The most significant American project with a potential harmful effect on Canada is the Garrison Diversion which would irrigate one-quarter million acres of North Dakota farmland. If the project proceeds as it is envisaged at present, Canadian officials predict that it will degrade the quality of the waters of Manitoba's Souris and Red Rivers. Discussions with the Americans on the Garrison Diversion Unit have been based on the reciprocal obligations which Canada and the United States assumed in the Boundary Waters Treaty of 1909. Specifically, under Article IV of this Treaty, both countries agreed that boundary waters and waters flowing across the boundary "shall not be polluted on either side to the injury of health or property on the other". The United States has indicated that it accepts this commitment, and intends to honour it. This situation could, then, be the setting for a new precedent in Canada/U.S. relations, viz that each country will take the necessary measures in advance to protect the other against activities which mighr result in trans-boundary water pollution.

Another major border dam concerns the Skagit Valley, in British Columbia. The roots of the problem date back to 1941 when the City of Seattle applied to the International Joint Commission (IJC) under the terms of the 1909 Boundary Waters Treaty for authority to raise the water level of the Skagit River by increasing the height of the Ross Dam in the State of Washington, the effect of which would be to flood approximately 5,475 acres of land in British Columbia. In a 1942 Order the Commission gave its approval subject to certain conditions, one of which was that Seattle adequately compensate Canadian interests that might be affected. In 1967 British Columbia and Seattle concluded a binding compensation agreement. Since 1967 public concern over the environment has increased and British Columbia is now opposed to the proposed flooding, a position which is supported by the Government of Canada.