

January 16, 1937 - Prime Minister of Ontario (Mr. Hepburn)  
to Prime Minister of Canada (Mr. King)

In reply, Mr. Hepburn says he has on various occasions made his position regarding the St. Lawrence Waterway very clear.

Project economically unjustifiable: we need neither new transportation avenue nor additional power.

Proposed Trans-Canada Air Service means even further losses for the railways, whose present financial positions are not enviable.

Should our efforts to protect Ontario consumers against Quebec power interests prove futile, Ontario would have to pay for  $8\frac{1}{2}$  million dollars' worth of unsaleable power which (in opinion of himself and experts) would take care of ordinary increase in power consumption for many years.

St. Lawrence Waterway "another beautiful dream" like Hudson Bay Ry. and T. & O. extension to James Bay. Canals frozen over for many months, while most exporters' contracts with transportation companies are on yearly basis.

Adds, in conclusion, that Ontario interested not only in Trans-Canada Highway, of which large section not yet completed, but also in publicly owned T. & O. Ry., which would suffer loss in tonnage and revenue.

February 24, 1937 - Conference in Ottawa between Canadian  
Government officials and Ontario Hydro Electric Power  
Commission representatives

The following is a memorandum by Mr. J.T. Johnston, dated February 25, 1937, his covering note of February 26 stating that "the Memorandum is not intended to be a complete record of the proceeding but merely to record the high points":

W.L.M. King Papers, Memoranda and Notes, 1933-1939  
(M.G. 26, J 4, volume 210, pages C143987-C144597)

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