

September 18, 1957

MEMORANDUM FOR RECORD:



A meeting was held in Governor Adams' office today on the question of possible shifting of responsibilities for the administration of the St. Lawrence Seaway, with the following in attendance: Secretary Wilson, Secretary Brucker, Secretary Anderson, Director Brundage, Bryce Harlow, General Goodpaster, in addition to Governor Adams.

Governor Adams recalled that he had mentioned the possibility of a shift to the President, who indicated favorable initial reaction to the idea of placing responsibilities in the Commerce Department. He added that the President's Advisory Committee on Reorganization had also favored Commerce. He thought it was desirable to consider the timing of whatever might be decided upon as a final solution, since he understood the Canadians were now holding hearings as to whether to have any tolls at all. He thought the President felt that there should be a civilian organization (rather than a military) dealing with the Canadians, and that it should be at the same general level of government.

Mr. Wilson thought there were two questions. The first is as to how to give top level supervision to the St. Lawrence agency; the second is with respect to the future responsibilities, if any, of the Army Engineers in the activity. He thought it might be possible to let the Engineers finish the construction and then face the problem as to who should physically maintain and operate the waterway, and who should supervise the agency and conduct negotiations with the Canadians.

Secretary Anderson recalled that he had discussed this matter three or four years ago, when he was designated to supervise the matter in terms of two questions -- who should construct the Canal and who should negotiate the agreements with the Canadians. The President favored construction by the Engineers without regard to the question of who should operate the facility. When Mr. Anderson discussed the matter of negotiation with Secretary Dulles, the latter asked him to negotiate