

to more costly little "canalliers" or to rail. Thus the saving would be great enough if it were just a matter of allowing cargoes to move in large vessels throughout the Seaway without trans-shipment. It promises to be all the greater because up-bound vessels with ore and other cargoes will find it of advantage to carry grain and other downbound cargoes, making for a greater economy in the use of vessels. It is estimated that this saving will amount to at least \$30,000,000 a year, again after paying any likely level of tolls.

It is to be noted further that the combination of power and navigation development would stimulate industrial expansion. Right here is, I think, the answer to those railways, ports, power interests and others who oppose the Seaway for fear of harmful repercussions to themselves. I think the Seaway will bring them new business out of this industrial development. But I will go no further into the matter than to quote Mr. Donald Gordon, President of our own Canadian National Railways. On being asked whether he foresaw injury to the railway from the Seaway project, he is reported in the press as replying:

"Whatever tends to open Canada up and help it grow is good for this railroad."

I recommend to opponents of the Seaway that they ponder Mr. Gordon's statement and see if it does not apply with equal force in their own cases.

Look now at the Seaway from the viewpoint of national defence. One of its main contributions would be in the matter of iron ore supplies. The demand for ore has risen sharply in the present period of preparedness, and would rise sharply again on the outbreak of a major war. The Lake Superior ores have lost their ready expansibility and taconite concentrates will never have it, while seaborne imports will be highly vulnerable to submarine attack. With the Seaway open, however, all the necessary ore could be moved from Labrador in comparatively safe inland waters.

The Seaway will permit any but the largest of naval and ocean vessels to be built in inland yards, adding flexibility and dispersal to a wartime shipbuilding programme. I know that opponents deride this contention, saying that the role of inland yards can be confined to small vessels. But in the late war it was found necessary to build 28 large submarines and 72 cargo vessels of 5,000 ton capacity on the Great Lakes, though they had to be squeezed out with great difficulty through the Chicago Drainage Canal and the Mississippi River. Surely it is obvious that more and bigger vessels would have been built on the Lakes if the Seaway had been open.

There are at least three other contributions to defence that I can only mention in passing. The project would create a reserve of power in a great industrial area to be drawn on in the emergency. It will provide a new transportation route between the factory and battlefield, supplementing the railways which were so hard pressed in the recent effort. And the stimulation to industrial growth which I have mentioned already will make us that much better able to produce in volume the specialized needs of modern war.

It is objected that Seaway facilities could be damaged or destroyed by a determined air attack. The same could be said for any one of the existing hydro developments, steam power plants, the locks at Sault Ste. Marie, the ore docks on