

AIDE-MEMOIRE

The great concern of the Canadian Government regarding proposals to transport oil by tanker from Alaska to the Puget Sound area has been made known to the United States Government on a number of occasions during the course of this year. The most recent occasion was at a meeting of United States and Canadian officials in Washington on June 29. At that meeting a proposal was elaborated in an Aide-Mémoire for detailed consultations to be held as soon as possible, as had been discussed by Canadian Ministers with the Secretary of State, Mr. Rogers on June 10, to explore the various implications of the proposed oil movements.

In a response of July 9 the Department of State suggested that, as an alternative to holding further meetings at that time, any additional information which the Canadian authorities might have to offer be conveyed in written form. It remains the Canadian view that it would be advantageous to discuss certain specific aspects of the likely environmental impact of the implementation of proposed plans for oil movements from Alaska, but in the meantime certain technical and other material has been prepared touching upon the principal questions raised in the Canadian Embassy's Aide-Mémoire of June 29.

Attached as Appendix I is a study entitled "The Environmental Consequences of the Proposed Oil Transport Between Valdez and Cherry Point Refinery". This document is accompanied by a general commentary (Appendix II) highlighting certain conclusions suggested in the study covering Canadian waterfront property values in the area and postulated costs in the event of a mishap to a supertanker in the Strait of Georgia system. It will be seen that the main paper (Appendix I) is supported by five Annexes dealing with the impact of oil spills under the following headings: Wildlife; Property, Parks and Recreation; Fisheries; Industry; Physical Consequences of Two Hypothetical Oil Spills. This material demonstrates that a major oil spill arising from large tanker operations would have disastrous effects for the environment and ecology in the Canadian (as well as United States) coastal area, that a great deal of the damage would be beyond capacity to prevent or repair, and that much of the damage would be of a nature not measurable in any economic terms.

Appendix III is an analysis of the international legal situation as it would pertain to the operation of an oil tanker route into the Puget Sound area. This analysis shows that while under established international law damage in Canadian territory from events occurring in United States territory would give rise to clearly valid claims for indemnity, there nevertheless remains the problem of how in present circumstances anyone could obtain prompt and adequate compensation.

In general terms, as outlined on earlier occasions, the Canadian Government is convinced that if the full economic costs of the substantial environmental risks are taken into