

Canadian Centennial

horsepower of electrical energy in the international section is about to be developed. That represents close to 13 billion kilowatt hours of electricity per year.

When it is realized that this is the last area that the Ontario Hydro Electric Power Commission has for development in southern Ontario, one realizes what it means to the economy of the province of Ontario. Ontario has been forced on several occasions, and even recently, to the development of steam plants from coal, and we all know how costly those are. But here in the international section of the river is this large block of power, three times cheaper than the coal to generate, which unquestionably will have the effect, not only on our side of the line but also on the United States side, of developing and bringing industry to those areas.

Then there is the removal of the 112 mile 14-foot bottleneck that exists between Montreal and the foot of lake Ontario. The removal of this bottleneck will have the advantage of allowing 25-foot craft to move up the St. Lawrence to the ports of the great lakes, and for the first time it will permit lake vessels to go down the lakes to the port of Montreal and other St. Lawrence river ports. In earlier reports made by economists it has been estimated that the savings in transportation would amount to \$48 million per year because of this benefit.

Then, of course, there is iron ore. I believe it is iron ore more than anything else that tilted the balance in favour of the development of this project. We always knew that it was a tremendous advantage to develop power but there was some hesitation on both sides of the line in an earlier stage in so far as the navigational aspects were concerned until such time as deposits of iron ore were discovered in Labrador and the Ungava region of northern Quebec.

It is hoped by many economists that, in the same way as the Mesabi ore came to the coal of Pennsylvania and brought about the existence of the great steel industry in the United States so also will the iron ore of Labrador and Quebec coming as it will up the St. Lawrence find a meeting point with power either in Ontario or Quebec—I believe more so in Quebec because of the greater power advantages that exist there—and thus establish a steel industry in that province.

Then, the fourth effect is that arising out of export and import trade. It has been said that until after the second world war there was little export or import trade on the St. Lawrence. After the war, because of the pioneering of Norwegian and Scandinavian interests, this trade, which is also known as

great lakes overseas trade, began to take existence. In 1955 that trade amounted to about \$760,000 per year but by 1956 it had gone over the million and it is believed by Canadian and United States economists that a few years after the seaway is opened this trade will be multiplied by three and within a short time by 25. It is this trade, therefore, which I believe has the greatest significance from the point of view of the ports along the seaway route, both on the great lakes and the St. Lawrence river.

Then, of course, there is the regard northward that it is hoped will be turned by industry and the general public of the mid-west states and of the eight states bordering on the seaway. There are eight states along the St. Lawrence route, the population of which represents about 35 per cent of that of the United States. These states have been turning their backs on the St. Lawrence. I do not say that in any derogatory sense, but geographically that has been the case. They have been looking toward the Erie canal and the Hudson river to move their traffic to New York city, and they have been looking to the Mississippi and the Illinois to take part of the trade down towards the ports of the gulf of Mexico. As I will indicate in a moment, it is hoped with every degree of assurance that that trade will now move by the St. Lawrence.

Finally, there is the industrialization that is taking place along the seaway route, from the eastern extremity right up to the head of the lakes today. A measure of the success of the seaway is already apparent in the volume of investment that private industry has decided to make in order to take full advantage of one of the most revolutionary developments of our economy today. It has been said that more money is being spent by private industry in taking advantage of the present and future position of the seaway than in the building of both the power and navigation aspects of the project. I felt, sir, that before I made these suggestions that I am now about to make, I should preface my remarks by a statement of the effects of the seaway on the economy of Canada.

The first suggestion I should like to make is that an economic survey be made of the effect of the seaway upon the various regions of Canada; upon the ports and harbours along the seaway route, with particular reference to large concentrations of population such as the metropolitan area of Montreal and the area of Toronto and Hamilton. I make that suggestion because I believe the benefits of the seaway, as I have outlined them, will reflect upon all of