

At the height of the summer construction season in 1957, more than 6,000 men were employed on the Canadian navigation facilities and about 2,000 men on the United States navigation project. The two power bodies—The Hydro-Electric Power Commission of Ontario and the Power Authority of the State of New York—employed a work force of about 10,000.

The estimated cost of the whole Seaway project is \$1,025,000,000, divided as follows: the St. Lawrence Seaway Authority, \$285,000,000; the St. Lawrence Seaway Development Corporation \$140,000,000; The Hydro-Electric Power Commission of Ontario, \$300,000,000; and the Power Authority, State of New York, \$300,000,000. By the end of 1957, the St. Lawrence Seaway Authority had awarded contracts valued at approximately \$235,000,000.

The Seaway is a self-liquidating project and costs of construction and operation are to be recovered from tolls on shipping. Tolls committees of both Canada and the United States are of the opinion that a composite toll system would present advantages for both the Seaway and its users. This system calls for two parallel tolls: a lower toll on net registered tonnage of each ship whether loaded or in ballast; and a higher toll based on the actual tonnage of cargo in each ship.

The Canadian and United States entities have come to the conclusion that ships having an over-all length of not over 730 feet and a beam of up to 75 feet can be accommodated in the Seaway, subject to the proviso that vessels exceeding 715 feet in length or 72 feet in beam should be classified in the category of vessels having characteristics which will subject them to appropriate scheduling and handling so as not to interfere with other traffic whenever the transit of such vessels is unduly delaying other shipping. They believe such an arrangement will be in the best interest of the Seaway and of its traffic.

Section 2.—Financial Statistics of Waterways

The principal statistics available on the cost of facilities for 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. The major part of the capital expenditure for the permanent improvement of waterways is provided by the Federal Government. Capital expenditure by municipalities and private capital expenditure is confined almost entirely to terminal or dockage facilities. On the other hand, investment in shipping 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. It must be realized that 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 permanent works to facilitate water transportation in Canada is represented in such reports at their original book values, no deductions having been made from the cumulative totals for depreciation from year to year or for abandonment of works that have been superseded such as, for instance, the first Welland Canals. To this extent such figures are an over-statement of the present value of the works in use. The figures are further limited by the fact that they do not include the cost of maintenance and improvements or the operation of these works, such charges having been made to the consolidated deficit account as annual expenditure and not to capital account. Table 23 shows that capital expenditure on canals, marine services and miscellaneous water-transport facilities reached the grand total of \$435,000,000 by the end of March 1956, but this must be interpreted