

The St. Lawrence Seaway, July 1, 1952

Hon. L. B. Pearson (Secretary of State for External Affairs): . . . There is one question in our relations with the United States, that of the St. Lawrence seaway, concerning which we have not been able to reach such an agreed solution. We would like to see that seaway built as an international project as a witness to our good neighbourhood and close cooperation. That, however, has not been possible, and the action, or rather the inaction, of the United States congress, which adjourned last Saturday night, shows, I think, that it is not going to be possible to secure agreement with the United States on this matter at an early date. Therefore we are prepared to recommend that this seaway should be built by Canada, and we shall soon request and expect to receive that cooperation from the United States government which it must be remembered is required under the boundary waters treaty.

The following steps remain in fact to be taken before the Canadian development can take place. In Canada, authorizing legislation, as announced in the speech from the throne at the opening of the present session of parliament, is required and will be introduced to provide for the construction of the St. Lawrence seaway and power project, and to provide for an appropriate agency of the federal government to deal with the construction of the seaway. Then an agreement, the terms of which have already been worked out, must be concluded with the government of Ontario for the construction by the Ontario Hydro Electric Power Commission, together with the appropriate authority in the United States, of the power development in the international rapids section of the river, and with respect to the division of costs between power and navigation. There must also be an agreed division of responsibility with the United States agency for the construction of these power development works. Then, although the situation is somewhat different because the international section of the St. Lawrence stops before the Quebec border is reached, steps are being taken to work out an agreement with the province of Quebec covering possible power developments in that province arising out of the Canadian waterways construction.

And, finally, from the point of view of Canadian action, an application by the Ontario authorities for the construction of the power works must be transmitted by the Canadian government to the international joint commission for approval there.

Then, on the United States side, a decision must be made—and I am now talking of the construction of the Canadian seaway—a decision must be made and approved by the president as to what agency in the United States will be responsible for constructing the United States part of the power project in the international section of the St. Lawrence river. That is a complicated problem in which many United States political considerations are no doubt involved, and the solution of the problem may take some time. At least, it cannot I suppose be reached overnight.

Secondly, for United States action, the agency which is to be responsible for the construction of the United States part of the power development must obtain a licence from the United States power commission. The procedure for obtaining such a licence involves public hearings before the commission, to which all interested parties must be given an opportunity to present their views.

And thirdly, for United States action again, an application by the agency responsible for the construction in the United States must be transmitted for approval by the United States government to the international joint commission in conjunction with a similar application by Ontario.

So far as Canadian action is concerned, that part of it which is a responsibility of the federal government will be pressed without any delay. That is all I wish to say this afternoon, Mr. Speaker, though I could say much more, if time permitted, on our relations with our great and friendly neighbour.

Mr. Gordon Graydon (Peel): . . . At this stage of the debate I should like to refer, if I may, to one or two matters mentioned by the minister in his speech a few moments ago. I was glad to note that the government had decided to make a start on the St. Lawrence seaway. I have always felt that there were many advantages, Mr. Speaker, in our proceeding with the St. Lawrence seaway as a Canadian project. I am not so sure that all the advantages which have been pointed out in connection with the project being on an international basis have held water. I am satisfied that there is abroad in Canada today an optimism and enthusiasm that this country is able to do great things by itself. I believe that we have never faced a time when we had more pride in what we can do, more pride in our achievements, than we have today. I believe that one of the things that will be of importance in the St. Lawrence seaway is that the people of Canada will feel that at

last Canada is tackling the job alone; she can do the job alone, and it will be in her economic interest, as well as in her interest generally, that she do so.

I want to say to the minister that the only pessimistic note he struck was that he seems to feel that perhaps the enterprise is going to get bogged down, at least temporarily, by old-fashioned red tape. I suggest to the minister that all the red tape he mentioned be cut to the best of his ability, because we should not allow this important enterprise of ours, whether it be from the standpoint of power, navigation or defence, to be bound up in red tape at this time.

Right Hon. L. S. St. Laurent (Prime Minister): Mr. Speaker, if I may have the unanimous consent of the house to revert to motions, I should like to make a short statement about the St. Lawrence seaway project.

Mr. Speaker: Has the Prime Minister leave of the house?

Some hon. Members: Agreed.

Mr. St. Laurent: According to press reports, which have been confirmed to us by the embassy in Washington the Wiley bill which would provide for the establishment of a United States authority to participate in the St. Lawrence seaway project, was passed today by the United States House of Representatives and our own newspapermen in the press gallery have been anxious to have some statement about it from the Minister of Transport (Mr. Chevrier) or from me and have been told that any statement should first be made here in the house.

It is my understanding, Mr. Speaker, that the legislative processes in the United States are such that several steps yet remain to be taken before this bill becomes law.

As hon. members well know, the governments of Canada and the United States have for several decades now made every effort to get the St. Lawrence seaway and power project under way. In the past, several agreements have been negotiated by representatives of both countries, but for one reason or another difficulties have cropped up which prevented these agreements from being brought to fruition.

In view of these perennial difficulties and of the very urgent need for additional hydro-electric power in the province of Ontario, the Canadian government, in 1951, undertook to construct,

maintain and operate an uninterrupted deep waterway between lake Erie and the port of Montreal provided arrangements were made for the concurrent development of the power project in the international section of the St. Lawrence river by fully qualified and authorized agencies of Canada and the United States.

It was after this undertaking was made by the Canadian government that the governments of Canada and the United States submitted joint applications to the international joint commission for the development of the international rapids power project. This application was considered and approved by the international joint commission, and the Ontario Hydro-Electric Power Commission and the New York state power authority have been designated by the Canadian and United States governments respectively to do this work.

The undertaking of the Canadian government, in 1951, to construct the whole seaway was given parliamentary sanction when the St. Lawrence Seaway Authority Act was passed. The government's position has not changed since then and we are still prepared to undertake alone the construction of the seaway. However, as I stated in my memorandum of January 9, 1953, to the ambassador of the United States in Canada, the government was and it still is willing to discuss any specific proposal the United States government might wish to put forward once an entity is designated and authorized to proceed with construction of the United States share of the power works and provided that such discussions do not delay either the power or the seaway project.