

As for navigation - recent studies indicate that the savings on traffic will far exceed costs including those for full amortisation of the navigation facilities with consequent large benefits to be divided between producers and consumers to the great advantage of trade and commerce after all the costs have been recovered in the form of tolls. And lest anyone should think that the suggestion of this matter as a business venture is fanciful because of its magnitude, I would remind you that the total cost for navigation and power to be incurred over a period of six years (or perhaps a year less) does not amount to half as much as some of the larger corporations doing business in steel or in electrical apparatus for example are individually accustomed to spend in a single year.

The total direct on site employment to be given to labour on the project in Canada and the United States is now estimated at about say, 75,000 man years or say, as an outside figure, an average of 15,000 men employed for five years. This total is very small indeed when it is compared to the number who would be required to man and support the anti-submarine war organization which would be needed to keep the sea lanes open for the delivery of iron ore from Africa and South America, which are the alternatives. This extra Naval program would probably absorb at least as much steel and other scarce materials as would the St. Lawrence and in addition, it would demand the use of special materials and skills which certainly can ill be spared.

We and the United States, have already had one costly experience in the protection of a sea route over which our oil and bauxite had to be transported in the Second World War which very nearly brought disaster, and surely we should be wise enough not to invite its repetition.

The St. Lawrence project for navigation and power neither in its physical dimensions nor in its financial implications is that colossal, stupendous undertaking that some people have set out to picture, but I would agree that these superlatives will properly apply to the useful effects on our economy and defence arrangements which will come from its construction, more particularly at this time.

In this connection I would like to quote to you a resolution of the Canada-United States Permanent Joint Board on Defence which was read into the records of Congress early this year by the Secretary of State, Dean Acheson.

In the preamble to this resolution, the Board made reference to the deterioration of the international situation indicating a period of protracted crisis - requiring a steady increase in our military strength - pointed out that St. Lawrence Seaway and Power Project would yield large additional supplies of hydro-electric power already needed in the Northeastern USA and Eastern Canada which would be vital to expansion of our military strength - provide navigation facilities relatively safe from enemy action where most required to move war materials at less cost in money and resources - permit greatly increased shipbuilding also in relatively well-protected areas. The Board referred to Labrador ore as