

The commonsense requirement is to consider whether it would not be possible for the Dominion and the Provinces in friendly round table conferences to agree upon a possible course of action which without prejudice to their strict legal rights would safeguard the interests of all parties in any possible development.

III.

The preliminary question to consider is the advisability of the St. Lawrence waterway project. The Canadian Government, after considering the reports of the Joint Engineering Board and the National Advisory Committee, is prepared to accept the view that the project is feasible from an engineering standpoint and under certain conditions advisable from a national and economic standpoint.

As to transportation, the project presents the possibility of developing to the fullest usefulness the greatest waterway asset of any country in the world, directing toward the St. Lawrence a great part of the traffic of the interior of a vast and wealthy continent, and ensuring the ports of Montreal, <sup>and St. John's</sup> an outstanding position in North America. In spite of the development of the Vancouver and Hudson Bay outlets, the need for an improved eastern outlet continues. The railways would, in the best opinion, gain much more from development of secondary traffic than they would lose in primary heavy traffic.

The cost of constructing the waterway will be heavy, and is a reason making for delay. On the other hand it must be considered (1) that by undertaking the building of the Welland Canal, the Dominion is already committed to a great part of the expense of the development of the whole route, and a part which is in great part ineffective without further extension, and (2) that delay will lead

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