

In October 1977, the Negotiators submitted a Joint Report to Governments on the status of the negotiations. This Joint Report recommended the establishment of a Joint Fisheries Commission, with East and West Coast panels for the cooperative management of fish stocks of common concern and proposed arrangements for the sharing of hydrocarbon resources in certain boundary areas.

Since October 1977, the Negotiators and their aides have met regularly and reviewed in detail proposals for:

- a) the allocation of management responsibilities and the assignment of agreed fishing shares for each country in fish stock of common interest on both coasts;
- b) specific arrangements for the development and sharing of hydrocarbon resources in boundary areas; and
- c) delimitation of the unresolved maritime boundaries between the two countries.

In March 1978 the Negotiators reported that, although significant progress had been made towards reaching a comprehensive agreement, some admittedly difficult issues remained to be resolved. They, therefore, recommended to Governments the conclusion of an interim reciprocal fisheries agreement which would continue the terms of the 1977 interim agreement, with new mechanisms for consultation and resolution of differences, and which would help ensure that existing fishing patterns were maintained.

On April 11 the two Governments completed an Exchange of Notes constituting an interim fisheries agreement for 1978. In the United States legislative action was required to bring the agreement into force and, consequently, the agreement was given provisional effect by both countries pending its coming into force. However, difficulties soon developed with regard to the implementation of the agreement on both coasts. On the Pacific, the problem related to the terms under which Canadian fishermen would be allowed access to waters off Washington State to troll for salmon. On the Atlantic, the problem related to unrestricted U.S. scallop and pollock fisheries in the Gulf of Maine/Georges Bank area and what Canada regarded as excessive allowable catch levels for cod and haddock. Discussions between the Negotiators failed to resolve these problems.

On June 21 the Secretary of State for External Affairs announced that the Government had come to the reluctant conclusion that the 1978 Interim Agreement could not be implemented by the United States in a manner compatible with preserving and protecting