

of the United States. As late as June 18, 1952, the United States Senate returned a resolution to approve the 1941 Agreement to its foreign relations committee for further study.

Further delay by Congress of the United States to implement the 1941 Agreement has resulted in action being taken by Canada with a view to the construction of an all-Canadian navigational project. This would be undertaken in conjunction with a proposed joint Canadian-United States project to develop the power resources of the International Section of the St. Lawrence River.

Towards the end of the 1951 session of the Parliament of Canada, an Act was passed enabling the setting up of a St. Lawrence Seaway Authority to undertake the construction work of an all-Canadian navigational project and its operation on completion. Provision was made for this Authority to be the agency responsible for the Canadian share of construction and operation of the Seaway project should the United States join with Canada in this undertaking.

On June 30, 1952, separate submissions by Canada and the United States were filed with the International Joint Commission seeking approval of the necessary works to develop the power resources of the International Section of the St. Lawrence River. In its submission, Canada undertook to carry out the construction of navigational works on the Canadian side of the River. At the same time, an exchange of notes between Canada and the United States on this subject took place at Washington, D.C.

Preliminary work in connection with the all-Canadian navigational project commenced in January 1952, with test drilling where the main canal would be located on the Canadian shore of the St. Lawrence River. Plans for the work involved in the construction of the all-Canadian project are well advanced by Department of Transport engineers, who were also responsible for the preparation of plans under the 1941 Agreement.

Section 2.—Financial Statistics of Waterways

The principal statistics available of the cost of water-borne traffic consist of the record of public expenditure on waterways. Such expenditure may be classified as capital expenditure, or investment and expenditure for maintenance and operation. Revenue from operation is also recorded. In so far as capital expenditure for the permanent improvement of waterways is concerned, that of the Federal Government covers the major part. There has been some expenditure by municipalities on local harbour facilities, and private capital expenditure is also confined almost entirely to terminal or dockage facilities. The investment in shipping, however, with the exception of the Canadian Government Merchant Marine Limited and the Canadian National (West Indies) Steamships Limited, has come almost entirely from private sources. No figures are available regarding private investment in shipping except those appearing in the reports of the operating companies that cover only a portion of the field. There are no statistics showing the revenue of ship operators from passenger and freight traffic.

Capital Expenditure.—The only figures available of federal capital expenditure on Canadian waterways are those compiled from the Public Accounts and the annual reports of the Departments of Transport, Public Works and Finance. However, such expenditure cannot be regarded as any indication of the present worth of the undertakings represented. The cost of building canals and other waterways and