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BRITISH EMBASSY, WASHINGTON. D. C. March 18th, 1940

No. 263

My Lord,

With reference to correspondence ending with Sir Gerald Campbell's despatch No. 55 of the 15th February to the Secretary of State for Dominion Affairs, regarding the Great Lakes -St. Lawrence Waterway scheme, I have the honour to inform Your Lordship that in response to a request from Representative Kilburn of New York, Mr. Cordell Hull has given in writing the State Department's opinion that "the conclusion of a treaty with Canada for the development of the Great Lakes -St. Lawrence Basin project would not effect in any way the complete neutrality of the United States". I am sending a copy of this despatch to the High Commissioner for the United Kingdom at Ottawa.

> I have the honour to be, With the highest respect, My Lord, Your Lordship's most obedient, humble servant, (SGD) LOTHIAN

> > CB:ACEM:CL

The Right Honourable The Viscount Halifax, K. G., etc., etc.,

