

No. 4872

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**UNITED STATES OF AMERICA  
and  
CANADA**

**Exchange of notes (with Memorandum of Agreement)  
constituting an agreement relating to the Saint Lawrence  
Seaway. Ottawa, 9 March 1959**

*Official text: English.*

*Registered by the United States of America on 14 September 1959.*

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**ÉTATS-UNIS D'AMÉRIQUE  
et  
CANADA**

**Échange de notes (avec Mémoire d'entente) constituant un  
accord relatif à la voie maritime du Saint-Laurent.  
Ottawa, 9 mars 1959**

*Texte officiel anglais.*

*Enregistré par les États-Unis d'Amérique le 14 septembre 1959.*

No. 4872. EXCHANGE OF NOTES CONSTITUTING AN AGREEMENT<sup>1</sup> BETWEEN THE UNITED STATES OF AMERICA AND CANADA RELATING TO THE SAINT LAWRENCE SEAWAY. OTTAWA, 9 MARCH 1959

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I

*The Canadian Secretary of State for External Affairs to the American Ambassador*

DEPARTMENT OF EXTERNAL AFFAIRS  
CANADA

No. 57

The Secretary of State for External Affairs presents his compliments to the Ambassador of the United States of America and has the honour to propose that the undernoted arrangements shall govern the tolls that are to be levied on ships, passengers and cargoes using the navigational facilities operated under the authority of the St. Lawrence Seaway Authority in accordance with the St. Lawrence Seaway Authority Act (1952 R.S.C., c. 242) as well as those operated by the Saint Lawrence Seaway Development Corporation in accordance with United States Public Law 83-358.

On January 29, 1959, the Administrator of the Saint Lawrence Seaway Development Corporation and the President of the St. Lawrence Seaway Authority signed in Massena, New York, a Memorandum of Agreement<sup>2</sup> on the tariff of tolls to be levied on ships, passengers and cargoes using the aforementioned facilities. A copy of this Memorandum of Agreement is attached and is hereby incorporated in this Note.

The Secretary of State for External Affairs, on behalf of the Government of Canada, proposes that the provisions of the attached Memorandum of Agreement and the Tariff of Tolls set out therein shall be made binding by the two governments with effect from April 1, 1959.

If the foregoing meets with the approval of the United States Government, it is proposed that this Note and the Ambassador's reply shall constitute an agreement between the two governments.

S. E. S.

Ottawa, March 9, 1959

<sup>1</sup> Came into force on 9 March 1959 by the exchange of the said notes.

<sup>2</sup> See p. 298 of this volume.

MEMORANDUM OF AGREEMENT BETWEEN THE ST. LAWRENCE SEAWAY AUTHORITY AND THE SAINT LAWRENCE SEAWAY DEVELOPMENT CORPORATION RESPECTING THE ST. LAWRENCE SEAWAY TARIFF OF TOLLS

The St. Lawrence Seaway Authority is hereinafter referred to as the " Authority " and the Saint Lawrence Seaway Development Corporation as the " Corporation ".

The St. Lawrence Seaway Authority Act, enacted by the Parliament of Canada, having provided, in part, as follows—

" *Sec. 17.* Where the works have been constructed and are maintained and operated by the Authority to provide in conjunction with works undertaken by an appropriate authority in the United States, the deep waterway mentioned in section 10, tolls may be established pursuant to sections 15 and 16, or by agreement between Canada and the United States and, in the event of such an agreement, shall be charged by the Authority in accordance with directions given by the Governor in Council. "

and Public Law 358, 83rd Congress, enacted by the Congress of the United States having provided, in part, as follows—

" *Sec. 12.* (a) The Corporation is further authorized and directed to negotiate with The Saint Lawrence Seaway Authority of Canada, or such other agency as may be designated by the Government of Canada, an agreement as to the rules for the measurement of vessels and cargoes and the rates of charges or tolls to be levied for the use of the Saint Lawrence Seaway, and for an equitable division of the revenues of the seaway between the Corporation and the Saint Lawrence Seaway Authority of Canada. "

the Authority and the Corporation have agreed to recommend to their respective Governments as follows :

1. THAT the tariff tolls for the St. Lawrence Seaway, annexed hereto,<sup>1</sup> be established pursuant to the provisions of the appurtenant laws; this tariff is referred to hereunder as " the 'Tariff' ";

2. THAT the division of the tolls derived from the operation of that portion of the St. Lawrence Seaway situated between Montreal and Lake Ontario shall be initially seventy-one per cent (71%) in Canadian dollars to the Authority and twenty-nine per cent (29%) in United States dollars to the Corporation, such division being based upon preliminary estimates of their respective annual charges : provided, however, that these percentages shall be adjusted from time to time so that the Authority and the Corporation shall receive, during the term of the Tariff, a proportion of the tolls in the ratio of their respective annual charges (for operation, maintenance, interest and retirement of debt) to their combined annual charges in respect of the said portion of the St. Lawrence Seaway, such charges to be taken at par of exchange, and the respective proportions to be received by the Authority in Canadian dollars and by the Corporation in United States dollars;

<sup>1</sup> See p. 304 of this volume.

3. THAT the whole of the tolls derived from transit of the Welland Canal shall accrue to the Authority;

4. THAT the Authority and the Corporation may, subject to confirmation in accordance with applicable law, amend the Tariff to give effect to the division of tolls herein and without affecting the substance or tenor of the Tariff, to add to or delete from the list of goods defined as "bulk cargo" in paragraph 2 (b) of the Tariff, and to make such other changes to the Tariff as will be compatible with the general terms of the Tariff;

5. THAT the establishment and maintenance of a method of billing and the collection of tolls shall be the responsibility of the Authority, which shall account to the Corporation for its share of the total revenue, subject to such collaboration and co-operation on the part of the Corporation as may jointly be determined; and that the Corporation shall pay to the Authority a rateable share of the cost of billing and collecting tolls;

6. THAT there shall be constituted a Joint Tolls Advisory Board (hereinafter referred to as the "Board") comprised of four persons, two of whom shall be appointed by the Authority and two by the Corporation. The Authority and the Corporation shall alternately appoint a member of the Board to be Chairman, and he shall act in that capacity for a period of six months, or until replaced. Three members of the Board, one of whom shall be the chairman, shall form a quorum. The chairman shall have the right to vote at meetings of the Board and, in case of equal division, shall also have a casting vote. The Board shall sit at the direction of the chairman, who shall cause a record of the proceedings thereof to be kept. The Board may make rules and regulations for its own conduct. It shall be the duty of the Board to hear complaints relating to the interpretation of the Tariff by the Authority or the Corporation, or with respect to alleged unjust discrimination arising out of the operation of the said Tariff. The Board shall report its findings and recommendations to the Authority and the Corporation.

7. THAT the Authority and the Corporation shall, after five complete seasons of navigation have elapsed, and not later than July 1, 1964, report to their respective Governments as to the sufficiency of the authorized tolls to meet the statutory requirements, and to cause the Tariff to be reviewed accordingly.

The St. Lawrence Seaway Authority :

B. J. ROBERTS  
President

[SEAL]

Saint Lawrence Seaway Development Corporation :

Lewis G. CASTLE  
Administrator

Dated at Massena, N. Y., this 29th day of January 1959

## TITLE

1. This tariff may be cited as the *St. Lawrence Seaway Tariff of Tolls*.

## INTERPRETATION

2. In this tariff,
  - (a) " Authority " means The St. Lawrence Seaway Authority;
  - (b) " bulk cargo " means such goods as are loose or in mass and generally must be shovelled, pumped, blown, scooped or forked in the handling and, without limiting the generality of the term or otherwise affecting its meaning, shall be deemed to include :
    - (i) barley, buckwheat, corn, dried beans, dried peas, flaxseed, rape seed and other oil seeds, flour, grain screenings, mill feed containing not more than 35% of ingredients other than grain or grain products, oats, rye and wheat, loose or in sacks;
    - (ii) cement, loose or in sacks;
    - (iii) coke and petroleum coke, loose or in sacks;
    - (iv) domestic package freight;
    - (v) liquids carried in ships' tanks;
    - (vi) ores and minerals (crude, screened, sized or concentrated, but not otherwise processed) loose or in sacks, including alumina, bauxite, coal, gravel, phosphate rock, sand, stone and sulphur;
    - (vii) pig iron, scrap iron and scrap steel;
    - (viii) pulpwood, poles and logs, loose or bundled;
    - (ix) raw sugar, loose or in sacks;
    - (x) woodpulp, loose or in bales;
  - (c) " cargo " means all goods aboard a vessel whether carried as revenue or non-revenue freight or carried for the vessel owner, except goods carried as ships' fuel, ballast or stores, or crew and passengers' personal effects;
  - (d) " Corporation " means the Saint Lawrence Seaway Development Corporation;
  - (e) " domestic package freight " means cargo, the shipment of which originates at one Canadian point and terminates at another Canadian point, or which originates at one United States point and terminates at another United States point, but shall not include any import or export cargo designated at the point of origin for trans-shipment by water at a point in Canada or in the United States;
  - (f) " general cargo " means all goods not included in the definition of bulk cargo under paragraph (b) above;
  - (g) " passenger " means any person being transported through the Seaway who has paid a fare for passage;
  - (h) " pleasure craft " means a vessel, however propelled, that is used exclusively for pleasure and does not carry passengers;
  - (i) " St. Lawrence Seaway " includes all facilities and services authorized under the St. Lawrence Seaway Authority Act, Chapter 242, Revised Statutes of Canada, 1952, and under Public Law 358, 83rd Congress, May 13, 1954, enacted by the Congress of the United States, and including the Welland Canal, which facilities and services are under the control and administration or immediate financial responsibility of either the Authority or the Corporation;
  - (j) " Seaway " means The St. Lawrence Seaway;
  - (k) " tolls " means the total assessment levied against a vessel, its cargo and passengers for complete or partial transit of the Seaway covering a single trip in one direction;
  - (l) " ton " means, unless otherwise stated, a unit of weight of 2,000 pounds;
  - (m) " vessel " means every type of craft used as a means of transportation on water, except a vessel of or employed by the Authority or the Corporation.

## TOLLS

3. (1) The tolls shall be as set forth in the Schedule hereto;

(2) The tolls under this tariff are due from the representative of each vessel as soon as they are incurred and payment shall be made to the Authority at Cornwall, Ontario, within fourteen days of the date of billing by the Authority. An additional charge for non-payment within this period may be levied in the discretion of the Authority in an amount not to exceed 5 per cent of the amount due.

(3) The tolls for the section between Montreal and Lake Ontario shall be paid 71 per cent in Canadian dollars and 29 per cent in United States dollars. Payments for transit through locks in Canada only shall be made in Canadian dollars, and payments for transit through locks in the United States only shall be paid in United States dollars.

(4) The tolls for transit of the Welland Canal shall be paid in Canadian dollars and shall accrue to the Authority.

## SECURITY FOR PAYMENT

4. The representative of each vessel shall provide the Authority with security, satisfactory to the Authority, for payment of tolls.

## DESCRIPTION AND WEIGHT OF CARGO

5. (1) A cord of pulpwood shall be deemed to weigh 3,200 pounds.

(2) (a) 1,000 f.b.m. of sawn softwood lumber with less than 15% moisture content shall be deemed to weigh 1,700 pounds;

(b) 1,000 f.b.m. of sawn softwood lumber with 15% moisture content or over shall be deemed to weigh 2,100 pounds;

(c) 1,000 f.b.m. of sawn hardwood lumber with less than 15% moisture content shall be deemed to weigh 2,500 pounds;

(d) 1,000 f.b.m. of sawn hardwood lumber with 15% moisture content or over shall be deemed to weigh 3,100 pounds.

(3) The tonnage used in the assessment of tolls shall be calculated to the nearest 2,000 pounds.

## SCHEDULE

	<i>Tolls</i>		
	<i>Montreal to or from Lake Ontario</i>	<i>Lake Ontario to or from Lake Erie (Welland Canal)</i>	<i>Complete Transit Total</i>
	\$	\$	\$
1. For transit of the Seaway, a composite toll, comprising—			
(1) a charge per gross registered ton, according to national registry of the vessel, applicable whether the vessel is wholly or partially laden, or is in ballast . . . . .	.04	.02	.06
(2) a charge per ton of cargo, as certified on ships' manifest or other document, as follows :			
— bulk cargo . . . . .	.40	.02	.42
— general cargo . . . . .	.90	.05	.95
(3) a charge per passenger . . . . .	3.50	4.00	7.50
(4) minimum charges, subject to the provisions of sub-items (1), (2) and (3) above :			
— pleasure craft . . . . .	14.00	16.00	30.00
— other vessels . . . . .	28.00	32.00	60.00

2. For partial transit of the Seaway :

- (1) Between Montreal and Lake Ontario, in either direction, 15 per cent per lock of the applicable toll;
- (2) Between Lake Ontario and Lake Erie, in either direction, (Welland Canal), 50 per cent of the applicable toll; no toll to be assessed unless at least one lock is transited, or with respect to Lock 1 of the Third Canal at Port Dalhousie, Ontario.
- (3) Minimum charges :
  - pleasure craft, \$2.00 per vessel per lock transited;
  - other vessels, \$4.00 per vessel per each lock transited.

## II

### *The American Ambassador to the Canadian Secretary of State for External Affairs*

No. 205

The Ambassador of the United States of America presents his compliments to the Secretary of State for External Affairs and has the honor to refer to his Note No. 57 of March 9, 1959, proposing certain arrangements to govern tolls on the Saint Lawrence Seaway.

The terms and conditions set forth in this Note and the attached Memorandum of Agreement and the tariff of tolls set forth therein are acceptable to the Government of the United States, which concurs in the proposal contained in the Note of the Secretary of State for External Affairs to the effect that the Note and this answer thereto shall constitute an agreement between the Canadian and United States Governments and shall be effective from April 1, 1959.

R. B. W.

Embassy of the United States of America  
Ottawa, March 9, 1959