

that basis to provide all the seaway canals from Montreal to Lake Erie. This would include building the side canals in the international section, which previously had been planned for the U.S. side of the river, and would include deepening the Welland Canal to 27 feet.

The Present Position

Progress towards a start on the seaway may be highlighted as follows. Parliament provided in December 1951, for the creation of the creation of the St. Lawrence Seaway Authority, a crown company, to be responsible for the construction and operation of the Canadian canals. That same month an agreement with the Government of Ontario was approved concerning the international power development. On October 29, 1952, the International Joint Commission approved the construction of the key power works. And on July 15, 1953 the Federal Power Commission approved the granting of a license to the Power Authority of the State of New York to develop the United States share of the St. Lawrence power.

New York is not yet in a position to act under its license, however, as the licensing procedure allows appeal by opponents to the courts. The first appeal, to the Court of Appeal for the District of Columbia, was dismissed on January 29, last month, by a unanimous decision. Opponents now have 90 days to appeal to the U.S. Supreme Court. They are expected to appeal and to do so as late as possible, in order to delay proceedings. This action holds up the whole project, the navigation side as well as the power, for the canal plans assume the existence of the power works. We do hope the final court decision will be known in time to permit construction to start this coming summer.

The Canadian Government has already undertaken and is prepared to build the seaway as soon as the last legal obstacle is overcome. If that were not so the project would not be where it is today. We would still be waiting for Congress to make up its mind on a joint agreement, with the outcome as doubtful as ever. But now the progress of the Canadian plan seems to be bringing a change of heart in Congress. The Senate has approved a measure which would have the U.S. build the two canals in the International Rapids Section. The information we have is that the House of Representatives may follow the same course. Such action would re-open the question of United States participation in the Seaway, a question to be settled by negotiation. For Canada is committed by an exchange of notes, as part of the negotiations which have advanced the project to its present position, to consider any firm proposal from the United States that would not upset the present power arrangements and would not unduly delay completion of the seaway.

What will the Project Cost?

Mr. Robert Saunders, Chairman of Ontario Hydro, has indicated recently that the Commission's share of the international power cost will be \$300,000,000. Apparently, therefore Ontario and New York expect the power development will cost a total of \$600,000,000. My own department estimates that all-Canadian navigation facilities from Montreal to Lake Erie would cost in the neighbourhood of \$300,000,000.