PRESS BRIEFING

BY HIS EXCELLENCY MR. J. ALAN BEESLEY, Q.C.

on

UNITED NATIONS CONFERENCE ON THE LAW OF THE SEA

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Introduction:

We hope we can answer questions in both languages. The ground rules for the briefing this morning are that we can attribute anything that Ambassador Beesley is saying to himself unless he indicates that it will be "off the record". If this happens and Mr. Beesley wants to elaborate on some subject, he might indicate at that point that he will say it "off the record" but the briefing is to be considered as being an "on the record" briefing. You will have already seen the communiqué which gives you the general outlook. You know that the Conference has already started and you are also aware that it is intended to be the final phase of it. I will ask Ambassador Beesley to just give you a very quick outline of what is in the works, what are our main objectives, so that you can afterwards put your questions to him. So with this comment I will ask you to just go ahead please.

Mr. Beesley:

All right, one thing I would like to say totally off the record is that one of the problems in this field, as I think you all know, is one of terminology. It is not so much semantics as terms of art and if I use a phrase that isn't readily understood, I have no difficulties about being interrupted by questions asked right at the time because it is so easy to interpret what is being said in the wrong way. An example might be if I am talking about the continental shelf and someone is thinking about the waters above the shelf or, for example, if I am talking about the continental shelf beyond 200 miles and it is interpreted as being a reference to fisheries beyond 200 miles. I will try and use the right terms, and they are simple enough. I don't know how to talk jargon, but if anybody feels that I'm not being clear, please interrupt me.

What I say from here on is on the record and attributable.

I won't go over what's in the March 7 Department of External Affairs Press Release except to say that it states the fundamental fact of life in New York now, namely that everybody is operating on the assumption that this is the final negotiating session. No one that I have talked to feels that it is going to be an easy task. No one will even say we are going to make that deadline, but on the other hand it is quite evident by the activity that is going on there that everyone is attempting to meet the deadline. There are countless small groups negotiating on various aspects of the unresolved problems, and even going over again some of the issues that are seemingly settled. We are into that very intensive phase very early in the session, which is indicative: it means that people mean business and that is a hopeful sign. The final decision-making session is the one that will take place in July-August in Geneva, and in order to reach that stage we have to conclude the negotiations at this session. There still has to be another act, namely, a formalization of the text to turn it into a draft treaty. It will be really going a long way to reach that stage at this session, but that is our aim.

There is a technical reason why I don't believe we can go that far. However, this touches a little bit on procedure. The Drafting Committee still hasn't finished its work and, indeed, can't do a part of its work until the negotiating is completed. I think you know that I am the Chairman of the Drafting Committee and we are working daily in attempting to produce a text that is legally sound as well as an effective political compromise. But the final reading, as we call it, can't really take place - the formal definitive final reading - until we know that negotiations are concluded. So there is a certain amount of heavy Drafting Committee work lying before us apart from the rather difficult negotiations.

I will say one word only about the consequences of failure of the Conference. There is a lot riding on it - a lot that tends to be taken for granted now - thought of as already in the bag. The best way I can approach this from a Canadian point of view is to mention some of our objectives and what we have achieved on them and which ones are dependent upon a successful Conference.

Everybody here, I am sure, remembers the storm of protest that we had over our Arctic Waters Pollution Prevention Act. We now have an article in the text recognizing the legality of our legislation. That is one of many of the Conference achievements that is contingent upon there being an overall Conference solution.

We have also a 12-mile territorial sea recognized in the treaty and we took unilateral action on that issue, as well, as you know. In that case, however, I can express a truly personal opinion. I believe that even if some states would assert that their contingent agreement on the 12-mile territorial sea has no application if the Conference fails, (and we got a warning precisely to that effect at the last session from the U.S. delegation), the fact remains - and again I am expressing a personal legal opinion - that the 12-mile territorial sea is here to stay. It is now a principle of international law. That is one of the things that wouldn't be lost by a failed Conference. However, that still leaves open the question of whether there would be any disputes about the 12-mile territorial sea. I think that it is fairly clear already that there could be disputes, because of the position of those states that would adopt the position that the U.S. has already signaled in the last session, i.e. namely that the 12-mile territorial sea as a consensus principle linked to a package settlement is one thing, while a 12-mile territorial sea without such links is another. So even that settled principle of international law would not be free from difficulty if the Conference were to fail.

There is a closely related question which illustrates the point I am making. We have worked out a new regime, a new set of legal rules, for passage through international straits. If I can give you a purely personal observation again, I am not wild about the solution that we worked out in the Conference; but anyone who tampers with that particular text would do so, not so much at his or her peril, but at the peril of the Conference. This is one of the sticking points - a real breaking point - for the Conference. The issue arose because of the issue of freedom of navigation and because a 12-mile territorial sea would enfold certain straits that would otherwise have a portion of high seas running through them. The new concept is no longer that of innocent passage - it is called the right of transit - and it is analogous to having a high seas corridor, although there are certain minimal environmental powers for the coastal states which we were able to get into the text. Speaking again purely personally, I have heard views, fairly firmly held, that if the Conference were to fail the compromise on straits would fall apart very quickly because it is a compromise reluctantly accepted by both sides. I mention that partly because of the well-known problem of the status of the North West Passage. I will discuss that question if everyone wants me to, but the fact is that we have always taken the position that the provisions on international straits don't have much interest for us because we don't have any international straits. Most of the major maritime powers, however, with the exception of the USSR, say that the North West Passage is an international strait. Well, again, on the basis of the Conference text, it is quite clear that the North West Passage is a strait unlike any other and that there would be an environmental overlay as a result of the provision on ice-covered waters which I mentioned at the beginning. We have no guarantee, of course, that there would be any environmental overlay agreed to by any of the major maritime states if the Conference were to fail.

These are Canadian objectives which we have been able to protect, one by one, through the negotiations, by getting agreement on language for inclusion in the text. With the exception of the 12-mile territorial sea, questions could be raised concerning all of these agreed objectives. That applies also to the next one I will mention - salmon. We have a special provision on salmon which in effect runs contrary to the general Conference doctrine of the economic zone. It is an exception. It was hard to negotiate that article because we appeared to be flying in the face of accepted Conference doctrine. We had some help on that question from other countries who have salmon which spawn in their internal or inland waters. The result is another compromise - again one in which we are in the minority, and one where the other side would have very little reason to want to honour if it were not part of the package. It is not all that clear cut in terms of an either/or approach. Basically it is a compromise that recognizes the interest of the state of origin. "Interest" is the term used with respect to the management of salmon even beyond the coastal states 200-mile economic zone and even within the 200-mile economic zone of another state. Again, however, it is not a clear-cut right. We tried to achieve recognition of the principle that no one could touch the salmon without the permission of the state of origin. However, when the salmon are swimming through the economic zone of another state it is not easy to say they cannot fish them. But they have accepted it - it is working because there is a shared interest in preserving the stock. In spite of that shared interest, however, we have no guarantee that there would not be overfishing, if the article fell to the ground because of a failed Conference.

Another subject I will just mention briefly is that we have something over 5,200 islands - more than any other country. I am sure we all take for granted that no one is going to steal our islands, although two have become an issue as a result of claims by other states. Nevertheless the regime of is still an issue insofar as some countries are concerned. Turkey, for example, does not accept that an island should have the same territorial sea and continental shelf and economic zone as the mainland should have. We don't accept that argument, and the Conference has not accepted it. But it is another example of a difficult issue, where I think we have achieved our objective, and I do not think we would lose it if the Conference were to fail.

Q - But isn't the Canadian position on St. Pierre and Miquelon different from that at the Conference, i.e. that St. Pierre and Miquelon does not have the same status as the mainland?

A - I don't see that as contradictory. I am not trying to be overly legal or hypocritical in my reasoning. It is an accepted principle of boundary delimitation that islands are a special case when it comes to boundary delimitation. The question is, to use a term of art, whether they are given full weight and, in state principle, islands, if one can generalize at all, are often not accorded full weight because they are a special case. That is the most I can say. The question arises as to all the other islands. Will they all somehow be cut off "at the knees", as is being suggested. One of the proposals, for example, is that uninhabited islands shouldn't have any rights at all, which would concern us with respect to the Arctic. But your point is valid, namely that in the case of islands such as St. Pierre and Miquelon, the other state, in this case Canada, has taken the position that they are not entitled to claim half the Canadian continental shelf, if I can be subjective about it. They constitute special circumstances, justifying a departure from the equidistance rule.

Q - Are there any Canadian islands that could give rise to disputes?

A - Yes. One is Hans Island situated in the waters between Greenland and the Arctic. It is not a serious dispute as it has always been considered a Canadian island, now evidenced by a series of markers established on it by Canadians. But in bilateral boundary negotiations it was questioned, and the boundary agreement - the solution was one that did not do violence to the position of either state. That was a case in point.

Q - Denmark being ...

A - Denmark being the other claimant.

The other island is simply one of the elements in the bilateral boundary negotiation with the U.S. and I do not particularly want to get into that one. I can tell you that it is an island (Machias Sea Island) that has had a Canadian lighthouse on it for 100 years, and it has had a game preserve run by the government - I think it is the provincial government in this case - for 50 years or so. But it's another example of disputes arising even where sovereignty is beyond question.

Q - East Coast?

A - East. Yes.

Q - Can you be more specific about that island?

A - If you want to know about that problem you should probably talk to Marcel Cadieux. However I can say this much - I am not aware of any basis for any legal claim that the island isn't Canadian. I am aware of claims, but I have never heard of any legal basis for such a claim.

Q - If I understood well what you said, you meant that every case of every island must be negotiated separately?

A - No. In any case where an island is an integral part of the boundary delimitation, then you can't simply make a blanket rule about islands, because the pre-existing rule of law from the continental shelf convention, for example, and also from the territorial sea convention of 1958 is that the rule if one of equidistance or the median line, except in the case of special circumstances; and in practice, islands are treated as special circumstances. One can show cases all over the world where boundary agreements have been concluded in which the islands are not ignored but in which they are not given full weight: cases in which they may not be able to apply the equidistance rule as between an island and the mainland. So, maybe it is not so far from what you said - that every case is special.

Q - I am sure it is very complicated but in the case of St. Pierre and Miquelon it would mean that between the Canadian mainland and St. Pierre and Miquelon that boundary would be the equidistance line and south of St. Pierre and Miquelon it would be 200 miles out.

A - I believe that is the position adopted at one time by France.

Q - I don't blame them.

A - Can I tell you something off the record. There is an ad referendum agreement between France and Canada proposing a solution on the continental shelf and, although that agreement has never been formalized by the two parties, it was cited by France in its boundary arbitration with the U.K. over the Channel Islands, so they attach some importance to it. I am saying this off the record because that is a question you should more properly put to Marcel Cadieux. That is a classic example of a state saying "here's an island - there's the mainland - let's split the difference", with the mainland state saying "those little pimples on our continental shelf are not going to get very much of anything". Then it is necessary to work out a compromise. And that is what happened. It is still unsettled - that particular case - between France and Canada.

Q - Did you say a little while ago that Canada does not agree with Turkey's position that islands should not have a territorial sea?

A - I didn't touch on that. I just said that Turkey questions the regime of islands. I think you might put it the other way around and say that Turkey doesn't accept - even here I don't particularly want to make an issue of it, in all honesty - but it is no secret that Turkey doesn't accept the Conference text on islands. A hypothetical possibility on which I really wouldn't like to be quoted - I think it illustrates the problem - is that Turkey might want to reserve its position on the regime of islands. So it is not so much that we differ with the Turkish position, or attack it: it is that Turkey doesn't accept the majority position, the overwhelming majority position.

Q - Is it because Turkey has agreed to the continental shelf?

A - It is the other way around. The problem relates to the Greek islands off Turkey's coast. I wouldn't want to say more than that.

Beesley - Another issue is the 200-mile limit. Although we established it unilaterally, we did so at a point in time when the Conference had reached a sufficient consensus on the concept that we didn't believe that we would have a cod war on our hands. In addition to that element, - and we had to bear in mind very carefully what was going on in the Conference - we also engaged in bilateral negotiations with other countries and ensured that something approaching 85% of the fishing effort off our East Coast was covered by bilateral agreements, before we took unilateral action. And so, in the light of all these developments, what is going on in the Conference coupled with state practice around the world, I would say, and again I am speaking personally - I am not attempting to say the Canadian Government has so stated, I believe that the 200-mile limit is here to stay. There might well be, of course, in the event of a failed Conference, disagreements with countries who are only prepared to negotiate treaties with us when they think they are talking about a new principle of international law adopted in a Conference. It may be that some of these countries would say, "Oh well, it's a new ball game now", if the Conference were to fail. Be that as it may, taking everything into account, I am satisfied that if the 200-mile fishing zone is not an existing principle of international law, it is so close to being one that the difference is not important. I doubt if anybody could take a country to court and successfully contest the 200-mile limit, unless perhaps the coastal country were implementing it in a way contrary to what had come out of the Conference. I am talking now - I am using shorthand perhaps - about the surplus principle - that the coastal state has a duty, not so much an enforceable legal right, a duty, to make the surplus available to other states, subject to its own management and control.

Q - Then if the Conference were to fail, the coastal states could declare 200-mile economic zones?

A - I'd like to say yes and be absolutely convinced and be convincing at the same time, but I have the feeling that - let me go off the record again for a moment - the country that I usually refer to by a euphemism is a country that always supported the concept "Britannia rules the waves", and has difficulty with the concept "Britannia waives the rules", - I think that nameless country would say, "oh no, we have never accepted anything to do with environmental rights in the economic zone. Everything is contingent". In fact, some countries sharing that position have even raised questions in IMCO in London (The Intergovernmental Maritime Consultative Organization). They would question what is accepted as a kind of declared law in the Conference. The general view in the Conference is that environmental law is now settled - that whole new area of law. Although that is exactly what I want to believe, I would merely say that although I think they would have a hard time defeating the concept of the economic zone because of the tremendous concensus at the Conference, the new environmental principles might well be contested if the Conference were to fail.

We are still trying to achieve agreement on our continental shelf limits. We would also like to get a better deal on fishing beyond 200 miles - the water column so to speak - leaving aside the continental shelf, which I'll come back to, and on the nickel production ceiling where our position is protected by what is in the text but it is being very vigorously attacked by other countries. On the continental shelf, as I've said on a few occasions, most recently in Halifax, after ten years of negotiations, in our case, I believe we have reached a stage in the Conference, and I am saying "I believe" - as it is a subjective question short of a Conference decision by one means or another as yet - I believe that we have reached the point where there is sufficiently widespread agreement on the continental shelf limits that are actually in the text that we have achieved that Canadian objective. However, the other side of the story, as you know, is that those who oppose such wide limits have consistently linked it to some form of equitable compromise, some form of revenue sharing beyond 200 miles. Many of them go much further. There is some impetus behind a proposal by Nepal, supported mainly by people outside the Conference - but they are quite a widespread and influential group - for a "common heritage fund" with respect to the area inside as well as outside the 200-mile limit. I am referring to the continental shelf. That proposal for a common heritage fund really hasn't got off the ground, and it has been rejected repeatedly by so many countries that I think it is dead, because it would not only get at all the wide-shelf countries, but also those who are not wide-shelf states, and they are not prepared to make any such major concession. However, it is indicative of the atmosphere.

Again, to digress for a moment, in 1958 and in 1960 it was a matter of settling limits for a variety of reasons, but there was no suggestion then that every mile of jurisdiction that Canada demanded was a mile less for someone else, unless it involved a delimitation problem with another country - a neighbour. However, since 1967, since the advent of the common heritage concept which laid down the principle that there is an area - an international area - of the seabed beyond national jurisdiction - that itself was a question until then - which shall be subject to purely peaceful purposes and shall be set aside for the common heritage of mankind, since that concept was introduced into the U.N., it has received a tremendous amount of support. Many say it is now an existing principle of international law. I would prefer not to comment on that question. But what is

clear, is that it is now argued that every mile which Canada acquires continues to claim as subject to its jurisdiction, is a mile less for the international community as a whole for the common heritage of mankind, which of course means the developing countries primarily - the poor countries. However, I can assure you that countries such as the Netherlands, both Germanys and various other states have said, just as have countries like Singapore and Afghanistan, that Canada is being too demanding and that Canada is encroaching upon the common heritage. So that's the problem we face on that one.

Now one thing I did not say, and I am only adding this comment because of the possible misinterpretations made in good faith - I haven't said the Canadian Government agreed to this or that proposal on revenue-sharing, or the Canadian Government will agree to it. I said, in fact, in response to all such questions in Halifax "that's for the Canadian Government to say". What I had had no hesitation in explaining is what has been going on in the Conference. In this case that might seem like a nice distinction but it isn't at least as far as I am concerned as a public servant.

Q - Are you saying that Canada is claiming or recognizes the 200 miles of the continental shelf as being the property of Canada but if you go further than these 200 miles other countries would like to participate in the exploitation of underground minerals?

A - It's a good question and I didn't touch on it. No, they are not demanding the right to issue licences or the right to have any say in it's management. They are accepting that we would have the sovereign right, the ownership - it's the concept most analogous to sovereignty - the only reason we don't use the term sovereignty is that it would normally imply all the superjacent water as well. The term worked out in 1958 was "sovereign right", but it means total ownership, control, management, etc.

Q - Only out to 200 miles?

Q - No, all the way out to the edge of the margin, all the way out. All that is being demanded by other countries, and I don't mean to make it sound minimal, but all that is being demanded is a sharing of the revenues with respect to resources beyond 200 miles. A point I made in Halifax, which I would like to reiterate, is that we have made very clear on the basis of instructions, that Canada cannot accept a solution that would derogate from or erode or undermine our sovereign rights. In other world, the resource is ours.

Let me go off the record again for a moment. I wish to stress that on this issue as on the negotiations on St. Pierre and Miquelon, the position we have adopted many years ago is that whatever else comes out of it, we want the resource. This position was developed before OPEC in other words, before the energy crises. It was the resource that we wanted to be sure of. That is common sense, of course, in today's world, and that is what is in the text. There is nothing in the text that detracts from our ownership of the resource with respect to revenue - that's a different matter.

I don't want to draw analogies, as there are are analogies, but someone asked me in Halifax, "are you saying half a loaf is better than none?" It isn't that. The whole loaf is ours. All the bread - except, perhaps, for some of the profits from the sale of the load. It is a big distinction. There is no question

of sharing of the resource itself. All these demands are being made, but they have been rejected, and the Conference text, which is what we have to look to on that issue, doesn't prejudice our sovereign rights, doesn't prejudice our ownership or control or management - nor anything relating to environmental control, which is tremendously important on the issue as to who actually authorizes a drilling permit. There is no way we will accept some international institution telling us when to drill and to whom to issue licences. That isn't an issue. It has been in the past, but it's simply not an issue anymore.

Q - What is Newfoundland's objection to revenue sharing, and why at this stage?

A - Can I answer that the way a good public servant should. I really am not authorized to comment on any question touching on federal/provincial jurisdiction. When I have been in Ottawa and involved in that sort of thing I have spoken to the extent that I have been authorized to do so, but that isn't a part of my present mandate and I would simply have to refer such questions to the Government of Canada or to the Government of Newfoundland. There are some interesting articles in the newspapers, I forget which ones which touched on that issue, and they may well give an answer to your question, I don't know.

Q - I assume that Newfoundland has had a participant on the delegation?

A - Throughout.

Q - They would have been aware of the revenue-sharing provisions in the text and the negotiations on them?

A - I can understand why you assume that. They certainly have had a representative. Throughout. We are proud of the Newfoundland representation and, quite frankly, because Kevin Condon, for example, in the fishing industry is the kind of guy he is, a genuine fisherman, when he speaks about fishing we listen. I don't want to digress, but it's no accident that we are the only delegation like that. We are the only delegation that has representatives of provinces, any province with an interest, and have had from the beginning, and also representatives from any industry affected. In the past the delegation has included representation from the Chamber of Shipping, the fishing industry (both unions and management), the mining industry (both unions and the mining council), and so on down the line, as well as MPs from all parties. All I can say is that if developments in the Conference are not well known, then it's not for me to say how that has come to pass. I can say we have full representation and genuine representation, and that it isn't typical in the Conference. I've valued this system again and again and again.

Q - What is the Federal position on revenue-sharing?

A - I think I know the answer but I'd rather you asked a Cabinet Minister at this particular point in time.

Q - Let me put it this way, maybe in the context of your instructions and the questions raised at the Conference. Are you authorized to say, "Yes, we agree to this principle", leaving aside the actual numbers?

A - Well I understand the reason for your question, but leaving all other issues aside, since that issue is under negotiation. I am sure you wouldn't

want me to say anything that would prejudice the negotiating position of the Canadian delegation by giving any indications on that sort of thing. That's one good reason for not answering your question. And the other one is that I would rather you asked Ministers. I have enough problems down there without coming up here and getting involved in others.

Simard - Well, one thing I want to add in that connection is that you realize even our press communique was slightly delayed after the Conference started, because of the new Minister and his involvement in everything. You can rest assured that the Minister, because of his particular background and involvement in the past, has been and will be looking very carefully into this because he understands the subject very well and he will have his own views. He still needs to be completely briefed so that you might certainly expect a personal involvement in this, as he has already indicated.

Q - Is there a possibility that the Minister might attend this session?

Simard - Well, it's being considered. We don't know yet. He is aware of the importance of this session. He doesn't know whether he can make it.

It's only a matter of trying to fit it into his program; he has already announced a series of travelling abroad and it's now to be ... but I know it's in his mind. We will make proposals to him and we will announce in due course, obviously. He is head of the delegation; he want's to be involved if it's possible. We are not sure he will be going.

So we might go on.

Beesley - Two further comments, and then I promise to shut up. With respect to the 200-mile fishing zone, it's no secret that we have a problem with at least one country which is doing what we consider to be overfishing just outside the 200-mile limit. I am talking now only about fisheries. We were able, with the assistance of some other countries - I don't mean that WE did it - I mean that were were able to negotiate with the assistance of others to have included in the text an article which recognizes the interest of the coastal states in the management of adjacent stocks outside the 200 limit. We are in the process of collaborating in an attempt to beef up, or strengthen that provision. That's about all I can tell you on that issue.

Questions were put to me in Halifax, "Why can't we simply extend unilaterally and grab the rest of it?". Now let me give you a two-part comment on that question.

I said that it is not for me to attempt to purport to speak for the Canadian Government on this issue. I mean that very seriously. I was then asked "Well, what is the likely reaction in the Conference?" "Well," I said "that I can give". The reaction would be virtually united opposition on the grounds that we would be attacking one of the fundamental conference consensus concepts, namely the 200-mile economic zone. We would be turning it into the 230 mile economic zone or 228 or 260. Secondly, it would be argued that we would be reintroducing the concept of creeping jurisdiction, which the Conference was designed to end as far as the maritime powers are concerned and we would thereby be threatening one of the fundamental principles in addition to the 200-mile

economic zone, namely freedom of navigation. Thirdly, and I am not making conjecture, I am telling you what has been said to me, we would be deemed to be attacking the Conference itself. It would be interpreted as a decision that we wanted to kill the Conference.

I might just give you a related comment. I am not purporting to say once again what the Canadian Government should do or shouldn't do. I am telling you what I can speak about from personal knowledge as for the Conference reaction. We did work out a compromise on seabed mining with the U.S. delegation, on the nickel production issue and the two delegations did it, but it was ad referendum. It was one that was intended to give enough scope both to the potential seabed miners - that is to say the private sector and the state sector, as well as the new International Enterprise which would be a U.N. institution which would have the right to mine parts of the seabed - and also scope for land-based producers, such as Canada to continue to have a fair share of the market. That ad referendum agreement was not accepted by the U.S. Administration. It was strongly opposed by the EEC and Japan and so we are back at the drawing boards again.

The proposals that are now being made by the countries we described as the major consumers - there are a variety of proposals - but the main one is that of the floor. It is a complex subject but in essence what it means is that the formula we had worked out, and which is actually in the Conference text, is one that would respond to market conditions, so that there would always be a 60/40 split, 60 for the seabed, 40 for the land-based producers, of the future nickel growth. It would be a kind of revolving figure in that it would be adjusted as the market adjusts to global nickel market growth, so that we wouldn't have an over-supply. What is now being demanded is something quite different, something we began with. We're faced with the famous Article 9 which did lay down a 6% floor. It was referred to as a ceiling for a year or two, and now it's referred to by everybody as a floor. It would have permitted virtually, totally unlimited expansion of seabed mining with no protection at all for land-based producers. That was turfed out by the Conference. It was thrown out. The new provision, Article 151, is the one that we negotiated. However, the new proposals for floors are a revival of that original approach of a fixed floor.

We have looked at the proposals put forth by other delegations and even by the Chairman of the small negotiating group on that particular issue. It is our conclusion that they would all result in an oversupply of nickel during periods of low market growth because the floor is a provision that would not respond to market conditions. It is deliberately designed to be a fixed guaranteed treaty right to produce up to a certain stated level of tonnage, and they are pretty heavy tonnages. As a consequence, we haven't been able to accept such proposals. In simple terms, projections have been made by ourselves, by the Government of Ontario and by the U.S. Bureau of Mines which estimates nickel growth as somewhere between 2.2% and 3.8%. Well, the demands that have been made for 3.5% floor means a guaranteed right to over-produce. A demand for a 2.5% floor means a guaranteed right to over-produce when the nickel market is down at its lower level. Why would they do that? Once again now, I am giving you my understanding on the basis of what I have learned at the Conference, what's been told to me at the Conference, what's been made public. I am not purporting to put words in the mouths of the Canadian Government. The major consumers, the countries which consume 80-90% of the four main metals - nickel, copper, manganese and cobalt - found in manganese nodules on the deep ocean seabed, are the EEC, Japan and the USA. They want to become the major miners and the treaty will permit them to do so. When they become major miners, they have to dispose of the metals - nickel, etc. Many of the companies doing that mining are the same companies that process and use these metals in their own country, so the major consumers today will be

the major producers tomorrow and they will be their own suppliers. It's been stated often enough that self-sufficiency is the purpose of the exercise so far as they are concerned.

Q - Demands for these floors - the 4.5% and 2.5% are coming from the Community, Japan and the USA. What about the USSR?

A - The Soviet Union is in and out of this. They wouldn't mind the benefit of a floor. They are more interested in being assured a share of second generation mine sites, as far as we can tell. They have been a staunch supporter of ourselves and Cuba on this nickel production issue, but they have themselves put forth some proposals which are not accepted by either and their position is a little different from both.

Q - You gave two figures here - a 4.5% floor and a 2.5% floor. What's the origin of each one?

A - 4.5% is a figure that's been put forth by all of the countries I mentioned. 2.5% is an approximation of what was put forth late in the last session. I would be a little cautious and say that depending on whose projection you are using, between 2.5% and 3% is the basis of what is known as the Richardson proposal - Elliot Richardson. Then there is the Nandan proposal, the Chairman of the little negotiating group who put forth a 3% figure. One of the difficulties here, I should explain, is that there are very few delegations who have the kind of expertise that can even process the requisite data in order to know how to translate these complex formulae into tonnages or vice versa, how to translate tonnages, for example, into projected growth rates. We have that expertise and we have always made it available to everybody. The Secretariat now have it, and they have checked out our figures regularly, and never ever found our figures wrong.

Q - Do you want to get away entirely from the floor?

A - Yes, ideally, certainly, we wouldn't accept any floor, given the option because we think it's contrary to the whole concept of responding to the market. It can only create dangers.

Q - I want to make sure I understand you. The reason for this is because of the desires of the producers of these countries to have an integrated operation of production consumption.

A - Certainly that is one of the major motivations. The broader desire is to have self-sufficiency. As it is explained to us, and there has never been an adequate explanation, so I am giving you a highly subjective comment, the floor is needed for internal corporate planning purposes. If you don't have a floor, then how do they make plans? Secondly what happens if you get a falling off for a few years? You should at least have a guaranteed right to produce in those bad years. Those are the very years we are most worried about. Just in those very years of low growth of demands, we don't want over-production or over-supplies.

Q - Which countries are the main producers of ground nickel?

A - Canada. We are still the world's major nickel producer.

Q - Have you any estimate at all what effect it would have in a bad year on Canada?

A - Yes, I think I am not revealing any secrets here if I say that were we to accept either the Nandan proposal or the Richardson proposal ... well ... let me go up the ladder: the 6% proposal would be devastating to Canada; the 4.5% proposal would be disastrous; the 3.5% proposal would be so damaging I don't know how we would cope with it; and the 2.5% would be very very dangerous. And so on down the line. You can see why we are not excited by the proposal for a floor, and why we are opposing it. I have not said that we oppose all floors under all circumstances. Indeed one of the reasons why we are refusing to cave in on this issue is that we have already built a kind of floor into the ceiling. Although I admit it's complicated, especially for me, there is built into the ceiling a device whereby there can be an initial number of mine sites released immediately by having a five-year build-up period. As a consequence of that provision we feel that there is a floor already built into the text. It was done for the reasons now being advanced for much higher floors. Now here again I am giving you my own subjective appraisal. I can understand why the countries demanding a floor want it. It is understandable that they should. It's in their national interest, as they see it. But for the developing countries particularly, it's not just a question of which of a series of options they would prefer; for some of them it's very serious - it is survival; the floor could wipe them out.

Q - ... floor, what level could you accept?

A - I wouldn't even want to comment on that for the simple reason that, first, I think that's something that the Head of Delegation should answer, namely, the Secretary of State for External Affairs. Secondly, in all honesty, it's like the other question. You don't want me to tell you what my final position will be when the question is still under negotiation do you?

Q - Yes, I do.

A - What if you put it in the paper and Elliot Richardson reads it?

Q - The 60-40 formula, is that contained in Article 151?

A - That's right. Incidentally, the agreed split is also being subjected to new demands. They now want 65-35. Basically, it's that old joke - every time we think we have a deal, they come along and say what have you done for us lately? And it makes it very difficult to ever get a conclusion.

Q - ... would the floor demand be dropped if we were to accept that?

A - Oh no, because that's in addition to a floor. We have met since the opening of the session of the Conference with delegations who have positions analogous to ours, that is to say, other land-based producers, and also with countries who are primarily concerned about the International Enterprise, as well as with potential land-based producers, and they are all concerned about the effect of the floor because it would not only be a threat to us and other land-based producers - it would be a threat to the proposed International Enterprise. To whom is the International Enterprise going to sell if the market has been wiped out by the floor, enabling the consumers to supply themselves from their seabed mine sites? Who's going to provide their market? Another developing country who might have the wealth from OPEC? One of them said so, that they would try and do that. Why should they? Why should the major oil consumer

tinker with the marketplace? The amusing thing is that there is a kind of cartel in operation as you can see, but it's the land-based producers that have been accused of acting like a cartel. It's a very tough issue and it's not settled.

Q - Have you any numbers on production costs, land-based vs. sea?

A - Yes.

Q - Can you rough them out for me please?

A - Well, until the rapid rise of oil costs, there might not have been that big a margin between our kind of sulphide deposit and the laterite deposits available in many developing countries. That's part of the equation. But because of the rapid rise in oil costs it is more expensive now to mine laterite ores. Then you have to compare these costs with the costs of mining of the deep ocean seabed. I have to be honest with you. The same countries that are demanding a right to mine out there keep telling us that we will always be competitive - that the seabed will never be as cheap as our sulphide deposits. On the other hand, we have reason to believe - indeed we know - that as the costs of mining laterite go up, the seabed becomes more and more competitive. The more seabed mining that occurs, the more they can amortize the costs of the technology and financing and everything else entailed and the more threat even to sulphide mines that we have. We are not simply acting on this, nor are we active just simply on the basis of principle - our position of principle is pretty clear. We run the data itself through the computers and some of the people on our delegation are amongst the best experts in the world, there's no doubt about that. And they spend their nights and their weekends running it through the computers - during the day they are negotiating on it. I'm not trying to make a pitch for them but nobody has yet come along and said that our figures are wrong. So when we get worried, there's a tendency for everybody to get worried.

Q - ... heard first?

A - It's a long list of potential land-based producers - there really is a long list and it's still being worked out, and it keeps extending as more mining potential is discovered every month. There is quite a long list of potential producers. But I will give you examples: countries like Guatemala, Cuba, Indonesia - it is quite a sizeable group plus Zambia - Zaire, not a nickel producer but you can't forget about cobalt producers. If mining of manganese nodules come on in a big way, then manganese also - Australia obviously. The one developed country that would be hurt most is clearly Australia because they don't have the advantage we have of living next door to our biggest market and our closest friend. So, of the developed countries, undoubtedly Australia is the most seriously threatened by the concept of the floor. But we believe it threatens us too.

Q - I understand. This floor idea, is it the leading proposal before the Conference now?

A - Somewhat unexpectedly, it is the most urgent issue in terms of where the most pressure is.

Q - ... from the EEC, Japan and the U.S.?

A - Yes, actually, if we put it in political terms, there are the existing land-based producers on the one side who say we don't want a depression of the market because we want not only our revenue and we need to make our people work, and on the other side you have some major industrial countries who say we need ore to make whatever with it and we want it at our prices even if the supply is too high to maintain high prices. That raises a question that I didn't mention. The countries that are most fervently arguing the free market approach are the ones that are most heavily subsidizing this seabed mining industry right now. The only consortium that has proven out its technology is one led by the International Nickel Company, a Canadian company. There is no Canadian Government money involved there of any sort. But a lot of the other members of various consortia are already subsidized by their governments and in private discussions they will admit that this has got to go on but they say it's not subsidization, it's just research and development. Well, as far as we are concerned it gives them a competitive advantage, and this is an issue in the Conference. There are even proposals to try and draft proposals that would try to prevent subsidization. But everyone knows that idea is simply a non-starter - you cannot prevent this kind of assistance being given. So it is not even free market. The same countries, if I can put it this way - I don't want to name them - which say they are against subsidies for seabed mining, are the ones heavily subsidizing agriculture. Of course, I wouldn't want to name them.

Q - Do you mean the EEC?

A - It's up to you to guess.

Q - What is your assessment of the prospects of working this out at the Conference, and on the other hand is there any possibility that it will result in a real shoot-out or breakdown in negotiations that would wreck the Conference?

A - It could produce an impasse because the other side have really dug their heels in and we haven't moved our heels. It is a difficult question not only because there are countries who would take the position, and delegates who would take the position - and I am one of them - that if we were to accept a high floor it would make a mockery out of ten years of negotiations. If there is anything that gave this Conference its impetus, it is the concept of the common heritage of mankind; and the compromise, which is a far cry from what the Group of 77 wanted, is the right to mine half of the area and to get some part of the profit from the other area. That is called the parallel access system. Now if the treaty provides that the International Enterprise has the legal right to mine one-half the area but can't get at it because it hasn't the markets, and is scrambling around for financing, it is a very academic right that is being granted and that is becoming evident now to delegations that weren't even thinking very much about this before. We were near the end of the road, at the very final closing days of the Conference, as occurred at the last session, all of this hit us during it. When you find that the arm of the Authority that the Group of 77 care most about - the International Enterprise - isn't really going to be able to go out and mine the deep ocean seabed - then what have we been talking about for ten years? Compromise, after compromise after compromise - I have no doubt on this point - the Group of 77 have made fundamental concessions. So have the major industrialized countries, of course. But it is simply unfair and incorrect to characterize the position of the Group of 77 as being rigid or unyielding or obstructive - it isn't. But I just don't know how much further you can push them. It is always possible - the Group of 77 might say - with the whole treaty in the balance let's sell off the interests of the land-based producers. But they know now they would also be selling off the

interests of those that really care about the Enterprise, if they are taking int: account the possibility of bad times when the nickel market is slowed down.

Q - Aren't they also upset about the decision-making process?

A - Yes.

Q - Would you explain to us what that problem is ...

A - It's a very serious one, partly because the U.S. and the other major industrialized countries, the EEC plus Japan, have not been able to settle their differences with the Group of 77 as to what numbers would be required in order to stop a decision of the Council. I am not now talking about the International Enterprise - the operating arm, the mining arm - but the Authority, the International Authority, which is being set up to manage the area. Its main organs are the Council and the Assembly, plus a Tribunal. Anything not spelled out in a treaty has to be decided initially by the Council. So in fairness to the major industrialized countries, they want to have some assurance that they can protect their position and are not just being ridden roughshod by numbers. But in the case of the developing countries, it comes down to an argument for example, between five or seven blocking votes, as to which is acceptable. Oddly enough six isn't a compromise. However, the Russians want maybe nine blocking votes - it is the only way they can protect themselves. And in that situation the decision-making process becomes as important as a pre-existing legal regime, because we have almost produced a mining code. We haven't quite, and there is still a lot of decisions that will have to be made relating to applicants of the same area - which one gets in, which of the two areas put up by one applicant goes to the International Enterprise, which goes to the private operator, are there going to be any changes in the criteria, etc. It is understandable that the developed countries want something that is virtually automatic - they want automaticity of the issuance of licences once they have complied with the pre-existing criteria. That is understandable, because they are going to spend a lot of money going out there prospecting. Well, many developing countries want to hold back some rights to say no, even in certain circumstances. So it is a difficult question - that is a real problem.

Q - What do you think is reasonable on that issue?

A - I prefer not to comment on that, quite genuinely because there is a provision in the present text that ensures that land-based producers would have some prepresentation and what is fair for one group may be quite unfair to another. It may be that we have to swing to a different approach entirely because the numbers are breaking down. What the major industrial countries wanted was weighted voting. But weighted voting as such is not on. It has been firmly rejected as an article of faith by the Group of 77.

I have referred to the three really difficult remaining issues, but there is a fourth - which I don't see as being quite so bad, and that is the new delimitation rules. The Conference is divided down the middle on that one. On that issue the Conference text doesn't have the same sacrosanct value it does on other issues. There are informal discussions going on about a possible formula that everyone might be able to live with, but strangely enough, in spite of these other difficult issues I mentioned, it is commonly said that this one will be the last one settled.

Q - ... would that affect our case that we are proposing to send to the international court?

A - Well, that is one also I should pass to Marcel Cadieux because, if I said it affects it, that would admit the new law would govern it. If I said it didn't, it might be interpreted the other way. There is obviously some relevance.

Q - As I understand the International Enterprise - the money it gets from mining would be distributed by some sort of formula among the various countries?

A - Yes, probably in an inverse relation to what they contribute to the U.N., though mainly to the poor countries.

One thing I haven't mentioned is that there has to be some limit. I said I would be brief, didn't I? One part of the unsettled negotiation relates to the financial arrangements for the Enterprise because the major consumers, the major developed countries have agreed, in fact I believe Henry Kissinger was the first one who made this offer - made on our behalf too, we later realized - he offered to finance the first mine site for the Enterprise. That is part of the package. Now again as far as one can tell, in spite of the intricacy and the complexities of the negotiations on that range of issues, they are almost ready to jell now. But the Group of 77 are not going to say whether they are ready to let it jell until they see where they are on some other questions such as the nickel production issue. There is, therefore, a lot of heat on us and on the other land-based producers. But I think that over the last ten days we have managed to shift the onus a little bit so that some of the heat is being felt by the major consumers. Why are they demanding this? How are they going to suffer if they don't get these demands? I don't think they are. But it is still a very tough negotiation and I wouldn't like to say how it is going to come out.

Q - Would you say that the overwhelming number of voices in the Conference are against this floor?

A - They certainly have been, until now, although there are signs of pretty heavy lobbying on that issue by the other side since the last session, which is normal.

Q - ... it is my understanding, that one of the three issues still to be resolved relates to the water problem.

A - Well, I don't like the word. I didn't invent it. It is one that academics use. It is the water that sits above the continental shelf. And we have different legal regimes - one for the extension of the land territory which we call the continental shelf and one for the water much of which used to be high seas but is now the economic zone.

Q - Can you tell us a bit about the revenue sharing formula on the continental shelf beyond 200 miles? And if the Conference is likely to come out with the 7% figure?

A - Well I know that the 7% figure gives difficulty for some margineers - the wide margin states. Let me give you one point of view, the one I expressed at the Conference, without attempting to say yes or no on the principle I pointed out that some kinds of revenue sharing approaches are not necessarily of general application around the world. One might take an area where the water

is relatively shallow but far distant, but no special problems. Figure X off the top, well head value might be acceptable because the costs perhaps will not be so great - we are not talking about profits. But take an area like the North Sea where there are difficulties, cold water and deep water, maybe we are coming close to the acceptable profit margin. Take an area like some of those off our shelf where it is deep and cold and you could, by fixing a figure too high, almost ensure that the resources would never be developed. I made that point in the Conference and I haven't had anybody shooting at me as a result. It is a real difficult problem - leaving aside the question of whether we would accept a figure in the end - and all the other questions which are for the head of the delegation to answer. It doesn't come down to how greedy we are being, it is whether we have any kind of viable proposal.

Q - How high a figure would some of the land-locked states like to see?

A - 20% or more.

Q - ... Seabed mining is potentially divisive at this Conference. Is the revenue sharing as potentially fractious do you think?

A - Oh yes. If the margineers were universally to reject any revenue sharing then that would mean that the continental shelf limits were in issue and we would be back in square one fighting over all these questions of the legal basis for our claim and their moral or legal basis for questioning them. To give you one example, when we began we argued about the pre-existing rule in the Continental Shelf Convention of 1958 which defines the continental shelf outer limit as 200 metres - not miles - 200 metres or the point of exploitability. Well that point of exploitability was in there largely due to Canadian efforts way back in 1958. But there are plenty who would say - 200 metres - that is the part we like. We said, not so, it's the point of exploitability that governs us, that is why it is in there. And now it means virtually limitless jurisdiction. We have agreed that we have to cut off jurisdiction somewhere. That was the big compromise that we made. That we can't go out in the middle of the Atlantic - but others say well you practically are. It becomes not only a subjective question but one with moral overtones.

Q - Is it essential to the success of the Conference that some sort of revenue sharing scheme be arrived at?

A - Well, I will simply say that on the basis of all the information that I have, there isn't likely to be any agreement on the limits that we need without revenue sharing. That has been made abundantly clear to us. It has also been made abundantly clear that it is an essential part of the Conference treaty and an essential element of the Conference solution. So, although I wouldn't have wanted to use your words, because I think you are touching then on questions as to what the Canadian Government is going to say and do about such things, there have been plenty of other delegations who have said exactly that.

Q - On the fourth point - delimitation of boundaries - what is the problem exactly?

A - The problem is that the new formula is weighted fairly heavily on the side of equitable principles. It doesn't abandon the equidistance median line approach, and rightly so of course, because it has always been the argument of one of the major protaganists - one of the groups - there are groups on this - that the median line or equidistance line approach is the most equitable line of approach - all other things being equal - so you can't just set them up in

opposition to one another. Moreover there are delegations and delegates - and I am one who say if you are going to have a solution such as equitable principle you have to have some provision for binding third party adjudication. Otherwise equity just lies in the eye of the beholder. I want this, and you want this, and I say this is equitable, and you say that. And I could give you some examples pretty close to home. I think it's fair to say the Conference is divided down the middle, on that issue. However, there is a text that isn't yet in play, which could be devised to resolve this one. There is such a text floating around, but nobody even wants to put it in writing at this stage, partly because they want it to be brought out of the hat at the last minute. To aim it before everyone is desperate might kill it.

Q - Can I just go over with you the four areas that you think are the most crucial - revenue sharing being one of them, fishing beyond 200 miles, the continental shelf, the whole seabed mining, ...

A - O.K. Remind me that there is a fifth, as I may not attach very much importance to it, but others do.

Q - I'm going to miss the fourth because you say the fourth is the delimitation of boundaries.

A - Right.

Q - What's the third?

A - The continental shelf and fisheries beyond 200 miles.

Q - But that is in one.

A - Yes. But I'm giving you the Canadian objectives. The continental shelf limits and/or revenue sharing is one issue - another relates to what fisheries management rights there would be beyond 200 miles, and the third one is the nickel production ceiling, and the fourth one, delimitation.

There is right now a really vigorous negotiation more like an open debate going on on the question of scientific research. The U.S. position is that beyond 200 miles you ought not to have to require the coastal states consent for scientific research on the continental shelf. That position isn't getting much support in the Conference.

Q - On the fisheries question, bilaterally and multilaterally, we've gone an awful lot beyond 200 miles on fisheries. Are we asking for things that in fact we haven't got through NAFO?

A - We probably are asking for things which would enable us to make arrangements with at least one country that declines to make arrangements now.

Q - A country that just signed a six-month agreement?

A - Well, once again you are getting me into an area for which I am not responsible. Where you have a country fishing in your zone and you have made an arrangement with them, you have some kind of handle on what goes on beyond. Ultimately, it is in their interest to help you preserve the stock. We really are, I think, accepted as conservationists. If somebody wants to get more than what it would get, both within and outside by an arrangement, through simply

keeping out of it, fishing the 200 mile zone outside at will and overfishing, then until this new text comes into being you don't have much of a handle or leverage with that country.

Q - It would give us more help in establishing things like NAFO and in enforcing things that we have done multilaterally, it would give us yet another layer of protection.

A - That's right, it would give us a stronger position, it would strengthen our position on a bilateral negotiation with a country that didn't want to play.

Q - Are Japan, USSR and USA opposed to such an agreement on the fisheries management out of the 200 miles?

A - On principle Japan and the USSR are, although in practice they may accept it. With respect to the USA, they don't seem to have the same problem as we have immediately outside their 200 mile limit.

Q - ... on the highly species and the whales, are the provisions of the negotiating text too weak to do any good?

A - Well, there is a Conference text but that's a very hot issue down in my part of the world - the South Pacific. The countries down there, like the Solomon Islands, Fiji, Papua New Guinea, are saying that whether the species are highly migratory or not when they are in our economic zone they are ours. The USA is taking exactly the opposite position, i.e. that you can only manage such stocks and really regulate them by an international regime. There has to be some kind of saw-off on that question. So even though there is a concensus on the need for international management, in practice that is not wholly resolved by any means.

Q - What about whales?

A - Well, the problem with whales isn't really being fought out in the Conference. It's being fought out elsewhere. There is a Conference provision on whaling which we could strengthen.

Well, we are getting close to one o'clock and I'd like just to take maybe one or two questions that are still in the air.

Q - I have one on the boundaries thing. I can appreciate your problems in encroaching in other people's areas, but - is it fair for us to speculate that obviously, if there is an international agreement on law of the sea and how we determine boundaries, then that would carry some weight in our arbitration with the U.S. It would seem to me to be a logical speculation. We don't have to quote you to say that it would have an effect That is a fair, logical speculation.

A - Oh I can certainly understand it if you did so conclude.

Q - On the fisheries aspect - the general agreement than in the Conference or in the Conference text is that the coastal nation will have jurisdiction over fisheries out to the edge of the continental shelf?

A - Oh no, definitely not. The Conference agreement is management, control and ownership to 200 miles. The only caveat on that is that where the coastal states cannot harvest the whole of the species that can be harvested on the basis of

optimum sustainable yield, it has a duty to make the surplus available to other states rather than just be a dog in the manger.

Q - Does anybody challenge our management under that principle?

A - No, I would guess that our management - I would hate to get into that kind of issue - but I think it would be cited as an example of how to go about it. A lot of countries are coming to us for assistance. But the second part of that problem is what about the area outside 200 miles, which people mix up with the continental shelf because the areas do coincide. Physically but not legally - it is the status of the waters lying on top of the continental shelf that I am referring to. That is where the fish tend to congregate. In the beginning of the Conference we took a very strong position on the coastal species which extended out beyond the 200 mile limit and said let's take a functional, a scientific approach. Where's the magic in 200 miles? We were shot down in flames. Nobody wanted to hear about that.

Q - So you are no longer arguing over jurisdiction over fisheries out to the edge of the continental shelf?

A - What we have achieved is a provision in the text which recognizes the interest of the coastal state in the management of overlapping fish stocks - stocks that straddle the line. We are now in the process of trying to strengthen that provision, for obvious reasons. I think we have to put some more teeth into it, if we are dealing with people who aren't prepared to abide by what we thought to be the rules of the game.

Q - You say if some kind of fish reproduced out of the 200 miles, we want to have a look.

A - The same fish stock, whatever it might be, cod or anything else - as somebody once said in the House of Commons - how are you going to teach them to know when they at the 200 mile limit? That's the way it is, there's the 200 mile limit, there's the shore, and the stock is on both sides. So we can do all the management in the world out to the 200 mile limit, but it the little ships are fishing away just outside - they can virtually deplete the stock and there's a real danger that could occur.

Q - May I ask you what's the optimum language we would like in the treaty on that issue?

A - Well, I have difficulty answering that for a simple reason. It's not at this stage a Canadian initiative and I would rather it didn't become a Canadian initiative. Another country is fighting the battle. Our problem in a sense is that we have done very well out of the Conference and people are aware of that fact. The Conference hasn't damaged us - we are often referred to as the big gainers from the Conference. And so we keep coming along and saying that this is another very special Canadian problem - and they say, oh yes, we've heard that one - we've heard it on the Arctic, we've heard it on the North West Passage, we've heard it on salmon, they've heard it on so many things. And we say, "Yes, especially on nickel" and now we are saying well "Yes, we need something more on fish". It's pretty difficult. It doesn't mean it's hopeless - it means it's difficult.

Q - I appreciate that and I'm glad we have it. You have language now that in the draft treaty that acknowledges the coastal states interests.

A - That's correct.

Q - You say you would like to strengthen it. We have several ad hoc agreements with people like the Russians for example. They will not fish too heavily right on the 200 mile limit.

A - Right.

Q - What are we looking for?

A - Not something in those bilateral agreements. Without trying to make a judgement on it, it's quite clear that if a country really wants to fish inside they may have a greater willingness than otherwise to be reasonable outside. What we want is something that would enable us to say to a country fishing outside "You are overfishing that stock, you are not abiding by the conservation regulations that all these other countries have abided by. It may even have been accepted in NAFO. Now what are you going to do about it?" It's going to be at least diplomatic pressure, which is very well founded. I am speculating now and I am not trying to speak for the government, that's for sure. It may give us the right to take such a country to a court or to a tribunal. I don't know. A lot would depend on what actually comes out of this negotiation.

Q - Who's taking the initiative on this?

A - Well, I guess it's no secret. Argentina.

Simard - O.K., I would like to conclude this session. I hope everything is clear. I mean if you have some doubts about it, you can come after the session and clarify it. We would prefer to have a clear picture of the whole situation. Thank you for coming, and I would like to thank Ambassador Beesley who has been available. He is here in principle only for the day and he has been willing to take part of his time to meet with you obviously because there is an interest in this last leg and we thank you Ambassador Beesley for making yourself available.