

PSF ST. Lawrence Waterway 1934 - 1939 Box 185

Subject File
Box 185

✓ Get Key on the Reservations

We have 42 outside of these lists

Ask three members of Fed. Pol. Com. to

8 March 1934

Conn. A. S. C. M. S.

22 Doubtful Democrats

These are	42
Dem	22
R. Rep.	7
<hr/>	
	71
Against	25
<hr/>	
	96

PSF
St. Lawrence
W-Way

- ✓ Fletcher, Florida
- ✓ Thomas, Oklahoma
- Russell, Georgia
- ✓ McGill, Kansas
- ✓ Hatch, New Mexico
- ✓ Stephens, Mississippi
- ✓ Trammel, Florida
- ✓ Neely, West Virginia
- Reynolds, North Carolina
- Tydings, Maryland
- Coolidge, Massachusetts
- ✓ Bankhead, Alabama
- ✓ Connally, Texas
- Smith, South Carolina
- Loneragan, Connecticut
- McCarren, Nevada
- ✓ Murphy, Iowa
- Bailey, North Carolina
- ✓ George, Georgia
- ✓ Adams, Colorado
- ✓ Caraway, Arkansas
- Gore, Oklahoma

Shepherd is OK

PSF

(Rolling Mill of Colo. Incl. in Conn.)

1941
COPY

SS DOUBTFUL REPUBLICANS

See page
190000, 190001
190002, 190003
190004, 190005
190006, 190007
190008, 190009

COPY

✓ Doubtful Republicans

- ✓ Carey, Wyoming
- ✓ Hatfield, West Virginia
- ✓ Steiwer, Oregon
- ✓ Couzens, Michigan
- ✓ McNary, Oregon
- ✓ Walcott, Connecticut *ful - Francis plan -*
- ✓ *Gibson, Vermont, - An anti-Communist man -*

Hayden W.K.

Need your votes

8 March 1934

PSF
St. Lawrence
W-Way

22 Doubtful Democrats

- Fletcher, Florida *Could ship cheaper to inland*
- Thomas, Oklahoma, *Brotherhoods -*
- Russell, Georgia.
- McGill, Kansas - *Brotherhoods -*
- Hatch, New Mexico
- Stephens, Mississippi
- Trammel, Florida
- Neely, West Virginia, *Brotherhood (Pittman)*
- Reynolds, North Carolina,
- Tydings, Florida
- Coolidge, Massachusetts,
- Bankhead, Alabama *President -*
- Connally, Texas *President*
- Smith, South Carolina
- Lonergan, Connecticut
- McCarran, Nevada
- Murphy, Iowa *President -*
- Bailey, North Carolina
- George, Georgia *President*
- Adams, Colorado *President*
- Caraway, Arkansas *"*
- Gore, Oklahoma

6 Doubtful Republicans

Carey, Wyoming

Hatfield, West Virginia

Stiwer, Oregon

Couzens, Michigan

McNary, Oregon

Walcott, Connecticut

President

Brotherhood -

2 Penns for

3 Conservation of wild life
just passed

1 Penn for Congressman Claiborn

1 " " Walcott

EDWIN A. HALSEY
SECRETARY

United States Senate

St. Lawrence
Way

Dear Mac:

Please place the Saint
Lawrence Treaty and the reservations
enclosed, on the President's desk so
that he might have them for reference
purposes. The date of vote, as you know,
is March 14th.

Sincerely,

March 9, 1934.

E. A. H.

UNANIMOUS CONSENT AGREEMENT

Ordered by unanimous consent, That on Tuesday, March 13, at the hour of 12 o'clock noon, the Senate, in open executive session, will proceed to the consideration of the Great Lakes-St. Lawrence Deep Waterway Treaty, Executive Calendar No. 1, and that after the hour of 12 o'clock meridian on the calendar day of Tuesday, March 13, 1934, no Senator shall speak more than once nor longer than 30 minutes upon the pending Great Lakes-St. Lawrence Deep Waterway Treaty, nor more than once nor longer than 30 minutes upon any amendment that may be pending or that may be offered thereto, or upon any reservation that may be pending or that may be offered to the resolution of ratification; that no amendment or reservation shall be formally proposed which shall not have been presented on or before the calendar day of Tuesday, March 13, 1934; and that on the calendar day of Wednesday, March 14, 1934, at not later than the hour of 6 o'clock p.m., the Senate shall proceed to vote without further debate upon all questions arising in the parliamentary disposition of the said treaty. [March 1, 1934.]

Get Jim & Kay - Talk over
 sitting a water -

PSF
 St. Lawrence
 W-Way
 1934

Mr.

YEAS		NAYS
	Adams ?	✓
✓	Ashurst	
	Austin ?	✓
✓	Bachman	
	Bailey ?	✓
✓	Bankhead ?	✓
	Barbour	✓
✓	Barkley	
✓	Black ? ?	
	Bone	
✓	Borah	
✓	Brown	
	Bulkley ?	✓
✓	Bulow	
	Byrd ?	✓
✓	Byrnes	
✓	Capper	
	Caraway ?	
	Carey ?	✓
	Clark	✓
	Connally ?	✓
	Coolidge	✓
	Copeland	✓
✓	Costigan	
✓	Couzens ?	✓
✓	Cutting	
	Davis ?	✓
	Dickinson	✓
	Dieterich	✓
✓	Dill	
✓	Duffy	
✓	Erickson	
✓	Fess	
?	Fletcher ?	✓
✓	Frazier	
	George ?	✓
	Gibson ?	✓
	Glass ?	✓
	Goldsborough	✓
✓	Gore ?	✓
	Hale	✓
✓	Harrison	
	Hastings	✓
✓	Hatch	

no

Possible not Barkley
 OK

OK

no - may stay
 away

OK

OK

OK

	Goldsborough	✓	
✓	Gore ?	✓	OK ✓
	Hale	✓	
✓	Harrison	✓	
	Hastings	✓	
✓	Hatch	✓	
?	Hatfield ?	✓	May 90 ✓
✓	Hayden	✓	
	Hebert	✓	
✓	Johnson	✓	
	Kean	✓	
	Keyes	✓	
?	King ?	✓	Bed thought ✓
✓	La Follette	✓	
✓	Lewis	✓	
✓	Logan	✓	
	Lonergan	✓	
	Long	✓	
✓	McAdoo	✓	
	McCarran	✓	
✓	McGill	✓	
✓	McKellar	✓	
?	McNary ?	✓	Room just below ✓
	Metcalf	✓	
✓	Murphy	✓	
?	Neely ?	✓	Mill of water is needed ✓
✓	Norbeck	✓	
✓	Norris	✓	
✓	Nye	✓	
✓	O'Mahoney	✓	
	Overton	✓	
	Patterson	✓	
✓	Pittman	✓	
✓	Pope	✓	
	Reed	✓	
	Reynolds ?	✓	
✓	Robinson, Ark	✓	
✓	Robinson, Ind	✓	
	Russell ?	✓	
✓	Schall	✓	
✓	Sheppard	✓	
✓	Shipstead	✓	
✓	Smith	✓	
	Steiner ?	✓	
	Stephens ?	✓	Well a.m. ✓
	Thomas, Okla	✓	May ? ✓
✓	Thomas, Utah	✓	
✓	Thompson	✓	
	Townsend	✓	
?	Trammell ?	✓	ok if water needed ✓
	Tydings	✓	
✓	Vandenberg	✓	
✓	Van Nuys	✓	
	Wagner	✓	
	Walcott ?	✓	
	Walsh	✓	
✓	Wheeler	✓	
	White	✓	

3. 412 January 9, 1934 473

(Presiding.....)

This from State Dept. ^{PSF} St. Lawrence
W. Way

30

Fletcher	D.	Florida	Bachman	D.	Tennessee
McNary	R.	Oregon	Bankhead	D.	Alabama
Steiwer	R.	Oregon	Connally	D.	Texas
Thomas	D.	Oklahoma	Smith	D.	South Carolina
Russell	D.	Georgia	Loneragan	D.	Connecticut
McGill	D.	Kansas	Couzens	R.	Michigan
Bulkley	D.	Ohio	McCarran	D.	Nevada
Ashurst	D.	Arizona	Murphy	D.	Iowa
Hatch	D.	New Mexico	Hayden	D.	Arizona
Carey	R.	Wyoming	Bailey,	D.	South Carolina
Stephens	D.	Mississippi	George	D.	Georgia
Hatfield	R.	West Virginia	Adams	D.	Colorado
Trammell	D.	Florida	Caraway	D.	Arkansas
Gibson	R.	Vermont	Reynolds	D.	North Carolina
Neely	D.	West Virginia	Tydings	D.	Maryland

PSF
St. Lawrence
W. - Way

MISSISSIPPI RIVER

Democrats

- ✓ Bachman, Tennessee
- ✓ Barkley, Kentucky
- ✓ Duffy, Wisconsin
- ✓ Harrison, Mississippi
- ✓ Logan, Kentucky
- ? Murphy, Iowa
- ✓ Robinson, Arkansas

- ? Caraway, Arkansas

- × Dieterich, Illinois
- × Lewis, Illinois
- × Clark, Missouri
- × Long, Louisiana
- ? McKellar, Tennessee
- × Overton, Louisiana
- ? Stephens, Mississippi

Republicans

- ✓ Shipstead, Minnesota (F-L)
- ✓ Schall, Minnesota
- ✓ La Follette, Wisconsin

- × Dickinson, Iowa
- × Patterson, Missouri

MISSOURI RIVER

Democrats

- ✓ Wheeler, Montana
- ✓ Erickson, Montana
- ✓ Bulow, South Dakota
- ✓ Thompson, Nebraska

- ? McGill, Kansas

Republicans

- ✓ Nye, North Dakota
- ✓ Frazier, North Dakota
- ✓ Norbeck, South Dakota
- ✓ Norris, Nebraska
- ✓ Capper, Kansas

OHIO RIVER

Democrats

- ✓ Van Nuys, Indiana
- ? Neely, West Virginia
- ? Bulkley, Ohio

Republicans

- ✓ Robinson, Indiana
- ✓ Fess, Ohio

- ? Hatfield, West Virginia

- × Reed, Pennsylvania
- × Davis, Pennsylvania

✓ - 21
? - 8
x - 9

CONFIDENTIAL

YLS BF
St. Lawrence
YLS

The publication of this telegram has not been authorized. It is made available to you with Mr. Robertson's permission for your own information.

Mr. Robertson is President of the Brotherhood of Locomotive Firemen and Enginemen. He appeared before the Senate Committee on Foreign Relations on Friday, December 2, 1932, to present the views then held by the railroad labor organizations concerning the Great Lakes-St. Lawrence Treaty.

MIAMI FLA 5 FEB 1934

SENATOR ROBERT LAFOLLETTE
SENATE OFFICE BLDG WASHDC

PRESIDENT ROOSEVELT'S STATEMENT IN HIS MESSAGE THAT CANADA COULD COMPLETE THE GREAT LAKES ST LAWRENCE SEAWAY ALONE WITHOUT THE POWER PROJECT IF UNITED STATES FAILED TO COOPERATE PRESENTS A FACTOR WHICH IS SUFFICIENT IN MY OPINION TO WARRANT RECONSIDERATION OF WHOLE SUBJECT BY RAILWAY LABOR ORGANIZATIONS BECAUSE UNITED STATES WOULD BE PLACED AT A DISADVANTAGE AS AGAINST CANADA IF ST LAWRENCE SEAWAY WAS COMPLETED BY CANADA ALONE AND WE SHOULD LOSE OPPORTUNITY OF POWER DEVELOPMENT STOP SO FAR AS THE PUBLIC POWER PROJECT ON THE ST LAWRENCE IS CONCERNED YOU WILL REMEMBER THAT RAILWAY LABOR HAS ALWAYS STRONGLY FAVORED SIMILAR DEVELOPMENTS IN THE PUBLIC INTEREST AT MUSCLE SHOALS AND BOULDER DAM STOP THE RAILWAY LABOR ORGANIZATION OF WHICH I AM CHIEF EXECUTIVE WOULD PLACE NO OBSTACLE IN THE WAY OF PUBLIC DEVELOPMENT OF THE ST LAWRENCE PROJECT AND DOES NOT COUNTENANCE OR SUPPORT ANY EFFORT TO MAKE A VOTE UPON THE TREATY A TEST OF SUPPORT OF OUR LEGISLATIVE PROGRAM

D B ROBERTSON

OK

PSF
St. Lawrence
W. Way

12

Norris	R.	Nebraska
Pittman	D.	Nevada
La Follette	R.	Wisconsin
Duffy	D.	Wisconsin
Vandenberg	R.	Michigan
Wheeler	D.	Montana
Erickson	D.	Montana
Capper	D.	Kansas
Shipstead	F-L.	Minnesota
Nye	R.	North Dakota
Frazier	R.	North Dakota
Costigan	D.	Colorado

Joe Sucher - Ralph B. was in San. Press town.
 & now connect for Power Auth. of N.Y.
 He will act as clearing house.

AK

Black	D.	Alabama
Borah	R.	Idaho
Johnson	R.	California
Cutting	R.	New Mexico
McAdoo	D.	California
O'Mahoney	D.	Wyoming
Pope	D.	Idaho
Thomas	D.	Utah
Bulow	D.	South Dakota
Schall	R.	Minnesota
Norbeck	R.	South Dakota
Brown	D.	New Hampshire

AK

Robinson	D.	Arkansas
Harrison	D.	Mississippi
Barkley	D.	Kentucky
Byrnes	D.	South Carolina
Dill	D.	Washington
Fess	R.	Ohio
Bone	D.	Washington
Van Nuys	D.	Indiana
Robinson	R.	Indiana
Thompson	D.	Nebraska
Logan	D.	Kentucky
Sheppard	D.	Texas

*These are the
worked on*

30

Fletcher	D.	Florida	Bachman	D.	Tennessee
McNary	R.	Oregon	Bankhead	D.	Alabama
Steiner	R.	Oregon	Connally	D.	Texas
Thomas	D.	Oklahoma	Smith	D.	South Carolina
Russell	D.	Georgia	Loneragan	D.	Connecticut
McGill	D.	Kansas	Couzens	R.	Michigan
Bulkley	D.	Ohio	McCarran	D.	Nevada
Ashurst	D.	Arizona	Murphy	D.	Iowa
Hatch	D.	New Mexico	Hayden	D.	Arizona
Carey	R.	Wyoming	Bailey	D.	South Carolina
Stephens	D.	Mississippi	George	D.	Georgia
Hatfield	R.	West Virginia	Adams	D.	Colorado
Trammell	D.	Florida	Caraway	D.	Arkansas
Gibson	R.	Vermont	Reynolds	D.	North Carolina
Neely	D.	West Virginia	Tydings	D.	Maryland

St. Lawrence

Reservations

The consideration of reservations to the Treaty is in a favorable status. It appears reservations dealing with sovereignty of Lake Michigan, diversion of water from Georgian Bay, and expenditure of American funds in the International Rapids Section might be adopted without materially weakening chances of ratification by Canada.

After debate is resumed a conference with members of the Foreign Relations Committee, which voted 9 to 2 to report the Treaty favorably, would be exceedingly helpful. Secretary Hull, Under Secretary Phillips, General Markham, and General Pillsbury would be in a position to present at such a conference the basis for compromise reservations to cover the main points of controversy involved in the Treaty. If an accommodation could be reached on several of these points, the ground would be cut out from under the chief opposition to the Treaty.

1 Wheeler, Montana
5 Black, Alabama
6 Dill, Washington
2 Costigan, Colorado
7 Van Nuys, Indiana
4 Barkley, Kentucky
3 Bone, Washington
8 Brown, New Hampshire

1. This is a power fight. Of urgent importance to get as many Democrats as possible to speak on this phase of Treaty within next few days.

2. Depending on three or four men on Democratic side who believe in Administration's power program to get out and make fight on this question, organize and get time for vote fixed at earliest possible date.

3. Suggest canvass among Democrats after opening speeches, conference of those who are backing Administration's power program and daily reports on progress.

4. Associates through fight in New York are on ground and will be of service.

February 22, 1934.

MEMORANDUM

Within the last week the Upper Mississippi Valley Association and the Missouri Valley Association, heretofore opposed, have come out publicly for ratification of the St. Lawrence Treaty.

The three largest farm organizations - the American Farm Bureau Federation, the National Grange, and the Farmers Union - have endorsed the Treaty and instructed their Washington representatives to work actively for ratification. The New York State Grange for the first time endorsed the whole project at its convention last week.

General Markham, Chief of Engineers, has prepared a strong statement conclusively showing the Treaty permits sufficient diversion of water from Lake Michigan. This statement will greatly weaken opposition to the Treaty arising from the diversion issue, if used promptly with comments from leading Democrats from the Mississippi valley.

The best friends of the Treaty in the Senate agree immediate steps should be taken to set a vote on the Treaty for not later than the first week in March. It is their view delay is playing into the hands of the opposition.

It is evident the plan of the opponents of the Treaty is to get it set aside for other business over the next few weeks until it becomes involved with the press of legislation toward the end of the session. By threatening a filibuster they will then be able to prevent a vote on the ground that Congress cannot take an early adjournment if the Treaty is to be debated and fought out to a definite issue.

The Old Guard Republicans in the Senate are promoting this plan on the theory that they can fix responsibility upon the Administration for failure of the Treaty at this session.

About 36 Senators can be listed at the present time as advocates of the Treaty who could be relied upon to take an active part in securing ratification if a vote is fixed. This includes nearly all the public power advocates among the Democrats and the entire Progressive Republican group. About 30 additional Senators must be listed as doubtful. The plan of the opposition is to represent these doubtful Senators as definitely hostile to ratification in order to discourage the Administration leaders from fixing a time for a vote.

One of the main weaknesses in the situation in the Senate is the failure of Democrats to join in the debate. Senators Pittman, Erickson and Duffy are the only Democrats who have thus far spoken for the Treaty. Senators Wheeler, Costigan and Brown are strongly in favor of the project and are prepared to speak at once. Senators Van Nuys, Barkley, Dill, Pope, Thomas, Bone, Sheppard, Logan and Black would make short speeches in favor of the Treaty if encouraged to do so. Short speeches from

- 3 -

Senators Robinson, Byrnes and Harrison now would entirely
destroy the propaganda to the effect the Administration
is not pressing for ratification of the Treaty.

From the office of Senator Key Pittman
Chairman, Senate Committee on Foreign Relations

February 1, 1934

For Release at Time of Spelling before the Senate

The following letter concerning diversion of water from Lake Michigan at Chicago in relation to the St. Lawrence Deep Waterway Treaty, from Major General E. M. Markham, Chief of Engineers, U. S. A., to Senator Key Pittman, Chairman, Senate Committee on Foreign Relations, is for release at the time it is read before the Senate (probably Thursday or Friday).

January 31, 1934.

Honorable Key Pittman,
United States Senate,
Washington, D. C.

Dear Senator Pittman:

In accordance with your request, I take pleasure in advising you on the asserted need for a diversion of water from Lake Michigan to provide for the present and future improvement of the Mississippi River for navigation.

A decree of our Supreme Court and the provisions of the St. Lawrence Deep Waterway treaty limit the diversion from the Great Lakes through the Chicago Drainage Canal into the Illinois River after the year 1938 to an annual average of 1,500 cubic feet per second, in addition to the amount drawn for the municipal water supply for the city of Chicago and discharged into the canal as sewage. The decree contemplates that this sewage shall be purified before its discharge into the drainage canal. The reliable flow through the Illinois Waterway and into the head of the Illinois River, as augmented by the water drawn for municipal purposes, will therefore be not 1,500 cubic feet per second, but will be 2,400 cubic feet per second. The annual average flow will be at least 3,200 cubic feet per second. The maximum annual average diversion through the Chicago Drainage Canal, including the sewage discharge from the city, has been 9,965 cubic feet per second. The decree will therefore decrease the diversion by a maximum of 6,765 cubic feet per second.

It has never been the view of this Department that the diversion of water from the Great Lakes into the Chicago Drainage Canal is an essential factor in the present and future development of the interior waterways system formed by the Mississippi River and its tributaries. The initial action to restrict the diversion was taken by this Department in 1907 because of the injury to navigation on the Great Lakes resulting from the lowering of their levels by reason of the diversion. Subsequently certain States of the Union brought action in the Supreme Court to restrain the diversion to prevent injury to their citizens, and the present decree is

a result of the latter action, I need not point out to you that even were the present treaty not ratified, a due regard for the interests and rights of these States will impel a proper restriction of the diversion. The interests of our own citizens, aside from any consideration of the treaty, will presumably always limit the diversion of water from the Great Lakes into the Mississippi River system to that essential to the public need.

Our inland waterway system is not dependent on the Great Lakes for its water supply. The flow of our great interior rivers, with such conservation as may be necessary, is ample to provide for their maximum development for navigation. The major tributaries of the river, the Ohio and the Missouri, as well as the Mississippi itself above the mouth of the Illinois, have been or are being developed for modern barge navigation with their own water resources. The portion of the main stem of the Mississippi, below the mouth of the Illinois, and the link with the Great Lakes formed by the Illinois River itself, are alone affected by the diversion.

Under the direction of Congress this Department has made a thorough study of the amount of water that will be required to meet the needs of a commercially useful waterway on the Illinois River and its connection with the Great Lakes, and on December 6, 1933, submitted a report setting forth its conclusions. This report was reviewed by the Board of Engineers for Rivers and Harbors as provided by law. The report finds that by constructing two modern locks and dams on the Illinois River which will supersede two old and inadequate structures now impeding navigation on the river, and with the completion of a lock and dam at Alton on the Mississippi River below the mouth of the Illinois, the flow provided under the decree of the Supreme Court and the provisions of the treaty will be ample for the fullest development of navigation on the Illinois. The conclusions in this report apply not only to the present 9-foot barge navigation but also to any future increase in depth that may be found advisable. No public need of navigation therefore exists for a larger diversion so far as navigation on the Illinois is concerned.

Even with the present diversion, the extreme low water flow of the Mississippi in the short reach of 23 miles between the mouth of the Illinois and the confluence of the Missouri has proved insufficient to afford a reliable 9-foot channel suitable for modern barge navigation. With funds provided under the Public Works program, work will soon be begun on a lock and dam at Alton, a short distance above the mouth of the Missouri, which will make navigation independent of shortages of water supply. This dam is part of the comprehensive development of the Upper Mississippi River, now in active prosecution, to afford modern 9-foot barge navigation to Minneapolis and St. Paul.

There remains therefore only the consideration of the need for a diversion from the Great Lakes to afford the fullest development of navigation on the Mississippi below the mouth of the Missouri. The present low water flow of the Mississippi at St. Louis, immediately below the confluence of the Missouri, is 43,000 cubic feet per second, of which 35,000 cubic feet per second is contributed by the natural flow of the Missouri and the upper Mississippi, and the balance of about 7,000 or less cubic feet per second by the diversion from the Great Lakes into the Illinois River. This minimum flow is not adequate to provide a reliable channel of the full 9-foot depth. Under the Public Works program, however, construction has been begun on a great storage reservoir at Fort Peck at the headwaters of the Missouri, which through the conservation of flood waters will add at least 20,000 cubic feet per second to the low water flow of the mouth of the Missouri. It is at once apparent that this measure of water conservation will add three times as much water to the low flow of the Mississippi as is involved in the decreed reduction of the Chicago diversion.

Looking into the future, the demand must be foreseen for deeper and more commodious channels in our interior waterways, but these channels can be provided without the diversion of water from the Great Lakes. A comprehensive report made by a special board of engineers in 1909 found that it would be possible to provide a 14-foot channel in the Mississippi River from St. Louis to the mouth by dredging and constructing works to confine and regularize the low water channel, but that the great cost of these works was not justified by the benefits. Subsequent experience in the improvement of the river does not controvert this conclusion. Should it be found advisable at some future time to provide in channels of the Mississippi River and its tributaries a greater depth than 9 feet, to provide which effort is now being directed, a deeper channel in the Mississippi River below St. Louis can be provided by the further development of the works to confine and regularize the low water channel. After these works have been developed to the maximum limit practicable and advisable, it may well be found appropriate to further augment the low water flow of the river. The Fort Peck Dam is however but a beginning in the possibilities in the conservation of the water resources of the Mississippi. The available water supply with proper conservation is ample for any future needs of navigation without drawing upon the Great Lakes.

This Department has committed itself fully and whole-heartedly to the improvement of our great interior waterways system, and it would be its duty to present fully to Congress the need for augmenting the water supply of the Mississippi River by diversion from the Great Lakes if this supply were necessary to the present and future development of the Mississippi River system. It does not regard a diversion greater than that provided in the Supreme Court Decree as necessary for that purpose, and is cognizant of the injury to navigation and related interests on the Great Lakes that would result from any excessive diversion of water through the Chicago Drainage Canal.

Sincerely yours,

E. M. Markham,
Major General,
Chief of Engineers.

(THE END)

FRANK R. WALSH
CHAIRMAN
DELOS M. COSGROVE
VICE-CHAIRMAN

JAMES C. BONBRIGHT
MORRIS LLEWELLYN COOKE
FRED J. FREESTONE



THE POWER AUTHORITY OF THE STATE OF NEW YORK
STATE OFFICE BUILDING-80 CENTRE STREET
NEW YORK CITY

RALPH GUNN SUCHER
WASHINGTON COUNSEL

726 JACKSON PLACE
WASHINGTON, D. C.

March 3, 1934.

MEMORANDUM.

Since the vote on the Treaty was fixed Wednesday, Mr. Olds and I have talked with Senators Wheeler, Costigan, Brown and Bone, Democrats. They are ready to get into the debate on the Treaty next week.

Over the week-end we should like to work with Senators Barkley, Van Nuys and Black in preparation for the debate, emphasizing the importance of Democratic activity for the Treaty.

The vote is one week from Wednesday. So far only three Democrats have spoken - Pittman, Erickson and Duffy. The seven Democrats noted above could be of great assistance to Senators Robinson and Pittman in canvassing and organizing the fight in the Senate next week if they were impressed with the fact the Administration is relying upon them. If these Senators could be telephoned and informed Mr. Olds and I are at

their service we could follow through over the week-end and this necessary activity could get under way Monday. It would expedite the work to have a note addressed to Senator Robinson stating we have been made available to help the Administration's friends on this matter.

Senator Duffy is ready to begin Monday circulating a statement favorable to the Treaty among Democratic Senators in the Mississippi Valley. Senator Nye has independently undertaken the same job on the Republican side. With Democratic cooperation a two-thirds majority of these Senators can be obtained. Senator Pittman believes this would be an effective thing to do since the Mississippi Valley has been the chief source of opposition on the Treaty. He would like Senator Barkley to help Senator Duffy.

Unless active work gets under way early next week the Treaty will be in serious danger of defeat. Encouragement to the younger Senators who are thoroughly in sympathy with the Administration's power program and the fixing of responsibility upon them to organize the fight will save the situation.

Senator Nye has requested material for a speech Tuesday and Senators Vandenberg, Frazier, Norris and other Republican Senators will get into the debate next week.

Five minute speeches from Senators Robinson, Harrison, and Byrnes early next week would greatly strengthen Democratic support for the Treaty.

Wheeler, Montana

Black, Alabama

Dill, Washington

Costigan, Colorado

Van Nuys, Indiana

Barkley, Kentucky

Bone, Washington

Brown, New Hampshire

(1) Of urgent importance to get as many Democrats as possible to speak on Treaty next week.

(2) Depending on 3 or 4 Democratic Senators who believe in Administration's power program to organize support for the Treaty and make active fight for ratification.

(3) Suggest canvass of Democrats by Wednesday, conference of those supporting Administration and reports on progress.

(4) Sucher and Olds available to assist.

PSF
St. Lawrence
W-Way

DEPARTMENT OF STATE
DIVISION OF WESTERN EUROPEAN AFFAIRS

March 9, 1934.

irrevocably objectionable.

PSF
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COMMENTS ON RESERVATION PROPOSED BY SENATOR
BAILEY

The text of this reservation is as follows:

"The United States ratifies this treaty as a condition of the ratification and a part of the treaty that grain of any character shipped out of the United States by way of the Great Lakes-Saint Lawrence Deep Waterway or by way of any port of the United States, shall be admitted to the British Commonwealth of Nations and each of its members, dominions, or colonies on the same terms as grain from any other member of the British Commonwealth of Nations, its dominions, or colonies."

Tariff questions are, of course, not germane to the pending treaty and this reservation would be completely unacceptable to Canada. Moreover, the Canadian Government has no control over the import duties levied by Great Britain and the other Dominions of the British Commonwealth of Nations and Canada could not give any undertaking binding them. I need only point out that the inclusion of a reservation of this sort would have as a logical counterpart the inclusion of a long list of Canadian reservations stating that Canada ratified the treaty on the condition that certain Canadian products be admitted to the United States and its possessions free of duty. Obviously tariff matters have no place in a treaty of this kind.

WE:JH:ACF:SS

1
PSFM
St. Lawrence
W. - Way

Completely Agreed
to Canada

DEPARTMENT OF STATE
DIVISION OF WESTERN EUROPEAN AFFAIRS

March 9, 1934.

Comments regarding Senator Dieterich's proposed reservation to the St. Lawrence Treaty, respecting the division of water for power purposes as between the United States and Canada.

The text of this reservation is as follows:

"The United States ratifies this treaty with the distinct understanding that an investigation be made by the Joint Board of Engineers of the water supply of the Great Lakes above Niagara Falls and of the water supply of the Saint Lawrence River above the International Rapids for the purpose of estimating the quantity of water supplying the Great Lakes from the watersheds draining into said Lakes from the Dominion of Canada and the quantity of water draining into said Lakes from the watersheds within the United States, and that each of the high contracting parties shall have the right to the use of the waters for power purposes at Niagara Falls and at the International Rapids in proportion to the amount of water supplying said Niagara River and said International Rapids from the said Dominion of Canada and the United States of America. In apportioning the said waters for power purposes at Niagara Falls the United States shall be charged with the diversion through the drainage canal at Chicago supplying the Lakes to Gulf Waterway and the Erie Canal in the State of New York and the Dominion of Canada shall be charged with the waters utilized for power purposes in the Welland Canal and whatever diversion might be made in the future from Georgian Bay."

Major General Markham, Chief of Engineers, furnished me with the following information today in regard to the source of waters in the Great Lakes watershed:

"Regarding

RECEIVED THE UNITED STATES AND CANADA
THE STATE OF NEW YORK
LEGISLATION OF THE ST. LAWRENCE RIVER
COMMISSIONERS OF THE ST. LAWRENCE RIVER
COMMISSIONERS OF THE ST. LAWRENCE RIVER
COMMISSIONERS OF THE ST. LAWRENCE RIVER
RECEIVED 8
DIVISION OF WATER RESOURCES
DEPARTMENT OF STATE

"Regarding your telephonic request of an hour or two since, I have to advise you of the following figures applicable to Canadian and United States drainage areas of the Great Lakes System, and of the supply of water to such system from the respective sovereignties. The said figures relate to territory above Ogdensburg, New York, and are taken from a Lake Survey report dated May 8, 1918, being a Lake Survey study at that time of the question of Great Lakes supply and the territories of origin. This report was based upon all available records of the ten-year period 1905-1914.

"Canadian rainfall area	120,600 sq. miles
United States Rainfall area	176,700 sq. miles
Canadian net supply	112,800 cubic ft. per sec.
United States net supply	129,900 cubic ft. per sec.

"The term 'net supply' means the volume of water that actually debouches to the ocean past the St. Lawrence River section at Ogdensburg, New York."

It will be observed from these figures that the United States supplies 129,900 cubic feet per second as against 112,800 cubic feet per second from Canada. The effect of this reservation would, therefore, be to give us a correspondingly larger amount of power at Niagara Falls and in the International Rapids Section of the River; however, the amount of the Chicago diversion would, under the terms of the reservation, be deducted from our share. Under the Boundary Waters Treaty of 1909, Canada diverts 36,000 cubic feet per second at Niagara Falls as compared

compared with 20,000 cubic feet per second diverted on the American side. This allocation was made in 1909 for the purpose of causing as little disturbance as possible to existing investments in power plants. At that time American interests owned several plants on the Canadian side and exported power to the United States. These companies were later taken over by the Ontario Hydro-Electric Commission, but a substantial portion of the power is still exported to the United States, so that from the standpoint of use, around one-half of the power generated at Niagara Falls is consumed in the United States (in 1931 considerably more than one-half was consumed in the United States). The division of water power at Niagara Falls contained in the Treaty of 1909, in my opinion, should be altered to provide for an equal diversion by each country, but this matter has absolutely nothing to do with the pending St. Lawrence Treaty and should be dealt with separately. The 1909 Treaty could be terminated on one year's notice by either party; we thus have a remedy if we ever feel strong enough to employ it in this matter. The power in the International Section is divided equally as between the United States and

THE ABOVE IS A SUMMARY OF THE DISCUSSION WHICH TOOK PLACE AT THE MEETING OF THE COMMISSION ON THE NIAGARA FALLS TREATY OF 1909, HELD AT NIAGARA FALLS, ON OCTOBER 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 1931. THE DISCUSSION WAS HELD IN THE PRESENCE OF THE MEMBERS OF THE COMMISSION AND WAS OPEN TO THE PUBLIC. THE DISCUSSION WAS HELD IN THE PRESENCE OF THE MEMBERS OF THE COMMISSION AND WAS OPEN TO THE PUBLIC.

the Bureau of Customs in Seattle, Oregon.
The Customs Office in Seattle, Oregon
numbered 11111. The reservation was in
numbered 11111. See also the second

and Canada under Article 4 of the pending Treaty.

I am convinced that this proposed reservation would be completely unacceptable to Canada and that its adoption would result in Canada's refusal to approve this Treaty. The Canadians feel strongly that the source of the water is not the dominant factor in the division of power and that in a long frontier shared equally by the United States and Canada, the waters should be equal irrespective of source.

WE:JDH:EBJ

KEY FITZGERALD, MEV., CHAIRMAN
JOSEPH T. BISHOP, ARIZ.
PAT HARRISON, MISS.
WALTER F. GEORGE, GA.
HUBB L. BLAIR, ALA.
ROBERT F. WAMMER, N.Y.
TOM CONNALLY, TEX.
J. HAMILTON LEWIS, ILL.
NATHAN L. BACHMAN, TEX.
ELBERT D. THOMAS, UTAH
FREDERICK VAN METER, IND.
F. RYAN DUFFY, WIS.
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ROBERT J. WALLEY, OHIO
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WILLIAM E. BORAH, IDAHO
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SIMON D. FESS, OHIO
ROBERT M. LA FOLLETTE, JR., WIS.
ARTHUR H. SANDERSON, MICH.
ARTHUR R. ROBINSON, IND.

EDWARD J. TREDWELL, CLERK

United States Senate
COMMITTEE ON FOREIGN RELATIONS

Washington, D.C.,
March 10, 1934.

ST-127
St. Lawrence
Water Way

My dear Colonel:

The following are the Senators who are polled by the newspaper men as against the treaty: Adams, Austin, Bailey, Clark, Coolidge, Copeland, Davis, Dickinson, Dieterich, Goldborough, Hale, Hastings, Herbet, Kean, Keyes, King, Lewis, Long, McCarran, McNary, Metcalf, Overton, Patterson, Reed, Reynolds, Steiwer, Thomas (of Oklahoma) Townsend, Tydings, Wagner, Walsh, and White.

Thirty-three votes can defeat the ratification of the treaty. It is apparent, therefore, that we must not only reduce the list of those against it, but we must hold all of the doubtful Senators.

I have already given you a list of the doubtful Senators. This list may include some of those who were polled by the press as against the treaty.

In addition to this list, both of the Virginia Senators are supposed to be opposed to the treaty.

I am also certain that at the present time the following additional Senators will vote against the treaty: Barber, of New Jersey, Hatfield, of West Virginia, Loneragan of Connecticut, Smith of South Carolina, and Walcott of Connecticut.

It is apparent, therefore, what little chance there is for ratifying the treaty. It will be essential, therefore, for the last named Senators to either be induced to vote for the treaty, or not to vote at all. It will also be necessary for safety sake to induce, if possible, Adams, King, Reynolds, Thomas, (Of Oklahoma) and Bailey to vote for the treaty, or not to vote at all.

May I call your attention to the fact that LaFollette, Vandenberg and myself have carried the whole burden of this fight so far. We have done the best we could, but we have not had sufficient support upon the floor of the Senate to indicate seriously that it was an Administration measure, in spite of the President's very strong message.

I think it would greatly help the situation if Senator Robinson would make a twenty-minute speech on Tuesday at the time when the debate will be limited to one speech each for Senators, and not to exceed twenty minutes. I realize that Senator Rob-

MA 1002. 0010001:
COMMISSIONER OF BUREAU OF REVENUE
RECEIVED
JAN 10 10 12
REVENUE DEPARTMENT
WASHINGTON, D. C.

Colonel Louis McH. Howe -- 2.

inson's time has been all consumed in the performance of his duties as Leader, which he has excellently performed, and therefore that he has had no opportunity to study this treaty. I will, however, be pleased to furnish him with the data for a twenty-minute speech.

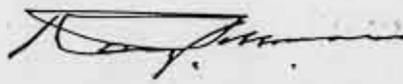
I consider this matter of vast importance, and I think that the President should give it precedence over every other matter. I may say that in the event we are defeated in the ratification of the treaty, in my opinion it would be useless to return the treaty to the Senate at this session.

I hope you will convey to the President my opinion with regard to this matter, in addition to the other matters that I verbally submitted to you today.

With best wishes, I am,

Colonel Louis McH. Howe,
The White House.

Sincerely,


[KEY PITTMAN]

73^d CONGRESS
2^d SESSION

IN OPEN EXECUTIVE SESSION
SENATE OF THE UNITED STATES

PSF
St. Lawrence
Waterway

SAINT LAWRENCE WATERWAY TREATY

IN THE SENATE OF THE UNITED STATES

JANUARY 11 (calendar day, JANUARY 16), 1934

RESERVATION

Mr. CLARK submitted the following reservation intended to be proposed to the resolution advising and consenting to the ratification of the treaty between the United States and the Dominion of Canada for the completion of the Great Lakes-Saint Lawrence Deep Waterway, signed at Washington on July 18, 1932, which was ordered to lie on the table and to be printed:

- 1 The United States ratifies this treaty with the distinct
- 2 understanding that any of the provisions of subdivision (b)
- 3 of article III of the treaty to the contrary notwithstanding,
- 4 any funds provided by the United States for use in the
- 5 Saint Lawrence Waterway may be used at the option of
- 6 the United States Government for the employment of United
- 7 States labor and United States engineers and the purchase
- 8 of United States material whether the moneys are expended
- 9 on construction in the United States or in Canada.

SAINT LAWRENCE WATERWAY TREATY

IN THE SENATE OF THE UNITED STATES

JANUARY 11 (calendar day, JANUARY 16), 1934

RESERVATION

Mr. CLARK submitted the following reservation intended to be proposed to the resolution advising and consenting to the ratification of the treaty between the United States and the Dominion of Canada for the completion of the Great Lakes-Saint Lawrence Deep Waterway, signed at Washington on July 18, 1932, which was ordered to lie on the table and to be printed:

- 1 The United States ratifies this treaty with the distinct
- 2 understanding that both high contracting parties recognize
- 3 the complete and unquestioned sovereignty of the United
- 4 States over Lake Michigan as a lake lying wholly within
- 5 the boundary of the United States, that the high contracting
- 6 parties recognize that Lake Michigan is not a part of the
- 7 boundary waters of the international boundary between the
- 8 United States and Canada, and that any of the provisions
- 9 of article VIII of this treaty to the contrary notwithstanding,
- 10 the question of diversion of water from said lake and
- 11 the amount of such diversion, as well as all other questions
- 12 affecting said lake, shall be and remain under the complete
- 13 and exclusive control of the United States.

73^d CONGRESS
2^d SESSION

IN OPEN EXECUTIVE SESSION
SENATE OF THE UNITED STATES

SAINT LAWRENCE WATERWAY TREATY

IN THE SENATE OF THE UNITED STATES

JANUARY 11 (calendar day, JANUARY 16), 1934

RESERVATION

Mr. CLARK submitted the following reservation intended to be proposed to the resolution advising and consenting to the ratification of the treaty between the United States and the Dominion of Canada for the completion of the Great Lakes-Saint Lawrence Deep Waterway, signed at Washington on July 18, 1932, which was ordered to lie on the table and to be printed:

- 1 The United States ratifies this treaty with the distinct
- 2 reservation that diversion of water from Georgian Bay by
- 3 the Canadian Government shall never exceed one thousand
- 4 five hundred cubic feet per second without the consent of
- 5 the United States.

○

SAINT LAWRENCE WATERWAY TREATY

IN THE SENATE OF THE UNITED STATES

JANUARY 11 (calendar day, JANUARY 19), 1934

RESERVATION

Mr. CLARK submitted the following reservation intended to be proposed to the resolution advising and consenting to the ratification of the treaty between the United States and the Dominion of Canada for the completion of the Great Lakes-Saint Lawrence Deep Waterway, signed at Washington on July 18, 1932, which was ordered to lie on the table and to be printed:

1 The United States ratifies this treaty with the distinct
2 understanding that, in the event an all-Canadian waterway
3 should be constructed from Georgian Bay down the Ottawa
4 River to the Saint Lawrence, Great Britain and its province,
5 the Dominion of Canada, shall not construct or maintain
6 fortifications or military defenses along such waterway
7 between Georgian Bay and the sea, and such waterway
8 shall at all times, in peace or war, be open for the free use
9 of the commercial and naval craft of Great Britain and its
10 provinces on the one hand and the United States on the
11 other.

73rd CONGRESS IN OPEN EXECUTIVE SESSION
2^d SESSION SENATE OF THE UNITED STATES

SAINT LAWRENCE WATERWAY TREATY

IN THE SENATE OF THE UNITED STATES

JANUARY 11 (calendar day, JANUARY 19), 1934

RESERVATION

Mr. LEWIS submitted the following reservation intended to be proposed to the resolution advising and consenting to the ratification of the treaty between the United States and the Dominion of Canada for the completion of the Great Lakes-Saint Lawrence Deep Waterway, signed at Washington on July 18, 1932, which was ordered to lie on the table and to be printed:

1 In the matter of a consideration of the treaty desig-
2 nated as the "Treaty for the ratification of the Saint
3 Lawrence Waterway", the United States Senate hereby
4 declares that the body of water designated and known as
5 "Lake Michigan" is not now, and since the establishment
6 of the United States of America has not been, an inter-
7 national boundary water. Said Lake Michigan cannot now,
8 by any form of contract, treaty, undertaking, or obligation,
9 be rightfully declared or treated as an international water.

1 It is hereby declared that the said Lake Michigan is
 2 now, and at all times during the existence of the United
 3 States of America has been, an American Lake wholly
 4 within the jurisdiction of the United States of America and
 5 in nowise within the jurisdiction of any foreign or inter-
 6 national government.

BY THE SENATE OF THE UNITED STATES
 Passed: February 11, 1836.

RESERVATION

1 In the matter of a reservation of the treaty of
 2 1804, in the Treaty for the cession to the United
 3 States of the territory known as the "Territory of
 4 Louisiana," the Senate of the United States has
 5 declared that the beds of water designated and known as
 6 "Lake Michigan," is not now, and was not then, a part
 7 of the United States of America, but has been and
 8 is a part of the territory of the State of Michigan,
 9 and is hereby reserved to the State of Michigan,
 10 and is hereby reserved to the State of Michigan,
 11 and is hereby reserved to the State of Michigan,
 12 and is hereby reserved to the State of Michigan,
 13 and is hereby reserved to the State of Michigan,
 14 and is hereby reserved to the State of Michigan,
 15 and is hereby reserved to the State of Michigan,
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 17 and is hereby reserved to the State of Michigan,
 18 and is hereby reserved to the State of Michigan,
 19 and is hereby reserved to the State of Michigan,
 20 and is hereby reserved to the State of Michigan,

SAINT LAWRENCE WATERWAY TREATY

IN THE SENATE OF THE UNITED STATES

FEBRUARY 6 (calendar day, FEBRUARY 9), 1934

RESERVATION

Mr. DIETERICH submitted the following reservation intended to be proposed to the resolution advising and consenting to the ratification of the treaty between the United States and the Dominion of Canada for the completion of the Great Lakes-Saint Lawrence Deep Waterway, signed at Washington on July 18, 1932 which was ordered to lie on the table and to be printed:

1 The United States ratifies this treaty with the distinct
2 understanding that the United States Government by Act
3 of Congress or authority delegated by Act of Congress shall
4 retain the right to specify the amount of water to be diverted
5 through the Chicago Drainage Canal to supply the Lakes to
6 Gulf Waterway: *Provided*, That said amount shall not
7 exceed ten thousand cubic feet per second, except in emer-
8 gency, in which case the withdrawal is to be governed by
9 section 2, article 8, of said treaty.

73d CONGRESS IN OPEN EXECUTIVE SESSION
2d SESSION SENATE OF THE UNITED STATES

SAINT LAWRENCE WATERWAY TREATY

IN THE SENATE OF THE UNITED STATES

FEBRUARY 6 (calendar day, FEBRUARY 9), 1934

RESERVATION

Mr. DIETZSCH submitted the following reservation intended to be proposed to the resolution advising and consenting to the ratification of the treaty between the United States and the Dominion of Canada for the completion of the Great Lakes-Saint Lawrence Deep Waterway, signed at Washington on July 18, 1932, which was ordered to lie on the table and to be printed:

- 1 The United States ratifies this treaty with the distinct
- 2 understanding that an investigation be made by the Joint
- 3 Board of Engineers of the water supply of the Great Lakes
- 4 above Niagara Falls and of the water supply of the Saint
- 5 Lawrence River above the International Rapids for the
- 6 purpose of estimating the quantity of water supplying the
- 7 Great Lakes from the watersheds draining into said Lakes

1 from the Dominion of Canada and the quantity of water
2 draining into said Lakes from the watersheds within the
3 United States, and that each of the high contracting parties
4 shall have the right to the use of the waters for power
5 purposes at Niagara Falls and at the International Rapids
6 in proportion to the amount of water supplying said Niagara
7 River and said International Rapids from the said Dominion
8 of Canada and the United States of America. In apportion-
9 ing the said waters for power purposes at Niagara Falls
10 the United States shall be charged with the diversion
11 through the drainage canal at Chicago supplying the Lakes
12 to Gulf Waterway and the Erie Canal in the State of New
13 York and the Dominion of Canada shall be charged with the
14 waters utilized for power purposes in the Welland Canal
15 and whatever diversion might be made in the future from
16 Georgian Bay.

SAINT LAWRENCE WATERWAY TREATY

IN THE SENATE OF THE UNITED STATES

FEBRUARY 6 (calendar day, FEBRUARY 13), 1934

RESERVATION

Mr. BAILEY submitted the following reservation intended to be proposed to the resolution advising and consenting to the ratification of the treaty between the United States and the Dominion of Canada for the completion of the Great Lakes-Saint Lawrence Deep Waterway, signed at Washington on July 18, 1932, which was ordered to lie on the table and to be printed;

- 1 The United States ratifies this treaty as a condition
- 2 of the ratification and a part of the treaty that grain of any
- 3 character shipped out of the United States by way of the
- 4 Great Lakes-Saint Lawrence Deep Waterway or by way
- 5 of any port of the United States, shall be admitted to the
- 6 British Commonwealth of Nations and each of its members,
- 7 dominions, or colonies on the same terms as grain from any
- 8 other member of the British Commonwealth of Nations, its
- 9 dominions, or colonies.

PSF
St. Lawrence Waterway

THE WHITE HOUSE
WASHINGTON

[1934]
PSF
127

3/9 - 5.30 P^m

Phillips called:

"Re. St. L. Waterway: Our man, who has been following it from the very start up at the Capitol is Hickerson. He has just come back from Senate and his guess is that we haven't enough to put it through. Tonight it looks bad.

"The Sec. (Hull) brought the matter up in Cabinet today with the Pres. and made the suggestion that he get hold of some of the Sens. pretty quickly; that there is a real need for action, but I couldn't make out whether the President intends to take any vitalizing action, so to speak.

"The message I want to get to Mac was that the Sec. joins me in feeling worried about it and really feels the need of the President summoning a number of the Dem. leaders and vitalizing them. I don't think there is much time to be lost. The vote comes on Wednesday.

"There are 8 reservations attached to the Treaty and I have memoranda here ready and everything to help the President if he should decide to take that course."

K

The Gazette

FOUNDED JUNE 3, 1778

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MONTREAL, WEDNESDAY, NOVEMBER 14

COUNTING SEAWAY CHICKENS

President Roosevelt's effort to revive the St. Lawrence seaway project continues, the last step taken being the issuance from the White House of a report of a three-year survey by the New York State Power Authority. This survey was ordered by Mr. Roosevelt when Governor of the State of New York. The conclusions have a familiar ring, but, coming from the Executive mansion, they are expected, no doubt, to have a greater effect upon the public mind than they could have as coming from the state Government. Power consumers in the northeastern sections of the United States are promised a saving of \$194,000,000 annually through the development of power in the St. Lawrence River, and some seven million customers are told that they will be vitally affected, that their electric light bills will be reduced 25 per cent. and as the consumption of electricity increases the savings will be even greater. Basing the estimate for the State of New York on a reduction of 22 per cent., the saving in that state alone is put at \$63,000,000 yearly. There is more to the same effect, the individual consumer being told that he will save \$1.35 a month on what is now a bill of \$3, while small commercial users now paying an average of \$9 will save \$3.60 based upon the present rate of consumption.

The public on both sides of the border have become familiar with estimates of this character, and equally familiar with contradictory statements from other sources. The figures just issued from the White House are substantially similar to those published early in September, when Mr. Frank P. Walsh, chairman of the New York State Power Authority, visited Mr. Roosevelt, and it is recalled that they were attacked very vigorously by independent power interests. Their repetition, however, serves the purpose of both the state and federal governments as useful propaganda, and the case for the treaty, apparently, is to be based upon them. That they will be challenged in Congress goes without saying since the entire project spells destruction to the enormous investment which the development and distribution of hydro-electric energy in the northeastern states now represents. It is to be noted in this connection that this last statement issued from Washington makes no mention of benefits to the producers in the Middle West who have been told, hitherto, that cheap transportation by way of the St. Lawrence would solve their economic problems once and for all. The old pretence that this is primarily a navigation project has been abandoned. It was always a power project and, though somewhat late in the day, the United States is now being frank about it.

*Paula
Watu Poma*



The fact remains that, judging from conditions in both countries, and especially in Canada, Mr. Roosevelt and the State Power Authority are counting chickens that will never be hatched. The New York Journal of Commerce reminds its readers that since Mr. Roosevelt's failure to secure a two-thirds majority favorable to the waterway treaty in the Senate, the political situation in Canada has changed. It has changed "so greatly that careful observers there believe that even if the Senate should ratify the treaty at the next session of Congress, the necessary Canadian endorsement will not be forthcoming." The programme, as the Journal goes on to say, provided that the State of New York and the Province of Ontario as owners of the power generated should assume a share of the expenditures, and the share to be paid by Ontario was the greater part of the Canadian cost of developing the international section. Therefore, endorsement of the project by Ontario is considered essential in Canada to carry out the programme. The recent election in Ontario has so changed the political complexion of affairs there that such co-operation now appears quite unlikely. This is stating the case mildly in view of Premier Hepburn's very definite declaration of opposition, a declaration which means that the commitment of the Henry Government in regard to this project is not to be binding upon the present Liberal Administration.

The Journal of Commerce proceeds to say that the draft treaty between the United States and Canada was negotiated under the aegis of the Conservative party in Canada and with the support of the Conservative Administration in Ontario. This is incorrect, but a New York newspaper may be excused for assuming that the action of a Conservative Government in this instance expressed the sentiment and had the support of the Conservative party. As a matter of fact, the draft treaty was not a reflection of Conservative policy, but was, on the contrary, irreconcilable with that policy as recorded at the Winnipeg convention, which policy has never been modified since by any action of the party itself. However, the Journal of Commerce is right in saying that the election of a new Liberal Administration in Ontario has changed the picture. Premier Hepburn has said that he will not favor legislation to validate the treaty and "as a result, Ontario financial support is no longer to be expected by Canada." Nor is that all. The Journal article concludes with this paragraph: "With a Dominion election required during the next eight months, the Conservative party at Ottawa seems altogether likely to be replaced next year by a Liberal Administration. This would reflect Quebec opinion, which has been opposed consistently to the St. Lawrence waterway development. Thus, it now appears that the treaty must fall of consummation by Canadian action, if not through our own."

Which summarizes the situation concisely and adequately. Most certainly it is imprudent in Mr. Roosevelt, Mr. Walsh, et al, to be counting their chickens at this stage.

PSF
~~117~~
THE UNDER SECRETARY OF STATE
WASHINGTON

St. Lawrence
Waterway

January 4, 1935.

Dear Mr. President:

The Secretary asked me to send you the draft of a message to the Senate with regard to the ratification of the Great Lakes-St. Lawrence Waterway Treaty with Canada. This message had been carefully gone over by the various interested persons, including Mr. Frank Walsh, who has assisted in its preparation and who is in hearty favor of it in its present form. Should you, however, desire to amend the message in any particular, I shall be most happy to carry out your wishes.

I am also sending you a copy of the reservations, or understandings, which, as you are

The President,

The White House.

aware, I have already discussed with the Canadian Minister. There are four of these reservations, no one of which has any fundamental importance, but which we hope will be sufficient to induce some favorable votes from those Senators who last year expressed their disapproval of the Treaty.

Mr. Herridge has now had an opportunity, presumably, to discuss these reservations in Ottawa. He called this morning and gave me his reply, which is to the effect that, while the suggested changes were objectionable from the political point of view, there was nothing objectionable in their substance. He reminded me that the Treaty was "dead" in Canada and that it would be difficult for the Prime Minister to resurrect it even without the changes. Mr. Herridge believed, however, that it would be desirable, if possible, for us to secure Senatorial ratification. At the same time he would not express an opinion as to whether the Treaty, if passed with the reservations attached, would make it possible

for

for the Prime Minister to go forward with it in Parliament in its revised form, on the theory that the amendments were inconsequential and did not touch the substance of the Treaty itself. Mr. Herridge admitted that, while the Treaty was now "dead" in Canada, its ratification by the United States might well revive it; he felt that your policy of cheapening electrical power might act as a bait in renewing enthusiasm for the Treaty.

Inasmuch as you are soon to have a conference with Senator Pittman on the subject, perhaps you will care to hand him the enclosed draft reservations. If, however, you would prefer to have the Department send them up to Senator Pittman by letter, we shall, of course, be happy to do so. In either event, the Department stands ready to explain fully to Senator Pittman the reasons for the suggested changes; their effect, or rather
lack

4

lack of effect, on the Treaty itself, and
the attitude of the Canadian Government
towards them.

Faithfully yours,

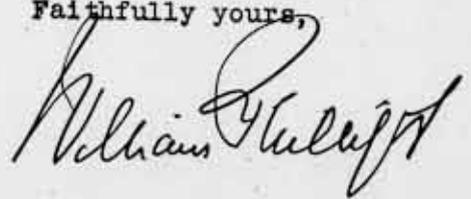
William Lusk

Enclosures:

Draft message to
the Senate;
Proposed reservations.

lack of effect, on the Treaty itself, and
the attitude of the Canadian Government
towards them.

Faithfully yours,

A handwritten signature in cursive script, appearing to read "William Lusk". The signature is written in dark ink and is positioned below the typed phrase "Faithfully yours,".

Enclosures:

- Draft message to
the Senate;
- Proposed reservations.

*file
president*

*PSF
~~PSF~~*

THE UNDER SECRETARY OF STATE
WASHINGTON

*St. Lawrence
Waterway*

January 9, 1935.

My dear Mr. President:

The Secretary has told me of the decision reached at the conference at the White House on Saturday afternoon respecting the St. Lawrence Treaty.

The Canadians have not been able to give us a commitment that they will put the Treaty through this session if we do, but I believe that the chances of their doing so will be materially increased if our Senate can be persuaded to approve it by the first of February. As you know, the Canadian Parliament will open on January 17 for its last session before a general election in Canada and the fate of the Treaty in Canada will be very obscure unless it is acted upon at the
forthcoming

The President
The White House.

forthcoming session. There is not much time, therefore, to be lost.

We have in the Senate 35 Senators who voted against the Treaty last year. This means that to obtain approval of the Treaty, it will be necessary to obtain virtually all of the votes of the new Senators and to change the votes of a few of those members who voted against it last year. I have learned confidentially that Senator McNary, who voted "no" last year, has decided to vote in favor of the Treaty and that he will probably be joined by Senator Steiwer. I also understand that Senator Guffy is prepared to vote favorably on the Treaty and I have heard rumors to the effect that Senator Lewis may swing over if the reservation respecting the sovereignty of Lake Michigan is adopted.

I believe that, if you could find it possible to say a few words individually to several of the Democratic Senators who voted "no" last year, it
might

might be possible to alter their votes; I say this for the reason that there are no interests in certain States which would be directly affected by the project and I feel that an appeal from you to the Senators from these States would almost certainly bring them into line. Among these Senators are Messrs. Connally, George, Russell, McGill, Adams, and McCarran. It might also be possible for similar appeals effectively to be made to Senators Lonergan, Tydings, Bailey and Reynolds. Senators King, Fletcher, Trammell, Thomas of Oklahoma, and Caraway did not vote on the Treaty last year and were not paired.

Senators Gerry, Moore, Truman, Maloney, and Radcliffe, who replace Senators who voted against the Treaty last year, would, I feel confident, find it hard to resist a personal appeal from you to support you in this great national project.

In this connection it may interest you to
know

know that Mr. Charles P. Craig of the Great Lakes-St. Lawrence Tidewater Association, has recently prepared a poll which indicates that 57 Senators will probably vote aye, 23 no, with 15 doubtful. This poll lists the following Democratic Senators as doubtful. Caraway, Adams, Lonergan, George, Russell, Lewis, Radcliffe, Truman, McCarran, Moore, Thomas, Guffy and Gerry.

If there is anything at all which you feel that I personally or any of our officers in the Department can do to be of assistance, I hope that you will let me know.

I am, my dear Mr. President,

Faithfully yours,

William Phillips

PSF
St. Lawrence
Waterway

RESOLVED (two-thirds of the Senators present concurring therein) that the Senate advise and consent to the ratification of a Treaty between the United States and the Dominion of Canada for the completion of the Great Lakes-St. Lawrence Deep Waterway, signed at Washington on July 18, 1932, with the following understandings to be expressed in the instrument of ratification on the part of the United States:

I. That the Dominion of Canada recognizes the complete and unquestioned sovereignty of the United States over Lake Michigan as a lake which lies wholly within the territorial limits of the United States and does not form a part of boundary waters between the United States and the Dominion of Canada.

II. That the effect of the Great Lakes-St. Lawrence Deep Waterway Treaty, signed at Washington, July 18, 1932, is not in any respect to recognize, confirm, or establish any rights or claims of any person or corporation in respect to the diversion of water for power purposes through the Massena Canal and Grass River, or to limit the freedom of the United States or the State of New York, or other competent authority to treat the question of the continuance, control, or elimination of such diversion as a domestic question.

The Canadian Government does hereby, and will, upon request, formally consent to the modification or elimination

elimination of the works provided for in the report of the joint board of engineers in connection with the said diversion through the Massena Canal.

The Canadian Government recognizes that the competent authorities in the United States are free to eliminate the diversion of water for power purposes through the Massena Canal and Grass River, and to use the water so released through the main river works in conformity with the provisions of Article IV of the said treaty.

III. That, if the necessary works to enable the Sanitary District of Chicago to comply with the decree of April 21, 1930 of the Supreme Court of the United States should not be completed by the end of 1938, the Canadian Government agrees that, upon the request of the United States Government, it will give its acquiescence to an extension of not exceeding two years in the time limit set forth in Article VIII (a) 1 of this Treaty; it is understood that such agreement will not otherwise affect or modify the provisions of the Treaty.

IV. That Georgian Bay is included in the Great Lakes System, defined in (c) of the Preliminary Article of this Treaty.

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IV. That Georgian Bay is included in the Great Lakes System, defined in (c) of the Preliminary Article of this Treaty.

Department of State

BUREAU }
DIVISION }

ENCLOSURE

TO

Letter drafted

ADDRESSED TO

The President
.....

TO THE SENATE OF THE UNITED STATES:

On January 10, 1934, in a special message to the Senate, I requested consideration of ratification of the Great Lakes-St. Lawrence Deep Waterway Treaty with Canada. Broad national considerations at that time led me, without hesitation, to advocate the treaty.

Events during the succeeding year have strengthened my belief that the great undertaking, which the treaty will make possible, is essential to the carrying out of a definite national policy. That policy would make the fullest use of the nation's water resources for transportation, flood control and the development of hydro-electric power.

The Great Lakes-St. Lawrence System affords an unparalleled opportunity to open up the entire Midcontinent area to greatly increased trade with other sections of this country and with foreign nations. It also offers

an exceptional resource for the development of hydro-electric power to meet the needs of the populous Northeastern states.

The Federal Government has embarked on a broad campaign to encourage the abundant use of electricity through reduction in rates. This is a matter of national importance not only in terms of convenience and economy in the home but also as a stimulus to industry.

In the Northeastern states this policy will provide a market which will require the development of St. Lawrence power as well as expansion of steam generating facilities.

The combination of low cost transportation for the interior of the continent and low cost power for the Northeastern area offered by this project will, I am convinced, result in economic expansion which will more than compensate those interests which fear the undertaking as competitive with their services.

All legitimate enterprises in the country participate in the general progress of the nation, and I am also sure that ports on the Atlantic seaboard and Great Lakes which have been led to oppose the navigation aspects of the project, together with the railroad, barge canal and coal mining industries, will find their prosperity directly increased rather than diminished as a result of this development.

The project covered by the pending treaty has probably been more thoroughly investigated in all its aspects than any other development of a similar character in the history of the country. For more than fifteen years official bodies have weighed its engineering and economic possibilities and without exception have reached favorable conclusions as to the desirability of the undertaking.

The most recent report on the economic aspects of the project is the exhaustive survey prepared by an Inter-
departmental

departmental Board and transmitted to the Senate by me at the last session. These conclusive data have now been available for study for nearly twelve months.

In view of misapprehensions brought out in the debate on the treaty last year, reservations have been prepared to clarify the intent of the treaty in several particulars. These will be submitted by the Chairman of the Committee on Foreign Relations.

The Great Lakes St. Lawrence development will provide an essential transportation outlet for the Middle West; it is necessary to the national power policy; it is vital to the economic growth of the entire nation; and it is an important part of the public works program. In all these terms, the earliest possible consummation of this project is desirable and in the best interests of the nation.

THE WHITE HOUSE,

TO THE SENATE OF THE UNITED STATES:

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THE WHITE HOUSE,

DEPARTMENT OF STATE
DIVISION OF WESTERN EUROPEAN AFFAIRS
MEMORANDUM

PST-185
St. Lawrence
W. Way

January 18, 1935.

U
Mr. Phillips:

Following conversations in the last two days with Senators Robinson, Pittman and Lafollette, I am giving you a revised list of Senators whom the President might effectively influence in the matter of the St. Lawrence Treaty. These comments of course take into account the views of the three Senators mentioned above.

First of all, Senator Robinson believes that it would be helpful for the President to ask the five Democratic Senators who did not vote and who were not paired on the Treaty last year to agree to support the Treaty. They are:

- ✓ Senator King - Utah
- ✓ Senator Fletcher - Florida
- ✓ Senator Trammell - Florida
- Senator Thomas - Oklahoma
- ▲ Senator Caraway - Arkansas.

Senator Robinson believes that it ought to be possible to obtain all of these votes including Mrs. Caraway who he explained agreed "to have a bad cold" last year on the date of the vote at the President's request, since she would not promise him to vote for the Treaty.

Among the Senators now in the Senate who voted against this Treaty last time are a group of five who come from States which are not directly affected at

DEPARTMENT OF STATE

DIVISION OF WESTERN EUROPEAN AFFAIRS

-2-

all by the development and who ought to be fairly easy to line up. They are:

- Senator Connally - Texas
- " Adams - Colorado
- " McGill - Kansas
- " George - Georgia
- " Russell - Georgia.

We understand from several sources that Messrs. Adams and McGill are practically ready to vote favorably on the Treaty now and we believe that the President could easily persuade the other three to support him in this matter.

The next five Senators who voted against the Treaty last time but to whom it is believed an appeal might be made to the President with a fair prospect of success. These Senators are:

- Senator Lornegan - Connecticut
- " Tydings - Maryland
- " Bailey - North Carolina
- " Reynolds - North Carolina
- " Neely - West Virginia.

We received just this morning a tip from a newspaper man to the effect that Reynolds of North Carolina was disappointed that the President had not asked him to vote for the Treaty last year.

Out of the newly elected Democratic Senators who have not definitely declared themselves in respect to the Treaty may be mentioned the following:

- Senator Gerry - Rhode Island
- " Moore - New Jersey
- " Truman - Missouri

ДИПЛОМАТИЧЕСКОЕ ПРЕСЛАВНОЕ
ДЕПАРТАМЕНТЪ СЪЮЗЪ

DEPARTMENT OF STATE
DIVISION OF WESTERN EUROPEAN AFFAIRS

-3-

Senator Maloney - Connecticut
" Radcliffe - Maryland.

Senator Truman has I understand practically promised to vote for the Treaty and a word from the President should definitely to clinch his vote. Senators Maloney and Radcliffe have indicated that they would like to support the President and vote favorably on the Treaty. We have no information about the attitude of Messrs. Gerry and Moore.

John Hickerson.

file

	NAMES	VOTE 7/14/34			BELIEVED WILL VOTE		DOUBTFUL
		Yes	May	Absent	Yes	May	
ALABAMA	Black (D)	x			x		
	Bankhead (D)	x			x		
ARIZONA	Ashurst (D)	x			x		
	Hayden (D)	x			x		
ARKANSAS	Robinson (D)	x			x		
	Caraway (D)			x			x
CALIFORNIA	Johnson (R)	x			x		
	McAdoo (D)	x			x		
COLORADO	Costigan (D)	x			x		
	Adams (D)		x				x
CONNECTICUT	Louderman (D)		x				x
	Maloney (elect) (D)				x		
DELAWARE	Hastings (R)		x			x	
	Townsend (R)		x			x	
FLORIDA	Fletcher (D)			x	x		
	Trammell (D)			x	x		
GEORGIA	George (D)		x				x
	Russell (D)		x				x
IDAHO	Borah (R)	x			x		
	Pope (D)	x			x		
ILLINOIS	Lewis (D)		x				x
	Dieterich (D)		x			x	
INDIANA	Van Huys (D)	x			x		
	Winton (elect) (D)				x		
IOWA	Dickinson (R)		x				x
	Murphy (D)	x			x		
KANSAS	Capper (R)	x			x		
	McGill (D)		x				x
KENTUCKY	Barkeley (D)	x			x		
	Logan (D)	x			x		
LOUISIANA	Long (D)		x			x	
	Overton (D)		x			x	
MAINE	Hale (R)		x			x	
	White (R)		x			x	

file
"Niagara"
Preserve

PSF 125
St. Lawrence
W. Way

DEPARTMENT OF STATE
WASHINGTON

January 30, 1935

My dear Mr. President:

On January 24, 1935, I wrote to you regarding the possible discussion with the Canadian Government of the problem of the preservation and improvement of Niagara Falls and at that time informed you of the present constitution of the Special International Niagara Board, on which the American members are the District Engineer at Buffalo, at present Lieutenant Colonel James A. O'Connor, Corps of Engineers, United States Army, and Doctor J. Horace McFarland, past President of the American Civic Association and Chairman of the National Parks and Roadside Development Committees, Harrisburg.

The proposal for the study of Niagara Falls originated from consideration of the St. Lawrence navigation and power problem and was suggested by the Secretary of Commerce on August 22, 1925, approved by the Secretary of War on September 23, 1925, and voiced to the Canadians on October 20, 1925. Accredited representatives of the two Governments were designated to confer and their recommendations

The President,

agreed

The White House.

-2-

agreed to. The Niagara Control Board of one engineer from each country, already in existence in connection with the study and ascertainment of the diversion of water at Niagara, was enlarged by the appointment of one additional member from each country, he to be an expert versed in scenic effect. The Secretaries of State and Commerce agreed as to the designation of Doctor J. Horace McFarland, who serves without remuneration other than necessary traveling expenses and a per diem allowance. The successive District Engineers at Buffalo, assigned there by the Secretary of War, have continued to act as the other American member.

In the absence of information to the contrary, it is assumed that you approve the present composition of this Board, which is in many respects comparable to the many existing engineering boards usually consisting of one official from each country, treating of such questions as the levels of the St. Croix and St. John rivers and of Lake Memphramagog, of the Niagara River, the diversion at Massena, New York, the Lake of the Woods, et cetera. An engineer from the Army Corps of Engineers is in nearly every instance the American member of a board of this character. A list of such boards may be provided upon request.

Faithfully yours,

Cordell Hull

DEPARTMENT OF STATE
THE UNDER SECRETARY

*file
Walter P. ...
V*

August 9, 1935.

Dear Mac:

I should have left the accompanying memorandum with the President this morning. Would you be so good as to return it to its proper place?

AD

PSF 115
St. Lawrence W. Way

Washington, July 26, 1935.

MEMORANDUM On Power Situation in Relation to St. Lawrence Treaty.

1. Reconsideration of St. Lawrence Treaty.

(a) Advisability of negotiation of new treaty, rather than resubmission of amended Hoover treaty.

(b) Hoover treaty a liability as result of propaganda against specific terms rather than against either seaway or power projects.

(c) Hoover treaty contains many evidences of careless, and perhaps intentionally inadequate, negotiation. Clear evidence that best engineering judgment of Joint Board of Engineers was subordinated to political factors on both sides of border.

(d) Following New York Power Authority initiative in preserving power for the people, the administration apparently considered treaty as campaign document rather than as basis for pushing development.

(e) New treaty would make it easier for opposing Senators to shift to President's side.

2. Tentative Suggestions for Changes to be Embodied in New Treaty.

(a) Limitation of terms to development of International Section of St. Lawrence for navigation and power as part of seaway.

(b) Elimination of terms affecting Chicago diversion.

Consideration of this problem to be reserved for separate treaty or agreement.

(c) Elimination of terms referring to navigation rights in Lake Michigan.

(d) Elimination of provision for expenditure of United States' funds on Canadian labor and materials.

(e) Change of controlling depth in waterway to a dredged depth of 30 feet instead of 27 feet with sills of all new locks at 35 foot depth, with provision for necessary over-depth and future channel enlargement.

(f) Change of plan of development from two-stage to single-stage project, with possible investment saving of \$70,000,000 and corresponding saving in operating cost of power plant.

(g) Provision for permanent commission to operate International Section, including supervision of power diversion and stream flow.

3. Method of Negotiation.

(a) The United States government from 1927 to 1931 favored a joint commission for the negotiation of the treaty, according to the New York Times of June 18, 1931, "because of the financial and economic problems at issue."

(b) The New York Herald Tribune of the same date stated that the President favored an international commission with five representatives of each country to direct diplomatic negotiations because of his belief that "it would be easier to obtain prompt Senate ratification if the treaty were drawn up

by representatives from the sections most interested in the project."

(c) Both papers cited the following as indicating the President's set-up for the U.S. membership of such a commission: Former Senator Henry J. Allen, Chairman; Senator Thomas J. Walsh; Senator Arthur H. Vandenberg; a prominent resident of New York and an Army engineer.

(d) Under date of June 11, 1931, Governor Roosevelt had already written President Hoover, suggesting that Mr. Delos M. Cosgrove, as trustee of the Power Authority, a fitting appointee to the proposed treaty commission. This letter drew a bare acknowledgment from the President's secretary.

(e) Under date of August 11, 1931, Governor Roosevelt again wrote President Hoover, transmitting a letter from Chairman Walsh of the Power Authority and concurring in Chairman Walsh's emphasis on the importance of having the State of New York represented in the negotiations.

(f) This affords a good background for undertaking the new negotiations through a treaty commission.

4. Canadian Changes Opening Way to New Treaty Negotiations.

(a) Displacement of a conservative by a Liberal Party Government in Ontario opened the way to a clean-up of the Ontario Hydro Commission. The new Hydro Commission enjoys greater confidence as the prospective custodian of St. Lawrence power.

(b) Enactment of bill by the Ontario Legislature, April 11, 1935, providing for cancellation of collusive long term contracts for annual purchase of 731,000 horsepower from private power companies. These bills become law when proclaimed by the Lieutenant Governor in Council.

(c) This legislation was sponsored by Liberal Premier Hepburn and opposed by a conservative minority. It was intimated that before proclaiming cancellation the government would negotiate for a rewriting of contracts. On June 28, Premier Hepburn asserted Ontario would take no increase in power imports from Quebec.

(c) Consequent probability that Ontario will need St. Lawrence power at an earlier date than would have been the case had the contracts been continued in their original form.

(d) Pressure of Ontario for "Preservation of Niagara Falls Treaty" as affording the only alternative major power resource. This effort of Ontario to secure more Niagara power is clear indication that large additional power supplies will be needed in the near future. The attitude of J.T. Johnston, Canadian Director of the Dominion Bureau of Water Power and Hydro-metric Bureau, in his interviews with Messrs. Walsh and Reed of the Power Authority, was especially indicative of the desire for more Niagara power.

(e) Changing attitude of Quebec provincial government toward public power projects as a result of pressure of the Union of Municipalities led by Honorable T.D. Bouchard, former Speaker of the Quebec Assembly, who became Minister of Municipal Affairs in the Taschereau government.

Union of Municipalities, out of which grew the "Branch to Defend the Municipalization of Electricity," favored among other things: (1) extension to all municipalities of right to municipalize production, transmission and sale of power; (2) permission to municipalities to form power districts for establishment of central plants; (3) return to the public possession all undeveloped water powers, to be offered to municipalities at cost; and (4) management by government of certain water powers for wholesale of power to municipalities, etc.

Quebec and Montreal 1934 municipal elections showed shift to progressives backing effective control or public ownership of utilities.

Taschereau, forced to take cognizance of trend because it was splitting his party, August 23, 1934, announced appointment of a Commission of Enquiry, consisting of Honorable Ernest Lapointe, Chairman; George C. McDonald (chartered accountant of Montreal; and Augustin Frigon (Principal of the Polytechnical School of Montreal) to study the whole problem of electricity as a public utility in the province, and to make recommendations. The possibilities of public ownership and lower rates were particularly to be studied.

The Lapointe Commission recommended creation of a new Electricity Commission, to strengthen regulation and protect remaining water powers. Also recommended increased powers to municipalities for establishing publicly-owned electric systems. Also rural electrification through state assisted cooperatives.

Legislation carrying out these recommendations was sponsored by the Taschereau government and became law, May 18, 1935. Bouchard was appointed Minister of Municipal Affairs to preside over its application with possibility that he will be next Premier.

(f) Prospective general election in Canada in September or October, with all indications pointing to Liberal victory, with MacKenzie King as Prime Minister. This will mean federal government and Ontario acting in harmony in power matters.

5. Niagara Falls Preservation Treaty.

(a) Intent of private power companies to capture 600,000 additional horsepower at Niagara which will eventually be developed if additional diversion is permitted.

(b) Public development of experimental diversion impossible because (1) all the power canals through which the additional water can be taken are owned by private companies and (2) the new diversion is limited to the six winter months representing the peak demand period of the private system.

(c) This raises question of importance of preserving as a public resource the power still available on the United States side of lower Niagara River, claimed by private companies on basis of ownership of Lot No. 29.

(d) As noted above, the strong desire of Ontario Hydro to develop additional Niagara power affords a bargaining point to the effect that the United States will not consider additional diversion at Niagara until a public development of St. Lawrence power has been undertaken.

THE WHITE HOUSE
WASHINGTON

August 6
RECEIVED
AUG 6 - 1935
DEPARTMENT OF STATE
OFFICE OF THE SECRETARY

MEMORANDUM FOR
THE UNDER SECRETARY OF STATE

Will you speak to me about
this, confidentially, at your con-
venience?

F. D. R.

For

THE UNDER SECRETARY
AUG 6 - 1935
DEPARTMENT OF STATE

C.H.

St. Lawrence Treaty - Messages

MEMORANDUM ON POWER SITUATION IN
NEW YORK IN RELATION TO ST. LAWRENCE.

1. Program for low electric rates launched by the President as Governor of New York in 1930-31 is beginning to bear fruit. Continued pressure on the private power companies will bring rates which permit use of electricity for all purposes promised in 1930 in New York State campaign.

2. Power interests are bending every effort to weather the storm until a change of administration in New York City, or in Washington, again enables them to control the situation. Their aim is by concessions and promises to weaken the movement for effective public competition.

3. The complete futility of regulation alone as a means of reducing electric rates has been demonstrated by experience in the State since revision of the public service law in 1930. The only force which has led to rate reductions has been growing sentiment among cities for public distribution of power.

4. The St. Lawrence power project has afforded an essential basis for making this force felt. Preparation for the distribution of St. Lawrence power enabled the Power Authority to press for enactment of the municipal utility bill, originally introduced by the President in 1930. The enactment of that bill in 1934 enables municipalities to exert immediately effective pressure for lower rates without the expense of regulatory proceedings.

5. The Power Authority by its surveys and reports, looking to the marketing of St. Lawrence power, has also shown municipalities what rates should be.

6. The New York City situation is a striking illustration of the extent to which these developments have strengthened the public interest in lower electric rates both for residential and municipal uses. The determination of the city administration to undertake public production and distribution of power, for municipal purposes only, brought immediate results in what amounts to a capitulation of the companies in the matter of charges for public use of power. It also brought the first offers of the companies to initiate a plan which would lead to reductions in residential rates.

7. The Power Authority has cooperated with Mayor LaGuardia in every way in dealing with the power problem, recognizing the identity of purpose between the State's St. Lawrence power project and the City's program for cheaper electricity.

8. The situation is critical because the companies with little sacrifice of income can make a public plant for municipal purposes only appear uneconomical. They have indicated an intention to grant both the federal and city governments drastic cuts for the purpose of undermining the move for a public plant.

9. The private power interests, in their proposals for adjusting residential and other retail rates, show clearly that they have no intention of giving up any of their past claims. The object is merely to disarm the movement for public competition.

10. The only assurance of continued progress along the line as initiated by the President lies in:

(a) Broadening of proposal for a public plant in New York City to include municipal competition in electric service to all classes of customers. Preliminary plans have already been outlined for such an undertaking to serve a limited area of the city. Such a public system could serve as a yardstick for the entire city as in Cleveland and Montreal.

(b) Preservation of the St. Lawrence power project as a basis for coordinating the pressure for lower electric rates on a statewide basis. If the private power interests succeed in definitely shelving this project they will have struck an effective blow at the whole effort to use the force of public competition in the Northeastern section of the United States.

11. The St. Lawrence Treaty situation has been improved since a year ago because the Power Authority Distribution Cost study has definitely made it a power issue Senators can be made to line up for or against the people's right to electricity at approximately half the rates now being charged in New York State. There have been definite gains in the number of Senators ready to vote for the treaty and the power issue should afford a basis for capturing enough doubtful votes.

12. The Canadian situation will probably be rendered less favorably by delay as a general election is in prospect. There are indications that private power interests are turning the thoughts of Ontario toward further development of Niagara power as an alternative to St. Lawrence power, in the hope of further private development on this side. Probably any intimation that St. Lawrence development must precede any further development of Niagara and that any

further Niagara development on this side will mean making the entire development a public project, if properly conveyed, would help the situation.

13. The Chicago-Mississippi Valley angle of the treaty situation might well be considered along the lines suggested in the memorandum of the River and Harbor Committee of the Chicago Real Estate Board, transmitted to the President by Mr. Walter Mills, Chairman, in letter of January 7. His proposal for change in the Article limiting the volume of water diverted is probably out of the question. It can be shown in this connection that public works funds are now being used to provide adequate flow of water for navigation, as suggested in General Markham's letter of January 31, 1934, to Senator Pittman.

A great federal harbor project, however, along the line of his suggestion, made contingent upon ratification of the St. Lawrence Treaty, might be a strong bargaining point.



THE POWER AUTHORITY OF THE STATE OF NEW YORK
STATE OFFICE BUILDING - 80 CENTRE STREET
NEW YORK CITY

FRANK P. WALSH
CHAIRMAN

June 17, 1936.

The President,
The White House,
Washington, D. C.

Dear Mr. President:

At our last conversation on May 8 you will recall we discussed the vital necessity of taking action before the Convention to make sure that a plank covering the Great Lakes-St. Lawrence project is included in the platform.

At that time I took down the general ideas you outlined on this subject and have endeavored to follow them closely in the enclosed draft, which you requested that I prepare and take up with you prior to the Convention.

Last night I attended a conference called by Senator La Follette at which were present Senators Nye, Wheeler, Bone, Schwollenbach and Benson, and Governor Phil La Follette, who came on from Wisconsin for the meeting.

Today I talked at length with Senator Norris. I cannot emphasize too strongly the importance of having this subject adequately dealt with in the platform.

At the Cleveland Convention the National Grange, the American Farm Bureau Federation and organizations and delegates representing the Great Lakes States made a hard fight for a St. Lawrence plank but were blocked by the pro-power members of the Committee on Resolutions, led by former Senators Bingham of Connecticut and Reed of Pennsylvania.

PSF 185
St. Lawrence
W. Way

NEW YORK CITY
DIVISION OF POLICE
RECEIVED
MAY 10 1932

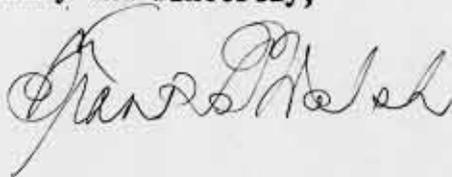
- 2 -

No doubt the statement issued by Senator Nye on the effect of this repudiation of the Republican pledge of 1932 has come to your attention.

Since the Senate is overwhelmingly Democratic, all the friends of the project are looking to the Philadelphia Convention for a plank in accord with your policy, without which it would be impossible to obtain ratification of any treaty at the next session.

I feel it is of urgent importance that I discuss this matter briefly with you as soon as possible this week, in order that the plank may be put in shape in advance of the Convention in the form which you approve.

Respectfully and sincerely,



PROPOSED PLATFORM PLANK - NATURAL RESOURCES.

The Democratic Party favors the conservation and use of land and water resources with adequate safeguards to insure the widest possible public benefit from our God-given natural wealth.

For generations, Democratic and Progressive leaders have found it necessary, again and again, to resist the surrender of public power rights on navigable streams to private interests, to check the reckless waste of timber and mineral resources and to expose and prevent the outright theft of the oil reserves of the nation.

Under this Administration a progressive policy of coordinated development of the water resources of great river basins has been advanced further than at any other period in American history to meet the needs of navigation, flood control, prevention of erosion and production of power.

In 1932 the leader of the Democratic Party advocated the development in the public interest of the Tennessee River in the Southeast, the Colorado River in the Southwest, the Columbia River in the Northwest and the St. Lawrence River in the Northeast.

We favor carrying these developments steadily forward to complete accomplishment. We pledge action at the next session of Congress to assure the immediate undertaking of the Great Lakes-St. Lawrence seaway and power project, and to extend the work already under way in the Mississippi basin to provide for full conservation and use of the land and water resources of the Mississippi and Missouri Valleys.

DEPARTMENT OF STATE
DIVISION OF WESTERN EUROPEAN AFFAIRS

December 14, 1936.

MEMORANDUM

Judge Moore:

We have prepared in association with Mr. Walsh, Mr. Manley and Mr. Armour, complete and exhaustive memoranda of our conversations in Ottawa on December 4 and 5 with Prime Minister King and other Canadian officials, in regard to the St. Lawrence Waterway project. I believe it will be useful for you, however, to have a briefer memorandum of the most important points brought out in the conversations. The longer memoranda are, of course, available any time you wish them.

At the President's request, Mr. Walsh presented in broad outlines to the Canadian officials the President's suggestion that a new approach be made to the problem, which in its simplest form could be said to involve withdrawing the 1929 convention respecting Niagara Falls (which is completely dead in our Senate) and the 1932 St. Lawrence treaty which failed of ratification in 1934, and substituting for these two treaties a single document dealing as comprehensively

7
File
St. Lawrence Waterway
Warner 2-36
RF-185

- 2 -

comprehensively as could be agreed upon by the two Governments with the St. Lawrence Basin as a whole.

Prime Minister King and other members of his Cabinet, as well as the Canadian experts, pointed out in some detail the difficulties which face them in respect of this matter. These difficulties really boil down to two problems:

(1) The difficulty of justifying at this time additional transportation facilities when the Canadian railways are still operating at a loss; it was pointed out that the Government-owned Canadian National Railway is operating with a deficit of \$50,000,000 a year.

(2) The opposition of Premier Hepburn of the Ontario Provincial Government to St. Lawrence development at this time; in this regard it will be recalled that the Canadian Government expects to receive from the Province of Ontario in return for the St. Lawrence power to be developed almost enough money to pay for its share of the cost of completing the entire waterway.

At the end of the conversations, during which it was developed that Ontario actually needs additional power at this time, and may in the next couple of years face a serious power shortage, the Canadian officials informed

informed us that Prime Minister King would in the next few weeks take up the whole question with Premier Hepburn in an endeavor to persuade him to cooperate in going forward with this project. The Canadians made it clear that it would be difficult for them to proceed with the project at this time without an understanding with Mr. Hepburn on the subject.

During the conversations we received some excellent news in regard to the engineering aspects of the St. Lawrence development. The Canadian Minister of Railways and Canals informed me, in response to a question which I asked, that he felt that there would be no difficulty in the Canadian Government's agreeing with us on a single stage (that is, one dam) development in the International Rapids section, rather than a two stage development as is provided for in the existing treaty. A single stage development would cost anywhere from \$35,000,000 to \$70,000,000 less than the two stage development and would, in the opinion of our engineers, be much preferable to a two stage development both as regards power and navigation.

Immediately after returning from Ottawa, I went to see General Pillsbury, Assistant Chief of the Army Engineers
and

- 4 -

informed him in some detail of the conversations at Ottawa. I suggested that the engineers begin at once their preparations to renew conversations with the Canadian engineers, in the event the Canadians are prepared to go forward with us on the engineering plans for the project, with particular reference to reaching agreement on the best single stage project for the development.

In order that no time may be lost in the event we received a favorable reply from Prime Minister King, we are devoting a considerable amount of time to the preparation of a preliminary draft of a new treaty.


John Hickerson.

WE:JDH:MLD

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St. Lawrence Treaty
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S. D. Shaw 2-37

DEPARTMENT OF STATE
WASHINGTON

March 4, 1937

My dear Mr. President:

In view of the arrival tomorrow of Prime Minister Mackenzie King, it may be that you will wish to have available the draft of a new Saint Lawrence Waterway Treaty which was drawn up a short time ago by officers of this Department in consultation with the New York Power Authority, the Federal Power Commission and the War Department Engineers. In accordance with your thought, the draft represents an effort to combine, with certain modifications in detail, the objectives sought in the Saint Lawrence Waterway Treaty of 1932 and the Niagara Falls Convention of 1929.

A copy of this draft was handed to the Canadian Government about a week ago by Mr. Norman Armour. At that time Mr. Armour impressed upon the Canadians

the

The President,

The White House.

- 2 -

the fact that this was a purely informal draft put together for the purpose of establishing a foundation for future discussion and that we felt as free as they to suggest any alterations which might occur to us as desirable.

Mr. King has since informed Mr. Armour that, while the Canadians will want to make certain suggestions, they consider that the present draft constitutes a satisfactory point of departure.

As you already know, however, Mr. King's willingness to carry negotiations to a conclusion depends, in the final analysis, upon his success in reaching an agreement with Mr. Mitchell Hepburn, Premier of Ontario. In this connection I feel sure that you will be interested in the despatch from Mr. Armour which reached me this morning, and of which I enclose a copy.

Faithfully yours,



Enclosures:
Draft of Treaty;
Copy of despatch
from Mr. Armour.

Department of State

BUREAU | WE
DIVISION | -----

ENCLOSURE

TO

Letter drafted 3/4/37

ADDRESSED TO

The President

The White House

March 4 1937

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Faithfully yours,

Randall Hull

Enclosures:
Draft of Treaty;
Copy of despatch
from Mr. Armour.

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5/4/57

PREAMBLE

The President of the United States of America
and His Majesty the King of Great Britain, Ireland and
the British dominions beyond the seas, Emperor of India,
in respect of the Dominion of Canada,

Recognizing the Great Lakes-St. Lawrence basin as
a great natural resource of the two peoples, offering
them enormous advantages in the way of economical trans-
portation and cheap electric power, and

Taking account of the fact that the full advantages
to be derived by the two peoples from this resource can
only be secured to them through its cooperative develop-
ment under a comprehensive plan based on full recognition
of the mutual interests involved, and

Recognizing that the construction of a deep water-
way, not less than twenty-seven feet in depth, for navi-
gation from the interior of the Continent of North America
through the Great Lakes and the St. Lawrence River to the
sea, with the development of the water power incident thereto,
would result in marked and enduring benefits to the agricul-
tural, manufacturing and commercial interests of both countries,
and

Considering further that the project has been studied
and found feasible by the International Joint
Commission,

Commission, the Joint Board of Engineers, and by national advisory boards, and

Recognizing the desirability of effecting a permanent settlement of the questions raised by the diversion of waters from or into the Great Lakes System, and

Considering that important sections of the waterway have already been constructed, and

Taking note of the declaration of the Government of Canada of its intention to provide, not later than the date of the completion of the deep waterway in the international section of the St. Lawrence River, for the completion of the New Welland Ship Canal, and of canals in the Soulanges and Lachine areas of the Canadian section of the St. Lawrence River which will provide essential links in the deep waterway to the sea, and

Taking note of the declaration of the Government of the United States of its intention to provide, not later than the date of the completion of the deep waterway in the international section of the St. Lawrence River, for the completion of the works in the Great Lakes System above Lake Erie which will provide essential links in the deep waterway to the sea, and

Taking

Taking note also of the provision by the two Governments of a navigation channel not less than 27 feet deep through the Thousand Islands Section of the St. Lawrence River.

Taking into account further the desirability of preserving and improving the scenic beauty of the Niagara Falls and River, as recommended by the Special International Niagara Board, and of testing the possibility of further diversion of water around the Falls without injury to their scenic beauty,

Have decided to conclude a treaty for the above-mentioned purposes, and to that end have named as their respective plenipotentiaries:

The President of the United States of America:

His Majesty the King of Great Britain, Ireland and the British dominions beyond the seas, Emperor of India, for the Dominion of Canada:

Who, after having communicated to each other their full powers, found in good and due form, have agreed upon the following Articles:

PRELIMINARY ARTICLE

In the present Convention, unless otherwise expressly provided, the expression:

- (a) "International Joint Commission" means the commission established pursuant to the provisions of the Boundary Waters Treaty of 1909;
- (b) "Joint Board of Engineers" means the board appointed pursuant to an agreement between the Governments following the recommendation of the International Joint Commission, dated the 19th December, 1921;
- (c) "Great Lakes System" means Lakes Superior, Michigan, Huron (including Georgian Bay), Erie and Ontario, and the connecting waters, including Lake St. Clair;
- (d) "St. Lawrence River" means the river known by that name and includes the river channels and the lakes forming parts of the river channels from the outlet of Lake Ontario to the sea;
- (e) "International boundary" means the international boundary between the United States of America and Canada as established by existing treaties;
- (f) "International section" means that part of the St. Lawrence River through which the international boundary line runs and which extends from Tibbetts Point at the outlet of Lake Ontario to the village of St. Regis at the head of Lake St. Francis;
- (g) "Canadian section" means that part of the St. Lawrence River which lies wholly within Canada and which extends from the easterly limit of the international section to the Montreal Harbor;
- (h) "Thousand Islands Section" means the westerly portion of the international section extending from Tibbetts Point to Chimney Point;

- (i) "International Rapids Section" means the easterly portion of the international section extending from Chimney Point to the village of St. Regis;
- (j) "Governments" means the Government of the United States of America and the Government of the Dominion of Canada;
- (k) "Countries" means the United States of America and Canada;
- (l) "Special International Niagara Board", means the board appointed by the two Governments in 1926 to ascertain and recommend ways and means to preserve the scenic beauty of the Niagara Falls.

ARTICLE I

The High Contracting Parties agree to establish and maintain a Niagara-St. Lawrence Commission, hereinafter referred to as the Commission, consisting of not more than ten members of which an equal number shall be appointed by each Government. The duties of the Commission shall be:

(a) To prepare the plans for the construction of the works in the International Rapids Section with a view to providing a navigation channel not less than twenty-seven feet deep together with the most suitable works for the development of power;

(b) Upon the approval of the plans by the Governments, to prepare a schedule allocating the construction of the recommended works in the International Rapids Section to the Governments on such a basis that each Government shall construct the works within its own territory or an equivalent proportion of the works in the International Section;

(c) To approve all contracts entered into on behalf of either Government for the recommended works in the International Rapids Section;

(d) To submit reports to the Governments from time to time, and at least once each calendar year, on the progress of the works;

(e) To inspect the works upon their completion and to certify to the Governments that the works comply with the plans drawn by the Commission and approved by the Governments;

(f) To prepare the plans for the construction of the works in the Niagara River provided for in Article IX and to perform the other duties specifically set forth in that Article;

(g)

(g) To serve as an advisory body to the Governments to coordinate the plans for the construction of the entire Great Lakes-St. Lawrence deep waterway.

The Commission shall have the authority to employ engineers, lawyers, experts and employees generally, and to make such other expenditures as may be necessary to carry out the duties herein provided. It shall have the authority to avail itself of the services of such agencies, officers and employees of either Government as may be furnished by that Government.

[Insert clause re Immigration and Customs.]

The salaries and personal expenses of the members of the Commission shall be regulated and paid by their respective Governments, and all joint expenses of the Commission, incurred by it, shall be paid in equal moieties by the Governments.

The Governments may, by an exchange of notes, prescribe rules and regulations for the conduct of the Commission, extend or abridge its powers and duties, reduce the number of members (provided that there must remain an equal number appointed by each Government) and, upon completion of its duties as prescribed by this Treaty, terminate the Commission's existence.

ARTICLE II.

With respect to works in the International Rapids Section, the United States agrees, in accordance with the plans prepared by the Commission and approved by the Governments,

(a) to construct the works allocated to the United States by the Commission and to operate and maintain the works situated in the territory of the United States;

(b) to construct the works required for rehabilitation on the United States side of the international boundary;

(c) to provide as required by the progress of the works funds for the construction of all works in the International Rapids Section except the following:

(1) Power houses, machinery and equipment for the development of power; and

(2) Works required for rehabilitation on the Canadian side of the international boundary.

ARTICLE III.

ARTICLE III.

With respect to works in the International Rapids Section, Canada agrees, in accordance with plans prepared by the Commission and approved by the Governments,

(a) to construct the works allocated to Canada by the Commission and to operate and maintain the works situated in the territory of Canada;

(b) to construct the works required for rehabilitation on the Canadian side of the boundary.

ARTICLE IV.

ARTICLE IV.

The High Contracting Parties agree:

(a) that the Parties may arrange for construction in their respective territories of such power houses, machinery and equipment as may be desired for the development of water power and at such time or times as may be most suitable in terms of their respective power requirements;

(b) that, in view of the need for coordination of the plans prepared by the Commission for general works in the International Rapids Section with plans for the development of power in the respective countries, the Commission shall have authority to arrange with any agency in either country, which may be authorized to develop power in the International Rapids Section, for the engineering services necessary for the designing of the power works;

(c) that, except as modified by the provisions of Article VIII (d), the quantity of water diverted for the production of power in the International Rapids Section shall be equally divided between the two nations; and the quantity of water utilized during any daily period for the production of power on either side of the international boundary in the International Rapids Section shall not exceed one-half of the flow of water available for that purpose during such period;

(d) that, during the construction and upon the completion of the works provided for in the International Rapids Section, the flow of water out of Lake Ontario into the St. Lawrence River shall be controlled and the flow of water through the International Section shall be regulated so that the navigable depths of water for shipping in the Harbor of Montreal and throughout the navigable channel of the St. Lawrence River below Montreal, as such depths now exist or may hereafter be increased by dredging or other harbor or channel improvements, shall not be lessened or otherwise injuriously affected.

ARTICLE V.

ARTICLE V.

The High Contracting Parties agree, that the construction of works under the present treaty shall not confer upon either of the High Contracting Parties proprietary rights, or legislative, administrative or other jurisdiction in the territory of the other, and that the works constructed under the provisions of this treaty shall constitute a part of the territory of the country in which they are situated.

ARTICLE VI.

ARTICLE VI.

The High Contracting Parties agree that they may, within their own respective territories, proceed at any time to construct alternative canal and channel facilities for navigation in the International Section or in waters connecting the Great Lakes, and that they shall have the right to utilize for this purpose such water as may be necessary for the operation thereof.

ARTICLE VII.

ARTICLE VII.

The High Contracting Parties agree that the rights of navigation accorded under the provisions of existing treaties between the United States of America and His Majesty shall be maintained notwithstanding the provisions for termination contained in any of such treaties, and declare that these treaties confer upon the citizens or subjects and upon the ships, vessels and boats of each High Contracting Party, rights of navigation in the St. Lawrence River, and the Great Lakes System, including the canals now existing or which may hereafter be constructed.

Nothing in this Article or in any other Article of this Treaty shall be construed as infringing or impairing in any way the sovereignty of the United States of America over Lake Michigan.

ARTICLE VIII.

ARTICLE VIII.

The High Contracting Parties, recognizing their common interest in the preservation of the levels of the Great Lakes System, agree:

(a) 1. That the diversion of water from the Great Lakes System, through the Chicago Drainage Canal, shall be reduced by December 31, 1938, to the quantity permitted as of that date by the decree of the Supreme Court of the United States of April 21, 1930;

2. In the event of the Government of the United States proposing, in order to meet an emergency, an increase in the permitted diversion of water and in the event that the Government of Canada takes exception to the proposed increase, the matter shall be submitted, for final decision, to an arbitral tribunal which shall be empowered to authorize, for such time and to such extent as is necessary to meet such emergency, an increase in the diversion of water beyond the limits set forth in the preceding sub-paragraph and to stipulate such compensatory provisions as it may deem just and equitable; the arbitral tribunal shall consist of three members, one to be appointed by each of the Governments, and the third, who will be the Chairman, to be selected by the Governments;

(b) That no diversion of water, other than the diversion referred to in paragraph (a) of this Article, from the Great Lakes System or from the International Section to another watershed shall hereafter be made except by authorization of the International Joint Commission;

(c)

(c) That each Government in its own territory shall measure the quantities of water which may at any point be diverted from or added to the Great Lakes System, and shall place the said measurements on record with the other Government semi-annually;

(d) That, in the event of diversions being made into the Great Lakes System from watersheds lying wholly within the borders of either country, or in the event of the diversion of rivers into the International Section above their present points of confluence, the exclusive rights to the use of waters equivalent in quantity to any waters so diverted shall, notwithstanding the provisions of Article IV (c), be vested in the country diverting such waters, and the quantity of water so diverted shall be at all times available to that country for use for power below the point of diversion, so long as it constitutes a part of boundary waters;

(e) That compensation works in the Niagara and St. Clair Rivers, designed to restore and maintain the lake levels to their natural range, shall be undertaken at the cost of the United States; the compensation works shall be subject to adjustment and alteration from time to time as may be necessary, and as may be mutually agreed upon by the Governments, to meet any changes effected in accordance with the provisions of this Article in the water supply of the Great Lakes System above the said works, and the cost of such adjustment and alteration shall be borne by the Party effecting such change in water supply.

ARTICLE IX.

The High Contracting Parties, recognizing their common interest in preserving the scenic beauty of the Niagara Falls and Rapids, through preventing erosion and ensuring unbroken crestlines and the prescribing of limits to the diversion of water from the River, agree:

(a) That works shall be constructed in the Niagara River above the Niagara Falls to distribute the waters of the river, to ensure unbroken crestlines on both the Canadian and the American Falls and to enhance and preserve their scenic beauty, pursuant to the recommendations of the Special International Niagara Board in its interim report made on the 14th day of December, 1927, and its final report dated June 22, 1928, with such changes and alterations as the Commission may deem necessary;

(b) That arrangements for the construction of the remedial works shall be made by an exchange of notes between the Governments and the cost thereof shall be borne by the Governments in equal moieties.

(c) That, upon the completion of the remedial works authorized in this Article, diversions of the waters of the Niagara River above the Falls from the natural course and streams thereof additional to the amounts specified in Article 5 of the Boundary Waters Treaty of January 11, 1909, may be authorized and permitted by the respective governments of the United States and the Dominion of Canada to the extent and in the manner hereinafter provided:

(1) Temporary diversions of the waters of the Niagara River are authorized for the purpose only of facilitating the construction of the remedial works herein authorized;

(2)

(2) The United States may authorize and permit additional diversion within the State of New York of the waters of said river above the Falls for power purposes, in excess of the amount specified in Article 5 of the Boundary Waters Treaty of January 11, 1909, not to exceed in the aggregate a daily diversion at the rate of five thousand cubic feet of water per second;

(3) The Dominion of Canada may authorize and permit additional diversion within the Province of Ontario of the waters of said river above the Falls for power purposes, in excess of the amount specified in Article 5 of the Boundary Waters Treaty of January 11, 1909, not to exceed in the aggregate a daily diversion at the rate of five thousand cubic feet of water per second;

(d) That, upon installation of the works authorized in this Article, the Commission shall proceed immediately to test such works and to adopt or employ such means as in the judgment of the Commission will enable it to report and certify to the Governments the effect of such works under a wide range of conditions and to make recommendations respecting diversions of water from the Niagara River with particular reference to preserving perpetually the scenic beauty of the Falls and Rapids, to the requirements of navigation in the Great Lakes System and to the equal and equitable division and efficient utilization of the waters which may be diverted on both sides of the boundary. On the basis of the Commission's reports and recommendations the High Contracting Parties may by concurrent legislation determine the amount and nature of the diversions thereafter to be permitted and the use to be made thereof.

ARTICLE X.

The High Contracting Parties agree:

(a) That each Party is hereby released from responsibility for any damage or injury to persons or property in the territory of the other, which may be caused by any action authorized or provided for by this Treaty;

(b) That they will severally assume responsibility and expense for the acquisition of any lands or interests in land in their respective territories which may be necessary to give effect to the provisions of this Treaty.

ARTICLE XI.

ARTICLE XI.

This Treaty shall be ratified in accordance with the constitutional methods of the High Contracting Parties. The ratifications shall be exchanged in Washington or in Ottawa as soon as practicable and the Treaty shall come into force on the day of the exchange of ratifications.

In faith whereof the respective plenipotentiaries have signed this Treaty in duplicate and have hereunto affixed their seals.

Done at _____, the _____ day
of _____ in the year of our Lord _____.

(seal)

(seal)

*file
confidential*

*PSF 185
St. Lawrence
n) W. Way*

FEDERAL POWER COMMISSION
WASHINGTON

August 9, 1937.

MEMORANDUM FOR THE PRESIDENT:

At a conference at the State Department last week Norman Armour strongly advised, and it was generally agreed, that no steps be taken relating to the Great Lakes-St. Lawrence Treaty along the lines which I recently discussed with you until after the Provincial election in Ontario, which is expected to take place early in October. It was felt that any such activities at this time might be dangerous.

Bm
BASIL MANLY.

FRANK R. WALSH
CHAIRMAN
JAMES C. BONBRIGHT
VICE-CHAIRMAN



THE POWER AUTHORITY OF THE STATE OF NEW YORK
STATE OFFICE BUILDING-80 CENTRE STREET
NEW YORK CITY

LELAND OLDS
SECRETARY

PSF185
FRED J. FREESTONE
INTERLAKEN, N.Y.
GEORGE S. REED
LOWVILLE, N.Y.

file personal
PSF
St. Lawrence
Laway

Washington, D.C.
December 16, 1937.

Dear Mr. President:

The enclosed memorandum refers to a situation in Canada which might directly affect the St. Lawrence treaty.

Mr. Walsh feels the matter is of sufficient importance to warrant its being brought to your attention.

Respectfully,

Leland Olds

The President
The White House
Washington

MEMORANDUM To The President

In Re: St. Lawrence Treaty - Ontario-Quebec Plans for
Export of Power to the United States.

The President's authority to prohibit the importation of power from Canada to the United States, or to permit it subject to specified conditions, may be immediately helpful in expediting favorable action in Canada on the St. Lawrence treaty.

This situation presents itself in connection with the efforts being made by the Provinces of Ontario and Quebec to obtain permission from the Dominion Government to export surplus power to private companies in New York State.

The essential facts are as follows:

1. Prime Minister King has excused delay in meeting the President's request for early treaty action on the ground that the opposition of Premier Hepburn of Ontario must first be overcome.
2. Premier Hepburn is pressing Prime Minister King for Dominion consent to the export of 110,000 horsepower of the supply of power which the Ontario Hydro Commission has just contracted to take from Quebec private companies, including Beauharnois.
3. This export of 110,000 horsepower would be additional to the 75,000 horsepower now coming across the border at Massena under the old contract between the Aluminum Company and the Cedar Rapids subsidiary of Montreal Light, Heat & Power Company. There are also old contracts under which more than 100,000 horsepower crosses the border to the Niagara Hudson system at Niagara.

4. The proposed additional export would help Ontario to carry the cost of the new contracts which the Hydro Commission was forced to undertake in order to free itself from legal action in connection with the cancellation of old contracts and in order to assure an adequate power supply for the next five years.

5. Premier Hepburn is reported to have seen Prime Minister King on the matter in Ottawa on November 29. Prime Minister King is reported to have refused Hepburn's request for permission to export.

6. Premier Hepburn of Ontario and Premier Duplessis of Quebec conferred in Montreal on December 13. Premier Hepburn subsequently stated that Prime Minister King had refused to permit the export of power but that he and Duplessis were determined to have the decision changed.

7. Premier Hepburn also questioned the validity of Dominion legislation, under the provisions of which Dominion permission for export of power is required.

8. The Canadian Press dispatch states: "It was learned contracts for the export of 110,000 horsepower annually to two New York State power companies have been negotiated and wait the lifting of the federal export ban for their consummation. It is estimated the contracts would give Ontario a profit of \$220,000 without additional capital cost. (Financial circles here today reported one contract was with the Niagara Hudson Power Company for 90,000 horsepower and the other with the Aluminum Company of America for 20,000)."

9. Incidentally, the report indicates that the Dominion Government will get \$1.50 per horsepower as export tax and the Quebec Government \$1.50 per horsepower as water rental.

10. Aspects of the matter of immediate importance to the United States may be summarized under several heads:

- (a) Possible effect in delaying St. Lawrence treaty, particularly if it proves entering wedge for much larger exports of privately developed Quebec power to the United States;

- (b) Profit to Ontario Hydro, Quebec and Dominion Government at the expense of consumers of electricity in the United States;
- (c) Cost of such power supply at \$14.50 compared with cost of \$8.00 per horsepower for corresponding power if publicly developed in the International Section of the St. Lawrence;
- (d) Resulting postponement by private companies of power plant construction in the United States, tending to intensify present unemployment. The "Electrical World" carries an item to the effect that the Niagara Hudson will not go ahead with its proposed steam station at Buffalo. Postponement of construction at Oswego may be expected to follow.

11. The fear that this may prove an opening wedge for much larger exports of private Quebec hydro-electric power to the United States as a substitute for publicly produced St. Lawrence power is warranted by the following:

- (a) Reports prevalent in Canadian press for more than a year have indicated that Carlisle of Niagara Hudson was negotiating with Holt of Montreal Light, Heat and Power for large blocks of Beauharnois power, the figures quoted running as high as 350,000 horsepower;
- (b) Canadian policy, first enunciated by the National Advisory Committee and embodied in 1928 notes of MacKenzie King's previous administration, is to delay undertaking of the International Rapids Section of the St. Lawrence development until power in the all-Canadian section has been developed and marketed by private interests;
- (c) Canadian private power interests, including Montreal Light, Heat and Power, Shawinnigan Power, Quebec Power, Beauharnois Power and Duke-Price Power, are linked together in a community of interest and are closely tied

with the Aluminum Company of America and so with Niagara Hudson.

- (d) These companies have announced plans for additional substation capacity at Three Rivers and additional generating capacity at Beauharnois and on the St. Maurice River, which will make available large concentration of surplus power in the Montreal area.

12. The New York Times dispatch of December 13 relative to the Hepburn-Duplessis alliance to force Prime Minister King to consent to export of power, said:

"It is hoped that if Ontario, supported by Quebec, makes a formal request for permission to export surplus power to the United States, Prime Minister MacKenzie King might be willing to submit a recommendation to Parliament that it be approved.

"It was made clear in Ottawa today, however, that in any such an arrangement, the government would stipulate that the power be sold only on a year-to-year basis. In addition, the government would insist that Washington be informed of the whole transaction, and that it be made clear that nothing was to be assured in the signing of a contract that it would be renewed next year."

13. In a conversation at Toronto, November 12, 1937, Dr. T.H. Hogg, just appointed Chairman of the Ontario Hydro Commission explained to Secretary Olds of the New York State Power Authority (a) that Ontario would have to contract for more power from Quebec companies to meet the requirements of the years before the St. Lawrence project could be completed, and (b) that he was anxious for a treaty which would make St. Lawrence power available by 1942. Dr. Hogg stated that under these circumstances it might be helpful to Ontario to be able to export a portion of its purchase from Beauharnois and asked how such an arrangement would be viewed on the United States side of the border.

14. Mr. Olds expressed the personal opinion that if such a plan for export of power were coupled with readiness on the part of Ontario to go forward with the St. Lawrence treaty there would probably be no objection, but that if it meant postponement of the St. Lawrence undertaking the reaction would be unfavorable.

15. The Aluminum Company and the Niagara Hudson system are unquestionably in real need of the power. The Aluminum Company of Canada is reported sold out for five years ahead in connection with the British Government's armament program. The Massena plant requires additional power for an enlarged production program. It is reported to have taken steps to secure permission for an additional transmission crossing.

The facts outlined above suggest a possible opportunity to use the President's authority over transmission interconnections with foreign countries as a basis for asking:

1. Premier Hepburn to reconsider his opposition to the treaty in return for approval of an arrangement for export of Canadian power to the United States satisfactory to both countries, and
2. The Niagara Hudson-Aluminum Company interests to be more cooperative with the President's program, especially with regard to the St. Lawrence development.

The President of the United States has undoubted authority to prohibit the importation of power from a foreign country, or to permit it subject to specified conditions.

Such control by the President is provided under his plenary power to prevent any physical connection (not authorized by Congress) between any foreign nation and the United States.

It was so interpreted by Honorable J.C. McReynolds now U.S. Supreme Court Justice, while Attorney General of the United States, in an opinion dated August 14, 1913, rendered at the request of President Wilson, following the expiration of the Burton Act. A copy of this opinion is attached herewith.

(Note: A special Ottawa dispatch to the New York Times, dated December 16, cites Prime Minister King as indicating that he had refused two applications for the right to export, one from the Montreal Light, Heat and Power Company and another from Premier Hepburn of Ontario. He based his refusal on the ground that the decision must rest with Parliament.)

December 16, 1937.

Extract from Letter of Attorney General J.C. McReynolds
to the President of the United States submitting opinion
in re importation of hydroelectric power from Canada.

* * * *

"Department of Justice,
August 14, 1913.

"Sir:

I have the honor to reply to your letter of
June 19, 1913, desiring my opinion on certain
questions concerning the Niagara River. . . .

"You further inquire whether under existing
law you have any authority to control the importa-
tion into this country from Canada of electric
current generated by water power from the Niagara
River.

"In my opinion the lapse of the Burton Act
(34 Stat.626), which contained the only direct
legislation regarding the transmission of elec-
tricity from Canada, has left you free to control
the matter under your plenary power to prevent any
physical connection (not authorized by Congress)
between any foreign country and the United States.

"The executive power (subject, of course, to
affirmative control by Congress) has been recognized
as controlling the laying of cables between the
United States and foreign countries (22 Op. 13, 408,
514; 29 Op. 579, 583), and in the only case in court
upon the subject (United States v. La Compagnie Fran-
caise des Cables Telegraphiques, 77 Fed. 496) Judge
Lacombe expressed as follows the same opinion, though
in that particular case he refused a preliminary in-
junction on the ground that the cable had already been
laid:

"It is thought that the main proposition advanced
by the complainant's counsel is a sound one, and
that, without the consent of the General Government,
no one, alien or native, has any right to establish
a physical connection between the shores of this
country and that of any foreign nation. Such con-
sent may be implied as well as expressed, and
whether it shall be granted or refused is a polit-
ical question, which, in the absence of congres-
sional action, would seem to fall within the
province of the Executive to decide. As was intim-

ated upon the argument, it is further thought that the Executive may effectually enforce its decision without the aid of the courts. . . .'

"The principle has been acted upon frequently in our dealings with foreign nations (Moore Dig. of International Law, Vol. II, pp. 463, 466), and may now be regarded as firmly established.

"These authorities are applicable to the present subject, and in the absence of legislation by Congress you may not only prohibit the importation of electrical power to this country from Canada, but may also grant permission therefor subject to such conditions as to you may seem good.

Very respectfully,

J.C. McReynolds.

To The President."

file
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St Lawrence Trading

December 22, 1937.

Letter to President
From Cordell Hull

In re-controversy going on in Canada over the efforts
of Premier Hepburn of Ontario, supported by Premier Duplessis
of Quebec, to obtain from the Dominion Government permission
to export power to this country.

SEE--Cordell Hull--Drawer 1--1937

ADDRESS OFFICIAL COMMUNICATIONS TO
THE SECRETARY OF STATE
WASHINGTON, D. C.



*file
personal*

DEPARTMENT OF STATE
WASHINGTON

*PSF 185
St. Lawrence
W. Way*

January 12, 1939.

MEMORANDUM TO THE PRESIDENT

Re: St. Lawrence Waterway.

Things seem to have taken a turn for the better in the St. Lawrence Waterway negotiations. In Ontario, Prime Minister Hepburn has come to a head-on collision with MacKenzie King; the Ontario Liberals, however, declared their allegiance to King. Hepburn is on a trip to Australia.

Meanwhile, intimations have reached us that the Canadian Government is working on an answer to our note proposing a draft treaty and that probably they will suggest that conversations begin at once. I am having prepared the necessary material for those conversations.

We are likewise studying the possibility of doing the job by concurrent joint resolutions in the Congress and in the Canadian Parliament, on the chance that the method of joint resolution may prove more feasible than the double job of a treaty ratified by the Senate, with which must be coupled the necessary appropriation bill providing

AMERICAN
DEVELOPMENTAL CO.

-2-

providing for the actual construction.

With reasonable luck we might be getting to that phase in late February or March. This, of course, is on the assumption that the unofficial intimations which have reached us turn out to be true. But things seem to be loosening up for the first time.

A. A. Berle, Jr.

Senate Vote on Waterway Treaty

Special to THE NEW YORK TIMES.
 WASHINGTON, March 14.—The Senate roll-call on the St. Lawrence Waterway Treaty was as follows:

FOR RATIFICATION—46.

Democrats—31.

Ashurst	Dill	Pittman
Bachman	Duffy	Pope
Bankhead	Erickson	Robinson (Ark.)
Barkley	Gore	Sheppard
Black	Harrison	Smith
Bone	Hatch	Thomas (Utah)
Brown	Hayden	Thompson
Bulkeley	Logan	Van Nuys
Bulow	McAdoo	Wheeler
Byrnes	McKellar	
Costigan	O'Mahoney	

Republicans—14.

Borah	Frazier	Nye
Capper	Gibson	Robinson (Ind.)
Couzens	Johnson	Schall
Cutting	La Follette	Vandenberg
Fessenden	Norris	

Farmer-Labor—1.

Shipstead.

AGAINST RATIFICATION—42.

Democrats—22.

Adams	George	Reynolds
Bailey	Lewis	Russell
Byrd	Loneragan	Stephens
Clark	Long	Tydings
Connally	McCarran	Wagner
Coolidge	McGill	Walsh
Copeland	Neely	
Dietrich	Overton	

Republicans—20.

Austin	Hastings	Patterson
Barbour	Hatfield	Reed
Carey	Hebert	Steiwer
Davis	Kean	Townsend
Dickinson	Keyes	Walcott
Goldsborough	McNary	White
Hale	Metcalf	

PAIRS.

For—Norbeck, Murphy.

Against—Glass.

ABSENT.

Democrats—Mrs. Caraway, Fletcher, King, Trammell and Thomas (Okla.).

250 DEAD IN BLAST AT SALVADOR PORT

Continued From Page One.

mite at the port of La Libertad this morning was heard clearly in this city.

Disruption of communication facilities delayed reports of the disaster. It was learned that the port building and the postoffice were wrecked. The All America Cables office also was damaged.

Message received by All America New York from

representative in El Salvador said a repair shop in which a number of men were at work was blown into the sea, along with a number of barges tied near by.

La Libertad, a vacation resort, was thronged with visitors, among them some of the first families of El Salvador. Reports said nearly all of these visitors were on the beaches.

The President and high government officials hurried to La Libertad to direct the rescue work.

Countrys Leading

La Libertad is the port of El Salvador. It is a city of 10,000 people. The port is a paved asphalt wharf with a pier.

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