

35. Mr. Pearson thought that serious consideration should be given to the possibility, in the absence of any such formal agreement, that some legal process might be resorted to in the United States to hold up indefinitely development of the power and seaway project.

36. Mr. St-Laurent said that, in any event, it would be useful to introduce as soon as possible the legislation required for the establishment of the federal agency to deal with the seaway aspect of the problem.

37. The Cabinet, after considerable discussion:

(a) noted the report by the Secretary of State for External Affairs on the constitutional position of the United States in respect of the St. Lawrence development project; and,

(b) agreed that the Minister of Transport consult with the Minister of Trade and Commerce and submit at an early meeting legislative proposals for the establishment of a federal agency to deal with the St. Lawrence seaway project on an international basis or as an all Canadian project.

North Atlantic Treaty Organization; admission of Greece and Turkey

38. The Secretary of State for External Affairs, referring to the statement in the Speech from the Throne on admission of Greece and Turkey to the North Atlantic Treaty Organization, said that, because of certain procedural difficulties, it was not likely that the protocol would receive U.S. Senatorial approval before the next session of Congress in 1952.

In the circumstances it might be preferable not to seek Parliamentary approval here until the admission of Greece and Turkey had been approved by the United States.

39. The Prime Minister was of opinion that the Canadian Parliament should not be asked to act in this matter until approval had been given by the United States, the United Kingdom and France.