Lake Erie, taconite concentration plants, the steel plants themselves, or the railway lines. But an enemy would find it extremely difficult to knock out all the various alternatives at the same time. Surely the best defence is to increase the alternatives. The military leaders responsible for defence planning in both our countries are on record to the effect that the risk is a reasonable one and that the project warrants a high defence priority.

r

.

t

1

t

e

S

9 8

y

Nor can I accept the argument that we cannot afford to divert men and materials to Seaway construction at this time. It is precisely in a period of preparedness that we must press forward with such defence-supporting projects. That is established Canadian policy. If we do not divert resources to this project we must divert as much or more resources to alternative projects that would be less suitable.

I have outlined why we in Canada believe that the Seaway should be completed at once. As we see it the urgency from a United States point of view is just as great or greater. We would welcome full participation, along the lines of the 1941 Agreement. But with the uncertainty we face on that score we have been forced to consider how else our objective can be achieved.

It will be clear that the whole project hinges on a satisfactory development in the International Section of the St. Lawrence River. Below Cornwall the river is wholly within Canada, and the necessary works will be Canada's responsibility in any event. In the Great Lakes above, Canada can deepen the Welland Ship Canal, and the improvement of the other interlake channels could be left to United States action in response to the normal forces of progress. But some form of international co-operation is necessary for the basic power development in the International Rapids section, where the river marks our common boundary.

In this connection you will recall that the power agencies of New York and Ontario applied in 1948 for authority to undertake a separate power development. Given such a development by these or any other appropriate agencies, Canada could and would provide the navigation canals on her own side of the river. That would be the all-Canadian Seaway that we are proposing. The President of the United States has undertaken to give this Canadian project his full support, should Congress fail to take early and favourable action on the 1941 Agreement.

It is in the light of these considerations that Canada has created the St. Lawrence Seaway Authority. The Authority will be responsible for building the Canadian works of a deep waterway from Montreal to Lake Erie, whether in accordance with the 1941 Agreement or as an all-Canadian canal system. On the other hand the federal agreement with the Government of Ontario does anticipate an all-Canadian Seaway, but its terms would be reconsidered if in fact the United States participates in the project as a full partner.

There are those in the United States who choose to doubt the sincerity of the Canadian proposal. I quote from an ^{editorial} in an American magazine of wide circulation as follows:

- 7 -