

The international energy situation continued to have influence on the domestic scene. An agreement was signed in June to amend the 1981 Canada-Alberta agreement on energy pricing and taxation, with the purpose of assisting industry to cope with declining world oil prices and the weak demand for Canada's exports of natural gas. This amendment, together with one concluded later with Saskatchewan, increased the price of a number of categories of domestically-produced oil to world levels, and it reduced various taxes affecting the revenues of oil and natural gas producers. One of the consequences of these amendments was an encouraging increase in industry activity in all prospective regions of Canada. The three mini-mega oil sands projects which have been undertaken, and others which are being examined for future development, represent an important new "phased-development" approach to non-conventional oil resources in Canada; this approach is more consistent with development possibilities under the currently uncertain world oil price outlook. Poor US gas market conditions have been a major problem for Canada's natural gas industry. While gas exports to the United States declined by some 10 per cent in 1983, gas export revenues fell by some 17 per cent — indicating the considerable degree of US market softness despite gas border price reductions announced in April and July. Moreover, although gas export volumes decreased only by some 10 per cent, actual sales totalled only 40 per cent of newly-authorized levels — reflecting the fact that new markets could not be found. Coal exports again increased slightly. The electricity surplus in Canada resulted in a search for future markets in the United States.

Law of the Sea

Since the conclusion of the Convention on the Law of the Sea in December 1982, attention in this area has focused on questions of implementation. In domestic terms, this has meant the commencement of an interdepartmental examination of the legislative requirements in the event that Canada decides to ratify the Convention. The Convention will bring about changes in a number of areas including environmental protection, navigation, scientific research and economic development of the seabed and the continental shelf.

Canada and 129 other states have signed the Convention, which requires 60 ratifications to come into force. Only nine countries had ratified by March 31, 1984.

Under the terms of a resolution adopted at the final session of the Conference on the Law of the Sea, a Preparatory Commission made up of the signatories to the Convention was established in order to set up the institutional system envisaged in it. States such as the United Kingdom and the Federal Republic of Germany, which signed the Final Act of the Conference but not the Convention itself, participate as observers. The United States does not.

The Preparatory Commission is also working on the establishment of the International Seabed Authority, the permanent body which is to regulate seabed mining in the areas beyond national jurisdiction. In addition, the Commission plenary is engaged in efforts to establish a system to protect already existing investments in seabed mining for the period during which the Convention has not entered into force. The main problem, and one that as yet has not been resolved,

is the establishment of a method to resolve conflicts of overlapping claims for mine sites.

The work of the Preparatory Commission will continue to be of great importance in determining how the Convention will be implemented and the number of countries that ratify. If it can develop an economic and workable system for seabed mining, it may bring about broader participation in the Convention regime, including those Western industrialized states which have not yet signed the instrument.

Human rights and social affairs

The protection and promotion of human rights remained an important element in Canadian foreign policy. It featured prominently in Canada's bilateral relations with many states, and was reflected in Canada's development assistance programs. In the multilateral sphere, Canada's main efforts were focused on the activities of the various UN bodies dealing with human rights — the UN Commission on Human Rights, the Economic and Social Council and the General Assembly.

Within these UN bodies, the efforts to improve the human rights situation internationally were pursued along three main lines. The first was the development and codification of internationally recognized standards on various aspects of human rights, to contribute to the growing body of international law in this field. The second was the encouragement to member states for the full observance of the human rights for which international standards already exist, including the improvement of mechanisms for the identification and study of violations of human rights. Finally, when circumstances warrant, the human rights situation in individual states comes under examination in these bodies, a process which often includes the commissioning of a particular study on the situation, which then serves as a basis for the adoption of specific recommendations for improvements.

Canada was active in the work of these UN bodies, particularly the fortieth session of the UN Commission on Human Rights in February and March 1984. In its work of setting standards, the Commission concluded consideration on a draft convention on torture, and sent it to the General Assembly for adoption, thus completing its work on a matter which had been high among Canada's objectives. Progress was also made in negotiating a draft convention on the rights of children.

As a result of a Canadian initiative, the Commission is to consider annual reports on the imposition of states of siege or emergency, which tend to threaten human rights. In addition, Canada obtained a consensus on resolutions dealing with persons detained for holding or peacefully expressing their beliefs, and on continuing efforts to improve ways to deal with, and if possible prevent, mass exodus of persons from any state as a result of violations of human rights. Agreement was obtained for a study of the relationship between human rights violations and disabled persons, assuring further consideration by the Commission, and by the UN Economic and Social Council, of this important matter.

In these UN bodies, Canada was active in the discussion of human rights in many individual states, including South Africa, Kampuchea, El Salvador, Guatemala, Chile, Iran, Poland and Afghanistan. As a member of the Commission on Human Rights, Canada also participated in the *in camera* consideration of information received on the human rights situation