

Renewed negotiations produced the Great Lakes-St. Lawrence Agreement of 1941 but it was never approved by the United States Congress and has since been superseded by a new plan for an all-Canadian seaway.

Canada's new plan involves the undertaking of the international power development by separate entities to be named by the respective federal governments (in Canada, The Hydro-Electric Power Commission of Ontario). Canada would build the canals in this section and complete the seaway from Montreal to Lake Erie.

The Canadian Parliament, late in 1951, enacted legislation for the establishment of the St. Lawrence Seaway Authority, a Crown company, to undertake the construction and operation of the navigational works of the project. Approval was given also to an agreement with Ontario respecting the power development. On June 30, 1952, separate applications by Canada and the United States were made to the International Joint Commission for approval of the key power works. The Commission's approval was given on Oct. 29, and on Nov. 4, 1952, Canada notified the United States that it no longer looked for ratification of the 1941 agreement.

The final step in authorizing the power project was taken on Nov. 5, 1953, when the President of the United States signed an executive order designating the New York State Power Authority as the United States entity to join with The Ontario Hydro-Electric Power Commission in construction and administration of the project. Assuming that pending (November 1953) court actions to halt the participation of New York State in the joint venture are unsuccessful, construction may begin in 1954.

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 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 earlier works which have been superseded, as for instance, in the first Welland Canals. To this extent such figures are an overstatement of the present value of the works