

to reach the European market and there complete favourably with the wheat of other countries. Again these sums were spent to prevent our wheat crop from being exported to European countries via a water route provided by the United States through the Erie Canal and the Hudson River to New York City. The completion of the Great Lakes - St. Lawrence Seaway to a full depth of 27 feet would guarantee forever an all water route for our Canadian wheat and other products at a substantially reduced transportation cost through the elimination of trans-shipment at such points as Prescott, Port Colborne and Port McNicoll.

What interests oppose the Great Lakes - St. Lawrence seaway and why?

Powerful interests in the United States oppose the project. First, there is a group of fitters and owners of ships of less than twelve-foot draft who see in the development of the St. Lawrence a danger to the New York State barge canal now competing with the present all water route from the Head of the Lakes to Montreal. Then there are the American Railways running between the Great Lakes and the Port of New York and competing against the New York State canal route for the transportation of merchandise to such an extent that their rates, at certain times of the year, are reduced by half. A third group operate a fleet of barges in competition with the American Railways and consider that the development of the St. Lawrence would go a long way towards putting them out of business even though they are generously subsidized by the United States Government.

These and other interests represent various enterprises engaged in competition against each other but in full agreement in standing together to oppose the St. Lawrence Waterway project.

Could Canada proceed independently of the United States in the completion of the Great Lakes - St. Lawrence Seaway?

Failing ratification by the U.S. Congress of the 1941 Agreement in either its present or in a mutually agreed modified form, it would then be possible for the International Joint Commission to consider an application of New York State and the Province of Ontario for permission to develop power alone on a joint basis in the International Rapids Section. Such an application has already been made to the Governments of the two countries but has not yet been referred to the International Joint Commission. Other than the 1941 Agreement between Canada and the United States, there is no obstacle to prevent Canada from undertaking the construction of works necessary for 27-foot navigation between Montreal and Kingston wholly on the Canadian side of the boundary.

Here, then, is the position. Canada has entered into an agreement with the United States for the joint development of power and navigation on the St. Lawrence. Canada believes that this agreement, with certain modifications if need be, is the best for all parties concerned. It was arrived at after years of careful study by competent engineers, both American and Canadian. We