

Cost of Project

When the 1941 Agreement was concluded, the total cost of the project was estimated at \$544,059,000, including the cost of those works already completed. Canada's share of this cost was estimated at \$264,003,000, which included the \$131,900,000 already spent on the Welland Canal. Costs have, of course, increased considerably since 1941. The work of revising estimates and keeping them up-to-date has been continuing in both Canada and the United States. The estimates on the Lachine Section, released at the end of 1948, are an example of this type of work. At the time of writing, however, estimates for all phases of the St. Lawrence project are not available.

Provincial Participation

Another cost factor, from the Canadian point of view, is the extent of provincial participation in the project. In 1941, an Agreement was entered into by the Governments of Canada and Ontario, under which Ontario agreed to pay \$64,125,000 for the Ontario share of the hydro-electric power development in the International Rapids Section. (This figure did not include the purchase and installation of power machinery and equipment, which was to be Ontario's responsibility). If the project were not to go forward, new arrangements would have to be concluded between the Canadian and Ontario Governments. In connection with the all-Canadian section of the project, the Canadian Government offered, in 1941, to pay the Government of Quebec \$7,972,550 for the facilities already constructed in the Beauharnois development which would be used as an integral part of the deep waterway.

New York-Ontario Proposal for Power Development

In 1948 the Governments of New York State and the Province of Ontario announced that they were prepared to undertake full power development in the International Rapids Section at their own expense, leaving navigation development -- which would be integrated with the proposed power development -- for later action by the two federal Governments. The plan was that the Power Authority of the State of New York and the Hydro Electric Power Commission of Ontario should seek an order of approval for the undertaking from the International Joint Commission under the Boundary Waters Treaty of 1909. In July 1948 the New York application was submitted to the United States State Department and the Ontario application to the Department of External Affairs. The New York Power Authority also applied to the United States Federal Power Commission for a license to carry out its part of the project. In December, 1949, the Federal Power Commission Examiner, who conducted hearings on this application, recommended that the license be not granted. A final ruling has not yet been made by the Federal Power Commission itself.

Recent Developments

The 1941 Agreement did not come to a vote in the United States Congress during 1949.

When the new session of Congress opened early in January 1950, President Truman again urged the approval of the combined project.

Arguments of Supporters of the Project

Those who support the waterway and power project argue