

To that communication I received from Mr. Moffat, the United States Minister to Canada, the following reply:

Legation of the United States of America

OTTAWA, March 10, 1941

SIR:

I lost no time in bringing to the attention of my government your note of March 5 in regard to the St. Lawrence waterway negotiations. In view of the importance of the question you raised, the matter was laid before the president, and I have been instructed by way of reply, to transmit the following personal message from him to you—

The remainder of this communication is in quotations; it is the message from President Roosevelt:

"I have given careful consideration to your recent request that in view of the growing intensity of current war operations and the apprehension over perils which may have to be faced in the near future, the government of the United States review the St. Lawrence project and give you an indication of its views as to whether, in the existing circumstances, this project as outlined in the State Department's proposals of 1936 and 1938 should now be proceeded with.

"May I say at the outset that I am aware of Canada's increasing war effort and I readily agree that it must have first call upon your country's resources and man-power. I also agree that in view of the existing situation the most careful examination of any proposed expenditure is necessary from the point of view of the public need and in the light of defence requirements.

"With these considerations in mind the government of the United States has as you requested reviewed the St. Lawrence project. We have welcomed this occasion to review the project because of the fact that our own defence programme renders it desirable that all public expenditures in the United States be weighed in the light of considerations similar to those set forth in your communication. The government of the United States is engaged in a great defence programme. It is determined to supply such aid in material to Great Britain, the members of the commonwealth and their allies as may be necessary to enable them to bring the war to a successful termination. Simultaneously our own defences are being strengthened to the extent necessary to prevent any foe from menacing the security of this hemisphere. It is indispensable that all public projects contemplated by the government of the United States be considered from the standpoint of their relationship to these supreme objectives.

"The government of the United States regards the Great Lakes-St. Lawrence basin project as directly associated with the accomplishment of the foremost national objectives of this government. It believes that the project should be proceeded with and that construction should commence at the earliest possible moment. It regards the construction of this project as a matter of vital necessity.

"You refer to the engineering investigation now being conducted in the international section of the St. Lawrence river. I need hardly say that I directed the release of \$1,000,000 from the special defence fund for this