

arranging power development and provided that the whole Seaway is not seriously delayed. Public opinion in Canada, however, increasingly supports the construction of an all-Canadian Seaway, partly as a symbol of developing Canadian nationalism.

IV. Summary Statement of Principal Points Previously Advanced in Testimony before Congressional Committees by various Representatives of the Prior Administration

12. Labrador Iron Ore

a. The St. Lawrence Seaway, in addition to its undoubted general contribution to our transportation system, is essential if we are to put our steel production -- which is to say our entire mobilization effort -- on a solid and secure foundation. Without the Seaway, we shall become steadily more vulnerable in steel production, the most strategic of all strategic industries.

b. The Mesabi deposits of high grade iron ore are being gradually depleted. There are two alternate sources of supply: the use of low-grade domestic deposits (taconite) and the importation of foreign high-grade ores. The importation and development of foreign ore must be accelerated because the exploitation of our taconite will require extensive and costly research and development and the construction of facilities through a slow process over a period of years. There are two principal sources of foreign high-grade iron ore in this hemisphere, South America and Labrador. The high-grade ores of Labrador, the only rapidly expansible supply on this continent, are of particular importance to national security. In time of war, if the Seaway were completed, ore from Labrador could move to the Great Lakes by a sheltered route during part of the year, in contrast with the hazardous open-ocean routes around the seaboard and from South America.

c. Freedom from submarine attack does not, of course, mean full security. The risk of interruption of the new Seaway by enemy sabotage must be faced. The danger of sabotage, however, is already of critical importance at the locks of Sault Ste. Marie, through which our Lake Superior ores are brought in such vast quantity. Until the Seaway is built, almost the whole of our iron ore supply is subject to interruption by a single act of sabotage there.

13. Security and Economy of Overseas Shipping. The Seaway will facilitate the transportation of munitions to oversea bases. For example, it would shorten for part of the year by

