

We would prefer to have full United States participation in the project under the terms of the 1941 agreement, perhaps with some modification along lines already discussed in Congress, providing the agreement is approved at an early date. We are now recommending to Parliament that, failing such approval, the all-Canadian Seaway be undertaken on the most suitable basis that can be established.

When it is realized that more traffic now passes through the locks at Sault Ste. Marie in a season than passes in twelve months through the Panama, Suez, Manchester, and Kiel Canals put together, one can get some idea what the opening of this river would mean to the economy of Canada as a whole. The traffic foreseen for the new canals—and for the Welland Canal—will also far outrank that on any of these other famous canals. One glance at the map of the world will indicate why it was decided to build the Panama Canal, for instance, through the Isthmus of Panama, or the Suez Canal linking the Mediterranean with the Red Sea. One glance at the map will indicate that those were logical things to do; they were inevitable things to do, and they were the right things to do no matter what the cost. On the proposal to construct a deep waterway in the St. Lawrence River to link the Great Lakes with the Atlantic Ocean, the verdict must be the same.

## ITALIAN PEACE TREATY

The Department of External Affairs announced on December 26 that a communication had been delivered to the Italian Ambassador in Ottawa regarding the interpretation of the preamble and certain articles of the Italian Peace Treaty. The message, which was in reply to an approach from the Italian Government, expressed the agreement of the Government of Canada that certain clauses of the Peace Treaty are not consistent with Italy's position as an equal member of the democratic family of nations and released Italy from its obligations to Canada under a number of articles in the Treaty. The Governments of the United States, the United Kingdom, France and certain other signatories of the Italian Treaty have taken similar action.

Following is the text of the Canadian Note:

I have the honour to refer to your Note 2585/69 of December 8, 1951 and to inform you that my Government welcomes the proposals of the Government of Italy concerning the preamble and certain clauses of the Italian Peace Treaty.

The Government of Canada agrees that the spirit reflected by the preamble of the Peace Treaty no longer exists and has been replaced by the spirit of the United Nations Charter and that the political clauses of the Treaty, articles 15-18, are superfluous. The Government of Canada also agrees that the military clauses of the Treaty are not consistent with Italy's position as an equal member of the democratic and freedom-loving family of nations and hereby releases Italy from its obligations to Canada under articles 46-70 and annexes relevant thereto.