

Although this new period in our relations with the United States will be complex and at times difficult, our approach to it should be positive. The fact is that, fundamentally, the relationship is a healthy one. We must remember that Canada and the United States continue to share similar views, and co-operate closely, on a whole range of important international issues. Our perceptions of what the new political and economic international environment requires have many points in common. Also we are each other's best friend by choice and circumstance, and we shall remain so.

To respond to this new situation, there is a new pattern developing in the management of our relationship, which, in my view, will help to promote harmony and is in keeping with the new character of that relationship. It consists of analysis of the particular national interest to be served, followed by consultation, discussion or negotiation with a view to reaching a mutually-acceptable settlement of the particular problem. One of the most important ingredients in this process is that of regular consultation and discussion.

In this connection, I want to emphasize the importance of advance consultation. It seems to me that the sensible way of doing business is to notify the United States whenever possible of our intentions in advance of our taking major decisions on matters affecting United States interests and, where appropriate, to provide an opportunity for advance consultations. Naturally, we should expect the United States authorities to treat us in the same way whenever they were about to take action that would affect our interests. This practice corresponds to the more mature and complete stage that our relationship has now reached. It would help to diminish fears and misunderstandings on both sides. In short, it is an important way of keeping our relations with the United States in a healthy condition.

I should like to discuss briefly one outstanding issue between Canada and the United States that shows how our new relationship should be managed. It concerns a project of particular interest to this province -- the Garrison Diversion.

The Garrison involves, as you know, a huge complex of canals, dams and reservoirs designed to irrigate some quarter of a million acres in North Dakota with water from the Missouri River system. The problem for Canada arises from the fact that, as currently envisaged, the return flows from the irrigation project will drain primarily into the Souris flowing northward into Canada and also into the Red River. The potential consequences of this are serious. We