

major war. The possible sources are sea-borne imports, taconite concentrates, and seaway shipments from Quebec and Labrador. But sea-borne imports would be highly vulnerable in war. Far from increasing, they would decline or disappear, putting a still greater strain on other sources. This did happen during the late war, when millions of tons had to be shipped from the Lake Superior ranges to the East Coast. Yet taconite production could not be expanded rapidly unless expensive plants were held idle in reserve. New plants would be so costly in time and materials that it might prove too late to start them after the emergency arose, and hence the war effort would be seriously handicapped. On the other hand, once the initial mining development is complete in Labrador and the Seaway is open, it would be little more than a matter of putting additional shovels to work to get all the ore that the steel furnaces could use. Even those mills on the East Coast of the United States could draw Labrador ore from Lake Erie.

The Seaway would make at least four other contributions to defence. Important as they are, I will do no more than mention them now. The project would create a reserve of power in the industrial heart of Canada, to be drawn on in the emergency. The combination of power and navigation will stimulate industrial growth, permitting more of the specialized production required in modern war. The Seaway will add flexibility and dispersal to a shipbuilding and ship repair industry in a sheltered area in the upper and lower reaches of the Great Lakes. And it will provide an additional transportation route between the factories and the battlefield.

Will the Seaway be vulnerable to attack? In the first place, ore carriers and other vessels from the Gulf of St. Lawrence to the Seaway would be infinitely less vulnerable to submarine attack than on the open sea, where this is the main menace. On the other hand, it is true that a determined enemy attack could damage or destroy some of the Seaway installations. The same can be said for any one of the existing hydro developments, steam power plants, the locks at Sault Ste. Marie, taconite concentration plants, the ore docks on Lake Erie, the steel plants themselves, or the railway lines. But an enemy would find it extremely difficult to knock out all the various alternatives at the same time. Surely, then, the best overall defence is to increase and disperse the most promising alternatives. Just as surely, the deep waterway and the associated power development qualify for a high priority.

#### **Availability of Materials and Manpower**

What about the materials and manpower for construction? The same considerations give the answer to this pertinent question, whether the project warrants the use of scarce materials and manpower in today's circumstances. The present period of defence preparation may be short or may be long, but it is precisely in such a period that works should be undertaken to add to our economic strength and efficiency. That is this Government's attitude toward resource development and defence-supporting projects generally. Postponing the project would not relieve the pressure on men and materials. It might rather increase it. For without the Seaway, other hydro or steam capacity would be required, other transportation facilities, more ore concentration facilities and other works. Moreover, as I have suggested above, a large part of these alternative facilities would be less suitable to the needs of war if it came.

What are the regional benefits of the project? Perhaps I have given enough reason already for saying that this project is of national concern, that it will benefit Canada from coast to coast. That is my own firm conviction. But I would like to mention some of the direct benefits that I see for each of the ten provinces.

Let me say at once that the main benefits do not promise to fall to the areas of industrial concentration in Ontario and Quebec. The outstanding industrial stimula-