

In the interest of national defence and international security the St. Lawrence Waterways project should be started as soon as possible and pressed to completion. General economic benefits, transportation and communication, power and iron-ore are reasons which give the completion of the St. Lawrence urgent priority in joint defence. Let us examine each of these.

1. The completion of the waterways system; like every other major development of transportation and power would lead to the expansion of the civilian economy and any expansion in the industrial and economic potential which in peacetime leads to prosperity and a higher standard of living, also leads to an increased ability to arm ourselves for our own defence. Here, in this home of steel, there is no need to remind you of what Hanson Baldwin said, that it was "The factories of America, the industrial know-how of America and the mechanical competence of America ... that won the war."
2. In modern war the lines of communication stretch all the way from the battlefield to the factories and the full use of the St. Lawrence would bring resources of the interior of our continent closer to any possible fighting front; it would permit the more effective mobilization of the industrial potential of the continent; it would make possible the construction of all but the largest vessels in the industrial centres of the Great Lakes; it would provide a means of transportation alternative to the railways.
3. We saw in the last war how important an element was water power. You may remember how it led us in 1942 to build at Arvida a plant bigger than Boulder Dam in a little more than a year. The United States and Canada need the full power potential of the St. Lawrence now.
4. The completion of the waterways would make it possible for the great resources of iron ore in northern Quebec and Labrador to be made safely available to the smelters of Canada and the United States.

This matter has already received the attention of the Permanent Joint Board of Defence. Ordinarily, its recommendations are not made public, but this was of such interest that the recommendation of the Board in May, 1947, was put in evidence by General Marshall at a Congressional hearing. The Honourable James V. Forrestal, Secretary of Defense of the United States, gave evidence of the need for the project.

In these circumstances, it is not surprising that the Governments of the United States and of Canada, accepting the advice of their principal military and civilian advisers, are pressing for authority to proceed with the completion of the St. Lawrence Waterways as a combined power and navigation project in the interests of prosperity in peace and security in war.

(2) The Importance of Steel

When we were fighting for our lives and for our freedom, money wasn't the limiting factor. The most important single factor controlling industrial output for war or peace is steel. Here you have one of the great plants in Canada. How many people know that during the war we more than doubled our steel capacity? How many people know too, that since the war we have been using more steel than we did during the war? At a time of very high production and employment, such as we have today, any considerable production of war materials could only be made by diversion of steel from civilian to military uses. Even with our increased pro-