

## PART III

**CORRESPONDENCE BETWEEN THE GOVERNMENT OF CANADA  
AND THE GOVERNMENT OF ONTARIO CONCERNING THE  
GREAT LAKES-ST. LAWRENCE BASIN DEVELOPMENT.**

## No. 12

*From The Prime Minister of Canada,  
To The Premier of Ontario.*

OTTAWA, May 31, 1938.

MY DEAR PREMIER,

I enclose a copy of a note from the Secretary of State for the United States, which was received here yesterday, setting forth proposals for the development of the Great Lakes-St. Lawrence system for navigation and power purposes.

There has, of course, been no opportunity as yet, for consideration by our government of the new proposals.

Yours sincerely,

W. L. MACKENZIE KING.

The Honourable MITCHELL F. HEPBURN,  
Premier of Ontario,  
Toronto, Ontario.

## No. 13

*From The Premier of Ontario,  
To The Prime Minister of Canada.*

TORONTO, August 19, 1938.

MY DEAR PRIME MINISTER,

Some time ago you sent to me a copy of a communication addressed to your Government by the Department of State at Washington, having to do with the St. Lawrence Waterways project. The communication was read with considerable interest but as the document itself was addressed to your Government and you forwarded a copy to this administration without comment and inasmuch as ample time has elapsed now for you to give sufficient study to the problem, I would like to know what your policy is, if any, and should you have a policy, what proposal have you to submit to this Government for consideration.

Insofar as power requirements are concerned, the fact is well known to you that Ontario has an ample supply for many years to come—indeed a huge surplus—for which it must pay and receive no benefit. This unsatisfactory condition would not obtain at this moment had you granted us, when you had the opportunity, the right to export