Department of External Affairs Canada

Ottawa, August 17, 1954.

GNo. X-214

Sir:

- I have the honour to refer to the Exchange of Notes of June 30, 1952, between the Canadian Ambassador in Washington and the Acting Secretary of State of the United States, in which it was agreed that the Canadian Government would, when all arrangements had been made to ensure the completion of the power phase of the St. Lawrence Project, construct locks and canals on the Canadian side of the International Boundary to provide for uninterrupted 27-foot navigation between Lake Erie and the Port of Montreal.
- 2. With the co-operation of the Government of the United States, arrangements were made to ensure the completion of the power phase of the Project by the Power Authority of the State of New York and the Hydro-Electric Power Commission of Ontario. In the meantime, the Congress of the United States enacted and the President approved on May 13, 1954, Public Law 358 which created the Saint Lawrence Seaway Development Corporation and authorized and directed it to construct 27-foot navigation works on the United States side of the international section of the St. Lawrence River.
- At the request of the United States Government, representatives of our two governments held meetings in July and August of this year to discuss the need for modification of the Notes exchanged on June 30, 1952, in the light of Public Law 358. Although the Canadian Government is ready and willing to complete the works necessary for 27-foot navigation in the St. Lawrence Seaway on Canadian territory, it understands the desire of the United States to participate in the Seaway Project by constructing certain navigation works on United States territory. Accordingly the Canadian Government is prepared to modify the arrangements set forth in the Notes of June 30, 1952, to the extent that the Canadian Government will be relieved of the obligation towards the United States Government to provide forthwith the navigation works in the general vicinity of Barnhart Island on Canadian territory and in the Thousand Islands section.
- 4. (a) The Canadian Government wishes to state, however, that it will construct forthwith a canal and lock at Iroquois and that in addition it intends, if and when it considers that parallel facilities are required to accommodate existing or potential traffic, to complete 27-foot navigation works on the Canadian side of the International Rapids Section.
 - (b) Before undertaking these latter works in the general vicinity of Barnhart Island, the Canadian Government agrees to consult the United States Government and understands that, should the United States Government intend to build on United States territory in the International Rapids Section navigation works in addition to those provided for in Public Law 358, it would similarly consult the Canadian Government.

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