

(b) that the authority to be established pursuant to the provisions of the St. Lawrence Seaway Authority Act, Chapter 24 of the Statutes of Canada, 1951 (Second Session), contribute \$15 million toward the cost of channel enlargement which the power developing entities must undertake in the St. Lawrence River, as set out in Section 8 of the Applications to the International Joint Commission and Paragraph 4 of the Annex to the Canada-Ontario Agreement of December 3, 1951, in consideration of the benefits which will accrue to navigation from such channel enlargement.

Accept, Excellency, the renewed assurances of my highest consideration.
David K. E. Bruce

His Excellency

The Honourable Hume Wrong,
Ambassador of Canada.

ANNEX

EXCHANGE OF NOTES (January 11, 1952) BETWEEN CANADA AND THE UNITED STATES OF AMERICA IN WHICH THE GOVERNMENTS AGREED TO CO-OPERATE IN PREPARING APPLICATIONS TO THE I.J.C. FOR APPROVAL OF THE PLANS TO CONSTRUCT POWER FACILITIES ON THE ST. LAWRENCE IN CONNECTION WITH THE DEVELOPMENT OF AN ALL CANADIAN SEAWAY

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*The Canadian Ambassador to the United States of America
to the Secretary of State of the United States of America*

CANADIAN EMBASSY

No. 35

WASHINGTON, January 11, 1952.

SIR,

I have the honour to refer to the discussion of the St. Lawrence Seaway and Power Project between the Prime Minister of Canada and the President of the United States which took place in Washington on September 28, 1951.

At that time, the President and the Prime Minister agreed on the vital importance to the security and the economies of both countries of proceeding as rapidly as possible with both the seaway and the power phases of the project. The Prime Minister indicated that the Canadian Government would be willing to construct the seaway as a solely Canadian project if it is not possible to have the joint development undertaken on the basis of the 1941 Agreement. The President agreed to support this Canadian action if an early commencement of the joint development did not prove possible.

The Canadian Parliament has recently passed legislation providing on the one hand, for a power development on the St. Lawrence River, to be undertaken by the Hydro-Electric Power Commission of Ontario and an appropriate agency in the United States, and on the other hand, for the establishment of the St. Lawrence Seaway Authority to construct the seaway either in co-operation with the United States, as provided for in the 1941 Agreement, or as a solely Canadian undertaking. This legislation may now be brought into force at any time by proclamation.