated by the Government of Ontario and delivered at Sioux Lookout at a distribution voltage.

It is agreed that whatever storage scheme may be worked out covering Lac Seul shall be under the jurisdiction of the Lake of the Woods Control Board, the cost of the same to be borne by the power interests as and when benefited.

4. *International Questions*

With regard to the international issues it was unanimously agreed that there was not sufficient data to enable a commitment at the present stage with regard to storage and regulation on Rainy and upper international lakes, and that in any case all the interests concerned, governmental, municipal, corporate and private, on both sides of the boundary, should be afforded the opportunity and the advantage of presenting their views, and of hearing the views of others presented, to the International Joint Commission.

It was further agreed that the basis for an international arrangement between the two countries arrived at by the technical advisers of the United States and Canada at Washington in December, should be adhered to, namely,—

(a) An immediate settlement by treaty of the Lake of the Woods issues; and

(b) Concurrent with the ratification of such a treaty, an appropriate reference to the International Joint Commission respecting Rainy and upper lakes matters.

It was further agreed that once a reference of the upper lakes matter has been agreed to, the Canadian Governments, Dominion and Provincial, should facilitate in every possible way, a thorough investigation and an early report by the International Joint Commission, but that pending such a report, the Dominion Government could not make any commitment as to policy.

With regard to financial obligations arising under settlement of the Lake of the Woods issues it was agreed that the same should be borne by the respective Governments on the same basis as that set out above for the acquirement of the Norman Dam.

(Sgd.) E. C. DRURY,
For the Government of Ontario.

(Sgd.) JOHN BRACKEN,
For the Government of Manitoba.

(Sgd.) W. L. MACKENZIE KING,
For the Government of Canada.

NOTES:

1) The format of this copy is similar to the version printed by: Frederick Albert Acland, Printer to the King's Most Excellent Majesty, Ottawa, 1930.

2) As copied here, this document appeared as the second Schedule attached to "The Manitoba Natural Resources Act"; Statutes of Canada, 20-21 George V., Chapter 29, 1930; assented to 30th May, 1930.