

In order to see the Canada-United States energy relationship in its proper perspective, however, one must look beyond bilateral questions. From the very outset of the awakening of the new international energy consciousness three years ago, Canada and the United States have worked closely and effectively together. In an initial period this co-operation was characterized by intensive activity by the United States, Canada and our industrialized partners at the Washington Energy Conference, the Energy Co-ordinating Group and its successor the International Energy Programme. Flowing from this industrialized co-ordination was a multilateral standby programme, in which Canada and the United States both participate, to share oil should a future emergency supply shortage arise. The institutional framework established for industrialized co-operation was the International Energy Agency (IEA) of which, since its foundation, a Canadian has served as Vice-Chairman of the Governing Board. In the IEA, Canadian and American representatives have made important contributions to the establishment of a framework for international co-operative activities in energy research and development, for example, in the nuclear and coal sectors.

We have also worked together in extending energy co-operation beyond industrialized countries to include the oil producing and developing countries. As you will be aware, for the past six months, the Conference on International Economic Co-operation, or North-South Conference, has been meeting in Paris to discuss energy and other vital world economic questions. I have the honour to share the chairmanship of this Conference with a distinguished Venezuelan Minister, and also receive valuable support in my responsibilities from the United States Co-Chairman of the Conference's Energy Commission, of which Canada is a member.

The point I am making is that whatever our respective national positions may be on particular bilateral issues, there is a basic similarity of Canadian and American approaches and interests in longer term energy matters, which finds effective expression in this close international co-operation.

#### Conduct of the Relationship

How, then, do we deal with new issues in the context of change? It is obviously in both our interests to solve problems, and to prevent the more intractable problems from assuming unwieldy proportions. This means the constructive and perceptive management of the relationship.