

realize, as more and more Americans are doing, that we were simply doing precisely what the United States is doing and is going to be compelled to do, and that is to protect for its own people to the maximum extent possible a rapidly diminishing reserve which we're all discovering, to our horror I suppose, is not nearly as large as we once thought it was.

It is, I think, important that I convey to you and that Americans understand that Canada is not as self-sufficient in terms of petroleum supplies as had been thought, and that indeed we face the same kind of crisis that you do. I think the mere fact that it is a mutual crisis is illustrative of the increasing necessity for Canada and the United States to work very closely together, as I have mentioned earlier in these remarks.

I want to just touch on three or four of the key challenges that we face between Canada and the United States in the years immediately ahead. Energy, as I have said, is obviously one of them, and I know that you will be interested to hear what Canada's position is with regard to the transmission of natural gas from Alaska to the United States, transiting Canadian territory. We have said, and I repeat today, that the one thing you can be sure of is that we will not be dog in the manger in terms of assisting the United States to meet its energy needs and to get access to that tremendously important and valuable natural resource. Therefore, if it is within our power to do so we will cooperate to the fullest possible extent. When I say within our power to do so you may be asking well, why cannot a sovereign government and a sovereign country simply say yes or no on an issue of this kind, and it may be useful if I take just a moment to illustrate the constraints against which we are working because if these are understood, then the next few months, which are crucial to both countries, will be passed over with the least amount of irritation or the least amount of this misunderstanding to which I have referred.

In the first place, either one of the pipeline routes presently being discussed goes through our northern territory north of the 60th parallel. There are environmental questions of really great importance which have to be assessed. No project of this magnitude has ever been undertaken, at least in the North American area, in that kind of terrain, and so therefore we have a Commission which has just recently completed its hearings seeking to determine to the maximum extent that human knowledge permits just what the environmental impact of a major pipeline project in the high Arctic is likely to be.

The second point that it is important that you understand is that that whole vast exciting region of Canada called the Arctic is one in which we have a very large group of native people, and these people have certain established