

in the vicinity of the Erie Canal, and New York would benefit almost exclusively from this, and that, as the country generally would be benefited, New York, as the commercial capital and principal seaport, would receive a lion's share of the increased prosperity.

According to Secretary Hoover, the consummation of the project would mean an increased value of approximately six cents a bushel to American wheat at all times. This increased value would result from a saving in the cost of transportation to the seaboard. At present the cost of transporting wheat from Buffalo to New York, either by canal or rail, is approximately eight cents, while the cost by the proposed route from Buffalo would not exceed two cents.

The Secretary is convinced that the project has the enthusiastic support of Western Canada. He holds that New York would lose comparatively little, the only items now evident being the loss of charges for handling grain at the Port of New York, such as loading and unloading charges.

It is understood that Prime Minister Mackenzie King of Canada has favoured the project, but has been deterred in promoting it actively not only because of expense involved but because of opposition from some sections of Canada which have imagined they would be injured by the change. This opposition has been growing less.

No. 18.

From the Under-Secretary of State for External Affairs to the Governor General's Secretary

OTTAWA, February 8, 1924.

No. 447.

SIR,—With reference to a despatch from His Majesty's *Chargé d'Affaires* at Washington to the Governor General, dated 21st December, 1923,¹ on the subject of a special Committee of the United States Senate appointed by the Vice-President to investigate the problem of a nine-foot channel in the waterway from the Great Lakes to the Gulf of Mexico and to enquire into the navigability of the Mississippi, Ohio and Missouri Rivers with a view presumably to exploring the possibility of establishing direct maritime communication between the Great Lakes and the South Atlantic and Pacific Oceans, I have the honour to represent that Bills before both the United States Senate and United States House of Representatives, after defining the nature of the work to be done in the stretch above mentioned, proceed to confer upon the Sanitary District of Chicago the legal right to divert for sewage dilution and navigation 10,000 cubic feet of water per second from Lake Michigan upon condition that the said district shall pay into the Treasury of the United States such sums as may be estimated to be its reasonable share of the cost of constructing compensating works at several points for the purpose of controlling and restoring to the lakes above mentioned, the levels lost by reason of this diversion.

In that connection it is observed that no provision is made for the restoration of the levels of the St. Lawrence River from its head to tidewater. In other words, the restoration to be provided is to be in the waters where United States navigation predominates but none is provided for the waters so extensively used by Canadian shipping.

Representations that have been made to the Department of Marine and Fisheries refer not only to the loss of levels that affect navigation but also to the diversion of water for power purposes both in the international stretches where compensation may be determined and in the international stretches below Cornwall, in the Province of Quebec. In that connection it is submitted that the limit of 10,000 cubic feet of water per second, as contemplated by the proposed legislation, is about 1500

c.f.s. more than is being diverted at present and it is possible that the proposed legislation may mean that the 10,000 c.f.s. is allowed for diversion and power at Lockport whilst the amount that would be required for lockages may be extra.

Having regard to the foregoing, I have the honour to represent that the Canadian Government is unalterably opposed to the proposed diversion of water from the Great Lakes watershed to that of the Mississippi to the great detriment of navigation from Sault Ste. Marie to tidewater. The diversion that has already taken place at Chicago has lowered the waters of the Great Lakes to an extent that is now well known. It affects harbours that have cost many millions of dollars to deepen by dredging. It affects the locksills of the Sault Ste. Marie Canals, the Welland Canal and the St. Lawrence Canals, and it also injuriously affects the ocean shipping channel between Montreal and the sea, where the Government of the Dominion of Canada have spent many more millions of dollars in dredging operations. How great the injuries sustained by navigation interests are may be gathered from the fact that every inch of navigable water means an additional 60 to 80 tons of carrying capacity. The waters of the Great Lakes are the heritage of both the people of the United States and the people of Canada and quite obviously they should be conserved for the interests of both peoples.

It is therefore sincerely to be hoped that the Government of the United States will not only not permit any further diversion of water from Lake Michigan but will intimate to, and if necessary insist, upon the Sanitary District of Chicago adopting some more scientific method of sewage disposal.

I am to request that His Excellency may be humbly moved to ask His Majesty's *Chargé d'Affaires* to communicate the sense of this communication to the Government of the United States.

I am to add that this Government is in receipt of information that the hearings on the Bills now before the United States Senate and House of Representatives, dealing with the matter, will commence at Washington on Monday of next week, and I am further to request that His Excellency may be humbly moved to cause His Majesty's *Chargé d'Affaires* to be informed by telegraph that it is proposed to send Mr. W. J. Stewart, Chief Hydrographer, to Washington to be present at these hearings on behalf of the Canadian Government, and asked that the necessary arrangements for Mr. Stewart's attendance at these hearings should be made.

I have, etc.,

JOSEPH POPE,
Under-Secretary of State for External Affairs.

The Governor General's Secretary,
Ottawa.

¹ No. 186, Vol. IV, p. 215.