

11.

such works, of course, to be paid for by the United States.

To make the project even more All-Canadian, the locks and canals which on the plans of the Joint Board of Engineers are now placed on the United States side at the Cryslers Island Dam and at the Long Sault Dam, might be placed upon the Canadian side of the river. This is quite possible from an engineering standpoint. It would mean an extra cost of \$35,000,000. to Canada.

4. Canada to proceed with the financing and construction of the waterway through the national reach of the St. Lawrence as per the following.

In the Lake St. Francis Section which has to do wholly with navigation, the Dominion is in a position to assume full responsibility for construction.

In the Soulanges Section the situation has been made very simple as a result of the project of the Beauharnois Light, Heat & Power Company, which has received the Dominion's approval and is now under construction. Under the terms of the Dominion approval of this project the 14-mile power canal carrying the Lake St. Francis level past the Coteau, Cedars and Cascades Rapids is being constructed in such a manner as to meet navigation requirements. In other words the power project is being developed in absolute co-ordination with the navigation interests. As a part of its waterway policy the Dominion is in a position to proceed at once with the addition of the navigation locks and structures necessary to carry deep water navigation from Lake St. Francis to Lake St. Louis, leaving the power development to take place as the market demands.

In the Lachine Section the navigation layout is entirely distinct from the power layout and the Dominion

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