

*St. Lawrence Seaway Authority Act*

It should be noted that this amount does not include (a) \$1,593,000 for the Thousand islands section; (b) interest during construction; and (c) that Mr. Lindsay assumed that Ontario would pay about \$13,500,000 toward the cost of the seaway in lieu of the construction of the 14-foot navigation canal. It should also be noted that the estimated cost of the Lachine section, \$98,229,000, was based upon a canal for navigation alone on the Montreal side of the river and included vertical lift bridges at the C.P.R. crossing at Lachine rapids and at the Montreal end of the Victoria bridge, but did not include the cost of the vertical lift bridge to be built at the Mercier bridge crossing of the seaway, as it was assumed that this was to be done by the province of Quebec.

As a result of the exchange of notes between Canada and the United States the estimates for both power and navigation required modifications in two important aspects. First, power costs were reduced by \$15 million by reason of Canada's contribution; and second, Canada agreed that power, at least as far as the United States was concerned, should not bear the equivalent cost of providing 14-foot navigation, which was \$13,500,000.

In October, 1952, Mr. Lindsay prepared another estimate of the cost of the seaway from Montreal to lake Erie based on the December, 1950, construction price level. Here is the summary:

Lachine section, navigation alone, north side .....	\$ 98,229,000
Soulanges section .....	37,116,000
Lake St. Francis .....	2,513,000
International rapids .....	119,575,000
Thousand islands .....	1,593,000
Welland ship canal .....	1,302,000
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	\$260,328,000

To this must be added the amount Canada agreed to pay for power, \$15 million, making a grand total of \$275,328,000.

The international joint commission order of approval dated October 29, 1952, contained a provision in appendix A, subsection (a), in respect to channel enlargements which was ultimately, by reason of a compromise that had been made with the United States, to reduce the cost of power but to increase the cost navigation. I quote in part from appendix A, subsection (a), which reads as follows:

Downstream from the power houses channel enlargements will be carried out for the purpose of reducing the tailrace water level at the power houses.

Although the United States during the 1952 negotiations endeavoured to persuade Canada to agree to assume a large portion of the

[Mr. Chevrier.]

cost of the so-called common works as navigation charges, Canada agreed to the payment of \$15 million.

**The Chairman:** Order. I regret to interrupt the hon. member, but his time has expired. Is it the pleasure of the committee to permit the hon. member to carry on?

**Some hon. Members:** Agreed.

**Mr. Chevrier:** I thank the committee for this courtesy. I shall endeavour not to abuse it, but I have some further remarks to make and I should like to deal with the question raised by the hon. member for Rosedale.

I had stated that although the United States during the 1952 negotiations endeavoured to persuade Canada to agree to assume a large portion of the cost of the so-called common works as a navigation charge, when the Wiley-Dondero Act was passed that legislation specifically limited the work which the United States corporation was to do as a works solely for navigation. The result was that the United States not only declined to assume one-half the amount of \$15 million which Canada had agreed to pay the power entities, but also endeavoured to argue that notwithstanding the precise language of the international joint commission order of approval from which I have just read respecting tailrace excavation the power entities should be called upon to undertake extensive dredging operations north and south of Cornwall island, which were required for navigation or for the maintenance of the natural distribution of flow between the north and south channels around Cornwall island.

The matter was the subject of prolonged discussions between Canada and the United States, between the St. Lawrence seaway authority and the St. Lawrence development corporation, the United States entity, between the New York state power authority and Ontario hydro; and in the course of these discussions it became clear that the United States desired to place Canada in the position of being forced to make an application to the international joint commission in the event that Canada desired at a later date to construct locks and a canal in Canada in the vicinity of Cornwall, and thereby to complete a 27-foot canal in Canada from Montreal to Lake Erie.

The result of these discussions I should like to summarize and put on *Hansard*, if I may. The summary is as follows. (1) an arrangement that the St. Lawrence seaway authority and the St. Lawrence development corporation would assume responsibility for the channel enlargements north and south of Cornwall island; (2) the two seaway authorities would undertake as nearly as possible