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The Secretary of State for External Affairs to the Ambassador of the United States of America to Canada.

No. 294

## DEPARTMENT OF EXTERNAL AFFAIRS

OTTAWA, December 4, 1956.

EXCELLENCY:

I have the honour to refer to your Note No. 126 of November 7, 1956, and to recent consultations between representatives of our two Governments regarding excavations in the St. Lawrence River north and south of Cornwall Island.

The Canadian Government cannot accept the opinion of the United States Government that the Canadian decision to undertake twenty-seven foot excavations in the Cornwall north channel is not in accord with the exchange of notes of August 17, 1954, or other arrangements between the two countries. In its note of August 17, 1954, the Canadian Government declared its intention to complete twenty-seven foot navigation works on the Canadian side of the International Rapids Section, if and when it considered, after consulting your Government, that parallel facilities were required. The Canadian Government does not propose to complete parallel navigation facilities at Cornwall at an early date. However, it considers that the Canadian right to build such facilities, including twenty-seven foot excavations north of Cornwall Island, was reserved in the 1954 exchange of notes and in the other exchanges of notes and letters on the St. Lawrence project, whereas these exchanges of notes and letters cover only by implication the navigation excavations in the south channel. Moreover, the north channel excavations will compensate for the south channel excavations and thus serve the purposes of the Boundary Waters Treaty.

Engineers of the two seaway entities met on July 18, 1956, and evolved plans for the excavations in both channels and for the apportionment between the two seaway entities of responsibility for the different parts of the work. The Canadian Government finds that these plants meet the requirements of the Boundary Waters Treaty, and accepts responsibility for the excavations in the north channel and a part of those in the south. The Government has accordingly directed that, as the Saint Lawrence Seaway Development Corporation proceeds with its excavations in the south channel, the St. Lawrence Seaway Authority should concurrently undertake the excavations assigned to it in the July 18 arrangements. It is understood that the two power entities will make a contribution to the costs of these excavations. As the plans envisage that each entity will undertake excavation in the territory of both countries, the Canadian Government is prepared to grant customs and immigration waivers on a reciprocal basis.

Accept, Excellency, the renewed assurances of my highest consideration.

L. B. PEARSON Secretary of State for External Affairs.

His Excellency Livingston T. Merchant, Ambassador of the United States of America, Ottawa.