

A cursory examination of the problem, however, indicates that all the important civilian and military officials having defense responsibilities in the last administration have concurred in the value of the project in view of the obvious advantages of permitting deep draft vessels to carry cargo directly to and from Great Lakes ports, the necessity for an inexpensive method of shipping the newly discovered Labrador iron ore deposits to steel producers and the need for hydroelectric power in the area which would be served. In addition, the United States' investment would be nominal and self-liquidating, and such investment would make it possible for the United States to participate in the control of the use to which the Seaway is put and the charges which would be made on American shipping.

I should point out, however, that if New York and Ontario build the power project, they will have to construct at their expense certain works essential to the Seaway. Whoever constructs the Seaway will be able to do so without contributing to the cost of common works, i.e., those works essential both to the power project and the Seaway. In a sense, therefore, the builder of the Seaway will be able to construct it at a bargain price. If the Federal Power Commission grants a license to the New York State Power Authority, Canada will be in a position to take advantage of this bargain simply by building the entire Seaway on the Canadian side of the St. Lawrence. In addition, it would have sole control over the use of the Seaway and over the tolls charged. Both S. 589 and H.J. Res 104 contemplate a return to the original plan of having the Seaway built