

of these issues. After 18 months of negotiations, agreement was reached on fisheries management and maritime boundary settlement procedures for the East Coast. Treaties were signed in Washington, D.C. on March 29, 1979. Negotiations on the other three maritime boundaries have been in abeyance pending final determination of the East Coast boundary.

One of the treaties signed in March 1979 provided for the submission of the East Coast boundary dispute to adjudication by the International Court of Justice. It was directly linked to the fisheries treaty, which provided for co-operative management of, and entitlements to, East Coast fish stocks. For two years, the US Senate did not act on the treaties. In March 1981, the Canadian government expressed its profound disappointment when the administration concluded that the fisheries treaty would not receive Senate consent for ratification and withdrew it. On November 20 the two countries nevertheless exchanged instruments of ratification to bring the "de-linked" maritime boundary treaty into force.

US fishery conservation and management in the disputed area of Georges Bank continues to be less effective than Canada considers necessary. The USA's adoption of its first-ever scallop management plan represents some progress, after much increased US effort had brought the resource in the area to a critical state. At the same time, however, the USA is greatly relaxing its management of the Georges Bank groundfish fishery.

In West Coast fisheries, progress has been made as discussions continue towards a comprehensive salmon-interception agreement. In July 1981, Canada and the USA ratified a treaty providing for reciprocal fishing of albacore tuna off the Pacific coast and for reciprocal landing rights at designated ports.

Taxation

A Canada-US Double Taxation Convention was signed in 1980 but has not yet been ratified by the US Senate. One issue delaying ratification concerns the treatment of real estate capital gains. Further bilateral negotiations towards amendments which would bring the Convention into closer alignment with US domestic law will be held early in 1982. If agreement