We in Canada still think that a joint undertaking with the United States is the most logical and desirable method of procedure, but we cannot wait forever. Seeing no assurance of an end to Congressional delays, the Canadian Government is promoting the all-Canadian Seaway as a second-best alternative. Two steps in this alternative course were approved by the Canadian Parliament last December, approved unanimously. One was the creation of the St. Lawrence Seaway Authority. The other was the conclusion of an agreement with the Government of Ontario respecting the development of power in the International Rapids section of the St. Lawrence River.

The proposed St. Lawrence Seaway is a 1200-mile channel, 27 feet or more in depth, extending from Montreal to the head of the Great Lakes. Together with the St. Lawrence Ship Channel, already provided by Canada, it will permit large vessels to navigate more than 2,000 miles from the Atlantic Ocean to the heart of the North American continent.

Let me make clear this distinction between the St. Lawrence Seaway and the St. Lawrence Ship Channel. The projected Seaway extends above Montreal. The Ship Channel extends from Montreal down to deep water in the open Gulf of St. Lawrence, 30 miles below Quebec. This channel was provided by the Canadian Government to bring ocean-going vessels to Montreal. It now has a depth of about 35 feet, and will provide the ocean link for the St. Lawrence Seaway.

The Seaway and the Ship Channel both lie within the Great Lakes-St. Lawrence Basin. This is a vast drainage system covering an area of 678,000 square miles, 493,000 of which are in Canada and 185,000 in United States. It includes Lakes Superior, Michigan, Huron, St. Clair, Erie and Ontario and the St. Lawrence River, together with all the tributary rivers and streams, the most important of which are the Ottawa, St. Maurice and Saguenay Rivers.

The Great Lakes-St. Lawrence Basin contains five steps, which are its chief assets and its chief liabilities. They are its chief assets because they offer 9 million horse-power of electrical energy, all of it close to large and growing markets, most of it undeveloped. They are its chief liabilities, because large vessels must be able to pass them if cheap transportation is to be extended from one end of the Seaway to the other. The five steps are:

- 1. St. Mary's Falls lying between Lake Superior and Lake Huron, where there is a drop of 21 feet.
- 2. The St. Clair-Detroit passage joining Lake Huron and Lake Erie, where there is a drop of 8 feet.
- 3. Niagara River, emptying from Lake Erie into Lake Ontario, where there is a drop of 326 feet.
- 4. The upper St. Lawrence River from Lake Ontario to Montreal, with a drop of 225 feet.
- 5. Montreal to the sea, a drop of 20 feet.

These five steps will, it is estimated, develop more than 9,000,000 horse-power, including the following: