

PART II

**CORRESPONDENCE BETWEEN THE GOVERNMENTS OF
CANADA AND THE UNITED STATES, 1938-1941, CON-
CERNING THE GREAT LAKES-ST. LAWRENCE BASIN
DEVELOPMENT.**

No. 3

*From The Secretary of State of the United States, Washington,
To The Canadian Minister to the United States, Washington.*

DEPARTMENT OF STATE

WASHINGTON, May 28, 1938.

SIR,

I have the honor to refer to my note of March 17, 1938, and to my memorandum of the same date in which I expressed the conviction of the United States Government that the mutual needs of Canada and the United States could be best provided for through a jointly planned development of their extraordinary natural resources in the Great Lakes-St. Lawrence River basin. I stated that this Government is ready and eager to enter into and push to a speedy conclusion negotiations for a mutually satisfactory agreement directed to this objective.

I now desire to lay before you certain additional proposals which, in the opinion of the United States Government, should make it possible to reach an immediate agreement providing for the early initiation of the undertaking in accordance with a program designed to give full recognition to a possible divergence of interest between the two countries with reference to the timing of specific works.

As a basis for discussion, I am transmitting to you herewith an informal and tentative draft of a proposed general treaty establishing what is, in effect, a broad plan covering the future utilization of the Great Lakes-St. Lawrence Basin to assure the maximum advantages to both peoples. In this draft it has been our purpose to embody terms assuring recognition of the special needs and problems of the areas intimately concerned on both sides of the boundary.

The United States Government believes that the best interests of both peoples would be served by the immediate consummation of an agreement along the general lines of this treaty draft. I may add that in its preparation special consideration was given to the views of the Government of the Province of Ontario, as expressed in official communications recently made public in Canada, to the effect that it is