Canada also co-operates closely with the USA and other nations on international energy questions and related financial issues in multilateral organizations, notably the International Energy Agency.

## Environment

Canada assigns high priority to the close monitoring and resolution of transboundary environmental problems, which are of great public concern on both sides of the border. The 1909 Boundary Waters Treaty forms the basis of the water-resource management and environmental relations between Canada and the USA.

There are frequent bilateral consultations and negotiations on a wide variety of projects relating to the transboundary environment. An active and valuable role is played by the International Joint Commission (IJC), established by the Boundary Waters Treaty. The IJC has certain regulatory functions and, at government request, undertakes special studies and makes recommendations.

Under an August 5, 1980 Memorandum of Intent, the two governments agreed to develop a co-operative agreement to reduce transboundary air-borne pollutants. This problem, and particularly the phenomenon known as acid rain, has been identified as a major threat to large areas in both countries. Negotiations to conclude a transboundary air pollution agreement began in June 1981 and are continuing. In February 1982 Canada formally proposed to reduce SO<sub>2</sub> emissions by 50 per cent by 1990, contingent on similar US action, in view of the scientific evidence showing acid rain to be a serious threat to the environment. The US administration take a less urgent view of this threat to the environment than does Canada.

Canada and the USA are committed to cooperative efforts to clean up the Great Lakes under the 1972 and 1978 Great Lakes Water Quality Agreements. The problem of hazardous and toxic waste disposal, particularly in the Great Lakes region, has recently become a matter of increasing concern to Canada. Several bilateral meetings have been held to discuss the issue of hazardous and toxic waste disposal in the Niagara River area. A bilateral toxic committee to monitor the river was established in 1981.

Another major issue is the Garrison Diversion project in North Dakota, which if completed would pollute the Hudson Bay watershed in Canada and endanger