

to be adopted but by conferences between Dominion and Provincial technical representatives, a mutually satisfactory scheme can readily be evolved -- the Dominion to be wholly responsible for the design of all structures necessary to navigation and for the basic features of all structures, and the Provinces to be responsible for the detailed design of power structures.

A more detailed basis for a Dominion-Provincial Conference re the St. Lawrence is attached as Exhibit A.

A NATIONAL OR ALL-CANADIAN POLICY FOR THE
ST. LAWRENCE WATERWAY PROJECT.

Turning now to the question of a national policy for the development of the St. Lawrence Waterway, the following presentation is based upon the assumption that the costs to be borne by power and navigation respectively, are apportioned in accordance with the suggestion made in the preceding section of this memorandum.

A great deal of misapprehension exists in the public mind as to the cost of the proposed Great Lakes and St. Lawrence Deep Waterway Project and as to the amount of such costs which must be borne by the public purse.

Figures extending from \$800,000,000. to \$1,500,000,000. have been loosely used in this connection, with the result that there has developed in many minds a grave concern as to whether or not Canada is in a financial position to undertake the development of the project.

Ancillary to this feeling, there has developed an advocacy of the proposal that the United States should be called upon to bear the larger proportion of the expenditures. In opposition to this proposal, there is the feeling that should this policy be followed, the United States would in the future exercise a large and possibly dominating control over the entire waterway.

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