

Agreement of 1941, but this agreement was neither approved nor rejected by Congress. After more than 11 years of uncertainty in this respect, Canada, having advanced an alternative plan for development, finally ended the agreement on Nov. 4, 1952.

Both the 1932 treaty and the 1941 agreement had provided that the governments of the two countries would construct jointly all the works—power as well as navigation—the power facilities to be turned over on completion to an appropriate agency within each country. In 1951, Canada proposed that separate agencies be authorized to construct the power works, on the understanding that Canada would thereupon complete a 27-foot waterway from Montreal to Lake Erie. This would involve building the two canals in the International Rapids section of the River, previously planned for the United States side, as well as the other canals in the Canadian sections. It would also involve deepening the Welland Canal but not the channels linking the upper lakes, which historically have been a United States responsibility.

In December 1951, the Government of Canada concluded an agreement with the Government of Ontario concerning the international power development and, in the same month, legislation was passed providing for the creation of a Crown company, the St. Lawrence Seaway Authority, to build and operate the Canadian canals.

The power development in the International Rapids section required the approval of the International Joint Commission, under the Boundary Waters Treaty of 1909. The preparation of joint submissions from the two Federal Governments to the Commission was initiated by an exchange of notes on Jan. 11, 1952. On June 30, 1952, the two countries formally agreed to the new plan in an exchange of notes, which set out in detail the Canadian undertaking, and on the same date each made submissions to the International Joint Commission, which issued an Order of Approval on Oct. 29, 1952.

On July 15, 1953, the United States Federal Power Commission issued a licence to the Power Authority of the State of New York to develop the United States share of the power, but the licence was challenged in the United States courts. It was upheld by a unanimous decision of the Court of Appeals for the District of Columbia on Jan. 29, 1954. The decision was appealed to the United States Supreme Court which, on June 7, 1954, announced it would not entertain the appeal.

United States Participation.—The same United States Supreme Court decision opened the way for construction of the navigation works, which depend upon the existence of the power works and would be inoperative without them. Meanwhile, legislation passed in Congress, and approved by the President, in May 1954 created a St. Lawrence Seaway Development Corporation, and ordered it to construct the two United States canals in the International Rapids section of the St. Lawrence River as part of the Seaway system.

The United States proposal was discussed at meetings held in Ottawa, Ont., during July and August 1954. The arrangements of June 30, 1952, were modified, Canada agreeing to be relieved of its undertaking to build one of the canals in the International section near Cornwall and at the same time declaring its intention to proceed with the construction of a canal at Iroquois. Whether the United States will build a canal at that point on the American side is not yet determined.

June 7, 1954, the date of the United States Supreme Court decision in favour of the St. Lawrence Seaway and power development, promises to be a historic date for both Canada and the United States—another link in the chain of co-operative