to be the second-largest continental shelf in the world, exceeded only by that of the U.S.S.R., and is said to comprise approximately two million square miles. Moreover Canada's continental shelf, like that of Argentina, is deeply glaciated, with the consequence that it extends to great depths at considerable distances off Canada's coast in the north and off its east coast, so that simple distance or depth formulas for defining the outer limits of the continental shelf have little relevance to the Canadian situation. Thus, not surprisingly, Canada continues to support the "exploitability test" laid down in the 1958 Geneva Convention, defining the outer edge of the continental shelf in terms of the limits of exploitability and the recent decision of the International Court of Justice in the North Sea continental shelf case. This decision affirmed that the continental shelf was not some artificial, highly theoretical or abstract concept but the actual physical extention seaward of the submerged landmass.

Another factor of some importance is that Canada is not a major power. Although Canada is an ally of some of the world's major Western powers and therefore to some extent shares their preoccupations concerning global Western naval strategy, at the same time it has much in common with other coastal states concerned about their own security interests, particularly those involved in naval passage through straits, close to their shores. Another significant factor is that Canada is a non-nuclear power and is deeply committed to disarmament, and this has affected Canada's approach to such questions as the Arms Control Treaty and the denuclearization of the seabed. Not surprisingly, there has been a distinctly Canadian approach on that issue (as on most others in the related field of disarmament and environmental protection in international law in general).

Yet another factor, or rather a range of considerations, influencing Canada's approach to the Law of the Sea issues is that Canada is at one and the same time both a developed and a developing country. This dichotomy of perspective has particular application to the offshore, that is to say the continental shelf. Canada has the technology developing countries desire, gained the hard way by learning through doing, and in this respect Canadians probably rank amongst the foremost in the world. Canadian experts can be found involved in drilling operations and offshore exploration operations in widely-scattered parts of the globe. But, at the same time, Canada lacks the vast amount of risk capital required to develop its offshore resources (or considers that it does, which may have the same consequence in policy terms).

Huge investments

Exploration and exploitation of the petroleum resources of the seabed involve huge investments. On this issue, Canada's point of view is more analogous to that of developing countries concerned about controlling such investments in their interests than to that of many developed countries which are primarily concerned to protect their own investments in offshore exploration and exploitation operations near other countries' coasts from being nationalized. Canada tends to be more interested in guarding and protecting its own resources on its own continental shelf.

It is not surprising, perhaps, that it was a Canadian delegation that first proposed, in a UN forum, in September 1971 in the Sixth (Legal) Committee, that it was time for the world organization, to consider developing a code of ethics leading ultimately to a multilateral treaty to regulate the activities of multinational corporations. The Canadian proposal was based on the argument that, if states had long been the subjects of international law, and individuals were now the objects of international law, as in the Human Rights Conventions for example, why not attempt to develop international law applicable to the large multinational or transnational entities, many of them with budgets bigger than those of most Western governments, which were regulated on a hit-and-miss basis by unharmonized national legislation. The application of such an initiative to the question of pollution havens suggests the need for the development not only of trade law on these questions but of international law.

Time to consider a code of ethics for governing multinational firms

Connected with this aspect of the problem is one that is becoming increasingly important in Canada at present, and that is the whole issue of foreign ownership and control of multinational corporations. Merely to consider in a superficial manner the range of problems raised by the possibilities brought about by new technology to exploit the non-living resources of the continental shelf and the seabed beyond national jurisdiction is to be aware of the complexities of the problem. In the exercise of "sovereign rights" over the continental-shelf mineral resources, pursuant to the 1958 Continental Shelf Convention to which Canada is a party, the problem is perceived through the perspective of a country which requires a very clear-cut, authoritative interface for dealing with companies drilling off its shores —