

MEMORANDUM

At the meeting April 13-17, 1953, of the Permanent Joint Board on Defense, Canada-United States, the Chairman of the Canadian Section presented a submission containing views of the Government of Canada regarding the St. Lawrence Seaway and Power Project (enclosure no. 1). It was suggested that the Board reaffirm its previous recommendations regarding the seaway and power developments.

The Chairman of the United States Section expressed belief that the Board's action in December 1948 and February 1951 already placed it on record as favoring early development of the St. Lawrence waterway and power projects as in the "best interests" and "vital" for joint defense of Canada and the United States. He agreed, however, to bring the views of the Canadian Section to the proper authorities in the United States.

The submission, after providing familiar background regarding unsuccessful earlier attempts to obtain Congressional approval for joint construction of the power and navigation phases of the St. Lawrence project, sets forth the present position: The International Joint Commission having approved proposals for the construction of power, Ontario is ready to undertake development of its share of the power and the Canadian authorities are awaiting early and favorable action by the Federal Power Commission on an application to construct power facilities on the New York State side.

The project is considered urgent in Canada, from the standpoint of preparedness, because the Ontario area to be served by power from the St. Lawrence provides nearly half of Canada's current production of defense goods. The proportions range from 100% of jet engines to 80% of mechanical transport and 60% of electronic equipment. The area accounts for all Canadian-produced synthetic rubber, a large proportion of explosives, ammunition, ships; large percentages of nickel, copper, cobalt, and strategic non-ferrous metals, as well as major fabricating capacity for specified metals and industrial chemicals. Secondly, it is asserted, with reference to the reciprocal procurement of defense materials which the Board has fostered, that the more limited but nonetheless real defense needs of the United States are dependent upon industrial plants in Ontario where activity and expansion may be jeopardized failing an early start in the development of power from the St. Lawrence.

The stated Canadian view is that early completion of the St. Lawrence navigation and power project has, with the passing of time, become an urgent requirement in the defense of the North American Continent.

Enclosure:

Memorandum regarding
St. Lawrence Seaway and Power Project

