

PRESS RELEASE

DEPARTMENT OF EXTERNAL AFFAIRS

OTTAWA - CANADA

FOR IMMEDIATE RELEASE
WEDNESDAY, AUGUST 18, 1954.

No. 50

The Department of External Affairs today made public the text of an Exchange of Notes with the United States modifying the existing arrangements on development of the St. Lawrence Seaway that had been concluded by an Exchange of Notes of June 30, 1952.

The main works required to complete deep-water navigation from Lake Erie to Montreal may be described briefly as follows:

1. In Canadian territory

- (a) Deepening of Welland Canal from 25 feet to 27 feet;
- (b) Dredging in Lake St. Francis;
- (c) Construction of locks in the Soulanges area to pass vessels from the Beauharnois power canal into Lake St. Louis;
- (d) Construction of canal and locks and channel enlargements at Lachine.

2. In the international section

- (a) Dredging in the Thousand Islands section;
- (b) Canal and lock at Iroquois;
- (c) Canal and locks in the vicinity of Barnhart Island.

It will be recalled that in December 1951, the Parliament of Canada enacted legislation establishing the St. Lawrence Seaway Authority and authorizing it to carry out all of the above-mentioned navigation works.

It was also agreed, in an Exchange of Notes of June 30, 1952, between Canada and the United States, that Canada should carry out these works.

This agreement was based on the necessity of making provision for navigation as a pre-requisite for the development of the power phase of the St. Lawrence project, and on the assumption - which proved to be correct - that it would not be possible to do this by obtaining the approval of the United States Congress to the Great Lakes-St. Lawrence Basin Agreement of 1941.

On the other hand, in May 1954, the United States Congress passed, and the President signed, Public Law 358 (known as the Wiley-Dondero Act) which authorized and directed the United States to construct the canals and locks at Iroquois and Barnhart Island on the United States side and to do dredging in the Thousand Islands section of the St. Lawrence River.

In its new Note, dated August 17, 1954, the Canadian Government informed the United States Government that it was prepared to modify the June 30, 1952 arrangements to the extent that Canada would be relieved of one obligation, namely to provide forthwith the navigation works in the vicinity of Barnhart Island on Canadian territory and to carry out the dredging in the Thousand Islands section.

The United States Government, by its Note of August 17, 1954, agreed to this modification of the earlier exchange of Notes.

The following points should be noted:

(1) The Canadian Government - as stated in its Note - will construct forthwith a canal and lock in the international section at Iroquois.

The Canadian Government was informed by the United States Delegation that the United States Government is committed by Congressional legislation to the construction of a canal and lock on the United States side at this point. Nevertheless, the Canadian Government hopes that the United States may subsequently decide not to proceed with this work at this time.

(2) While Canada has been relieved of its immediate obligation, it has lost none of its rights to build navigation facilities in the vicinity of Barnhart Island on Canadian territory.

The Canadian Government has been informed that the United States will provide navigation works in the vicinity of Barnhart Island and do the dredging in the Thousand Islands section, in accordance with Public Law 358.

The Canadian Government in its turn has stated its intention of constructing a canal and locks on the Canadian side of Barnhart Island, if and when it considers that parallel facilities are required to accommodate existing or potential traffic. This would complete the 27-foot works required for uninterrupted navigation between Lake Erie and Montreal on the Canadian side.

(3) An important factor bearing on the requirement for parallel facilities on the Canadian side, near Barnhart Island, would be increasing volume of traffic. Another factor, which however we hope and expect would not materialize, would be unreasonable or unwarranted interference with, or delays to, Canadian shipping.

In the new exchange of Notes the two countries recognized that it was of great importance to both that the St. Lawrence Seaway be used to the maximum extent, and they therefore agreed to use their best endeavours to avoid placing unreasonable restrictions on the transit of passengers, shipping or trade in the international section of the Seaway. They also agreed to consult before the enactment of any new law, or the promulgation of any new regulation, applicable on either side of the international section which might affect Canadian, United States or third-country registry shipping.

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Department of External Affairs
Canada

Ottawa, August 17, 1954.

No. X-214

Sir:

1. 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.

3. 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.

Don C. Bliss, Esq.,
Charge d'Affaires, a.i.,
Embassy of the United States of America,
Ottawa.

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5. The Canadian Government reserves the right to decide whether and in what manner it will continue 14-foot navigation works through the International Rapids Section but agrees to consult the United States Government on the question of levying tolls in connection with such works.

6. (a) It is recognized that it is of great importance to Canada and the United States that the St. Lawrence Seaway be used to the maximum extent required by the needs of commerce. It is understood therefore that both Governments will use their best endeavours to avoid placing unreasonable restrictions on the transit of passengers, shipping or trade in the international section of the St. Lawrence Seaway.
- (b) It is further agreed that each Government will consult the other before it enacts any new law or promulgates any new regulation, applicable in the respective national parts of the international section of the St. Lawrence River, which might affect Canadian or United States shipping, or shipping of third-country registry proceeding to or from Canada or the United States respectively.
- (c) Similarly, with respect to any laws or regulations now in force in either country which affect the shipping interests of the other country in the international section of the St. Lawrence River, the Government affected may request consultation concerning such laws or regulations and the other Government shall accede to requests for consultation.
- (d) The foregoing undertakings are in addition to the treaty obligations now in force between Canada and the United States affecting shipping in the St. Lawrence River and canals, particularly Article I of the Boundary Waters Treaty of 1909.

7. I should be glad to receive your confirmation that the United States Government agrees with the modification of the Notes of June 30, 1952, proposed in paragraph 3 and with the reciprocal undertakings set forth in paragraphs 4(b) and 6 of this Note.

8. The Canadian Government looks forward to the fruitful development of this great Seaway Project in constructive and harmonious co-operation with the United States and is confident that this joint enterprise will add to the strength and prosperity of our two countries.

Accept, Sir, the renewed assurances of my highest consideration.

(L. B. Pearson

Secretary of State
for External Affairs.

United States Embassy

Ottawa, August 17, 1954.

No. 38

Sir:

I have the honor to acknowledge the receipt of your Note No. X-214 of August 17, 1954 in which you inform me that the Canadian Government agrees to certain modifications in the arrangements set forth in the Notes of our Governments of June 30, 1952, in the light of the changed circumstances with respect to the St. Lawrence Seaway Project brought about by the enactment by the Congress of the United States of Public Law 358, approved by the President on May 13, 1954.

The United States Government has called the attention of the Canadian Government to the provisions of Public Law 358 authorizing and directing the St. Lawrence Seaway Development Corporation to construct certain canals and locks on the United States side of the International Rapids Section of the St. Lawrence River as its part of the St. Lawrence Seaway Project. As the Canadian Government has been informed, it is the intention of the United States Government to participate in the St. Lawrence Seaway Project by constructing these navigational facilities.

The United States Government agrees with the requirements of consultation between the two Governments set forth in paragraphs 4(b) and 6 and agrees to relieve Canada of its obligation of June 30, 1952 as referred to in paragraph 3 of your Note No. X-214 of August 17, 1954.

My Government notes the declarations contained in your Note as to the intentions of the Canadian Government with respect to other matters relating to the St. Lawrence Seaway Project.

The United States Government wholeheartedly shares the view expressed by the Government of Canada concerning the benefits to be anticipated from this joint enterprise and welcomes this new opportunity for constructive and harmonious cooperation between our two countries.

Accept, Sir, the renewed assurances of my highest consideration.

Don C. Bliss

The Honorable Lester B. Pearson,
Secretary of State for External Affairs,
Ottawa.