

ADDRESS BY WILLIAM E. WARNE, ASSISTANT SECRETARY OF THE INTERIOR FOR WATER AND POWER DEVELOPMENT, AT THE SEVENTEENTH ANNUAL MEETING OF THE INLAND EMPIRE WATERWAYS ASSOCIATION, LEWISTON, IDAHO, NOVEMBER 30, 1950, 12:30 P.M.

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REGION OF THE FUTURE

The Pacific Northwest is the Region of the future. Cribbing from Greeley, I would advise today's ambitious young men to come here and to grow up with the country. The unused land and water resources of the Region hold enormous opportunities for economic development. It is likely that nowhere else in the world is there a potential like that of the Pacific Northwest. The Region has begun to use its water resources at a faster rate during the past fifteen years. This progress, however, has only just scratched the surface. It but hints at the development which can be obtained through balanced comprehensive utilization of the land and water resources remaining here.

Large-scale development of the water resources of the Pacific Northwest began with the twentieth century. It was about fifty years ago, for example, that first use was made of the navigation locks at Cascade Rapids on the Columbia River, and the first beginnings were made on large-scale Federal irrigation projects at Boise and Yakima.

Grand Coulee Dam and Bonneville Dam on the Columbia River are the symbols, however, of the new progress of the last decade. What lies in store for the Pacific Northwest in years of the near future can be read in what these two giants have already wrought. It can be read also in the census report which shows that at last the Pacific Northwest States here have broken through and are on their way.

This Region now has more than half of the aluminum producing capacity of the United States where it produced not a pound ten years ago. Despite this new capacity, the Nation even now faces a hurtful shortage of aluminum. The people of the country can be thankful that Columbia River development provided a great new block of capacity in the aluminum industry. Expansion of industry in other lines has also been substantial. Profits for businessmen in nearly every line in the Region have substantially increased and sound opportunities have been created for hundreds of new businesses. More and better paid jobs for the labor force of the Region and greatly expanded local markets--and consequently higher profits--for the farmers of the Pacific Northwest are a part of the same picture. All of this has been brought about without subsidy from the Federal Treasury. Every dollar invested in these great power facilities will be returned, with interest, directly to the Federal Government, and indirectly many times over.

The great advances which have been brought to the Pacific Northwest were not achieved by passive support by the people here and the awaiting of the Federal Government to take the initiative. Instead, they were fought for. Men of vision like Rufus Woods and Jim O'Sullivan and the members of this organization devoted tremendous spirit and effort to the attainment of the benefits which the Pacific Northwest today is beginning to enjoy. Every businessman, laborer, and farmer who now has a higher living standard as a result of the water resource projects in the Pacific Northwest, every new resident who appreciates his new home here, owes such men a lasting debt of gratitude.

Where now are the voices of those who loudly declared that Grand Coulee Dam would be a useless white elephant? Those voices are drowned by the busy clamor of workmen installing at top speed more new generators to meet the great demand of the Region for more electric energy. But there are new voices of skepticism. They dare not cry "white elephant." Instead they quibble and make use of delaying tactics to hold back the forward progress of the Pacific Northwest.

At this mid-point of the twentieth century it is appropriate that the people of the Pacific Northwest take stock of their economic position and look into the future to see what lies ahead. Forward faster? Or fritter away the chances. The Columbia River is the singular resource of this Region. It is the great power stream of the continent. Its flow is almost as great as the combined flows of all the other rivers, streams, and water courses of the West. Its wise use will build an empire now scarcely dreamed of. Forward together, or let the giant sleep?

In these days of international tension the magnificent power of the Columbia is a comforting reserve of economic strength for the Nation. That power, as you know, contributed mightily to the victory in World War II. Additional utilization of that power can make an equal or even larger contribution to the Nation's security and welfare in the anxious days that lie ahead. Timely use of that great reserve power, however, will brook no delay in starting and pushing ahead rapidly the water resource developments which are needed.

The hydroelectric power resources of the Northwest are unmatched anywhere in the Nation and probably anywhere in the world. Somewhat more than 3,000,000 kilowatts of generating capacity have been installed in hydro plants of the Region. This is a little more than ten percent of the potential. More than two-thirds of the hydroelectric generating capacity of the Region has been installed in the last dozen years at Grand Coulee and Bonneville dams. You know the stimulus this has given. Think what lies ahead in growth as new dams are built.

Power plants authorized to be built by the Corps of Engineers, will add nearly 6,000,000 kilowatts to the present installed capacity of the Region. Considering what the construction of plants at Grand Coulee and Bonneville aggregating about 2,000,000 kilowatts has done, what a tremendous lift to the Region's economy will be given by this new torrent of low-cost energy. Added to the total of the authorized projects of the Corps of Engineers, I hope, will be the nearly 1,100,000 kilowatts in the projects recommended for authorization by the Department of the Interior, about which I shall say more in a moment.

But there are other, important uses of water which need to come along with the power. One is irrigation. The Region has not quite reached the half-way point in the development of its irrigable lands. Somewhat more than 3,700,000 acres of land in the Region are now irrigated. About 3,800,000 acres remain to be developed, according to the Bureau of Reclamation, in potential projects that can today be considered feasible. The tremendous increases in industrial development and in population in the Region which have occurred and which are in prospect will require as a parallel development of substantial new acreages of

cropland for needed food and fiber. The Region lags significantly in cropland at the present; the ratio of cropland to total area in the Pacific Northwest is only half that of the Nation as a whole--ten percent as compared with twenty-one. Against heavy demands, only a few settlement opportunities exist or have been provided. Forty-seven new irrigated farm units were made available for homesteading in the Boise Valley in March 1950. Thirty-three applications were received for every one of those farm units.

The immediate outlook for additions to the irrigated land base of the Region is not bright. The Columbia Basin Project in Central Washington will help, but, large as it is, it will not be nearly enough. In 1952, water will be made available to irrigate 87,000 acres, the first sizeable unit of this project that eventually will add as much as a million acres to the productive area of the Region. Spokane, Seattle, and Portland have already felt the impact of the Columbia Basin Project, and they will feel it to an increasingly prosperous extent. Here we can see the beginnings of growth by those three cities to a stature among the leading metropolitan centers of the Nation through basin-wide development of the Region's resources.

Here in Idaho, the recently authorized North Side Pumping Division of the Minidoka Project will add something less than 80,000 acres to the irrigated land base of the Region.

Aside from this and the Columbia Basin Project, however, authorizations are lacking to permit the orderly increase of irrigated land on the scale required. Meanwhile, hundreds of thousands of acres of good land which the Region needs to have developed will lie idle or be partially utilized while the water which could make them fully productive goes on wasting to the sea.

In navigation development, the Pacific Northwest has also made tremendous progress in the last dozen years. Since the completion of the Bonneville Dam and lock in 1938, traffic over the stretch of river immediately upstream increased thirteen-fold by 1947, and the increase is no doubt substantially greater by this time. The heavy movements of petroleum upstream and grain downstream which have been built up within the past decade on the Columbia River, due in no small part to the unceasing efforts and enterprise of you gentlemen of the Inland Empire Waterways Association, have brought very real and substantial benefits to the shippers and consumers of the Pacific Northwest. With additional economic growth which development of water resources can bring about, traffic on the Columbia-Snake River waterway can be increased to nearly 5,000,000 tons annually, nearly four times the movement in 1947.

The outlook for construction of the physical facilities to permit waterway development of this magnitude is favorable. Approval by the Congress of most of the projects in the main control plan recommended by the Corps of Engineers through enactment of the 1950 Flood Control Act, together with previous authorizations for dams on the Lower Snake River, represents an important milestone in the development of inland waterway navigation in the Pacific Northwest. In the years to come we can expect to see cities like Lewiston, Pasco, Kennewick, Umatilla, and The Dalles become increasingly important shipping and receiving centers for water-borne commerce. A word of caution, however--mere construction of the physical facilities will not bring about this happy outcome. The development of traffic requires expansion in many fields and the use of many resources.

Control of floods in the Pacific Northwest is another field in which the the Flood Control Act of 1950 only partially solved the problems. The recent floods in California serve to remind the Pacific Northwest of the continuing danger of the flood tragedies which struck this Region such a cruel blow in 1948.

Though the Flood Control Act of 1950 authorized many of the dams needed for effective control, one of the key structures in the main control plan was not authorized. That is the Hells Canyon Dam on the Snake River, a potential project of the Bureau of Reclamation. During the last two days I have gotten a look at the site for this project, and I feel it is one of the finest sites remaining for development in the West.

If protection from flood damage is to have real meaning soon, authorization of Hells Canyon is required. McNary Dam, now building, offers no flood control. Chief Joseph Dam, now building, offers no flood control. Several of the other new dams authorized have no value as flood control projects.

Hells Canyon Dam, on the other hand, will provide a total of 3,380,000 acre-feet of power and flood control storage. This represents 13 percent of the total usable storage required in a complete Columbia River flood control program. It represents complete flood control for the Snake River runoff in most years.

In any heavy flood, it is the last few feet of high water at the crest which do the most damage. Often a difference of one or two feet off the crest will permit dikes to hold where otherwise they would fail.

If Hells Canyon Dam had been in existence during the 1948 flood, it would have reduced the crest of that flood in the Portland-Vancouver area by 1-1/10ths feet.

To bring into perspective the place of water resource development in the Pacific Northwest, let us look for a moment at a few of the other major resources which are mainstays of the Region's economy. For example, observe the forests. For many years the Region has been the principal source of lumber and other wood products for the Nation. It still contains the country's principal timber reserves. The tremendous demands on the forests of the Region during and since World War II, however, have cut deeply into the remaining resources. In 1944, for example, approximately 12 billion board feet--about twice the current growth--were taken from the forest stands of the Pacific Northwest. The drain on these forests is a prime problem for the Region. Already, some communities have felt the hand of forest depletion strangling their economic life.

In bright contrast, the huge water resources of the Pacific Northwest are natural assets which cannot be exhausted. They are constantly renewed by the snows and rainfalls on the mountain rooftops of the Pacific Northwest. Comprehensive development of these water resources in a manner designed to provide benefits through power, irrigation, navigation, flood control, preservation of fisheries, pollution control, and other functions is the hope of the Pacific Northwest for a greatly richer tomorrow. Already, the accomplishment in this field is changing the Region from a colonial status, to be bled of its extractable resources, to a more mature economy, with resulting industrialization and growth.

Attainment of the objectives of comprehensive resource development, however, is an increasingly complex task. Yet the welfare of the Region and the Nation demands a forthright approach to this complexity so that obtaining of benefits in one field will not be at the expense of another and so that growth may be balanced and not lopsided.

The Pacific Northwest right now faces a critical lack of balance in the manner in which the Region's resources are to be developed. In recent years both the Department of the Army and the Department of the Interior prepared comprehensive basin-wide plans for development of the Columbia River Basin. Each agency, after achieving physical and policy coordination through the agreement of April 11, 1949, recommended the authorization of certain projects for construction. Those recommended by the Department of the Army were primarily for flood control, navigation, and incidental power. Those recommended by the Department of the Interior were primarily for irrigation and incidental power. The authorizations recommended by the Department of the Army were granted by the Congress. Those recommended by the Department of the Interior, however, were not. The lack of balance in resource development which will result if this situation is not corrected is serious for the future of the Region.

One reason why the Congress did not simultaneously approve the irrigation phases of the coordinated, comprehensive plan for development of the Columbia River Basin was opposition from some in the Pacific Northwest as to the manner in which the irrigation projects were to be authorized. It was another illustration that a house divided cannot stand. The division and defeat which occurred was a serious setback to the Pacific Northwest.

For many years one of the basic principles of Reclamation Law has been a provision permitting the application of revenues from hydroelectric power plants built in connection with irrigation projects toward repayment of those irrigation costs which are beyond the repayment ability of water users. A prime example of that procedure is the Columbia Basin Project, itself, where revenues from the power plant at Grand Coulee will return to the Federal Treasury more than half of the irrigation costs of that project.

A plan has been developed and recommended by the Interior Department which would permit that same principle to be applied on a region-wide basis to all power projects in the Pacific Northwest. Under this plan the substantial revenues which are in prospect from Federal hydroelectric projects would be utilized to help repay irrigation costs on worthy projects which, by accident of geography, do not happen to have hydroelectric possibilities. A basic tenet of the plan is that the interest on the outstanding investment in Federal hydroelectric power, which is paid into the Federal Treasury, would be credited to the return of irrigation costs through a Columbia Basin Account. This interest, of course, would be paid by the industries and people of the Pacific Northwest as a part of their power bill, as it is now. It would, in effect, be reinvested in regional growth.

The plan may be simply illustrated by considering two potential projects of the Bureau of Reclamation. One is the Hells Canyon Project. Here 900,000 kilowatts of capacity are available, and the Project would make possible substantial increases in the power output of downstream plants because of its large storage capacity. It could be built and ready for use in five years. We would have to be people of little faith to fail to see its merits and potentiality. I have already spoken of its great value for flood control. The dam site, of course, lies at the bottom of one of the world's deepest canyons so that there is no possibility for immediately connected irrigation development although it can be of tremendous importance in furthering irrigation in the Region.

Westward a relatively short distance from Hells Canyon lies the Crooked River Project in Oregon, near Prineville. It is a potential development of some 20,000 acres, about half of which would be new land. The Crooked River Project is a very worthy development and much needed by the people of Prineville and Crook County. Unfortunately, however, the prospective costs of the Crooked River Project are beyond the repayment ability of the water users. Moreover, no possibilities for hydroelectric power exist on the Crooked River which would be of sufficient magnitude to repay the irrigation costs of the project beyond the ability of the water users.

The Basin Account would permit the use of surplus power revenues--and by surplus I mean to include those revenues which are required to pay interest on power costs--from the Hells Canyon Project and other similar projects to make financially possible the development of the Crooked River Project and other projects like it. The people who desire construction of the Crooked River Project should not be penalized because no hydroelectric possibilities exist there when at the same time great amounts of power revenues are being piled up by the big hydroelectric projects elsewhere in the Region.

One of the most advantageous features of Interior's plan is that power rates would not have to be increased to provide financial assistance to irrigation. The interest paid by the people of the Pacific Northwest on the Federal power investment would be more than adequate to cover the assistance which irrigation requires.

The plan has particular significance for the State of Oregon, which has an extremely small share of the Federal irrigation development of the Pacific Northwest but which has very large irrigation potentialities under

the plan proposed by the Interior Department. Strong as is the interest of Oregon in this matter, Idaho and the other States of the Region also have important stakes in the approval of a plan to permit continued irrigation progress. The 190,000-acre Mountain Home Project, in southern Idaho, the Bitterroot Valley Project in western Montana, and the Upper Star Valley Project in Wyoming are all examples of potential irrigation projects which need financial help.

The proposed Hells Canyon development would be a major contributor to the Basin Account. Its revenues can help make economically feasible irrigation projects in Oregon, Idaho, and other Northwest States which otherwise could not be built. To achieve full irrigation development, revenues from all power plants constructed in the Columbia River Basin will be required to help water users repay irrigation costs.

Some have questioned the use of the interest component from hydroelectric projects built by the Corps of Engineers toward assisting financially in irrigation development. This is not a new application, however. It is utilized in the Missouri Basin Project, now well along to completion. I was much heartened to hear of a Region-wide meeting in Pasco early this month in which there was evidence of the unity behind the comprehensive plan that is so badly needed.

As you are aware, the Interior Department supports the proposal for the establishment of a Columbia Valley Administration in the Pacific Northwest. You and I know that there is considerable controversy surrounding this meritorious proposal. That controversy will be settled in time through further study and public discussion and through sifting of the factual wheat from the propaganda chaff. But there should be no controversy nor delay involved in uniting behind a plan to permit irrigation planning and development to go forward whether under a CVA or the existing organizational arrangement.

In the development of the Columbia River for power, irrigation, flood control, and navigation, the outstanding fishery resources of the river must be preserved by every practicable means. The Interior Department has under way a comprehensive ten-year program for the building up of fish runs in the tributaries of the lower Columbia River. The Department stands firm on that policy. We favor balanced development of all resources—not development of one with complete disregard of another.

The trail ahead toward realizing the great opportunities of the Pacific Northwest has been clearly marked. The principal obstacles which lie in the path are those born of disunity. When those are overcome, I feel confident that this land of the future will come into its own as a united effort is placed behind a balanced regional program for progress.

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