

"International Canada" is a paid supplement to *International Perspectives* supplied by External Affairs Canada. "International Canada" was published by the Canadian Institute of International Affairs and the Parliamentary Centre for Foreign Affairs until February 1982. In its present form, it continues the mandate to provide a comprehensive summary of Canadian government statements and political discussion on Canada's position in international affairs and a record of Canadian adherence to international agreements and participation in international programs. Each issue of *International Perspectives* carries "International Canada" covering two preceding months. The first supplement covered only March 1982 and appeared as part of the May/June issue of *International Perspectives*. This July/August edition carries "International Canada" for the months of April and May.

Bilateral Relations

U.S.A.

Alaska Gas Pipeline Delay

The Canadian government announced the collapse of one energy megaproject and the delay of another on April 30, blaming international conditions for the withdrawal of US investment commitments. The announcement of the collapse of the \$13.5 billion Alsands oil-sands project, followed by the announcement of a two-year delay in the \$35 billion Alaska Highway natural-gas pipeline, prompted lengthy debate in the House of Commons the next week, including a twenty-three hour session beginning the evening of March 3.

Canada had been mounting a "diplomatic offensive" to head off the predicted pipeline delay previous to the April 30 announcement. National Energy Board and pipeline officials had been in Washington a week earlier to seek continued US government commitment to the project. External Affairs Minister Mark MacGuigan wrote to US Secretary of State Alexander Haig April 23 urging US government support for the privately-financed US portion of the Alaska pipeline. The *Globe and Mail* April 29 reported that the "public exchange of letters, coming as pipeline sponsors [met] in Salt Lake City with the three US Alaska gas producers, is seen as open pressure on the producers to keep the project on track."

After the April 30 announcement of the two-year delay, the government continued to express optimism about Canada's plan for energy self-sufficiency by 1990 (*Globe and Mail*, May 4). The *Globe and Mail* May 22 reported that Northern Pipeline Agency Chairman Mitchell Sharp, returning from a Washington visit, said that he expected changes in the US partnership before the pipeline went ahead.

Garrison Project

A US court ruled in May that the US Interior Department is not bound by a Carter administration agreement

which held the North Dakota Garrison Diversion Project dormant while environmental studies were being done. Manitoba opposed the US project on the grounds that it could have serious environmental consequences as a result of introducing new organisms into the water system. The project would move water from the Missouri River in North Dakota into the Red River watershed. Although the US had said that it would take precautions to prevent damage to Canadian waters, Canadian opponents predicted the project would affect all pure water in Manitoba (*Globe and Mail*, May 8).

Reports to the Canadian Senate during May indicated that there was a possibility that the US would decide to direct the water south from North Dakota instead of north to Manitoba. South Dakota farmers were reported unhappy about the proposal because they feared the pollution of their waterways.

Energy Policy Exchange

Canadian Ambassador to the US Allan Gottlieb delivered a "diplomatic cuffing" May 10 to a US economist who said that Canada should be punished for an energy policy that "wrecked their markets and expelled efficient United States companies." Paul MacAvoy, a Yale University economist, had written an article published in the *New York Times* May 9 entitled "Canada's Self-destruct Energy Policy." Mr. Gottlieb told the Chicago Council on Foreign Relations that Mr. MacAvoy's article was "pure fantasy," full of errors of fact and misinterpretations of Canadian policy. Mr. Gottlieb's text, also distributed in Washington, was part of a campaign to clear up what the Canadian Ambassador calls "bad information spreading in the US among people who don't have the facts" (*Globe and Mail*, May 11).

Canadian Embassy in Washington

In the House of Commons May 14, Prime Minister Trudeau defended the estimated cost of building a new