

production, half of the industrial chemicals and over 40% of Canada's primary plastics production.

14. It is clear, from the above, that the essential defence requirements of Canada and, to a more limited but nonetheless real extent, those of the United States are very largely dependent on the continuing activity and expansion of the vast industrial plant located in the Province of Ontario. It is only too evident that such expansion may be seriously jeopardized unless a very early start is made on the development of the power potential available in the International Rapids Section.

15. In the circumstances the Permanent Joint Board on Defence may deem it advisable not only to reaffirm its previous recommendations regarding early completion of both the seaway and the power developments but also to draw the attention of the Governments of Canada and the United States to the fact that the St. Lawrence project, both for navigation and power, is no longer simply something from which our common defence measures would derive substantial benefits, but something which, with the passing of time, has become an urgent requirement in the arrangements for the defence of the North American continent.

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