

O.F.

155-N

THE WHITE HOUSE  
WASHINGTON

11 March 1953

St. Lawrence #

State: supports saying it has consistently urged U.S. participation.

Defense: strongly supports on defense grounds

Justice: no direct interest but feels Wiley bill is deserving of support by Administration

Commerce: strongly favorable staff report now before the Secretary, whose official position is not known. (He opposed at earlier time.)

Treasury: Secretary feels he must disqualify himself because of earlier strong support. Departmental report will limit itself to criticism of technical deficiencies in Wiley bill.

Interior: favorable report being written.

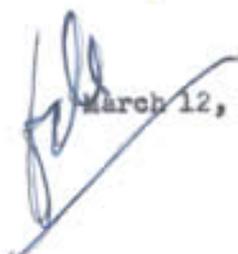
Power Commission: in all probability will favor Commission has not voted this year yet.

Agriculture: not requested for report this year. If asked would repeat favorable report of 2 years ago.

Budget: has supported consistently for many years. Has rewritten Wiley bill to remove technical and organizational deficiencies.

EXECUTIVE OFFICE OF THE PRESIDENT  
BUREAU OF THE BUDGET  
Washington 25, D. C.

Mr. Roger Jones  
The Director  
St. Lawrence Seaway

  
March 12, 1953

In a discussion with the President and Governor Adams about the St. Lawrence Seaway project and bill S. 589 --

1. It was suggested that, instead of waiting for a license or authority from the Federal Power Commission for New York State to negotiate with Ontario, Canada on the power features of the project, it might be possible to accomplish this by a positive authorization in the bill. xOF19  
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2. In establishing an administration position in favor of or not opposed to the idea of the project the following considerations should be emphasized:

a. The need for a sufficient depth to the channel, apparently increasing the depth from 27 to 34 or 35 feet, to provide for present and future draft ships is important, and in particular any added construction costs.

b. Added to this, any other practical or technical aspects of the problem which should be clearly established.

c. In view of a and b above, a determination as to the self-liquidating aspects of the project and its financing to support the Government guarantee of any securities issued by it.

3. There should be some long-range economic study of the implications of the project in terms of the drain on the United States resulting from a failure to establish it and make available to the appropriate segments of the steel industry the Labrador ore as an alternative or support to the use of ore from Venezuela or other sources where the supply may be declining over a long period of time.

4. The Budget Bureau will submit a redraft of the Wiley Bill to remove technical and organizational deficiencies.

cc: Governor Adams

  
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